
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended March 31, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number **001-13101**

Outdoor Holding Company

(Exact name of registrant as specified in its charter)

Delaware
State or other jurisdiction
of incorporation or organization

30-0957912
(I.R.S. Employer Identification
No.)

1100 Circle 75 Pkwy, Suite 1300, Atlanta, GA 30339
(Address of principal executive offices) (Zip Code)

Registrant's telephone number including area code: **(480) 947-0001**

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
common stock, \$0.001 par value	POWW	The Nasdaq Stock Market LLC
8.75% Series A Cumulative Redeemable Perpetual Preferred Stock, \$0.001 par value	POPPW	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☒

Smaller reporting company ☒

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

☐ Yes ☒ No

The aggregate market value of the common stock of the registrant held by non-affiliates as of the last business day of the registrant's most recently completed second fiscal quarter (September 30, 2025) was \$145,456,088.

As of June 15, 2026, there were 116,163,494 shares outstanding of the registrant's common stock.

DOCUMENTS INCORPORATED BY REFERENCE

None.

TABLE OF CONTENTS

<u>PART I</u>	
ITEM 1: <u>BUSINESS</u>	4
ITEM 1A: <u>RISK FACTORS</u>	10
ITEM 1B: <u>UNRESOLVED STAFF COMMENTS</u>	24
ITEM 1C: <u>CYBERSECURITY</u>	24
ITEM 2: <u>PROPERTIES</u>	25
ITEM 3: <u>LEGAL PROCEEDINGS</u>	25
ITEM 4: <u>MINE SAFETY DISCLOSURE</u>	26
<u>PART II</u>	
ITEM 5: <u>MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND PURCHASES OF EQUITY SECURITIES</u>	27
ITEM 6: <u>RESERVED</u>	28
ITEM 7: <u>MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	29
ITEM 7A: <u>QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	39
ITEM 8: <u>FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA</u>	39
ITEM 9: <u>CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE</u>	39
ITEM 9A: <u>CONTROLS AND PROCEDURES</u>	39
ITEM 9B: <u>OTHER INFORMATION</u>	42
ITEM 9C: <u>DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS</u>	42
<u>PART III</u>	
ITEM 10: <u>DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE</u>	43
ITEM 11: <u>EXECUTIVE COMPENSATION</u>	47
ITEM 12: <u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS</u>	54
ITEM 13: <u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE</u>	56
ITEM 14: <u>PRINCIPAL ACCOUNTING FEES AND SERVICES</u>	59
<u>PART IV</u>	
ITEM 15: <u>EXHIBITS AND FINANCIAL STATEMENT SCHEDULES</u>	61
<u>SIGNATURES</u>	64

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements are any statements that refer to our estimated or anticipated results, other non-historical facts or future events and include, but are not limited to, statements regarding our business strategy; anticipated future operating results and operating expenses, cash flow, capital resources, dividends and liquidity; competition; trends, opportunities and risks affecting our business, industry and financial results; future expansion or growth plans and potential for future growth, including our plan to expand our e-commerce platform; our ability to attract new customers and retain existing customers; our ability to accurately forecast future revenues and appropriately plan our expenses; our expectations regarding future revenues; our ability to attract and retain qualified employees and key personnel; our stock repurchase program; future regulatory, judicial and legislative changes; and the sufficiency of our existing cash and cash equivalents to meet our working capital and capital expenditure needs over the next 12 months. In addition, forward-looking statements include statements involving trend analyses and statements including such words as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “potential,” “should,” “will,” “would,” “hope” and similar expressions or the negative of such terms or other comparable terminology.

Forward-looking statements are neither historical facts nor assurances of future performance, and are based only on management’s current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following:

- our ability to maintain and expand our e-commerce business;
- our ability to introduce new Marketplace features that match consumer preferences;
- our ability to retain and grow our customer base;
- the impact of lawsuits, including product liability claims, securities class action lawsuits, stockholder derivative suits and enforcement actions by regulatory authorities;
- our ability to maintain effective internal control over financial reporting;
- our reliance on relationships with third parties;
- the impact of adverse economic market conditions, including from social and political factors;
- our ability to meet our future capital requirements;
- the effect of security breaches on our information systems and other disruptions;
- our ability to retain and recruit key personnel;
- the intense competition in the markets in which we operate and our ability to compete within our markets;
- changes in laws, government regulations and policies and interpretations thereof;
- our ability to develop and maintain our brand cost-effectively;
- our failure to adequately protect our intellectual property rights;
- the loss of relationships with retailers and distributors;
- fluctuations in our financial results due to factors beyond our control; and
- the other factors set forth in Part I, Item 1A, “Risk Factors” of this Annual Report on Form 10-K (“Form 10-K”) and our other reports filed with the SEC.

Forward-looking statements speak only as of the date of this Form 10-K. We do not undertake any obligation to update or revise the forward-looking statements to reflect events that occur or circumstances that exist after the date on which such statements were made, except to the extent required by law.

PART I

ITEM 1. BUSINESS

Introduction

Outdoor Holding Company ("Outdoor Holding," "we," "us," "our" or the "Company") began its operations in 2017 as a producer of high-performance ammunition and premium components. Following the acquisition of the GunBroker business ("GunBroker") in 2021, we conducted operations through two operating and reportable segments: Ammunition segment and Marketplace segment. The Ammunition segment engaged in the design, production and marketing of ammunition, ammunition components and related products. The Marketplace segment consists of the GunBroker e-commerce marketplace ("Marketplace"), which, in its role as a marketplace platform, supports the lawful sale of firearms, ammunition, and hunting/shooting accessories. In addition, GunBroker helps provide the outdoors community with a state and federal compliant solution that connects buyers with sellers across the United States with local federally-licensed firearm dealers. The Marketplace allows our base of approximately 8.8 million users to follow ownership policies and regulations through our network of over 32,000 federally licensed firearms dealers as transfer agents. The nature and operation of the Marketplace as an online auction and sales platform also affords our Company a view into the total domestic market for the purpose of understanding sales trends at a granular level across all elements of the outdoor and sports shooting space.

Prior to the Transaction (defined below), our Ammunition segment manufactured small arms ammunition and their components for the commercial, military, and law enforcement communities. Our manufacturing operations were based out of Manitowoc, Wisconsin. We emphasized an American heritage by using predominantly American-made components and raw materials in our products that were produced, inspected, and packaged at our facility in Manitowoc, WI.

Sale of Ammunition Segment

During the year ended March 31, 2025, our Board of Directors (the "Board of Directors") initiated a formal review of various strategic alternatives. This review resulted in the unanimous decision to sell the Ammunition segment. On January 20, 2025, after a competitive bidding process, we entered into an Asset Purchase Agreement (the "Asset Purchase Agreement") with Olin Winchester, LLC (the "Buyer"), pursuant to which the Buyer agreed to (i) acquire all assets of our business of designing, manufacturing, marketing, distributing and selling ammunition and ammunition components (collectively, the "Ammunition Manufacturing Business") along with certain assets related to the Ammunition Manufacturing Business, including the Ammunition Manufacturing Business' dedicated manufacturing facility in Manitowoc, WI and (ii) assume certain liabilities related to the Ammunition Manufacturing Business, for a gross purchase price of \$75.0 million, subject to adjustments for estimated net working capital and real property costs and pro-rations (the "Transaction"). The Transaction closed on April 18, 2025. The net proceeds after all adjustments totaled approximately \$42.9 million. On April 21, 2025, the Company changed its name from "AMMO, Inc." to "Outdoor Holding Company." During the three months ended March 31, 2025, the Ammunition segment met the held for sale and discontinued operations accounting criteria. For information on discontinued operations, refer to Note 2 to our consolidated financial statements under the caption "Assets Held for Sale and Discontinued Operations" and Note 4, "Discontinued Operations".

Following the Transaction, we continue to operate our online Marketplace business. Unless otherwise noted, disclosures included in this Item 1, Business reflect only our continuing operations. Refer to Note 4, "Discontinued Operations" to the footnotes to the consolidated financial statements for additional details on discontinued operations.

GunBroker Marketplace

GunBroker is a leading online marketplace dedicated to firearms, hunting, shooting and related products. GunBroker does not hold any inventory, except for merchandise bearing its own branding, and instead facilitates transactions between third-party buyers and sellers. All transactions involving firearms are governed by federal and state laws and require the use of licensed firearms dealers, or Federal Firearms License holders ("FFLs"), to ensure legal compliance for transfer and delivery of regulated items. The Marketplace supports a robust compliance framework through access to more than 32,000 active FFLs who assist in the lawful transfer of regulated items. As of March 31, 2026, GunBroker had approximately 8.8 million registered users and averaged 4.43 million daily listings, underscoring its scale and leadership position in the U.S. online marketplace for outdoor and shooting sports products.

Platform Enhancements and Services

During fiscal year 2026, we implemented a range of platform enhancements designed to improve user engagement, expand service offerings, support regulatory compliance, and streamline marketplace transactions. Key enhancements include:

- *Master FFL Integration:* In November 2025, we initiated integration with the Master FFL platform to enhance our marketplace technology and compliance infrastructure. Master FFL is a comprehensive dealer database and compliance tool that facilitates FFL transfers. This integration is intended to expand access to a broader network of FFL's and to centralize dealer verification within our platform. The system is designed to automate dealer validation, reduce reliance on manual confirmation, and enhance the checkout experience through an integrated FFL selection tool that filters dealers based on transfer capabilities, including specialized licensing. These enhancements are intended to streamline firearm transfer workflow and provide buyers with additional dealer information.
- *AI-Powered Listing Tool:* In March 2026, we deployed a proprietary AI-powered listing tool to improve seller productivity and listing quality. The tool leverages our historical transaction data and buyer behavior insights to generate standardized and marketplace-optimized product descriptions. Integrated directly into the listing workflow, the system is designed to reduce listing creation time and promote consistency across listings, while maintaining seller oversight through user review and editing.
- *User Experience:* We enhanced core user interfaces, including the account dashboard, homepage, and item view pages. Improvements include expanded notification capabilities for bidding activity, winning status, and order updates, as well as refinements to category structure and navigation to support browsing, searching, and listing functionality.
- *Payments, Shipping and Transaction Support:* We expanded integrations with payment and escrow service providers to support a broader range of sellers, including individual and non-merchant participants. We also enhanced shipping functionality and breadth by expanding support for additional product categories, including non-firearm and ammunition shipments, and refining insurance-related requirements. These enhancements are intended to improve transaction flexibility and reliability.
- *Compliance and Security Enhancements:* We implemented updates designed to support compliance with applicable laws and regulations, including functionality addressing certain state-specific requirements and enhancements to transaction-related disclosures. We also strengthened platform security through the implementation of multi-factor authentication and other measures intended to safeguard user accounts and data. Compliance requirements are subject to change, and our platform will require ongoing modification to address evolving legal and regulatory standards.
- *Platform Infrastructure and Performance:* We continued to invest in platform reliability and scalability through enhancements to application programming interfaces (APIs), webhooks, system performance, and image processing capabilities. These improvements include expanded notification systems, increased processing efficiency, and general site performance enhancements intended to support increased usage and transaction volume.
- *Data, Analytics and Content:* We expanded our Outdoor Analytics platform through deeper integration with the marketplace, including centralized reporting, single sign-on functionality, and enhanced analytics capabilities. We also expanded data-driven content offerings, including industry reports and AI-assisted content. These tools are intended to provide users and industry participants with additional insights.

These enhancements reflect our ongoing investment in platform innovation and our strategic commitment to supporting a compliant, scalable, and user-centric marketplace for both buyer satisfaction and seller success.

Enhance Market Share, Brand Recognition, and Customer Loyalty

We believe that we benefit from brand recognition within the outdoor and shooting sports market, supported by our focus on compliance, platform reliability, and user experience. Our continued investment in seller tools, promotional features, and product offerings is intended to support customer loyalty and repeat engagement

across both buyer and seller communities. However, our ability to maintain or enhance brand recognition and customer loyalty depends on market conditions, competition, and our continued ability to meet user expectations.

Our Growth Strategy

We are focused on expanding market share, strengthening brand recognition, and increasing customer engagement by enhancing user experience and broadening our merchandise and service offerings. Our strategy includes leveraging proprietary marketplace data to identify potential trends and refine our business model. We also evaluate targeted investments and apply disciplined capital allocation to support long-term growth. The success of these initiatives depends on a variety of factors, including market conditions, user adoption, and competitive dynamics.

Marketing

We promote our Marketplace primarily through digital and platform-driven strategies aimed at buyer acquisition and seller growth. Our marketing programs include targeted digital campaigns, social media engagement, email marketing, content development, and search engine optimization.

We also provide sellers with tools to enhance visibility and support conversion, including video-enabled listings, promotional tools, and customizable storefronts. These efforts are supported by advertising solutions such as banner placements, curated product showcases, and manufacturer partnerships.

Our use of platform data and behavioral insights is intended to support personalized marketing and user engagement strategies. The effectiveness of these efforts depends on data quality, user responsiveness, and broader market conditions.

Technology and Product Development

We continue to advance our e-commerce platform in alignment with marketplace practices and operational needs. During fiscal 2026, we:

- initiated integration with the Master FFL platform to enhance dealer verification, expand dealer coverage, and streamline firearm transfer workflows;
- deployed an AI-powered listing tool to support seller productivity and listing quality; and
- continued investments in platform optimization, including enhancements to listing tools, communication systems, image processing, performance, APIs, and analytics.

Our technology teams utilize transaction and behavioral data to support ongoing development efforts, including personalized recommendations, marketing tools, and seller support services. These initiatives are intended to support scalability, compliance, and marketplace functionality.

Customers

We serve a broad ecosystem of customers, including:

- *Buyers:* Outdoor enthusiasts, sport shooters, collectors, and general consumers of firearms and related products.
- *Sellers:* Ranging from individual users and small businesses to large-scale retailers and manufacturers.
- *Industry Partners:* Includes FFLs, manufacturers, media and publishing organizations, and service providers who utilize our tools, analytics platforms, and advertising services to enhance their reach and operational efficiency.

As the platform expands, we are positioned to support not just buyer-seller transactions but also value-added services across advertising, analytics, and market visibility for brands operating in the outdoor category.

Competition

We operate in a highly competitive and evolving e-commerce landscape for firearms, shooting sports, and outdoor gear. Our competition spans across multiple channels and business models:

- *Peer-to-Peer Marketplaces:* We face direct competition from other online platforms facilitating firearms

transactions between individual users, including marketplaces and other models that offer classified listings and fixed-price selling options.

- *E-commerce-Enabled Dealers:* Chains and independent firearms dealers increasingly utilize third-party e-commerce platforms or their own integrated point-of-sale websites to list and sell inventory. These dealer-driven platforms compete for traffic, price competitiveness, and fulfillment flexibility, often leveraging in-store pickup or localized promotions as advantages.
- *Manufacturers with Direct-to-Consumer Capabilities:* Certain manufacturers, including Palmetto State Armory and Freedom Munitions, market and sell their products directly to consumers through their own online storefronts. This model allows them to bypass intermediaries, manage pricing directly, and retain higher margins, presenting competitive pressure on marketplaces.
- *Online Auction Transitions:* A number of traditional firearms auction houses that previously operated exclusively through in-person bidding events now have established online auction platforms, expanding their reach and introducing new digital buying formats that compete with GunBroker.com's auction-style model.

Human Capital

As of June 15, 2026, we had a total of 63 employees. Of these employees, 30 were in sales, marketing and customer service, 12 in software engineering, and 21 in various corporate and administrative functions (information technology, accounting, executives, etc.). None of our employees are represented by a union in a collective bargaining arrangement with us. We believe that our employee relations are good.

We foster a collaborative culture focused on accountability, innovation, and market responsiveness. Our workforce strategy emphasizes the attraction and retention of talent aligned with our mission of expanding our reach and relevance. Diversity, professional growth, and performance-driven engagement are central to our human capital philosophy.

Seasonality

We experience moderate seasonality, with elevated sales activity typically occurring in the second half of the fiscal year, driven by the fall hunting season and year-end holidays. Year-over-year trends show consistent performance peaks in the third and fourth quarters, with comparatively softer demand in the spring and summer months, reflecting stable seasonal patterns and supporting the platform's ability to plan around cyclical purchasing behavior.

Intellectual Property

We rely on a combination of trademarks, trade names, domain names, service marks, and trade secrets to support brand recognition and operational integrity. Our intellectual property portfolio includes proprietary platform features, analytics tools, and content assets that distinguish GunBroker.com in the market. We also license select technologies and content to support compliance and customer experience initiatives.

Regulatory Matters

We operate in a highly regulated industry. There are a number of federal, state and local laws and regulations that affect our business. Because we facilitate the sale of firearms and ammunition, we must ensure compliance with regulations of the Bureau of Alcohol, Tobacco, Firearms and Explosives (the "ATF"). We must also ensure compliance with federal, state and local laws and regulations, including the National Firearms Act of 1934 (the "NFA"), the Gun Control Act of 1968 (the "GCA"), the Arms Export Control Act of 1976 and provisions of the Internal Revenue Code of 1986, applicable to the Firearms and Ammunition Excise Tax, all of which have been amended from time to time. The NFA and GCA require the GunBroker.com platform to facilitate compliant transactions by ensuring that third-party buyers and sellers complete the transfer of regulated items by utilizing dealers that maintain FFLs and perform a pre-transfer background check in connection with each firearm purchase. These background checks are completed using either the FBI-managed National Instant Criminal Background Check System ("NICS"), or a comparable state government-managed system that relies on NICS and any additional information collected by the state. These background check systems either confirm that a transfer can be made, deny the transfer or require that the transfer be delayed for further review, and provide transaction numbers for the proposed transfer. Our sellers are required to record the transaction number on an ATF Form 4473 and retain this

form in their records for auditing purposes. We, or our sellers, are also subject to numerous other federal, state and local laws and regulations regarding firearm sale procedures, record keeping, inspection and reporting, including adhering to minimum age restrictions regarding the acquisition, purchase or possession of firearms or ammunition, residency requirements, applicable waiting periods, importation regulations and regulations pertaining to the shipment and transportation of firearms.

On September 13, 1994, the Federal Assault Weapons Ban (the “AWB”), which prohibited the manufacture of certain firearms defined as “assault weapons,” restricted the sale or possession of “assault weapons,” except those that were manufactured prior to the law’s enactment, and placed restrictions on the sale of new high-capacity ammunition feeding devices. In September 2004, Congress declined to renew the AWB. In the years following the expiration of the AWB, various states and local jurisdictions, including California, Colorado, New York and Washington (states in which we operate), have adopted their own versions of the AWB or high capacity ammunition feeding device restrictions, some of which apply to the products our sellers may hold for sale in other states. If a statute similar to the AWB were to be enacted or re-enacted at the federal level, it would impact our ability to facilitate the sale of certain products. Additionally, state and local governments have enacted laws and regulations that place additional restrictions on the manufacture, transfer, sale, purchase, possession and use of firearms, ammunition and shooting-related products. For example, several states, such as California, Colorado, Connecticut, Florida, Illinois, Maryland, Minnesota, New Jersey, New York, Oregon, Virginia and Washington have enacted laws and regulations that are more restrictive than federal laws and regulations that limit access to and sale of certain firearms and ammunition. California, Connecticut and New York impose mandatory screening of ammunition purchases. Some other states, such as Florida, Washington, and Colorado require the presentation of a firearms ownership identification card or permit in order to acquire ammunition products and have passed legislation that, among other things, raises the minimum age to purchase certain firearms to 21 from 18 and imposes a multi-day waiting period on all gun purchases. California also raised the minimum age to purchase certain firearms to 21 and enacted several restrictions, including background checks on ammunition sales. Some states prohibit the sale of guns without internal or external locking mechanisms. Several states and the United States Congress have introduced microstamping legislation (that is, engraving the handgun’s serial number on the firing pin of new handguns) for certain firearms. Other state or local governmental entities may also explore similar legislative or regulatory initiatives that may further restrict the manufacture, sale, purchase, possession or use of firearms, ammunition and shooting-related products. We must ensure that our platform complies with these regulations. We believe that we are in substantial compliance with the terms of such regulations and that we have no liabilities under such laws that we expect could have a material adverse effect on our business, results of operations or financial condition. State, local, and federal laws and regulations relating to products for sale on our platform may change, sometimes significantly, as a result of political, economic or social events.

Our e-commerce business is subject to the Mail or Telephone Order Merchandise Rule and related regulations promulgated by the Federal Trade Commission (the “FTC”). FTC regulations, in general, govern the solicitation of orders, the information provided to prospective customers and the timeliness of shipments and refunds. In addition, the FTC has established guidelines for advertising and labeling many of the products for sale on our e-commerce platform. We are also subject to a variety of state laws and regulations relating to, among other things, advertising and product restrictions. Some of these laws prohibit or limit the sale, in certain states and locations, of certain items. We administer various restriction codes and other software tools to prevent the sale of such jurisdictionally restricted items. Additionally, we are required to ensure compliance with federal and state laws governing the secure shipment of regulated items.

We believe current laws have not materially impacted our platform usage; however, changes in regulation or consumer sentiment may affect future operations. We continuously monitor legal developments and maintain policies to ensure adherence to applicable laws.

Data Privacy

In the ordinary course of business, we collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect, secure, dispose of, transmit, and share (collectively, “process”) personal data, such as consumer information. Accordingly, we are subject to numerous data privacy and security obligations, including federal, state, and local laws, regulations, guidance, industry standards, external and internal privacy and security policies, contractual requirements and other obligations related to data privacy and security. These frameworks are evolving and may impose potentially conflicting obligations. Such obligations may include, without limitation, the Federal Trade Commission Act, the California Consumer Privacy Act of 2018 (the “CCPA”), industry standards, such as the

Payment Card Industry Data Security Standard ("PCI DSS"). The CCPA is an example of the increasingly stringent and evolving regulatory frameworks related to personal data processing that may increase our compliance obligations and exposure for any noncompliance. For example, the CCPA applies to personal data of consumers, business representative, and employees who are California residents, imposes specific obligations on covered businesses, provides for fines and allows private litigants affected by certain data breaches to recover significant statutory damages. In addition, numerous other U.S. states have enacted comprehensive data privacy laws, and similar laws are being considered at the federal, state, and local levels.

Available Information

You can find reports we file with the U.S. Securities and Exchange Commission (the "SEC"), including our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports, free of charge on our website *outdoorholding.com* under the "Investor Relations" heading. These reports may also be found by accessing the SEC's website (<https://www.sec.gov>).

Investors and others should note that we announce material financial information using the "Investor Relations" section of our website. We use our website, press releases, as well as social media to communicate with our investors, customers and the general public about our company, our services and other issues. While not all of the information that we post on our website or on social media is of a material nature, some information could be material. Therefore, we encourage investors, the media, and others interested in our Company to review the information we post on the Investor Relations section of our website and on our social media. We are providing the address of our website solely for the information of investors and the information on our website is not a part of or incorporated into this or any report that we file with the SEC.

ITEM 1A. RISK FACTORS

The risk factors noted in this section and other factors noted throughout this Form 10-K, including those risks identified in Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” describe examples of risks, uncertainties and events that may cause our actual results to differ materially from those contained in any forward-looking statement. If one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect, actual outcomes may vary materially from those included in this Form 10-K

Risk Related to Our Business Operations

Our business, financial performance, and growth depends on our ability to attract and retain an active and engaged community of buyers and sellers on our e-commerce platform.

Our financial performance has been and will continue to be significantly determined by our success in attracting and retaining active buyers and active sellers on the GunBroker Marketplace. Our ability to attract and retain buyers and sellers is impacted by a variety of factors, including customer experience, platform usability and brand perception, as well as external influences such as the political environment, regulation and economic conditions.

If buyers do not find our platform appealing, for example, because of a negative experience, inadequate customer service, dissatisfaction with FFL transfer fees or marketplace fees, lack of buyer-friendly features, lack of desirable product listings, lack of product listing variety, lack of competitive shipping charges, delayed shipping times, or other factors, they may make fewer purchases and they may not refer others to us. Likewise, if sellers are dissatisfied with their experience on our platform, or feel they have more attractive alternatives, they may stop listing items in our Marketplace and using our services and may stop referring others to us, which could negatively impact our financial performance. Our brand and reputation are critical to our success, as they influence our ability to attract and retain buyers and sellers. User engagement may be impacted by factors including user experience, platform functionality, pricing, customer service, product availability, shipping costs, and competition. If buyers or sellers are dissatisfied or perceive more attractive alternatives, they may reduce activity or leave our platform.

In addition, GunBroker’s revenue is concentrated in our most active buyers and sellers. If we lose a significant number of buyers or sellers, or our buyers or sellers do not maintain their level of activity for any reason, our financial performance would be harmed. Even if we are able to attract new buyers and sellers to replace the ones that we may lose, we may not be able to do so at comparable levels, they may not maintain the same level of activity, and the revenue generated from new buyers and sellers may not be as high as the revenue generated from the ones who leave, or reduce their activity level on our Marketplace. If we are unable to attract and retain buyers and sellers, or our buyers or sellers do not maintain their level of activity, our business and financial performance could be harmed.

Furthermore, the demand for the products listed in our Marketplace is dependent on consumer preferences and available discretionary spending, which can and do change quickly. A shift in consumer interests away from outdoor sports, hunting, sport shooting or firearms could also make it more difficult to attract new buyers and sellers. Under any of these circumstances, we may have difficulty attracting new buyers and sellers without incurring additional expense. In addition, a change in applicable federal or state law and restrictions that prohibits GunBroker from providing its facilitative auction platform services would have a direct substantial financial impact on our operations that would cause an adverse effect on the continuity of our operations.

Our recent platform enhancements may not achieve their intended benefits and could introduce additional operational, technological, and regulatory risks.

During fiscal year 2026, we implemented a range of enhancements across the GunBroker Marketplace, including integration with Master FFL, a third-party dealer verification platform, deployment of a proprietary AI-powered listing tool, expanded payment, escrow, and shipping integrations, compliance and security updates, platform infrastructure and performance improvements, and expansion of our Outdoor Analytics data and content offerings. While these enhancements reflect our ongoing investment in platform functionality and scalability, these initiatives may not function as intended, achieve widespread user adoption, or result in anticipated improvements to our financial or operational performance. If these enhancements fail to perform as expected, do not achieve adequate adoption, or introduce unforeseen technical or operational issues, customer satisfaction with their experience on our platform could be adversely affected, resulting in harm to our business and financial performance.

Several of these enhancements depend on third-party data, services, and participation, and are subject to risks outside of our direct control. For example, the effectiveness of our Master FFL integration relies on the accuracy and timeliness of third-party dealer data, the willingness of federally licensed firearm dealers to participate, and our ability to adapt to evolving regulatory requirements governing firearm transfers. The success of our AI-powered listing tool depends on the quality and relevance of underlying data and may not consistently produce accurate or complete product descriptions. Inaccurate or misleading AI-generated content could result in buyer dissatisfaction, reputational harm, or potential liability. Furthermore, our compliance and security enhancements, including state-specific functionality and multi-factor authentication, are designed to support our regulatory obligations and safeguard user data; however, compliance requirements are subject to frequent change, and we may be unable to keep pace with evolving legal and regulatory standards. Any failure or perceived failure to comply with applicable laws and regulations could subject us to enforcement actions, fines, litigation, or reputational harm, any of which could materially adversely affect our business and results of operations. Additionally, while the Master FFL integration will be accretive to sales, the cost of the service will necessarily result in some minimal dilution of our gross margin.

Substantial competition may harm our business.

We operate in a highly competitive and evolving market for firearms, shooting sports, and outdoor gear. Our competitors, some of which are well-established brands with greater resources and larger customer bases than our own, provide similar products to consumers and span across multiple channels and business models. We currently and potentially compete with a wide variety of peer-to-peer marketplaces, e-commerce-enabled dealers, manufacturers with direct-to-consumer capabilities, online auction platforms from traditional firearms auction houses, big box retailers and brick and mortar stores.

We compete as a two-sided, peer-to-peer marketplace, and we must attract both buyers and sellers to use our platform. Consumers who purchase products through us have many alternatives, and we face increased competitive pressure online and offline. Competitors with an e-commerce presence may increase the expected level of e-commerce service in a variety of aspects such as improved user experience, greater ease of buying goods, lower (or no) shipping costs, faster shipping times and more favorable return policies. Manufacturers with direct-to-consumer capabilities, such as Palmetto State Armory, Ammunition Depot, Vista Outdoors, and Freedom Munitions, have the ability to bypass intermediaries, manage pricing directly, and retain higher margins. We may not be able to successfully expand our e-commerce business to respond to shifting consumer traffic patterns and direct-to-consumer buying trends. In addition, we compete with brick and mortar and big box retailers that provide alternatives to e-commerce. As e-commerce evolves, offline retailers such as Sportsman's Warehouse, Bass Pro Shops, Cabela's, and Academy Sports have the ability to attract our customers through incentives such as in-store pick up and no FFL transfer fees.

Competitors with other revenue sources or greater resources may also be able to devote more resources to marketing and promotional campaigns and buyer acquisition, adopt more aggressive pricing policies and devote more resources to website, mobile platforms and applications and systems development than we can. Other competitors may find ways to offer faster and/or free shipping, same-day delivery, more favorable return policies and other superior transaction-related services that improve the user experience on their sites, which could be impractical or inefficient for our sellers to match. We face competitive pressure to offer promotional discounts, which could impact our gross margin and increase our marketing expenses or overhead. We are limited, however, in our ability to fully respond to competitor price discounting because we cannot market our products at prices that may produce adverse relationships with our customers that operate brick and mortar locations as they may perceive themselves to be at a disadvantage based on lower e-commerce pricing to end consumers.

We may not be able to compete effectively with and adapt to changes made by our competitors, and our business, financial performance and ability to attract and retain an active and engaged community of buyers and sellers could suffer.

Changes to our policies to protect buyers and sellers could increase our costs and loss rate, and failure to manage such programs effectively can result in harm to our reputation.

We maintain policies intended to compensate users who believe that they have not received the item that they purchased or have received an item different from what was described. We expect to continue to receive communications from users requesting reimbursement or threatening or commencing legal action against us if no reimbursement is made. Litigation, legislation, or regulation involving liability for any seller fraud or non-

performance could result in increased costs of doing business, lead to adverse judgments or settlements or otherwise harm our business. In addition, affected users may complain to regulatory agencies that could take action against us, including imposing fines or seeking injunctions.

Seasonality and weather conditions may cause our operating results to vary from quarter to quarter.

Because many of our products are used for seasonal outdoor sporting activities, our operating results may be significantly impacted by unseasonable weather conditions. Accordingly, our operating results could suffer when weather patterns do not conform to seasonal norms.

Shipments of firearms and ammunition for hunting are highest during the months of June through September to meet consumer demand for the fall hunting season and holidays. The seasonality of our sales may change in the future. Seasonal variations in our operating results may reduce our cash on hand, increase our inventory levels, and extend our accounts receivable collection periods. This in turn may cause us to increase our debt levels and interest expense to fund our working capital requirements.

Our share repurchase program may not be fully executed or may be suspended or terminated at any time, and the program could affect the market price of our common stock.

In January 2026, our Board of Directors approved a share repurchase program authorizing the repurchase of up to \$15.0 million of shares of our common stock from time to time in either an approved 10b5-1 or 10b-18 plan for a period of 12 months. The timing and amount of any repurchases will depend on a variety of factors, including the knowledge of material non-public information, market conditions, the trading price of our common stock, our financial performance, regulatory requirements, and other business considerations. The program does not obligate us to repurchase any specific number of shares and may be modified, suspended, or terminated at any time. The existence of the repurchase program could create volatility in the market price of our common stock or lead investors to expect future repurchases that may not occur. Any failure to meet such expectations could adversely affect the market price of our common stock.

Risks Related to Technology, Security, and Data

Breaches of our information systems could adversely affect our reputation, disrupt our operations, and result in increased costs and loss of sales.

There have been an increasing number of cybersecurity incidents affecting companies around the world, which have caused operational failures or compromised sensitive corporate data. Although we do not believe that our systems are at a greater risk of cybersecurity incidents than other similar organizations, any such cybersecurity incidents may result in the loss or compromise of customer, financial, or operational data, disruption of billing, collections, or normal operating activities, disruption of electronic monitoring and control of operational systems, and delays in financial reporting and other management functions.

A growing percentage of cyberattacks are designed to exploit legitimate credentials and identity systems rather than software vulnerabilities. Threat actors increasingly use techniques such as phishing, credential harvesting, session hijacking, and token theft to gain unauthorized access to user accounts. Once authenticated, attackers may operate within systems using valid credentials, making detection more difficult and allowing them to bypass traditional security controls that are designed to prevent unauthorized access at the perimeter. The organization maintains strict but useable access control infrastructure for end users and ever seeks to increase scrutiny and limit fraudulent activity. The organization also employs various methods for detecting and remediating fraudulent access.

Although we have integrated a variety of processes, technologies, and controls to assist in our efforts to assess, identify, and manage material cybersecurity-related risks, these efforts are not exhaustive, and our efforts may not be adequate to prevent or detect service interruption, system failure, data loss or theft, or other material adverse consequences, directly or through our vendors. Additionally, these measures have not always been in the past, and in the future may not be, sufficient to prevent or detect a cyberattack, system failure, or security breach particularly given the increasingly sophisticated tools and methods used by hackers, state actors, organized cyber criminals, and cyber terrorists. Possible impacts associated with a cybersecurity incident may include, among others, remediation costs related to lost, stolen, or compromised data, repairs to data processing systems, increased cybersecurity protection costs, reputation damage, and adverse effects on our compliance with applicable privacy and other laws and regulations. Geopolitical tensions and evolving global conflicts may increase the frequency, sophistication, and severity of cyber threats, including those originating from nation-state actors and affiliated

groups. These actors are often well-resourced, highly persistent, and capable of conducting advanced cyber operations, including espionage, data exfiltration, distributed denial-of-service (DDoS) attacks, and efforts to disrupt or degrade critical infrastructure and commercial platforms. In periods of heightened geopolitical instability, such actors may broaden their targets to include private sector organizations, particularly those operating digital platforms and marketplaces.

If we experience, or are perceived to experience, security breaches that result in Marketplace performance or availability problems or the loss, compromise or unauthorized disclosure of personal data or other sensitive information, or if we fail to respond appropriately to any security breaches that we may experience, or are perceived to do so, people may become unwilling to provide us the information necessary to set up an account with us to become a new seller or buyer. Existing sellers and buyers may also stop listing new items for sale on the Marketplace, decrease their purchases, or close their accounts altogether. We could also face damage to our reputation, potential liability, regulatory investigations in multiple jurisdictions, and costly remediation efforts and litigation, which may not be adequately covered by, and which may impact our future access to, insurance. Any of these results could harm our growth prospects, our business, and our reputation for maintaining a trusted Marketplace.

In addition, the costs and effort to respond to a security breach and/or to mitigate any security vulnerabilities that may be identified could be significant, our efforts to address these problems may not be successful, and these problems could result in unexpected interruptions, delays, cessation of service, negative publicity, negative seller or buyer sentiment, and other harm to our business and our competitive position. We could be required to fundamentally change our business activities and practices in response to a security breach or related regulatory actions or litigation, which would have an adverse effect on our business.

We and the third parties with whom we work are subject to stringent and evolving obligations related to data privacy and security, and our actual or perceived failure to comply with such obligations (or such failure by the third parties with whom we work) could lead to adverse business consequences.

In the ordinary course of business, we process personal data and other sensitive information, including proprietary and confidential business data, trade secrets, intellectual property, sensitive third-party data, business plans, transactions, and financial information (collectively, sensitive data). These processing activities subject us to numerous data privacy and security obligations, such as various laws, regulations, guidance, industry standards, external and internal privacy and security policies, contractual requirements, and other obligations relating to data privacy and security.

In the United States, federal, state, and local governments have enacted numerous data privacy and security laws, including data breach notification laws, personal data privacy laws, consumer protection laws (e.g., Section 5 of the Federal Trade Commission Act), and other similar laws (e.g., wiretapping laws). Numerous U.S. states have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices and affording residents with certain rights concerning their personal data. As applicable, such rights include the right to access, correct, or delete certain personal data, and to opt-out of certain data processing activities, such as targeted advertising, profiling, and automated decision-making. The exercise of these rights may impact our business and ability to provide our products and services. Certain states also impose stricter requirements for processing certain personal data, including sensitive information, such as conducting data privacy impact assessments. These state laws allow for statutory fines for noncompliance. For example, the CCPA imposes obligations on covered businesses regarding their processing of personal data and provides for fines and a private right of action for certain data breaches. Similar laws are being considered in several other states, as well as at the federal and local levels, and we expect more states to pass similar laws in the future.

Additionally, under various privacy laws and other obligations, we may be required to obtain certain consents to process personal data. Our inability or failure to do so could result in adverse consequences, such as threats of class-action litigation alleging violations of wiretapping laws. In addition to data privacy and security laws, we are contractually subject to industry standards adopted by industry groups, such as the PCI DSS, and we are, and may become in the future subject to such obligations. We rely on vendors to process payment card data, and those vendors are subject to PCI DSS, and our business may be negatively affected if our vendors are fined or suffer other consequences as a result of PCI DSS noncompliance.

We are also bound by other contractual obligations related to data privacy and security, and our efforts to comply with such obligations may not be successful. We publish privacy policies, marketing materials, and other

statements concerning data privacy and security. Regulators in the United States are increasingly scrutinizing these statements, and if these are found to be deficient, lacking in transparency, deceptive, unfair, misleading, or misrepresentative of our practices, we may be subject to investigation, enforcement actions by regulators, or other adverse consequences.

Obligations related to data privacy and security (and consumers' data privacy expectations) are quickly changing, becoming increasingly stringent, creating regulatory uncertainty, and may be subject to differing applications and interpretations. Preparing for and complying with these obligations requires us to devote significant resources and may necessitate changes to our services, information technologies, systems, and practices and to those of any third parties that process personal data on our behalf.

We may at times be unsuccessful (or be perceived to have been unsuccessful) in our efforts to comply with our data privacy and security obligations. Moreover, despite our efforts, our personnel or third parties with whom we work may be unsuccessful in complying with such obligations, which could negatively impact our business operations. If we or the third parties with whom we work are unsuccessful, or are perceived to have been unsuccessful, to address or comply with applicable data privacy and security obligations, we could face significant consequences, including but not limited to: government enforcement actions (e.g., investigations, fines, penalties, audits, inspections, and similar); litigation (including class-action claims); additional reporting requirements and/or oversight; bans on processing personal data and orders to destroy or not use personal data. Any of these events could have a material adverse effect on our reputation, business, or financial condition, including but not limited to: loss of customers; inability to process personal data or to operate in certain jurisdictions; limited ability to develop or commercialize our products; expenditure of time and resources to defend any claim or inquiry; adverse publicity; or substantial changes to our business model or operations.

A failure of our information technology systems, or an interruption in their operation due to internal or external factors including cyberattacks, could have a material adverse effect on our business, financial condition or results of operations.

Our operations depend on our ability to protect our information systems, computer equipment, and information databases from systems failures. We rely on our information technology systems generally to manage the day-to-day operations of our business, operate the Marketplace, manage relationships with our customers, facilitate customer orders, and maintain our financial and accounting records.

Failure of our information technology systems could be caused by internal or external events, such as incursions by intruders or hackers, computer viruses, cyber-attacks, break-ins, intentional or accidental actions or inaction by employees or others with authorized access to our networks, failures in hardware or software, or power or telecommunication fluctuations or failures.

Our information technology systems rely on internal technology, along with cloud services and software provided by our third-party service providers. In the event of a cyber-related incident or other service disruption, even partial unavailability of our systems could impair our ability to serve our customers, manage transactions, or operate the Marketplace. We have implemented disaster recovery mechanisms, including systems to back up key data and production systems, but these systems may be inadequate or incomplete. For example, these disaster recovery systems may be susceptible to cyber-related events if insufficiently separated from primary systems, not comprehensive, or not at a scale sufficient to replace our primary systems. Insufficient production and disaster recovery systems could, in the event of a cyber-related incident, harm our growth prospects, our business, and our reputation for maintaining a trusted marketplace.

We rely on third-party service providers to perform services, including, credit card processing, payment disbursements, identity verification, and fraud analysis and detection. As a result, we are subject to a number of risks related to our dependence on third-party service providers. If any or some of these service providers fail to perform adequately or if any such service provider were to terminate or modify its relationship with us unexpectedly, our sellers' ability to use the Marketplace to receive orders or payments could be adversely affected, which could increase our costs, drive sellers away from our marketplaces, result in potential legal liability, and harm our business. In addition, we and our third-party service providers may experience service outages from time to time that could adversely impact payments made on our platform. Additionally, any unexpected termination or modification of those third-party services could lead to a lapse in the effectiveness of certain fraud prevention and detection tools.

Our third-party service providers may increase the fees they charge us in the future, which would increase our operating expenses. This could, in turn, require us to increase the fees we charge and cause some buyers or

sellers to reduce purchases or listings on the Marketplace or to leave our platform altogether by closing their accounts.

We also rely on the security practices of our third-party service providers, which may be outside of our direct control. Our third-party service providers may not have adequate security and privacy controls, may not properly exercise their compliance, regulatory or notification requirements, including as to personal data, or may not have the resources to properly respond to an incident. The failure of our or our third-party service providers' information technology systems to perform as anticipated for any reason or any significant breach of security could disrupt our business and result in numerous adverse consequences, including reduced effectiveness and efficiency of operations, increased costs, or loss of important information, any of which could have a material adverse effect on our business, operating results, and financial condition. Any technology and information security processes and disaster recovery plans we use to mitigate our risk to these vulnerabilities may not be adequate to ensure that our operations will not be disrupted should such an event occur.

Generative artificial intelligence may have a significant impact on our business.

We expect generative artificial intelligence ("Gen AI") to have a significant impact on the future of e-commerce, as artificial intelligence technologies become increasingly important for consumers buying and selling goods online. If we are unable to identify appropriate Gen AI providers and artificial intelligence technologies, or if we fail to utilize those technologies or develop our own technologies, our business may be harmed. For example, consumers may increasingly search for products using chatbots, virtual assistants or other Gen AI technologies powered by large language models instead of using traditional search engines. If current and future artificial intelligence technologies do not send referrals to GunBroker at the rate of traditional search engines for any reason, the amount of buyer and seller traffic using our platform could decrease, which could negatively impact our business and results of operations.

In addition, our use of Gen AI technologies may create or increase operational, legal, reputational, and regulatory risks. Gen AI systems, including chatbots, virtual assistants, automated customer service tools, recommendation engines, content moderation tools, and other artificial intelligence-enabled features, may generate inaccurate, incomplete, misleading, biased, discriminatory, offensive, or otherwise harmful outputs. For example, a Gen AI-enabled chatbot or other automated tool could provide incorrect advice or information to a buyer, seller, or other user; fail to identify or appropriately escalate a safety, compliance, fraud, or legal issue; participate in or contribute to a transaction, communication, or other event that results in injury, financial loss, regulatory scrutiny, or other liability; or generate content that is perceived as racist, sexist, discriminatory, defamatory, harassing, or otherwise offensive. Even where such outputs are unintended, are caused by third-party AI providers, or are based on inaccurate, incomplete, or biased data inputs, we may face claims, investigations, enforcement actions, user complaints, reputational harm, or other liabilities arising from the use or perceived use of such technologies. We may also incur significant costs to monitor, test, audit, restrict, remediate, or defend against issues arising from Gen AI systems, and our efforts may not be effective in preventing harm or liability.

Threat actors are increasingly leveraging artificial intelligence to enhance the scale, speed, and sophistication of cyberattacks. These technologies may be used to automate aspects of vulnerability discovery by analyzing publicly available code, system configurations, and application behaviors to identify potential weaknesses more efficiently than traditional manual methods. Reliance on traditional incident response techniques may become less effective as AI-enabled exploitation techniques evolve and accelerate. We are constantly evaluating the impact of generative systems against our products and services, and endeavor to keep pace with AI security trends and weaknesses as we seek to integrate them into our environments.

Operations and continued development of our payments system and financial services offerings require ongoing investment, are subject to evolving laws, regulations, rules, and standards, and involve risk, including risks related to our dependence on third-party providers.

We have invested and plan to continue to invest internal resources into our payments tools in order to maintain existing availability, expand into additional markets and offer new payment methods and other types of financial services to our buyers and sellers. If we fail to invest adequate resources into payments on our platform, or if our investment efforts are unsuccessful, unreliable or result in system failure, our payments and financial services may not function properly or keep pace with competitive offerings, which could negatively impact their usage and our platform. Future errors, failures or outages could cause our buyers and sellers to lose confidence in our payments system and could cause them to cease using our Marketplace.

If we transition to new third-party payment service providers for any reason, we may be required to invest significant financial and personnel resources to support such transition or could be unable to find a suitable replacement service provider. As we offer new payment methods and financial services to our sellers and buyers, we are now subject to additional regulations and compliance requirements, and exposed to heightened fraud and regulatory risk, which could lead to an increase in our operating expenses.

Payments and other financial services are governed by complex and continuously evolving laws and regulations that are subject to change and vary across different jurisdictions in the United States. As a result, we are required to spend significant time and effort to determine whether various licensing and registration laws as well as privacy and secrecy laws relating to payments and other financial services we offer apply to us and to comply with applicable laws and licensing and registration regulations. In addition, we may be unable to obtain or retain any necessary licenses or registrations. Any failure or claim of failure by us or our third-party service providers to comply with applicable laws and regulations relating to payments or financial services could require us to expend significant resources, result in liability, limit or preclude our ability to enter or continue to operate in certain markets and harm our reputation. In addition, changes in payment regulations, or other financial regulation, including changes to the credit or debit card interchange rates, could adversely affect payments on our platform and make our payments systems less profitable.

Further, we are indirectly subject to payment card association operating rules and certification requirements pursuant to agreements with our third-party payment processors. These rules and requirements, including the PCI DSS and rules governing electronic funds transfers, are subject to change or reinterpretation, making it difficult for us to comply. Any failure to comply with these rules and certification requirements could impact our ability to meet our contractual obligations to our third-party payment processors and could result in potential fines. In addition, changes in these rules and requirements, including any change in our designation by major payment card providers, could require a change in our business operations and could result in limitations on or loss of our ability to accept payment cards or other forms of payment, any of which could negatively impact our business. Such changes could also increase our costs of compliance, which could lead to increased fees for us or our sellers and adversely affect payments on our platform or usage of our payments services and platform.

Our third-party payments system may be susceptible to illegal uses, including money laundering, terrorist financing, fraud and payments to sanctioned parties. If our compliance program and internal controls to limit such illegal activity are ineffective, government authorities could bring legal action against us or our third-party payments system provider or otherwise suspend our ability to offer payments or financial services.

Risks Related to Financial Reporting and Controls

We are and may continue to be subject to litigation arising from the restatement of our financial statements and related matters, which could result in significant judgments, settlements, penalties, and legal expenses.

The restatement of our previously issued financial statements, along with the findings of the investigations conducted by a special committee of the Board of Directors of the Company (the “Special Committee Investigation”) and the SEC’s Division of Enforcement (the “SEC Investigation”), exposes us to various legal challenges. These challenges could include securities class action lawsuits and stockholder derivative suits. Such proceedings may allege violations of federal securities laws, deficiencies in our disclosure controls and procedures, or other corporate governance issues. Defending against these matters is time-consuming and costly and will divert management’s attention from our business operations. Adverse outcomes could result in substantial monetary damages, penalties, injunctive, or other relief, and even if resolved favorably, we may incur significant legal expenses. These potential liabilities and costs could materially and adversely impact our business, financial condition, and results of operations.

We may be required to indemnify our current and former directors, officers and employees in connection with litigation and other actions which could result in significant legal expenses and other costs to us.

Our corporate governance documents and applicable indemnification agreements require us to defend and indemnify our current and former directors and officers, and certain employees and contractors against enumerated liabilities and expenses incurred as a result of legal proceedings and potential litigation arising out of the matters related to the restatement. As a result, we may be obligated to advance and ultimately pay substantial legal costs, settlement amounts, or judgments on behalf of these individuals. These indemnification obligations could significantly increase our legal expenses and could materially adversely affect our financial condition and cash flow.

Our reputation may be harmed by the Special Committee Investigation, the SEC Investigation, and the restatement, making it more difficult to attract business opportunities, employees, and investors.

The restatement of our financial statements, SEC Investigation into historical matters, related litigation, or negative publicity could damage our reputation with investors, customers, suppliers, business partners, and regulators. Any reputational harm could adversely affect our relationships with existing and prospective stakeholders, diminish our ability to attract and retain key personnel, reduce the confidence of investors in our company, and limit our access to capital markets. Reputational damage may also make it more difficult to pursue business opportunities, negotiate favorable terms in future commercial relationships, and achieve our strategic objectives, any of which could materially adversely affect our business, financial condition, results of operations, and prospects.

Investors may view our historical financial statements as less reliable following the restatement, which could adversely effect our access to capital markets and our stock price.

As a result of the restatement of our historical financial statements and the identification of material weaknesses in our internal control over financial reporting, investors may view our historical financial information as less reliable. This perception could impact investor confidence, adversely affect the market price of our securities, impair our ability to access capital markets, and result in greater difficulty in achieving strategic or financial objectives.

We previously identified material weaknesses in our internal control over financial reporting and our remediation efforts may not be fully effective.

As a public company, we are required to comply with Section 404 of the Sarbanes-Oxley Act of 2002 (“Section 404”). Section 404 requires us to include management’s assessment of the effectiveness of our internal control over financial reporting as of the end of the fiscal year in this Form 10-K. This report must also include disclosure of any material weaknesses in internal control over financial reporting that we have identified.

While we completed remediation efforts and did not identify any material weaknesses in internal control over financial reporting as of the filing of this Form 10-K, such efforts including the implementation of new policies, procedures, and controls, may not be successful. Additional material weaknesses may be identified in the future. Failure to maintain effective internal control over financial reporting could result in additional errors or misstatements in our financial statements, impair our ability to accurately and timely report financial results, harm our reputation and investor confidence, limit our ability to access capital markets, subject us to additional regulatory scrutiny, and adversely affect our business, financial condition, and results of operations. Effective internal control over financial reporting and related controls and procedures are necessary for us to provide reliable financial reports and effectively prevent fraud. If we cannot provide reliable financial reports or prevent fraud, we could be subject to regulatory action or other substantial litigation and our business and operating results could be materially harmed.

Risks Related to Legal or Regulatory Matters

If we are unable to protect our intellectual property, we may lose a competitive advantage or incur substantial litigation costs to protect our rights.

Our future success depends upon our proprietary technology. Our protective measures, including patent and trade secret protection, may prove inadequate to protect our proprietary rights. The right to stop others from misusing our trademarks, service marks, and patents in commerce depends to some extent on our ability to show evidence of enforcement of our rights against such misuse in commerce. Our efforts to stop improper use, if insufficient, may lead to loss of trademark and service mark rights, brand loyalty, and notoriety among our customers and prospective customers. The scope of any patent that we have or may obtain may not prevent others from developing and selling competing products. The validity and breadth of claims covered in technology patents involve complex legal and factual questions, and the resolution of such claims may be highly uncertain, and expensive. In addition, our patents may be held invalid upon challenge, or others may claim rights in or ownership of our patents.

We may be subject to intellectual property infringement claims, which could cause us to incur litigation costs and divert management attention from our business.

Any intellectual property infringement claims against us, with or without merit, could be costly and time-consuming to defend and divert our management’s attention from our business. If our products were found to

infringe a third party's proprietary rights, we could be required to enter into costly royalty or licensing agreements to be able to sell our products. Royalty and licensing agreements, if required, may not be available on terms acceptable to us or at all.

We are engaged in legal proceedings that could cause us to incur unforeseen expenses and could occupy a significant amount of our management's time and attention.

We have been and currently remain engaged in legal proceedings that have caused the Company to dedicate significant resources to defend. Litigation or claims that may be made against the Company or its officers or directors, from time to time, could negatively affect our business, operations, or financial position. As we grow, we may see a rise in the number of litigation matters against us. These matters may include employment and labor claims, as well as consumer and securities class actions, each of which are typically expensive and time consuming to defend. Litigation and other disputes could cause us to incur unforeseen expenses and otherwise occupy a significant amount of our management's time and attention, any of which could negatively affect our business operations and financial position.

Current and future government regulations, particularly regulations relating to the sale of firearms and ammunition, may negatively impact the demand for products held for sale on our platform.

We operate in a complex regulatory and legal environment that could negatively impact the demand for our products and services and expose us to compliance and litigation risks, which could materially affect our operations and financial results. We are required to comply with a wide variety of laws, rules, and regulations that impose significant compliance requirements on our business, and more restrictive laws, rules and regulations may be adopted in the future. We are subject to the rules and regulations of the ATF, particularly with FFL compliance. If we fail to comply with ATF rules and regulations, the ATF may limit our growth or business activities, levy fines against us or revoke our license to do business. Our business and the business of all marketers of ammunition and firearms are also subject to numerous federal, state, local, and foreign laws, regulations, and protocols.

These laws may, and do, change, sometimes significantly, as a result of political, economic or social events. For instance, Colorado and Washington passed legislation that, among other things, raises the minimum age to purchase certain firearms from 18 to 21 and imposes multi-day waiting period on gun purchases. In addition, Florida has also raised the minimum age for firearms purchases to 21 with some exceptions, and in November 2022, the State of Oregon passed a ballot measure that bans purchases of magazines with a capacity of over ten rounds, and that, among other things, imposes complex permitting and training requirements for the purchases of firearms.

Over the past several years, bills have been introduced in the United States Congress that would restrict or prohibit the manufacture, transfer, importation or sale of certain calibers of handgun ammunition, impose a tax and import controls on bullets designed to penetrate bullet-proof vests, impose a special occupational tax and registration requirements on manufacturers of handgun ammunition and increase the tax on handgun ammunition in certain calibers. Because we carry these products, such legislation could, depending on its scope, materially harm sales on the Marketplace.

Additionally, state and local governments have proposed laws and regulations that, if enacted, would place additional restrictions on the manufacture, transfer, sale, purchase, acquisition, possession and use of firearms, ammunition and shooting-related products. For example, in response to mass shootings and other incidents in the United States, several states, such as California, Colorado, Connecticut, Florida, Illinois, Maryland, Minnesota, New Jersey, New York, Oregon, Virginia and Washington have enacted laws and regulations that limit access to and sale of certain firearms in ways more restrictive than federal laws. Other state or local governmental entities may continue to explore similar legislative or regulatory restrictions that could prohibit the manufacture, sale, purchase, possession or use of firearms and ammunition. In California, Connecticut and New York, mandatory screening of ammunition purchases is now required, as well as electronic record keeping that will be audited by the state. In addition, several states and the United States Congress have introduced microstamping legislation (that is, engraving the handgun's serial number on the firing pin of new handguns) for certain firearms. Lastly, some states prohibit the sale of firearms without internal or external locking mechanisms, and several states are considering mandating certain design features on safety grounds, most of which would be applicable only to handguns. Other state or local governmental entities may also explore similar legislative or regulatory initiatives that may further restrict the manufacture, sale, purchase, acquisition, possession or use of firearms, ammunition and shooting-related products.

The regulation of firearms, ammunition and shooting-related products may even become more restrictive in the future. Changes in these laws and regulations or additional regulations, particularly new laws or increased

regulations regarding sales and ownership of firearms and ammunition, could cause the demand for and sales of products held for sale on our platform to decrease and could materially adversely impact our revenue and profitability. Sales of firearms represent a significant percentage of our transaction-fee based revenue. Substantial reduction in sales on our platform due to the establishment of new regulations could harm our operating results. Moreover, complying with increased or changed regulations could cause our operating expenses to increase.

Changes in government policies and firearms legislation could adversely affect our financial results.

The sale, purchase, ownership, and use of firearms are subject to numerous and varied federal, state, and local governmental regulations. Federal laws governing firearms include the National Firearms Act, the Federal Firearms Act, the Arms Export Control Act, and the Gun Control Act of 1968. These laws generally govern the manufacture, import, export, sale, and possession of firearms and ammunition.

Currently, the federal legislature and several state legislatures are considering additional legislation relating to the regulation of firearms and ammunition. These proposed bills are extremely varied. If enacted, such legislation could effectively ban or severely limit the sale of affected firearms and ammunition. In addition, if such restrictions are enacted and are incongruent, we could find it difficult, expensive, or even practically impossible to comply with them, which could impede new product development and the distribution of existing products. We cannot assure you that the regulation of our business activities will not become more restrictive in the future and that any such restriction will not have a material adverse effect on our business.

Any adverse change to the interpretations of the Second Amendment (Right to Bear Arms) could impact our ability to conduct business by restricting the ownership and use of firearms in the United States.

General Risk Factors

Our operating results may experience significant fluctuations.

Many factors can contribute to significant fluctuations in our results of operations. These factors include the following:

- the cyclical nature of the markets we serve;
- the timing and size of new orders;
- the cancellation of existing orders;
- the volume of orders relative to our capacity;
- product introductions and market acceptance of new products or new generations of products;
- timing of expenses in anticipation of future orders;
- changes in product mix;
- availability of production capacity;
- changes in cost and availability of labor and raw materials;
- timely delivery of products to customers;
- pricing and availability of competitive products;
- new product introduction costs;
- changes in the amount or timing of operating expenses;
- introduction of new technologies into the markets we serve;
- pressures on reducing selling prices;
- excess inventory levels;
- our success in serving new markets;
- adverse publicity regarding the safety, performance, and use of our products;
- the institution and adverse outcome of any litigation;
- political, economic, or regulatory developments;
- changes in economic conditions; and
- natural and manmade disasters, including health emergencies such as the recent COVID-19 pandemic.

As a result of these and other factors, we believe that period-to-period comparisons of our results of operations may not be meaningful in the short term, and our performance in a particular period may not be indicative of our performance in any future period.

We may not be able to secure additional financing on favorable terms, or at all, to meet our future capital needs.

In the future, we may require additional capital to fund the planned expansion of our business and to respond to business opportunities, challenges, potential acquisitions, or unforeseen circumstances. We could encounter unforeseen difficulties that may deplete our capital resources rapidly, which could require us to seek additional financing in the near future. The timing and amount of any additional financing that is required to continue the expansion of our business and the marketing of our products will depend on our ability to improve our operating results and other factors. We may not be able to secure additional debt or equity financing on a timely basis or on favorable terms, or at all. Further, such financing, if obtained, could result in substantial dilution of the equity interests of existing stockholders. If we are unable to secure any necessary additional financing, we may need to delay expansion plans, conserve cash, and reduce operating expenses. There is no assurance that any additional financing will be sufficient, that the financing will be available on terms favorable to us or to existing stockholders and at such times as required, or that we will be able to obtain the additional financing required for the continued operation and growth of our business.

Our charter documents and Delaware law could make it more difficult for a third party to acquire us and discourage a takeover.

Our certificate of incorporation, bylaws, and Delaware law contain certain provisions that may have the effect of deterring or discouraging, among other things, a non-negotiated tender or exchange offer for shares of common stock, a proxy contest for control of our company, the assumption of control of our company by a holder of a large block of common stock, and the removal of the management of our company. Such provisions also may have the effect of deterring or discouraging a transaction which might otherwise be beneficial to stockholders. Our certificate of incorporation also authorizes our Board of Directors, without stockholder approval, to issue one or more series of preferred stock, which could have voting and conversion rights that adversely affect or dilute the voting power of the holders of common stock. Delaware law also imposes conditions on certain business combination transactions with “interested stockholders.” Further, our Bylaws authorize our Board of Directors to fill vacancies on the Board of Directors, including as a result of newly created directorships. A majority of the remaining directors may elect a successor to fill any vacancies or newly created directorships. Such provisions could limit the price that investors might be willing to pay in the future for shares of our common stock and impede the ability of the stockholders to replace management.

The elimination of monetary liability against our directors under Delaware law pursuant to our certificate of incorporation and the existence of indemnification rights to our directors and officers under Delaware law and our certificate of incorporation and bylaws, may result in substantial expenditures by us and may discourage lawsuits against our directors, officers, and employees. We also entered into contractual indemnification obligations under employment agreements with our executive officers. The foregoing indemnification obligations could result in our incurring substantial expenditures to cover the cost of settlement or damage awards against directors and officers, which we may be unable to recoup. These provisions and resultant costs may also discourage us from bringing a lawsuit against our directors and officers for breaches of their fiduciary duties and may similarly discourage the filing of derivative litigation by our stockholders against our directors and officers even though such actions, if successful, might otherwise benefit our company and our stockholders.

Our certification of incorporation designates the Court of Chancery in the State of Delaware as the sole and exclusive forum for actions or proceedings that may be initiated by our stockholders, which could discourage claims or limit stockholders’ ability to make a claim against the Company, our directors, officers, and employees.

Our certificate of incorporation states that unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial) to bring (i) any derivative action or proceeding brought on behalf of the Company, (ii) an action asserting a claim of breach of fiduciary duty owed by any director, officer, or other employee of the Company to the Company or the Company’s stockholders, (iii) any action asserting a claim against the Company, its directors, officers, or employees arising pursuant to any provision of the Delaware General

Corporation Law or our certificate of incorporation or bylaws, or (iv) any action asserting a claim against the Company, its directors, officers, or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within 10 days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction.

These exclusive forum provisions do not apply to claims under the Securities Act or the Exchange Act. The exclusive forum provision may discourage claims or limit stockholders' ability to submit claims in a judicial forum that they find favorable and may create additional costs as a result. If a court were to determine the exclusive forum provision to be inapplicable and unenforceable in an action, we may incur additional costs in conjunction with our efforts to resolve the dispute in an alternative jurisdiction, which could have a negative impact on our results of operations.

Our performance is influenced by a variety of economic, social, and political factors.

Our performance is influenced by a variety of economic, social, and political factors. In times of economic uncertainty, consumers tend to defer expenditures for discretionary items, which affects demand for our products. Economic conditions also affect governmental political and budgetary policies. As a result, economic conditions also can have an adverse effect on the sale of our products to law enforcement, government, and military customers.

Political and other factors also can adversely affect our performance. Concerns about presidential, congressional, and state elections and legislature and policy shifts resulting from those elections can adversely affect the demand for our products. In addition, uncertainty surrounding the control of firearms and firearm products at the federal, state, and local level and heightened fears of terrorism and crime can adversely affect consumer demand for our services. Often, such concerns result in an increase in near-term consumer demand and subsequent softening of demand when such concerns subside.

In addition, federal and state legislatures frequently consider legislation relating to the regulation of firearms, including amendment or repeal of existing legislation. Existing laws may also be affected by future judicial rulings and interpretations. If restrictive changes to legislation develop, we could find it difficult, expensive, or even impossible to comply with such changes, impeding new product development and distribution of existing products.

The health of the global economy, the credit markets and the financial services industry, in particular, as well as the stability of the social fabric of our society, affects our business and operating results. If the credit markets are not favorable, we may be unable to raise additional financing when needed or on favorable terms. Our customers may experience financial difficulties or be unable to borrow money to fund their operations, which may adversely impact their ability to purchase our products or to pay for our products on a timely basis, if at all.

War, terrorism, other acts of violence, or natural, or manmade disasters, may affect the markets in which the Company operates, the Company's customers, and the Company's customer service, and could have a material adverse impact on our business, results of operations, or financial condition.

The Company's business could be adversely affected by instability, disruption or destruction in a geographic region in which it operates, regardless of cause, including war, terrorism, riot, civil insurrection or social unrest, and natural or manmade disasters, including famine, food, fire, earthquake, storm or pandemic events, and spread of disease.

Such events may cause customers to suspend their decisions on using the Company's services and give rise to sudden significant changes in regional and global economic conditions and cycles that could interfere with purchases of goods or services on our Marketplace and commitments to develop new products and services. These events also pose significant risks to the Company's personnel and to physical facilities, transportation and operations, which could materially adversely affect the Company's financial results.

Risks Related to our Series A Preferred Stock

The Series A Preferred Stock ranks junior to all of our indebtedness and other liabilities.

In the event of our bankruptcy, liquidation, dissolution or winding-up of our affairs, holders of the Series A Preferred Stock will be entitled to receive any of our assets remaining only after all of our indebtedness and other liabilities have been paid. The rights of holders of the Series A Preferred Stock to participate in the distribution of

our assets rank junior to the prior claims of our current and future creditors and any future series or class of preferred stock we may issue that ranks senior to the Series A Preferred Stock. Also, the Series A Preferred Stock effectively ranks junior to all existing and future indebtedness and to the indebtedness and other liabilities of our existing subsidiaries and any future subsidiaries. Our existing subsidiaries are, and future subsidiaries would be, separate legal entities and have no legal obligation to pay any amounts to us in respect of dividends due on the Series A Preferred Stock. If we are forced to liquidate our assets to pay our creditors, we may not have sufficient assets to pay amounts due on any or all of the Series A Preferred Stock then outstanding. We have incurred and may in the future incur substantial amounts of debt and other obligations that rank senior to the Series A Preferred Stock. At March 31, 2026, our total liabilities equaled approximately \$32.5 million.

Certain of our existing or future debt instruments may restrict the authorization, payment or setting apart of dividends on the Series A Preferred Stock. Also, future offerings of debt or senior equity securities may adversely affect the market price of the Series A Preferred Stock. If we decide to issue debt or senior equity securities in the future, it is possible that these securities will be governed by an indenture or other instruments containing covenants restricting our operating flexibility. Additionally, any convertible or exchangeable securities that we issue in the future may have rights, preferences and privileges more favorable than those of the Series A Preferred Stock and may result in dilution to owners of the Series A Preferred Stock. We and, indirectly, our stockholders, will bear the cost of issuing and servicing such securities. Because our decision to issue debt or equity securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. The holders of the Series A Preferred Stock will bear the risk of our future offerings, which may reduce the market price of the Series A Preferred Stock and will dilute the value of their holdings in us.

The trading market for the Series A Preferred Stock may not provide investors with adequate liquidity.

The Series A Preferred Stock is listed on Nasdaq under the symbol “POWWP.” We cannot assure you that holders of the Series A Preferred Stock will be able to sell their shares at favorable prices or at all. The difference between bid and ask prices in any secondary market for the Series A Preferred Stock could be substantial. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the Series A Preferred Stock, and holders of the Series A Preferred Stock may be required to bear the financial risks of an investment in the Series A Preferred Stock for an indefinite period of time.

We may issue additional shares of Series A Preferred Stock and additional series of preferred stock that rank on parity with the Series A Preferred Stock as to dividend rights, rights upon liquidation or voting rights.

We are allowed to issue additional shares of Series A Preferred Stock and additional series of preferred stock that would rank junior to the Series A Preferred Stock as to dividend payments and rights upon our liquidation, dissolution or winding up of our affairs pursuant to our certificate of incorporation and the certificate of designations relating to the Series A Preferred Stock without any vote of the holders of the Series A Preferred Stock. The issuance of additional shares of Series A Preferred Stock and additional series of preferred stock that have been authorized pursuant to our certificate of incorporation and the certificate of designations could have the effect of reducing the amounts available to the Series A Preferred Stock upon our liquidation or dissolution or the winding up of our affairs. It also may reduce dividend payments on the Series A Preferred Stock if we do not have sufficient funds to pay dividends on all Series A Preferred Stock outstanding and other classes or series of stock with greater or equal priority with respect to dividends.

Also, although holders of Series A Preferred Stock are entitled to limited voting rights, with respect to the circumstances under which the holders of Series A Preferred Stock are entitled to vote, the Series A Preferred Stock votes separately as a class along with all other series of our preferred stock that we may issue upon which like voting rights have been conferred and are exercisable. As a result, the voting rights of holders of Series A Preferred Stock may be significantly diluted, and the holders of such other series of preferred stock that we may issue may be able to control or significantly influence the outcome of any vote. Future issuances and sales of senior or pari passu preferred stock, or the perception that such issuances and sales could occur, may cause prevailing market prices for the Series A Preferred Stock and our common stock to decline and may adversely affect our ability to raise additional capital in the financial markets at times and prices favorable to us.

We may not be able to pay dividends on the Series A Preferred Stock if we have insufficient cash to make dividend payments.

Our ability to pay cash dividends on the Series A Preferred Stock requires us to have either net profits or positive net assets (total assets less total liabilities) over our capital, to be able to pay our debts as they become due in the usual course of business. Further, even if we meet this criterion, we still may not have sufficient cash to pay dividends on the Series A Preferred Stock. Our ability to pay dividends may be impaired if any of the risks described in this report were to occur. Also, payment of our dividends depends upon our financial condition and other factors as our Board of Directors may deem relevant from time to time. We cannot assure you that our businesses will generate sufficient cash flow from operations or that future borrowings will be available to us in an amount sufficient to enable us to make distributions on our preferred stock, including the Series A Preferred Stock, to pay our indebtedness or to fund our other liquidity needs.

Our Series A Preferred Stock has not been rated.

We have not sought to obtain a rating for the Series A Preferred Stock. No assurance can be given, however, that one or more rating agencies might not independently determine to issue such a rating or that such a rating, if issued, would not adversely affect the market price of the Series A Preferred Stock. Also, we may elect in the future to obtain a rating for the Series A Preferred Stock, which could adversely affect the market price of the Series A Preferred Stock. Ratings only reflect the views of the rating agency or agencies issuing the ratings and such ratings could be revised downward, placed on a watch list, or withdrawn entirely at the discretion of the issuing rating agency if in its judgment circumstances so warrant. Any such downward revision, placing on a watch list or withdrawal of a rating could have an adverse effect on the market price of the Series A Preferred Stock.

We may redeem the Series A Preferred Stock.

As of May 18, 2026, we may, at our option, redeem the Series A Preferred Stock, in whole or in part, at any time or from time to time. Also, upon the occurrence of a Change of Control (as defined in the certificate of designations with respect to the Series A Preferred Stock), we may, at our option, redeem the Series A Preferred Stock, in whole or in part, within 120 days after the first date on which such Change of Control occurred. We may have an incentive to redeem the Series A Preferred Stock voluntarily if market conditions allow us to issue other preferred stock or debt securities at a rate that is lower than the dividend on the Series A Preferred Stock. If we redeem the Series A Preferred Stock, then from and after the redemption date, dividends will cease to accrue on shares of Series A Preferred Stock, the shares of Series A Preferred Stock will no longer be deemed outstanding and all rights as a holder of those shares will terminate, except the right to receive the redemption price plus accumulated and unpaid dividends, if any, payable upon redemption.

Holders of Series A Preferred Stock have extremely limited voting rights.

The voting rights for holders of Series A Preferred Stock are limited. Our shares of common stock are the only class of our securities that carry full voting rights. Voting rights for holders of the Series A Preferred Stock exist primarily with respect to the ability to elect, voting together with the holders of any other series of our preferred stock having similar voting rights, two additional directors to our Board of Directors, subject to certain limitations in the event that dividends payable on the Series A Preferred Stock are in arrears for four or more consecutive or non-consecutive quarterly dividend periods, and with respect to voting on amendments to our certificate of incorporation or certificate of designations relating to the Series A Preferred Stock that materially and adversely affect the rights of the holders of Series A Preferred Stock or authorize, increase or create additional classes or series of our capital stock that are senior to the Series A Preferred Stock. Other than the limited circumstances set forth in the certificate of designations for the Series A Preferred and except to the extent required by law, holders of Series A Preferred Stock do not have any voting rights.

The Series A Preferred Stock is not convertible, and investors will not realize a corresponding upside if the market price of the common stock increases.

The Series A Preferred Stock is not convertible into shares of common stock and earns dividends at a fixed rate. Accordingly, an increase in market price of our common stock will not necessarily result in an increase in the market price of our Series A Preferred Stock. The market value of the Series A Preferred Stock may depend more on dividend and interest rates for other preferred stock, commercial paper and other investment alternatives and our actual and perceived ability to pay dividends on, and in the event of dissolution satisfy the liquidation preference with respect to, the Series A Preferred Stock.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

As a publicly traded e-commerce outdoor company, we are acutely aware of the importance of robust cybersecurity measures in safeguarding our information assets, operational integrity, and reputation. Our approach to cybersecurity risk management is integrated into our broader risk management framework and overseen by our Board of Directors.

We have established comprehensive processes to assess, identify, and manage material risks from cybersecurity threats. These processes include continuous evaluation of potential threats, regular security assessments of third-party service providers, and stringent monitoring procedures to mitigate risks related to data breaches and other security incidents. We periodically engage third-party consultants, legal advisors, and audit firms to evaluate and assess our risk management systems and to assist in the remediation of potential cybersecurity incidents, as necessary.

Our Information Security Program (the “Program”) is designed to protect personal and proprietary information in compliance with federal and state requirements. The Program aims to:

- ensure the security and confidentiality of employee and customer personal information, as well as Company proprietary information;
- protect against anticipated threats or hazards to the security or integrity of such information; and
- prevent unauthorized access to, use of, or transfer of such information, thereby protecting the Company, its employees, and customers from potential harm or inconvenience.

We use a variety of tools and services, including network monitoring, vulnerability assessments, and tabletop exercises, to enhance our cybersecurity posture. Our incident response plan is comprehensive, detailing procedures for preparing for, detecting, responding to, and recovering from cybersecurity incidents. This plan includes processes for triaging, assessing the severity of, escalating, containing, investigating, and remediating cybersecurity incidents, while ensuring compliance with relevant legal obligations. We require employees to undertake data protection and cybersecurity training and compliance programs annually.

In addition to internal measures, we manage cybersecurity risks associated with third-party suppliers, particularly those with access to our systems or confidential data. We perform due diligence on critical third-party suppliers and monitor identified cybersecurity threats. We require these suppliers to contractually agree to manage their cybersecurity risks according to our standards or to submit to cybersecurity audits conducted by our agents.

We regularly engage third-party experts to conduct information security testing, including penetration testing, on our systems and infrastructure. The Program undergoes periodic external assessments aligned with the National Institute of Standards and Technology Cybersecurity Framework and the Payment Card Industry Data Security Standard. This alignment helps us identify, assess, and manage cybersecurity risks relevant to our business.

Governance

Our Board of Directors oversees our cybersecurity risk management. Directors receive reports as requested from management, including senior IT leadership and third parties, on cybersecurity matters. Additionally, the Board of Directors is kept informed about cybersecurity risks as part of our overall enterprise risk management program and through regular business updates.

Our senior IT leaders and compliance officer are responsible for developing and implementing appropriate cybersecurity programs and ensuring our compliance with applicable laws and regulations. These leaders, equipped with relevant degrees, certifications, and extensive work experience, are informed by their cybersecurity teams about ongoing efforts to prevent, detect, mitigate, and remediate cybersecurity incidents.

Information regarding cybersecurity risks is communicated through various channels, including direct discussions between key leaders and Company management, and reports to the Board of Directors and its

committees. The Board of Directors regularly receives updates from our compliance officer and senior IT leadership on the status of our cybersecurity measures and any significant developments.

Our commitment to cybersecurity is a fundamental aspect of our operational strategy, ensuring the protection of our information assets, the continuity of our operations, and the trust of our stakeholders.

We have experienced cybersecurity incidents in the ordinary course of business and will continue to experience risks from cybersecurity threats that could have a material adverse effect on our business strategy, results of operations, or financial condition. Although prior cybersecurity incidents have not had a material adverse effect on our business strategy, results of operations, or financial condition to date, any actual or perceived breach of our security could damage our reputation, adversely affect our operations, or subject us to third-party lawsuits, regulatory investigations and fines or other actions or liabilities, any of which could materially adversely affect our business strategy, results of operations, or financial condition. For more information on our cybersecurity related risks, see “Breaches of our information systems could adversely affect our reputation, disrupt our operations, and result in increased costs and loss of sales.” and “A failure of our information technology systems, or an interruption in their operation due to internal or external factors including cyber-attacks, could have a material adverse effect on our business, financial condition or results of operations.” in Item 1A “Risk Factors” of this Form 10-K.

ITEM 2. PROPERTIES

Our executive offices are located in Atlanta, Georgia where we lease approximately 10,000 square feet for approximately \$20,000 per month. This space houses our principal executive, administration, and marketing functions as well as our GunBroker operations.

We also lease a 21,000 square foot facility located in Scottsdale, Arizona for approximately \$25,000 per month. This space is our former headquarters and is currently not being utilized.

On September 17, 2025, we signed a lease for 2,660 square feet of mixed-use warehouse space in Marietta, Georgia for approximately \$3,325 per month. The lease commenced on October 1, 2025 and expires in October 2028.

ITEM 3. LEGAL PROCEEDINGS

From time to time, we are involved in various disputes, claims, suits, investigations and legal proceedings arising in the ordinary course of business, including commercial, intellectual property, and employment-related matters, as well as stockholder derivative actions, class action lawsuits and other matters. The litigation matters described below involve issues or claims that may be of particular interest to our stockholders, regardless of whether any of these matters were material to our business or financial condition based upon the standard set forth in the SEC’s rules. To our knowledge, except as set forth below, there are no material pending legal proceedings to which we are a party or of which any of our property is the subject.

DCP Matter

On January 18, 2024, Innovative Computer Professionals, Inc. d/b/a Digital Cash Processing (“DCP”) filed a civil action in Minnesota state court against Outdoors Online, LLC d/b/a GunBroker.com (“GunBroker.com”) for breach of contract (the “MN Action”). In the MN Action, DCP alleged that GunBroker.com breached a May 2021 contract, pursuant to which DCP was to provide specified digital payment processing services, and it alleged \$100 million in damages. On February 7, 2024, GunBroker.com removed the MN Action to the United States District Court for the District of Minnesota (Case No. 24-CV-00373-DWF-DTS). On February 14, 2024, GunBroker.com moved to dismiss the MN Action for lack of personal jurisdiction and for failure to adequately state a claim, or, in the alternative, to transfer the MN Action to the United States District Court for the District of Arizona (the “Motion”). The court denied the Motion and GunBroker filed its Answer and Counterclaims. The Company and DCP engaged in fact and expert discovery for several months.

On February 20, 2026, we entered into a settlement agreement with DCP, resolving the MN Action. Under the terms of the settlement agreement, the Company paid to DCP \$4.4 million on February 27, 2026 in full and final settlement of the MN Action. Upon payment, the parties filed a stipulated dismissal of the MN Action with prejudice. The settlement agreement includes customary mutual releases, but does not release certain non-affiliate

third-party contractors. The settlement does not constitute an admission of liability or wrongdoing by the Company or any of its subsidiaries.

ITEM 4. MINE SAFETY DISCLOSURE

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our common stock is listed on the Nasdaq Capital Market under the trading symbol "POWW".

Holders of Common Equity

As of June 15, 2026, there were approximately 253 holders of record of the common stock. This number is based on the actual number of holders registered at such date and does not include holders whose shares are held in "street name" by brokers and other nominees.

Dividend Information

We have never declared or paid dividends on our common stock. Payment of future dividends, if any, will be at the discretion of our Board of Directors after taking into account various factors, including the terms of any credit arrangements, our financial condition, operating results, current and anticipated cash needs and plans for expansion. At the present time, we intend to retain any earnings in our business and therefore do not anticipate paying dividends on our common stock in the foreseeable future. We paid preferred dividends on our Series A Preferred Stock in the amount of \$3.0 million for each of the years ended March 31, 2026 and 2025.

We currently have \$0.1 million of unpaid accrued dividends on our Series A Preferred Stock as of March 31, 2026. Accordingly, we may not be able to declare a dividend on our common stock unless full cumulative dividends on the Series A Preferred Stock have been or contemporaneously are declared and paid or declared.

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth information as of March 31, 2026 with respect to our compensation plans under which equity securities may be issued.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights	Weighted- Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders:			
2025 Long-Term Incentive Plan	-	-	9,139,278
2017 Equity Incentive Plan ⁽¹⁾	400,000	\$ 2.08	—
Total	<u>400,000</u>	<u>-</u>	<u>9,139,278</u>

- (1) In October 2017, our Board of Directors approved the 2017 Plan. The 2017 Plan initially permitted the issuance of equity-based instruments covering up to a total of 485,000 shares of common stock. Our Board of Directors and stockholders approved an increase of 4,515,000 shares in October 2020, an additional increase of 1,000,000 shares in March 2023, and an additional increase of 3,000,000 shares in February 2024, bringing the total shares allowed under the 2017 Plan to 9,000,000. The 2017 Plan was

terminated with respect to future awards on August 29, 2025 and was replaced by the 2025 Long-Term Incentive Plan.

Transfer Agent

We have appointed Computershare Trust Company (“Computershare”) as the transfer agent for our common stock and Series A Preferred Stock. The principal office of Computershare is located at 150 Royall St., Suite 101, Canton, MA 02021, and its telephone number dedicated to Outdoor Holding Company customer service is (877) 373-6374.

Issuer Repurchase of Equity Securities

On January 4, 2026, our Board of Directors authorized a discretionary share repurchase program pursuant to which we may repurchase up to \$15.0 million of our outstanding common stock over a period of twelve months. Repurchases under the program may be made from time to time, in management’s discretion, through open market purchases, privately negotiated transactions, and other means in accordance with federal securities laws, including pursuant to one or more Rule 10b5-1 trading plans. The timing, volume, and value of any repurchases will be determined by management based on factors including market conditions, the Company’s liquidity and capital needs, and other factors deemed relevant. The share repurchase program does not obligate the Company to repurchase any specific number of shares and may be modified, suspended, or terminated at any time at the discretion of the Board or management. Any repurchases under the program will be funded from the Company’s existing cash balances, future operating cash flow, or other legally available funds. Repurchases will be conducted in accordance with the Company’s insider trading policy and applicable trading window restrictions.

The following table summarizes our share repurchases under our current repurchase program during the fourth quarter of the 2026 fiscal year:

Period	Total Number of Shares Repurchased	Average Price Paid per Share(1)	Total Number of Shares Repurchased as Part of Publicly Announced Plan or Programs(2)	Approximate Maximum Number or Dollar Value of Shares that may yet be Repurchased Under the Plan or Programs
January 1, 2026 - January 31, 2026	-	\$ -	-	\$ 15,000,000
February 1, 2026 - February 28, 2026	178,784	1.93	178,784	\$ 14,655,773
March 1, 2026 - March 31, 2026	335,141	1.96	513,925	\$ 13,998,563
Total	513,925	\$ 1.95	513,925	

(1) Excludes immaterial broker commissions and excise tax accruals.

(2) On January 5, 2026, we announced that our Board of Directors approved the share repurchase program for up to \$15.0 million of our outstanding common stock, which expires on January 4, 2027.

ITEM 6. RESERVED

Not required.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis of Financial Condition and Results of Operations is intended to provide a reader of our financial statements with management's perspective on our financial condition, results of operations, liquidity, and certain other factors that may affect our future results. The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the audited consolidated financial statements (prepared in accordance with accounting principles generally accepted in the United States ("GAAP")) and related notes included elsewhere in this Annual Report on Form 10-K (this "Form 10-K"). The following discussion contains forward-looking statements that are subject to risks and uncertainties. See "Special Note Regarding Forward-Looking Statements." Actual results could differ materially from those discussed in or implied by forward-looking statements as a result of various factors, including those discussed below and elsewhere in this Form 10-K, particularly in the section entitled "Risk Factors." Unless we state otherwise or the context otherwise requires, the terms "we," "us," "our" and the "Company" refer to Outdoor Holding Company (formerly AMMO, Inc.) and its consolidated subsidiaries.

Overview

Outdoor Holding Company is the owner of the GunBroker Marketplace ("GunBroker" or the "Marketplace"), a leading online marketplace serving the firearms and shooting sports industries. Through our Marketplace, we allow third party sellers to list items consisting of firearms, hunting gear, fishing equipment, outdoor gear, collectibles, and much more, while facilitating compliance with federal and state laws that govern the sale of firearms and other restricted items. This allows our base of over 8.8 million users to follow ownership policies and regulations through our network of approximately 32,000 federally licensed firearms dealers ("FFLs") who serve as transfer agents. The nature and operation of the Marketplace as an online auction and sales platform also affords us a unique view into the total domestic market for the purpose of understanding sales trends at a granular level across all elements of the outdoor sports and shooting space. We generate revenue from marketplace fees, which include marketplace revenue, marketplace service fee revenue, advertising campaign revenue and shipping revenue. Our key strategic initiatives for fiscal year 2027 include: launching universal payment processing to facilitate electronic transactions, decrease transaction friction, increase gross merchandise value ("GMV"), improve the user experience with the use of AI, and accelerate user adoption; deploy capital opportunistically by repurchasing shares; further streamlining the business to increase operational efficiency and reduce operational costs; and implementing further user enhancements to the platform with new tools, analytics, and personalization features to deliver best-in-class buyer and seller experiences. As part of our key strategic initiatives, the Company invested in a platform integration with Master FFL beginning in November 2025. Master FFL integration allows us to provide platform users access to a larger network of FFL dealers, centralizing FFL dealer verification and compliance, and allowing streamlined firearm transfers through automatic verification of federally-licensed firearm dealers.

Recent Developments

Sale of Ammunition Manufacturing Business

We began our operations in 2017 as a producer of high-performance ammunition and premium components. Following the acquisition of the GunBroker.com business in 2021, we conducted operations through two operating and reportable segments, Ammunition and Marketplace. The Ammunition segment engaged in the design, production and marketing of ammunition, ammunition component and related products. The Marketplace segment consists of the GunBroker e-commerce marketplace, which, in its role as an e-commerce marketplace site, supports the lawful sale of firearms, ammunition, and hunting/shooting accessories.

In fiscal year 2025, we initiated a formal review of various strategic alternatives. This review resulted in the decision to sell the Ammunition segment. On January 20, 2025, we entered into an Asset Purchase Agreement, as amended (the "Asset Purchase Agreement") with Olin Winchester, LLC (the "Buyer"), pursuant to which the Buyer agreed to (i) acquire all assets of our business of designing, manufacturing, marketing, distributing and selling ammunition and ammunition components (collectively, the "Ammunition Manufacturing Business") along with certain assets related to the Ammunition Manufacturing Business, including the Ammunition Manufacturing Business' dedicated manufacturing facility in Manitowoc, WI, and (ii) assume certain liabilities related to the Ammunition Manufacturing Business, for a gross purchase price of \$75.0 million, subject to adjustments for estimated net working capital and real property costs and pro-rations (the "Transaction"). The Transaction closed on

April 18, 2025. The net proceeds after all adjustments totaled approximately \$42.9 million. On April 21, 2025, we changed our name from “AMMO, Inc.” to “Outdoor Holding Company”. As of January 20, 2025, the Ammunition segment met the held for sale and discontinued operations accounting criteria. For information on discontinued operations, refer to Note 2 to our consolidated financial statements under the caption “Assets Held for Sale and Discontinued Operations” and Note 4, “Discontinued Operations”.

Settlement of Delaware Litigation

As described in Note 8, “Related Party Transactions” and Note 14, “Contingencies,” in April 2023, Steven F. Urvan filed a lawsuit against the Company and certain of its directors, former directors, employees, former employees, and consultants, related to the Company’s acquisition of GunBroker.com and certain affiliated companies. At the time the lawsuit was filed, Mr. Urvan was a member of the Board of Directors and our largest stockholder. Mr. Urvan now serves as Chairman of the Board of Directors and Chief Executive Officer of the Company. In May 2023, the Board of Directors established a special committee to address the litigation initiated by Mr. Urvan, as well as a separate lawsuit subsequently filed by the Company against Mr. Urvan (the lawsuit filed by Mr. Urvan together with the lawsuit filed by the Company, the “Delaware Litigation”).

On May 21, 2025, the Company entered into a Settlement Agreement (the “Settlement Agreement”), by and among the Company, Speedlight Group I, LLC, a Delaware limited liability company and a wholly owned subsidiary of the Company (“Speedlight”), Mr. Urvan, and the following persons, each of whom serves or previously served on the Board of Directors: Richard R. Childress, Jared Smith, Fred W. Wagenhals and Russell Williams Wallace, Jr. (collectively, the “Legacy Directors”). The Settlement Agreement became effective as of 5:00 p.m. Eastern Time on May 30, 2025, pursuant to its terms (the “Settlement Effective Date”). As a result and pursuant to the Settlement Agreement, effective as of the Settlement Effective Date, (i) Jared Smith resigned as a member of the Board of Directors and from his position as the Chief Executive Officer of the Company and as an officer or member of each of the Company’s direct and indirect subsidiaries and (ii) Mr. Urvan was appointed as the Chief Executive Officer of the Company and as the Chairman of the Board of Directors. In addition, in accordance with the Settlement Agreement, on June 3, 2025, the Company, Speedlight, Mr. Urvan and the Legacy Directors filed a Stipulation of Voluntary Dismissal With Prejudice dismissing, with prejudice, all claims asserted in the Delaware Litigation.

As partial consideration for the settlement, on the Settlement Effective Date, the Company issued to an affiliated designee of Mr. Urvan, a warrant to purchase 7.0 million shares of common stock (the “Warrant”). The Warrant has a five-year term and an exercise price of \$1.81 per share. Pursuant to the terms of the Warrant, the Warrant is exercisable at the holder’s discretion, in whole or in part, on or after the six-month anniversary of the Settlement Effective Date, subject to certain accelerated vesting in certain circumstances.

In addition to the Warrant, the Company issued to an affiliated designee of Mr. Urvan, (i) an unsecured promissory note in a principal amount of \$12.0 million (“Note 1”) and (ii) an unsecured promissory note in a principal amount of \$39.0 million (“Note 2” and together with Note 1, the “Notes”). Note 1 bears interest at 6.50% per annum (subject to a 2.00% increase during an event of default), which interest is payable to the holder annually on the anniversary of the Settlement Effective Date, beginning on the first anniversary of the Settlement Effective Date (each interest payment due date, an “Interest Payment Date”). Note 2 bore interest at a rate per annum equal to the applicable federal rate for long-term loans in effect on the Settlement Effective Date (subject to a 2.00% increase during an event of default), which was payable to the holder annually on the Interest Payment Date.

The unpaid principal balance of Note 1 and all accrued and unpaid interest thereon is due on the 12th anniversary of the Settlement Effective Date. Pursuant to the terms of Note 1, the Company is required to make annual prepayments of \$1.0 million (inclusive of accrued and unpaid interest then due and payable) to the holder on each Interest Payment Date. The Company has the right to prepay all or any part of the principal or interest of Note 1 without penalty.

With respect to Note 2, the Company also had the option, at any time prior to the first anniversary of the Settlement Effective Date, to prepay all, but not less than all, of the then-outstanding principal amount of Note 2 and accrued and unpaid interest thereon in exchange for the issuance of a warrant (the “Additional Warrant”) to purchase 13.0 million shares of common stock (the “Prepayment Option”). On September 17, 2025, the independent and disinterested members of the Board of Directors approved the exercise of the Prepayment Option, and we issued the Additional Warrant to Mr. Urvan’s affiliated designee. Upon issuance of the Additional Warrant, all remaining obligations under Note 2 were deemed satisfied with the same force and effect as a prepayment of all principal and

accrued and unpaid interest under Note 2. The Additional Warrant has a five-year term and an exercise price of \$1.00 per share. Pursuant to the terms of the Additional Warrant, the Additional Warrant is exercisable at the holder's discretion, in whole or in part, on or after September 17, 2026, subject to accelerated vesting in certain circumstances. Except with respect to the exercise price and the vesting date, the terms of the Additional Warrant and the Warrant are substantially similar.

Settlement of SEC Investigation

As previously disclosed, the Company was subject to an investigation by the U.S. Securities and Exchange Commission (the "SEC") relating to certain accounting, disclosure, and internal control issues primarily arising during periods prior to the tenure of the Company's current management team. The Company made an Offer of Settlement to the SEC, and on December 15, 2025, the SEC instituted settled cease-and-desist proceedings that fully resolved the investigation. The Company consented to the entry of the cease-and-desist order (the "SEC Order") without admitting or denying the SEC's findings, except as to jurisdiction.

Under the terms of the settlement, the SEC did not impose any civil penalty or monetary sanction. The Company agreed to cease and desist from committing or causing any future violations of certain provisions of the federal securities laws and related rules. The SEC's findings relate primarily to historical disclosure failures, accounting misstatements, non-GAAP financial metric disclosures, and deficiencies in internal accounting controls during the period from August 2020 through July 2023. As part of the SEC settlement, the Company agreed to undertakings requiring it to engage a third-party compliance consultant to review and make recommendations concerning the remediation of material weaknesses in internal control over financial reporting. The Company is required to cooperate fully with the consultant, adopt and implement the consultant's recommendations within two years of the SEC Order, and provide written certifications of compliance to the SEC staff.

The Company began significant remediation efforts prior to the settlement and has continued those efforts following the resolution of the SEC matter. These actions have included, among other measures, conducting an independent internal investigation, restating affected historical financial statements, replacing prior senior leadership, expanding and enhancing the accounting and external reporting function, retaining external accounting and internal control advisors, strengthening policies and procedures related to expense classification, capitalization, and stock-based compensation, enhancing period-end close and reconciliation controls, establishing a formal disclosure committee, and implementing a more robust process for identifying and disclosing related-party transactions.

The settlement with the SEC did not result in any civil penalty or disgorgement and, accordingly, did not have any direct adverse impact on the Company's liquidity or capital resources. However, the Company has incurred, and expects to continue to incur, costs related to compliance with the settlement undertakings and indemnification of three former directors and officers. These costs include fees and expenses associated with the compliance consultant and ongoing internal control remediation activities, along with advancement of legal expenses to former directors and officers against whom the SEC has instituted a separate enforcement action. These costs may be material in individual reporting periods but are not expected to impair the Company's ability to meet its obligations or execute its business strategy.

Management believes that the resolution of the SEC investigation eliminates a significant source of uncertainty and allows the Company to focus on operating its business, enhancing its control environment, and pursuing its strategic objectives. While management cannot provide assurance regarding the timing or ultimate effectiveness of all remediation efforts, the Company believes it has made, and will continue to make, appropriate progress in remediating the identified internal accounting control deficiencies and strengthening its governance, disclosure and financial reporting processes.

Results of Continuing Operations

Fiscal Year 2026 Compared to Fiscal Year 2025

The following table presents summarized financial information for the years ended March 31, 2026 and 2025, taken from our consolidated statements of operations:

	For the Year Ended March 31,	
	2026	2025
Net revenues	\$ 51,125,398	\$ 49,401,547
Cost of revenues	6,524,437	6,468,031
Gross profit	44,600,961	42,933,516
Operating expenses	50,893,396	102,646,794
Loss from operations	(6,292,435)	(59,713,278)
Other income		
Other income	1,396,380	778,120
Loss from continuing operations before income taxes	\$ (4,896,055)	\$ (58,935,158)
Provision for income taxes	49,537	6,286,305
Net loss from continuing operations	\$ (4,945,592)	\$ (65,221,463)

Non-GAAP Financial Measures

We analyze operational and financial data to evaluate our business, allocate our resources, and assess our performance. In addition to total net sales, net loss, and other results under GAAP, the following information includes key operating metrics and non-GAAP financial measures that we use to evaluate our business. We believe that these measures are useful for period-to-period comparisons of the Company's performance. We have included these non-GAAP financial measures in this Form 10-K because they are key measures management uses to evaluate our operational performance, produce future strategies for our operations, and make strategic decisions, including those relating to operating expenses and the allocation of our resources. Accordingly, we believe that these measures provide useful information to investors and others in understanding and evaluating our operating results in the same manner as our management and Board of Directors. The Adjusted EBITDA reconciliation presented below begins with loss from continuing operations, which the Company believes is the most directly comparable GAAP financial measure. This reconciliation is consistent with the presentation in the Company's first and second quarter fiscal 2026 earnings releases. In the third quarter fiscal 2026 earnings release, the Company presented the reconciliation beginning with net loss before discontinued operations and included the preferred stock dividend as a reconciling item. The Company has reverted to the prior presentation for clarity and consistency, as the preferred stock dividend does not impact Adjusted EBITDA under any period's calculation. The definition of Adjusted EBITDA has not changed.

Adjusted EBITDA

	For the Year Ended March 31,	
	2026	2025
Reconciliation of GAAP net loss from continuing operations to Adjusted EBITDA		
Loss from continuing operations	\$ (4,945,592)	\$ (65,221,463)
Provision for income taxes	49,537	6,286,305
Depreciation and amortization	14,396,813	13,589,698
Interest expense	1,769,656	82,173
Stock-based compensation	1,507,266	4,474,516
Interest and other income	(2,364,142)	(860,293)
Acquisitions and divestitures	108,748	1,493,069
Special Committee Investigation and restatement	1,517,158	8,639,147
SEC Investigation	74,782	9,923,892
Delaware Litigation settlement contingency	-	29,067,229
Delaware Litigation legal and professional fees	1,641,915	4,480,193
Corporate restructuring costs	2,995,460	-
Gain on extinguishment of debt	(801,894)	-
Other nonrecurring expenses(1)	6,350,000	3,298,399
Adjusted EBITDA	<u>\$ 22,299,707</u>	<u>\$ 15,252,865</u>

(1) For the year ended March 31, 2026, other nonrecurring expenses consisted of a \$4.4 million settlement to Innovative Computer Professionals, Inc. d/b/a Digital Cash Processing (“DCP”), a \$1.75 million settlement with a vendor as part of our sale of the ammunition manufacturing business and a \$0.2 million settlement contingency with as separate vendor as part of the sale of our ammunition manufacturing business. For the year ended March 31, 2025, other nonrecurring expenses consisted of a \$3.2 million expense related to the previously disclosed settlement with Triton Value Partners, LLC (the “Triton Settlement”).

Adjusted EBITDA is a non-GAAP financial measure that displays our net loss from continuing operations (the most directly comparable financial measure prepared in accordance with GAAP), adjusted to eliminate the effect of (i) provision or benefit for income taxes, (ii) depreciation and amortization, (iii) interest expense, (iv) stock-based compensation expenses relating to stock awards and common stock purchase options, (v) interest and other income, (vi) expenses related to acquisition and divestitures, (vii) gain on extinguishment of debt, (viii) professional service and legal fees related to an investigation conducted by a special committee of the Board of Directors (the “Special Committee Investigation”), the SEC Investigation and the Delaware Litigation and (ix) other nonrecurring expenses, such as contingencies associated with litigation or settlements and corporate restructuring costs related to headcount reductions, severance, and expense consolidation.

We believe that it is useful to exclude these expenses because the amount of such expenses in any specific period may not directly correlate to the underlying performance of our business operations.

Non-GAAP financial measures have limitations, should be considered as supplemental in nature and are not meant as a substitute for the related financial information prepared in accordance with GAAP. These limitations include the following:

- stock-based compensation expense has been, and will continue to be for the foreseeable future, a significant recurring expense for the Company and an important part of our compensation strategy;
- the assets being depreciated or amortized may have to be replaced in the future, and the non-GAAP financial measures do not reflect cash capital expenditure requirements for such replacements or for new capital expenditures or other capital commitments;
- non-GAAP measures do not reflect changes in, or cash requirements for, our working capital needs; and
- other companies, including companies in our industry, may calculate their non-GAAP financial measures differently or not at all, which reduces their usefulness as comparative measures.

Because of these limitations, you should consider the non-GAAP financial measures alongside other financial performance measures, including our net income (loss) and our other financial results presented in accordance with GAAP.

Net Revenues

We generate revenue from marketplace fees, which includes marketplace revenue, marketplace service fee revenue, advertising revenue and shipping revenue. Marketplace revenue consists of optional listing fees with variable pricing components based on customer options and final value fees based on a percentage of the final selling price of the listed item. Marketplace service fee is assessed by GunBroker and added to the price of the item at the time of purchase for all buyers, based on a percentage of the final price of an item at the time of purchase. The marketplace service fee helps offset increased costs associated with compliance with new state laws related to taxation, privacy, and firearms, which have significantly increased GunBroker's operational compliance expenses. Advertising revenue consists of fees charged for advertisement placement and impressions generated through the GunBroker website. Shipping revenue consists of fees for shipping items sold on the GunBroker website.

Net revenues for the year ended March 31, 2026 increased by \$1.7 million, or 3.5%, from the year ended March 31, 2025. This increase was due to higher gross merchandise sales volume generated from increased firearms sales on our Marketplace.

Cost of Revenues

Cost of revenues consists of costs associated with facilitating transactions on the GunBroker platform as well as advertising costs.

Cost of revenues increased by approximately \$0.1 million, or 0.9%, for the year ended March 31, 2026 compared to the year ended March 31, 2025. This increase was the result of an increase in higher transaction volume.

Gross Margin

Our gross margin, which measures our gross profit as a percentage of net revenues, increased to 87.2% for the year ended March 31, 2026 from 86.9% for the year ended March 31, 2025. This increase was primarily the result of platform monetization, an increasing mix of high-margin seller services, such as advertising, and reduced fraud credits.

Operating Expenses

Operating expenses consist of (i) selling and marketing expenses, which include tradeshows and marketing expenses, (ii) corporate general and administrative expenses, which include legal and professional fees and as well as insurance and rent, (iii) employee salaries and related expenses, which include salaries, benefits and stock-based compensation, and (iv) depreciation and amortization expenses.

Operating expenses decreased by approximately \$51.8 million for the year ended March 31, 2026 compared to the year ended March 31, 2025. This decrease was primarily due to a reduction of \$26.2 million in settlement contingencies related to the \$29.1 million settlement contingency for the Delaware Litigation occurring in the year ended March 31, 2025 partially offset by \$6.2 million in settlements in the year ended March 31, 2026 related to the settlements with Vista Outdoor Sales, LLC d/b/a The Kinetic Group Sales ("Vista") and DCP. In addition, there was reduction of \$19.8 million in legal and professional fees as a result of the completion of the previously disclosed restatement of our historical financial statements, the Special Committee Investigation, the SEC Investigation, and the Delaware Litigation as well as a \$1.4 million decrease in costs associated with acquisitions and divestitures, a decrease in salaries and related expenses of \$4.6 million primarily due to headcount reductions, less employee stock award grants and a reduction in board cash compensation, and a reduction in bad debt expense of \$1.2 million as a result of increased collection efforts. These decreases were partially offset by \$3.0 million in corporate restructuring costs which included severance payments and the impairment of the lease asset for the Scottsdale office as well as an increase in depreciation and amortization as the result of additions in capitalized software development.

Other Income and Expenses, Net

Total other income, net for the year ended March 31, 2026 increased by \$0.6 million compared to the year ended March 31, 2025. This increase was primarily the result of recognizing a \$0.8 million gain on the

extinguishment of Note 2 due to the conversion to the Additional Warrant in addition to an increase in interest and other income due to increased interest earned from carrying a higher cash balance. These increases were partially offset by an increase in interest expense of \$1.8 million related to the Notes issued in connection with the Delaware Litigation settlement.

Income Taxes

For the year ended March 31, 2026, we recorded a provision for federal and state income taxes of \$49,537 compared to a provision for federal and state income taxes of \$6.3 million for the year ended March 31, 2025. Provision for taxes for the year ended March 31, 2026 is for state income taxes. The change in federal and state income taxes for the year ended March 31, 2025 was the result of recording a full valuation allowance against our deferred tax assets as we concluded it is more likely than not that the net deferred tax assets will not be realized.

Liquidity and Capital Resources

As of March 31, 2026, we had \$68.1 million of cash and cash equivalents, an increase of \$37.9 million from \$30.2 million of cash and cash equivalents as of March 31, 2025.

Working capital is summarized and compared as follows:

	March 31,	
	2026	2025
Current assets	\$ 81,988,474	\$ 72,148,138
Current liabilities	20,720,534	62,092,917
	<u>\$ 61,267,940</u>	<u>\$ 10,055,221</u>

Liquidity

We expect existing working capital and cash flow from operations to be adequate to fund our operations over the next 12 months. Generally, we have financed operations to date through the proceeds of stock sales, bank financings, sales of equity, the sale of our Ammunition Manufacturing Business and related-party notes. These sources have been adequate to fund our recurring cash expenditures including but not limited to our working capital requirements, capital expenditures to expand our operations, debt repayments and acquisitions. In the longer-term, we intend to continue to use the aforementioned sources of funding for our share repurchase program, capital expenditures, debt repayments and any potential acquisitions.

Leases

We currently lease three locations, two of which are office space and one of which is a 2,660 square-foot mixed-use warehouse space in Marietta, GA. The office space in Scottsdale is our former headquarters and is currently not being utilized. We attempted to sublease the Scottsdale office space but such efforts have proven unsuccessful thus far. We recorded an impairment of the lease asset in the year ended March 31, 2026 on the Scottsdale lease in the amount of \$0.7 million. As of March 31, 2026, we had \$1.3 million of fixed lease payment obligations with \$0.6 million payable within the next 12 months. As of March 31, 2025, we had \$1.8 million of fixed lease payment obligations with \$0.7 million payable within the 12 months following such date. Please refer to Note 7, "Leases" for additional information.

Promissory Notes Issued in Settlement of the Delaware Litigation

As described in the "Recent Developments" section above, on May 30, 2025, we issued Note 1 and Note 2 pursuant to the Settlement Agreement. The aggregate principal amount of Note 1 and Note 2 was \$51.0 million, and we were required to make aggregate annual prepayments of \$2.95 million beginning on May 30, 2026.

During the year ended March 31, 2026, we recorded interest expense of \$819,550 and \$950,070 on Note 1 and Note 2, respectively.

On September 17, 2025, the independent and disinterested members of the Board of Directors approved the exercise of the Prepayment Option, and we issued the Additional Warrant in satisfaction of Note 2. The prepayment of Note 2 was accounted for as an extinguishment of debt and a gain of \$801,894 was recognized on the consolidated statement of operations. The remaining principal balance on Note 1 is \$12.0 million and we are required to make an annual prepayment of \$1.0 million on Note 1 beginning on May 30, 2026.

Revolving Loan

On December 29, 2023, we entered into a Loan and Security Agreement (as amended from time to time, the “Sunflower Agreement”) by and among the Company and the other borrowers party to the Sunflower Agreement, the lenders party thereto (collectively, the “Lenders”) and Sunflower Bank, N.A., as administrative agent and collateral agent (the “Agent”), pursuant to which the Lenders provided us a revolving loan (“Revolving Loan”) in the principal amount of the lesser of (a) \$20.0 million (the “Total Commitment Amount”) and (b) the borrowing base (a formula based on certain amounts owed to borrower for goods sold or services provided and eligible inventory). The proceeds of loans under the Sunflower Agreement could be used for working capital, general corporate purposes, permitted acquisitions, to pay fees and expenses incurred in connection with the Revolving Loan, to facilitate our stock repurchase program and to fund our general business requirements.

As of March 31, 2026 and 2025, we did not have an outstanding balance on the Revolving Loan.

On April 1, 2026, we terminated the Sunflower Agreement. The facility had no outstanding balance at the time of termination, and the termination did not materially impact the Company’s liquidity or capital resources.

Share Repurchase Program

On January 4, 2026, the Board authorized a discretionary share repurchase program pursuant to which we may repurchase up to \$15.0 million of our outstanding common stock over a period of twelve months. Repurchases under the program may be made from time to time, in management’s discretion, through open market purchases, privately negotiated transactions, and other means in accordance with federal securities laws, including pursuant to one or more Rule 10b5-1 trading plans. The timing, volume, and value of any repurchases will be determined by management based on factors including market conditions, our liquidity and capital needs, and other factors deemed relevant. The share repurchase program does not obligate us to repurchase any specific number of shares and may be modified, suspended, or terminated at any time at the discretion of the Board of Directors or management. Any repurchases under the program will be funded from our existing cash balances, future operating cash flows, or other legally available funds.

During the year ended March 31, 2026, we repurchased 513,925 shares at an average purchase price of \$1.95 per share. The total cash paid to repurchase shares during the year ended March 31, 2026 was \$1.0 million.

Changes in cash flow are summarized as follows:

Operating Activities

For the year ended March 31, 2026, net cash provided by operating activities was attributable to non-cash depreciation and amortization expense of \$14.4 million, non-cash expense for employee stock awards of \$1.5 million and an increase in other noncurrent liabilities of \$1.4 million due to the timing of payments, partially offset by an increase of \$3.4 million in prepaid expenses and other current assets, a decrease of \$6.1 million in accounts payable and accrued liabilities and our net loss from continuing operations.

For the year ended March 31, 2025, net cash used in operating activities was attributable to our net loss, partially offset by an increase in accrued liabilities of \$34.4 million associated with the contingency for the potential settlement of the Delaware Litigation, non-cash depreciation and amortization expense of \$13.6 million and non-cash expense for employee stock awards of \$4.5 million, an increase in accounts payable of \$2.5 million due to an increase in invoices unpaid at the end of the year, an increase of \$40.4 million in deferred income taxes, partially offset by an increase of \$36.0 million in the valuation allowance on deferred income taxes.

Investing Activities

During the year ended March 31, 2026, net cash provided by investing activities consisted primarily of proceeds of \$42.9 million related to the sale of the Ammunition Manufacturing Business and \$0.5 million in proceeds from the sale of an equity investment, partially offset by \$2.9 million in capitalized development costs related to our Marketplace.

During the year ended March 31, 2025, net cash used in investing activities consisted of \$3.4 million related primarily to capitalized development costs related to our Marketplace.

Financing Activities

During the year ended March 31, 2026, net cash used in financing activities consisted of \$3.0 million of preferred stock dividends paid, \$1.0 million used to repurchase shares of common stock pursuant to our repurchase plan and \$0.3 million used to repurchase common stock to cover taxes on share awards issued to employees.

During the year ended March 31, 2025, net cash used in financing activities consisted of \$3.0 million of preferred stock dividends paid, \$5.9 million used to repurchase shares of common stock pursuant to our repurchase plan (which included shares repurchased related to the Triton Settlement), and \$0.7 million used to repurchase common stock to cover taxes on share awards issued to employees.

Off-Balance Sheet Arrangements

As of March 31, 2026 and 2025, we did not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our financial condition, net sales, expenses, results of operations, liquidity capital expenditures, or capital resources.

Critical Accounting Estimates

Our critical accounting estimates are included in our significant accounting policies as described in Note 2 of the consolidated financial statements included in Item 8, *Financial Statements and Supplemental Data*, of this report. Those consolidated financial statements were prepared in accordance with GAAP. Critical accounting estimates are those that we believe are most important to the portrayal of our financial condition and results of operations. The preparation of our consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Our estimates are evaluated on an ongoing basis and are drawn from historical operations, current trends, future business plans and other factors that management believes are relevant at the time our consolidated financial statements are prepared. Actual results may differ from our estimates. Management believes that the following accounting estimates reflect the more significant judgments and estimates we use in preparing our consolidated financial statements.

Assets Held for Sale and Discontinued Operations

A business is classified as held for sale when management having the authority to approve the action commits to a plan to sell the business, the business is available for immediate sale in its present condition and an active program to locate a buyer has been initiated. Additionally, the sale must be probable to occur during the next 12 months at a price that is reasonable in relation to its current fair value and actions required to complete the plan indicate it is unlikely significant changes to the plan will be made or the plan will be withdrawn. A business classified as held for sale is recorded at the lower of (i) its carrying amount and (ii) estimated fair value less costs to sell. When the carrying amount of the business exceeds its estimated fair value less costs to sell, a loss is recognized and updated each reporting period as appropriate. Assets held for sale are not further depreciated or amortized once such a determination is reached.

The results of operations of businesses classified as held for sale are reported as discontinued operations if the disposal represents a strategic shift that will have a major effect on the entity's operations and financial results. When a business is identified for discontinued operations reporting: (i) results for prior periods are retrospectively reclassified as discontinued operations; (ii) results of operations are reported in a single line, net of tax, in the consolidated statement of operations; and (iii) assets and liabilities are reported as held for sale in the consolidated balance sheets in the period in which the business is classified as held for sale.

The Board of Directors initiated a formal review of strategic alternatives for the Company's Ammunition segment during the year ended March 31, 2025. This review of strategic alternatives resulted in the decision to sell the Ammunition segment. Accordingly, we concluded the assets of the Ammunition segment met the criteria for classification as held for sale. We determined the ultimate disposal would represent a strategic shift that would have a major effect on our operations and financial results. As such, the results of the Ammunition segment are presented as discontinued operations in the accompanying consolidated statements of operations for all periods presented and the assets and liabilities of the Ammunition segment have been reflected as assets and liabilities of discontinued operations in the accompanying consolidated balance sheets for all periods presented. The Company ceased depreciating and amortizing its long-lived assets for the Ammunition segment which primarily included intangible assets and property and equipment. On January 20, 2025, we entered into the Asset Purchase Agreement with the Buyer, pursuant to which the Buyer agreed to (i) acquire the Ammunition Manufacturing Business along with certain assets related to the Ammunition Manufacturing Business, and (ii) assume certain liabilities related to the

Ammunition Manufacturing Business, for a gross purchase price of \$75.0 million, subject to customary adjustments for estimated net working capital and real property costs and pro-rations. The Transaction closed on April 18, 2025. The net proceeds totaled approximately \$42.9 million. The assets acquired, and the liabilities assumed by the Buyer were those primarily related to the Ammunition Manufacturing Business, including the Ammunition Manufacturing Business' dedicated manufacturing facility in Manitowoc, WI.

We calculated an estimated loss on classification to held for sale of approximately \$45.8 million, reflecting the write-down of the carrying value of the Ammunition segment to fair value less costs to sell. The fair value was determined by using market participant assumptions as there was an expected sale price for the business based on negotiations with the Buyer. Costs to sell included estimated incremental, direct costs incurred to transact the sale of the Ammunition segment. Refer to Note 4 to our consolidated financial statements for additional information.

Allowance for Credit Losses

The allowance for credit losses is calculated as a percentage of trade receivables at the end of the reporting period, and is based on historical experience, with the change in such allowance being recorded as provision for credit losses in corporate general and administrative expense in the consolidated statement of operations. This calculation requires management judgment.

Goodwill

We evaluate goodwill for impairment annually or more frequently when an event occurs, or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying amount. We have the option to first perform a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying value. The qualitative assessment includes certain significant judgments including assessments of macroeconomic conditions, industry and market considerations, cost factors, overall financial performance of the reporting unit, and other relevant considerations impacting the reporting unit. If we elect to bypass the qualitative assessment, or if the qualitative assessment indicates that it is more likely than not that the fair value is less than the carrying amount, then we are required to perform a quantitative assessment for impairment. Under the quantitative goodwill impairment test, if the carrying amount exceeds its fair value, we record an impairment charge based on that difference, not exceeding the carrying amount of goodwill. To determine fair value, we apply the income approach, which uses management's forecasts to estimate future net available cash flow. Significant judgments inherent in this analysis include, but are not limited to, estimates of future revenue, operating margins and long-term growth discount rates. Our estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable. If actual results are materially lower than originally estimated, or if we experience significant, adverse changes to long-term growth rate or discount rate assumptions, it could result in a material impact on our consolidated financial statements in future periods. We conducted our annual impairment test of goodwill as of March 31, 2026 and 2025 and determined that no adjustment to the carrying value of goodwill was required.

Leases

We determine if an arrangement is a lease at inception of the contract. Operating lease assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease assets and liabilities are recognized at commencement date based on the present value of fixed lease payments over the lease term. Leases with an initial term of 12 months or less are not recorded on the balance sheet; instead, we recognize lease expense for these leases on a straight-line basis over the lease term. We do not account for lease components (e.g., fixed payments to use the underlying lease asset) separately from the non-lease components (e.g., fixed payments for common-area maintenance costs and other items that transfer a good or service). Some of our leases include variable lease payments, which primarily result from changes in consumer price and other market-based indices, which are generally updated annually, and maintenance

and usage charges. These variable payments are excluded from the calculation of our lease assets and lease liabilities.

We utilize the interest rate implicit in the lease to determine the lease liability when the interest rate can be determined. As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at the lease commencement date in determining the present value of lease payments.

Stock-Based Compensation

We account for stock-based compensation at fair value in accordance with Accounting Standards Codification ("ASC") 718 – Compensation – Stock Compensation, which requires the recognition of the cost of employee, director and non-employee services received in exchange for an award of equity over the period the employee, director or non-employee is required to perform the services in exchange for the award. Stock-based compensation is measured based on the grant-date fair value of the award. Stock-based compensation for stock awards is recognized on a straight-line basis over the vesting periods and stock-based compensation for stock options is recognized using the accelerated recognition method. Forfeitures are recognized in the periods they occur. There were 809,777 and 1,269,106 shares of common stock issued to employees and members of the Board of Directors for services for the years ended March 31, 2026 and 2025, respectively.

Income Taxes

We file federal and state income tax returns in accordance with the applicable rules of each jurisdiction. We account for income taxes under the asset and liability method in accordance with ASC 740. The provision for income taxes includes federal, state, and local income taxes currently payable, and deferred taxes. We recognize deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. We measure deferred tax assets and liabilities using enacted tax rates expected to apply to taxable amounts in years in which those temporary differences are expected to be recovered or settled. If it is more likely than not that some portion or all of a deferred tax asset will not be realized, a valuation allowance is recognized. In accordance with ASC 740, we recognize the effect of income tax positions only if those positions are more likely than not of being sustained. We measure recognized income tax positions at the largest amount that is greater than 50% likely of being realized. We reflect changes in recognition or measurement in the period in which the change in judgment occurs.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We have not entered into any market risk sensitive instruments for trading purposes. We are exposed to market risks in the ordinary course of business including fluctuations in interest rates and commodity prices, which can affect our operating, investing, and financing activities.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The consolidated financials are submitted as a separate section of this Form 10-K beginning on page F-1.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with participation of our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), evaluated the effectiveness of our disclosure controls and procedures as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of March 31, 2026. Our disclosure controls and procedures are designed to provide reasonable assurance that information disclosed by us in the reports we file or submit under the Exchange Act is (i) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and (ii) accumulated and communicated to management, including our CEO and CFO, to allow timely decisions regarding required disclosures. Based upon that evaluation, our CEO and CFO have concluded that our disclosure controls and procedures were effective at a reasonable assurance level as of March 31, 2026.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting ("ICFR"), as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our ICFR is a process designed by, or under the supervision of, our CEO and CFO to provide reasonable assurance regarding the reliability of financial reporting and of the preparation of financial statements for external reporting purposes, in accordance with GAAP and includes those policies and procedures that (i) maintain records in reasonable detail that accurately and fairly reflect transactions and dispositions of assets (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized use, acquisition, or disposition of assets that could have a material effect on the financial statements.

Because of inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision and with participation of our management, including our CEO and CFO, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this evaluation, our management concluded that our internal control over financial reporting was effective as of March 31, 2026.

This Form 10-K does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting because, as a smaller reporting company, we are not required to provide such an attestation pursuant to Section 404(b) of the Sarbanes Oxley Act. Our independent registered public accounting firm has not audited and does not express an opinion on the effectiveness of our internal control over financial reporting.

Management's Remediation of Previously Identified Material Weaknesses

We are committed to maintaining a strong internal control environment. In connection with our annual report Form 10-K for the year ended March 31, 2025, we identified material weaknesses in the design and operation of our ICFR in the Control Environment, Control Activities, Information & Communication, and Monitoring components of the COSO framework related to the following areas:

Control Environment, Information and Communication, and Monitoring Activities - Under the COSO framework, the Board of Directors and senior management establish the tone at the top regarding the importance of internal controls and management reinforces expectations at the various levels of the company.

- We did not execute appropriately designed entity-level controls governing the control environment and effective monitoring controls to prevent or detect material misstatements to the consolidated financial statements. These deficiencies were attributed to (i) a lack of a sufficient complement of qualified personnel within the accounting and financial reporting function, including reliance on unqualified personnel, with an appropriate level of technical expertise to provide for sufficient oversight, accountability and monitoring over the performance of control activities, (ii) insufficient governance to monitor compliance with the Company's Code of Conduct to identify, evaluate, and report potential fraud as well as related director and management behavior, such as, among other things, director independence, and (iii) improper review and approval of disclosure regarding related party transactions and executive compensation.

Control Activities— These material weaknesses in the control environment resulted in certain instances of inappropriate accounting decisions and inappropriate changes in accounting methodology and contributed to the following additional material weaknesses whereby we did not design, implement and maintain effective controls within certain business processes.

- *Complex Technical Accounting: Stock Compensation / Warrants / Convertible Notes* – We did not design and maintain controls over the effective review of the models, assumptions and data used in developing estimates or changes made to models, assumptions and data to ensure the

appropriate application of GAAP. It was further determined that the existence of complementary or compensating controls could not be relied upon to mitigate the identified deficiencies given failures were detected in all critical procedures from initiation to disclosure of the related transactions, including: timely and accurate accounting assessments performed over newly executed contracts to ensure appropriate application of GAAP; the review and approval of the issuance of stock awards to employees and third-party service providers including determining specific grant dates and key terms; determination of an appropriate fair value measurement for financial instruments; review of the classification and recording of equity compensation expenses; timely and accurate application of GAAP related to equity issuance costs; and recognition and disclosure of compensation expense for all share-based payment awards to employees, directors and third parties.

- **Related Party Transactions and Executive Compensation** – We did not properly maintain controls over the identification and disclosure of related party transactions and executive compensation. There were insufficient management review procedures to validate the completeness and accuracy of related party and executive compensation disclosures and to clearly define and evidence the process used and criteria and judgment applied to identify and disclose related party transactions and executive compensation.
- **Financial Reporting** – We did not properly maintain controls over period-end financial reporting, including tie-out and review of supporting documentation. There were insufficient management review procedures to validate the completeness and accuracy of complex technical accounting transactions and to clearly define and evidence the process used and criteria and judgment applied in the performance of critical business components.
- **Segregation of Duties** – We failed to properly separate the execution of certain controls by designated senior management, which did not provide for proper segregation between preparer and reviewer for select transactions. We further failed to fully resolve identified segregation of duties conflicts with system access for designated business and IT users, thus related user access review and application change management procedures could not be relied upon for select Company systems.

Throughout fiscal years 2025 and 2026, we completed the implementation and testing of the remediation measures designed to address these material weaknesses. These remediation actions taken to address the material weaknesses included the following:

Control Environment, Information and Communication, and Monitoring Activities:

- **Executive Communications to Reinforce Compliance** – The Company’s CEO and other executives, at the direction of the Board of Directors, have reinforced the importance of adherence to the Company’s policies and procedures regarding ethics and compliance and the importance of identifying misconduct and raising and communicating concerns. This reinforcement has occurred through email communications, staff meetings, remarks given to senior management, as well as other employee forums, including mandatory ethics training.
- **Organizational Enhancements** – The Company has completed implementation of several organizational enhancements as follows: (i) the identification and successful hiring of a Vice President of Accounting and External Reporting, who has the responsibility and authority to ensure that GAAP and accounting for complex or non-routine transactions that require specialized accounting are appropriately applied corporate-wide, (ii) the enhancement of the Company’s organizational structure over all finance functions and an increase in the Company’s accounting personnel with the requisite knowledge, experience, and training in GAAP to ensure that a formalized process for determining, documenting, communicating, implementing and monitoring controls over the period-end financial close and reporting processes is maintained and proper segregation exists between the preparer and reviewer for select transactions, and (iii) enhancement of accounting policies and procedures related to journal entries, invoice approval, account reconciliations and variance thresholds.
- **Related Party Transaction Policy** – The Company utilized its new Related Party Transactions Policy to proactively identify transactions and improve disclosures. Guidance is provided by new corporate

disclosure counsel with review/approval by the Audit Committee. The Related Party Transactions Policy was further reviewed and revised in fiscal year 2026.

- *Perquisites Policy* – The Company utilized its Perquisites Policy to better define its perquisites disclosure requirements, perquisite identification, training, and employee compliance requirements.

Control Activities:

- *Significant and Unusual Transactions (Complex Technical Accounting)* – The Company evaluated its practices related to significant non-recurring transactions and implemented improvements in those practices, including, (i) updating the process to address agreements with non-standard terms, including formalized review and approval, (ii) more formalized practices for assessing the need for utilization of a third-party expert for unusual or complex transactions, and (iii) the development of a more comprehensive review process and monitoring controls over significant transactions to ensure accurate accounting and the preparation of accounting memoranda.
- *Related Party Transaction Policy* – In conjunction with the Related Party Transaction Policy the Company implemented formal documentation requirements to clearly evidence the process, criteria, and judgment applied in the identification of related parties, related party transactions and executive compensation, including support for management’s conclusion regarding disclosure requirements.
- *Financial Reporting* – The Company enhanced its management review procedures through additional training of accounting staff, improved evidence of review through tick marks and screenshots to validate the completeness and accuracy of transactions and to clearly define and evidence the process used and criteria and judgment applied in performance of critical business activities.
- *Disclosure Committee* – The Company established a formal disclosure committee that includes key members of management that have responsibility for disclosure information necessary for periodic reports filed with the SEC. This committee has met, and will continue to meet, on an as-needed basis as well as prior to the Audit Committee meeting in which a Form 10-K, Form 10-Q or other relevant Exchange Act document will be approved and will conduct follow-up meetings as necessary. The meetings cover all significant events from the period being reported upon and supporting information. A charter was created governing the conduct of this committee, a formal agenda is distributed prior to each meeting, and minutes are maintained for each meeting.

Based on the foregoing remediation measures and testing, management concluded that the previously identified material weaknesses have been remediated and that the Company’s internal control over financial reporting was effective as of March 31, 2026.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the fiscal quarter ended March 31, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Executive Officers

The following table sets forth the name and position of each of our current executive officers as of June 21, 2026. All executive officers serve at the discretion of the Board.

Name	Title
Steve Urvan	Chief Executive Officer ⁽¹⁾
Paul Kasowski	Chief Financial Officer
Jordan Christensen	Chief Legal Officer, Corporate Secretary ⁽²⁾

- (1) Mr. Urvan was appointed as Chief Executive Officer effective May 30, 2025.
- (2) Mr. Christensen was appointed as Chief Legal Officer effective June 1, 2025 and Corporate Secretary effective September 10, 2025.

Below is a discussion of the business experience of and certain other biographical information with respect to each of the executive officers identified in the table above.

Steve F. Urvan, age 59, was appointed as the Company's Chief Executive Officer and Chairman of the Board effective May 30, 2025 and has been a director of the Company since April 2021. Mr. Urvan was employed by the Company from April 2021 through January 5, 2023 as the Chief Strategy Officer of GunBroker.com. Mr. Urvan is the Founder and has been the CEO of BitRail, a compliant payments infrastructure, since February 2018. Mr. Urvan founded GunBroker.com in 1999 and served as its CEO until the Company acquired it in April 2021. Mr. Urvan has spent nearly 30 years as an entrepreneur, advisor, and investor with a passion for building and growing companies across various industries, but always with a focus of technology as a core or enabler. Mr. Urvan remains active in other companies that he founded including Outdoors.com Digital Media, an outdoor lifestyle website, App Cohesion, an e-commerce technology platform, and Gemini Southern, a merchant bank.

Paul Kasowski, age 50, was appointed our Chief Financial Officer effective September 20, 2024. Prior to that, Mr. Kasowski served as the Chief Compliance and Transformation Officer when he joined the Company in January 2024. He brings extensive knowledge across finance, strategy, and transformation from his career leading value creation initiatives in both public and private companies. Prior to joining the Company, Mr. Kasowski held the role of SVP, Business Transformation for Kinder's Seasonings & Sauces from 2022 to 2023 where he professionalized financial reporting and implemented margin improvement projects while building a winning culture for this high growth brand. He was CFO for Arizona Natural Resources, a privately owned manufacturer of premium beauty care products where he oversaw finance, accounting, IT, HR, planning, and sourcing from 2020 to 2021. Mr. Kasowski held the role of VP, Financial Planning & Analysis for Igloo Products Corp., a manufacturer of coolers and hydration products based in Katy, TX. From 2003 to 2019, he held progressing roles in finance, strategy and operations for Del Monte Foods and Ainsworth Pet Nutrition. He earned his M.S. in Supply Chain Management from Michigan State University, his MBA from Ohio University and his Bachelor of Science degree in Finance from Robert Morris University.

Jordan Christensen, age 39, has served as the Company's Chief Legal Officer since June 1, 2025 and as Corporate Secretary since September 10, 2025. Mr. Christensen previously served as the Company's General Counsel from June 2024 until his appointment as Chief Legal Officer. Prior to joining the Company, he served as Chief Legal Officer of Nxu, Inc. from June 2023 to June 2024. Earlier in his career, Mr. Christensen held legal roles with the Salt River Pima-Maricopa Indian Community from November 2015 to June 2023 and served as an Assistant Attorney General for the State of Arizona from June 2013 to November 2015. Through his consulting firm, WCAZ Law, PLLC, he has provided legal and business advisory services to numerous early-stage startup and microcap public companies since 2020. Mr. Christensen also serves as a Judge Pro Tempore for the Maricopa County Superior Court and has been a member of the Arizona State Bar Editorial Board since 2019. He received his

J.D. from The Ohio State University Moritz College of Law and M.B.A. from the University of Wisconsin. Mr. Christensen brings significant experience in corporate governance, public company reporting, and legal affairs.

Board of Directors

The following table sets forth the name, age and position of the directors currently serving on our Board of Directors:

Name	Age	Positions
Steve F. Urvan	59	Chief Executive Officer and Chairman
Houman Akhavan ⁽¹⁾	48	Director
David Douglas ⁽²⁾	62	Director
Christos Tsentas	38	Director
Wayne Walker	67	Director

(1) Mr. Akhavan was elected as a member of the Board of Directors effective August 29, 2025.

(2) Mr. Douglas was elected as a member of the Board of Directors effective August 29, 2025.

Below is a discussion of the business experience of and certain other biographical information with respect to each of our directors.

Steve F. Urvan serves as our Chief Executive Officer and Chairman of the Board. His business experience is discussed above in "*Executive Officers*."

The Board of Directors determined that Mr. Urvan possesses attributes that qualify him to serve as a member of the Board, including his extensive experience building and leading GunBroker.com and his deep knowledge of the firearms and ammunitions industry via that leadership.

Houman Akhavan has been a director of the Company since August 2025. Mr. Akhavan is a seasoned e-commerce and digital marketing executive with over 25 years of experience leading growth and transformation across public and private companies. Since 2023, he has served as CEO of GCheck.com, a technology-driven provider in the pre-employment background check space, and sits on the Board of Directors at CDON Group (Nasdaq: CDON.ST), a leading Nordic online marketplace. From 2019-2023, Mr. Akhavan previously served as Chief Marketing Officer at CarParts.com (Nasdaq: PRTS), where he led major digital initiatives including platform consolidation, mobile-first transformation, and the implementation of scalable marketing infrastructure. Under his leadership, CarParts.com was recognized by Similarweb as the fastest-growing e-commerce site in the automotive aftermarket. Mr. Akhavan brings deep expertise in performance marketing, customer acquisition, online marketplaces, and digital strategy. Mr. Akhavan studied Computer Information Technology at Mt. Sierra College.

The Board of Directors determined that Mr. Akhavan possesses attributes that qualify him to serve as a member of the Board, including his public company board experience and extensive experience as an executive for public companies. The Board of Directors also determined that Mr. Akhavan's substantial knowledge and experience in e-commerce, performance marketing, customer acquisition, and online marketplaces brings a unique, accretive, and much-needed e-commerce perspective to the Board.

David Douglas has been a director of the Company since August 2025. Mr. Douglas is an experienced financial executive with over two decades of leadership across private and growth-stage companies, with a focus on manufacturing, consumer products, and defense-related industries. For over 10 years, he has served as Chief Financial Officer and a member of the Board of Directors at HUXWRX Safety Co. LLC, a manufacturer of safety and suppressor technologies designed for both commercial and defense applications. In this role, Mr. Douglas oversees all financial operations, including capital strategy, financial reporting, and compliance, while playing a key role in corporate governance and strategic planning. Prior to joining HUXWRX, Mr. Douglas held senior finance and strategy roles at multiple industrial and middle-market businesses, where he was responsible for executing turnaround strategies, optimizing operational performance, and leading capital raises. He began his career in investment banking and private equity, where he developed a strong foundation in capital markets, transaction structuring, and portfolio company oversight. Mr. Douglas holds a Master of Business Administration from The

Wharton School at the University of Pennsylvania and a Bachelor of Arts in Economics from the University of Pennsylvania.

The Board of Directors determined that Mr. Douglas possesses attributes that qualify him to serve as a member of the Board, including his deep experience in financial leadership, operational strategy, and corporate governance. The Board also determined that Mr. Douglas's extensive background in managing finance and compliance functions in growth-oriented companies, along with his current role as CFO and director of a mission-driven manufacturing business, will bring valuable insight and financial expertise to the Board.

Christos Tsentas has been a director of the Company since November 2022. Mr. Tsentas has served as a Partner of Albion River LLC, a private direct investment firm focusing on aerospace, defense and government-related opportunities since 2020. Earlier, he served as an investment banker at Kipps DeSanto & Co., an M&A advisory firm focused on the aerospace and defense markets, from 2009 to 2015. Mr. Tsentas serves on the board of directors of Magpul Industries Corporation, a designer and manufacturer of firearms accessories and outdoor lifestyle products. Mr. Tsentas holds a Bachelor of Science in Finance and Accounting from the University of Virginia and a Master of Business Administration from Columbia Business School.

The Board of Directors determined that Mr. Tsentas possesses attributes that qualify him to serve as a member of the Board, including his experience as an investment banker with a focus on the defense industry and as a board member of a designer and manufacturer of firearms accessories.

Wayne Walker has been a director of the Company since November 2022. Mr. Walker has more than 30 years of experience in corporate law, governance and corporate restructuring, including 15 years at the DuPont Company in the Securities and Bankruptcy Group, where he worked in the Corporate Secretary's office and served as Senior Counsel. In 2003, Mr. Walker founded Walker Nell Partners, Inc., an international business consulting firm providing corporate governance and restructuring, fiduciary services, litigation support, and other services to client corporations and law firms, where he continues to serve as President. Earlier in his career, Mr. Walker served as Partner at Parente Beard LLC, an accounting firm, from 2001 to 2004 and as Senior Legal Counsel at E. I. du Pont de Nemours and Company from 1984 to 1998. He has served (i) on the board of directors of Wrap Technologies, Inc. (Nasdaq: "WRAP"), a global public safety technology and services company, since 2018 where he currently serves as chairman of the board and as a member of the board's compensation committee, (ii) as chairman of the board of Petro Pharmaceuticals, Inc. (Nasdaq: "PTPI"), a men's health company, since 2020, (iii) on the board of directors of AYRO, Inc. (Nasdaq: "AYRO"), a designer and producer of all-electric vehicles, since 2020 and (iv) on the board of directors of Pitcairn Trust Company, a national advisor to family offices, since 2018. He is the former Vice President of the Board of Education of the City of Philadelphia, Chairman of the Board of Trustees of National Philanthropic Trust, a public charity that holds over \$20 billion of assets under management, and Chairman of the Board of Directors for Habitat for Humanity International, a global non-profit, non-governmental housing organization. Mr. Walker holds a B.A. from Loyola University New Orleans and a J.D. from the Columbus School of Law at the Catholic University of America. He also studied finance for non-financial managers at the University of Chicago's Graduate School of Business.

The Board of Directors determined that Mr. Walker possesses attributes that qualify him to serve as a member of the Board, including his extensive public company board experience and his experience as an attorney for a large publicly traded company. The Board of Directors determined that Mr. Walker's substantial knowledge and more than 30 years of experience in corporate governance, restructuring and corporate litigation enhances the Board's corporate governance and related experience.

Arrangements

On November 3, 2022, the Company entered into a Settlement Agreement (the "2022 Urvan Settlement Agreement") with Mr. Urvan and Susan T. Lokey, pursuant to which the Company is obligated to include Messrs. Urvan, Tsentas and Walker (collectively, the "Urvan Group Directors") in its director candidates slate for each annual meeting of stockholders until 20 calendar days after the date of Mr. Urvan's departure from the Board. In the event any Urvan Group Director ceases to be a director or is no longer able to serve as a director of the Company for any reason, Mr. Urvan is entitled to designate a candidate for replacement for such Urvan Group Director.

On May 21, 2025, the Company entered into a Settlement Agreement (the "2025 Settlement Agreement"), by and among the Company, Speedlight Group I, LLC, a Delaware limited liability company and a wholly owned subsidiary of the Company ("Speedlight"), Mr. Urvan, and the following persons, each of whom previously served on the Board of Directors: Richard R. Childress, Jared Smith, Fred W. Wagenhals and Russell Williams Wallace, Jr.

(collectively, the “Legacy Directors”). The 2025 Settlement Agreement became effective as of 5:00 p.m. Eastern Time on May 30, 2025, pursuant to its terms (the “Settlement Effective Date”). As a result and pursuant to the Settlement Agreement, effective as of the 2025 Settlement Effective Date, (i) Jared Smith resigned as a member of the Board of Directors and from his position as the Chief Executive Officer of the Company and as an officer or member of each of the Company’s direct and indirect subsidiaries and (ii) Mr. Urvan was appointed as the Chief Executive Officer of the Company and as the Chairman of the Board of Directors.

Except as set forth above, there are no agreements or understandings between our directors, executive officers or any other person pursuant to which they were selected as a director or an executive officer, as applicable. In addition, there are no family relationships between any of our directors and executive officers.

Company Policies

Committee Charters, Corporate Governance Guidelines, and Codes of Conduct and Ethics

The Board of Directors has adopted charters for the Audit, Compensation, and Nominations and Corporate Governance Committees describing the authority and responsibilities delegated to each committee by the Board. The Board has also adopted Corporate Governance Guidelines, a Code of Conduct applicable to all of our employees and directors, and a Code of Ethics applicable to the Chief Executive Officer and senior financial officers, including our Chief Financial Officer and principal accounting officer.

We post on our website, at <https://outdoorholding.com/governance/governance-documents/default.aspx>, the charters of our Audit, Compensation, and Nominations and Corporate Governance Committees, our Corporate Governance Guidelines, Code of Conduct, and Code of Ethics for the Chief Executive Officer and Senior Financial Officers, and any amendments or waivers thereto, and any other corporate governance materials specified by SEC regulations. These documents are also available in print, without charge, to any stockholder requesting a copy in writing from our Corporate Secretary at the address of our executive offices.

Clawback Policy

We have adopted a clawback policy in compliance with SEC and Nasdaq rules. In the event we are required to prepare an accounting restatement of our financial results as a result of a material noncompliance by us with any financial reporting requirement under the federal securities laws, we will have the right to recover from any current or former executive officers who received incentive compensation (whether cash or equity) from us during the three-year period preceding the date on which we were required to prepare the accounting restatement, any excess incentive compensation awarded as a result of the misstatement. This policy is administered by the Compensation Committee of the Board of Directors.

Insider Trading Policy

We have adopted an insider trading policy (the “Insider Trading Policy”), which outlines the Company’s policies regarding the protection of material, non-public information, trading and tipping, as well as the expected standards of conduct of the Company’s directors, officers and employees with respect to such matters. Specifically, our Insider Trading Policy governs transactions in our securities by our directors, officers and employees and their respective immediate family members and prohibits trading in the securities of the Company at any time that an individual possesses material, non-public information. Additionally, directors, officers and certain restricted employees (as defined in the Insider Trading Policy) may only trade during the trading window set forth in the Insider Trading Policy and must provide notice of any proposed transaction to the Company’s Chief Financial Officer. The Insider Trading Policy also covers trading in call or put options involving the Company’s securities and other derivative securities as well as “short sales” of the Company’s securities. Pursuant to the Insider Trading Policy, officers, directors and restricted employees may not engage in such transactions without the prior approval of the Company’s Chief Financial Officer. While the Company is not subject to the Insider Trading Policy, we do not trade in our securities when in possession of material non-public information other than pursuant to previously adopted Rule 10b5-1 trading plans.

Audit Committee

The Company has a separately-designated standing audit committee. Members of the Audit Committee are Christos Tsentas, Houman Akhavan and David Douglas. Mr. Tsentas serves as Chair of the Audit Committee. The Board of Directors determined that Mr. Tsentas, whose background is detailed in director biographies above,

qualifies as an “audit committee financial expert” as defined in Item 407(d)(5) of Regulation S-K. Mr. Tsentas is independent as defined in the Nasdaq listing standards.

Clawback Recovery Analysis

Following the Company’s previously disclosed accounting restatement, the Compensation Committee conducted a review in accordance with the Company’s Compensation Recovery Policy to determine whether any incentive-based compensation received by current or former executive officers constituted erroneously awarded compensation subject to recovery. Based on its review, the Compensation Committee concluded that no such erroneously awarded compensation had been received and, accordingly, that no recovery or clawback action was required or necessary.

ITEM 11. EXECUTIVE COMPENSATION

Overview

The compensation program for our executive officers is administered by our Compensation Committee with Board oversight and approval. The intent of our compensation program is to align our executives’ interests with those of our stockholders, while providing reasonable and competitive compensation.

The purpose of this Executive Compensation discussion is to provide information about the material elements of compensation that we pay or award to, or that is earned by: (i) the individuals who served as our principal executive officer during fiscal year 2026; (ii) our two most highly compensated executive officers, other than the individuals who served as our principal executive officer, who were serving as executive officers, as determined in accordance with the rules and regulations promulgated by the SEC, as of March 31, 2026, with compensation during fiscal year 2026 of \$100,000 or more; and (iii) up to two additional individuals for whom disclosure would have been provided pursuant to clause (ii) but for the fact that such individuals were not serving as executive officers on March 31, 2026. We refer to these individuals as our “named executive officers.” For fiscal year 2026, our named executive officers and the positions in which they served are listed below:

- Steve F. Urvan, our Chief Executive Officer;
- Jared R. Smith, our former Chief Executive Officer;
- Paul Kasowski, our Chief Financial Officer; and
- Jordan Christensen, our Chief Legal Officer and Corporate Secretary.

Compensation Committee Overview

The purpose of the Compensation Committee includes determining, or when appropriate, recommending to the Board for determination, the compensation of our Chief Executive Officer and other executive officers and discharging the Board’s responsibilities relating to Company compensation programs in light of the goals and objectives of our compensation program for that year. As part of its responsibilities, the Compensation Committee evaluates the performance of our Chief Executive Officer and, together with our Chief Executive Officer, assesses the performance of our other executive officers. Although we do not target executive compensation to any peer group median, we strive to provide a compensation package that is competitive in the market and rewards each executive’s performance. The Compensation Committee recommends compensation packages for approval by the Board of Directors.

Executive Compensation Philosophy and Objectives

Our executive compensation program is designed to attract, retain and reward executive officers in alignment with our business objectives and long-term stockholder interests. For fiscal 2026, the material elements of our executive compensation program were base salary, cash bonuses, and equity-based compensation.

Compensation Program Objectives

We structure our executive compensation programs around three compensation elements: base salary; discretionary cash bonuses; and equity awards. We believe that the combination of these three elements allows the Company to attract, retain and reward executive officers in alignment with our business objectives and long-term stockholder interests. The discussion below describes the methodology the Compensation Committee used in determining why it believes each element of compensation is aligned with the interest of our stockholders. In

determining the amounts to pay, the Compensation Committee considers each named executive officer's performance of their responsibilities and duties, as well as the compensation for similar positions at comparable companies.

Base Salary

Base salaries provide a level of fixed compensation sufficient to attract and retain a high-quality leadership team, when considered in combination with the other components of our executive compensation program. The Compensation Committee reviews base salaries annually to ensure they are in line with industry standards and each individual's experience.

For fiscal 2026, the base salaries for Messrs. Urvan, Smith, Kasowski and Christensen were set at \$1, \$500,000, \$325,000 and \$400,000 respectively.

Cash Bonuses

Mr. Kasowski is eligible to receive an annual cash performance bonus in an amount up to 100% of his annual base salary, dependent on achieving Company and personal goals. Mr. Christensen is eligible to receive an annual cash performance bonus awarded in the sole discretion of the Board or as delegated by the Board to the Compensation Committee. Such bonuses are payable pursuant to the terms of the foregoing individuals' executive employment agreements and are approved by the Compensation Committee.

Notwithstanding the terms of the employment agreements of certain of our named executive officers, we paid discretionary cash bonuses to certain of our named executive officers from time to time in recognition of their contributions to the Company's performance, the amounts of which are included in the "Bonus" column in the Summary Compensation Table below.

Equity Awards

We provide equity compensation to our named executive officers in order to further align their interests with those of our stockholders and to further focus our named executive officers on our long-term performance.

Awards of Common Stock

In recognition of their contributions to the Company's performance, and pursuant to their employment agreements, Messrs. Kasowski, and Christensen were granted 200,000 and 360,000 shares of common stock, respectively. Such shares vest in with quarterly installments of 25,000 shares for Mr. Kasowski and 45,000 shares for Mr. Christensen, in each case subject to his continued employment through the applicable vesting date. The number of shares of common stock granted pursuant to the named executive officers' employment agreements are not subject to adjustment in the event of a stock split, stock dividend, re-capitalization or similar event unless such adjustment is expressly agreed upon by the Company and the executive.

In connection with his resignation, and pursuant to the terms of an executive separation agreement, Mr. Smith was awarded 259,998 shares of restricted common stock as of May 30, 2025.

Award of Options to Purchase Common Stock

Pursuant to the terms of his employment agreement, in July 2023, Mr. Smith was granted stock options to purchase 400,000 shares of common stock, 100,000 of which vested immediately and 300,000 of which were scheduled to vest in equal quarterly installments of 25,000 over three years beginning in the quarter ended September 30, 2023. As discussed in further detail below, in connection with his resignation and pursuant to the terms of an executive separation agreement, the vesting was accelerated by the Board effective May 30, 2025.

Stockholder Engagement

At our 2025 annual meeting of stockholders, approximately 94% of the votes cast were in favor of the proposal to approve, on an advisory basis, the compensation of our named executive officers. Based upon the results of such advisory vote and our review of our compensation policies and decisions, the Board and Compensation Committee believe that these policies and decisions are consistent with our compensation philosophy and objectives and align the interests of our named executive officers with the long-term goals of the Company. We value and continue to seek the feedback we receive from our stockholders in regard to our executive compensation practices.

Perquisites and Other Personal and Additional Benefits

The Company provides named executive officers with perquisites and other personal benefits that the Company believes are reasonable and consistent with its overall compensation program to better enable the Company to attract and retain superior employees for key positions. Attributed costs, if any, of the personal benefits for the named executive officers for the years ended March 31, 2026 and 2025 are included in the “All Other Compensation” column in the Summary Compensation Table.

We maintain broad-based benefits that are provided to all full-time employees, including medical, dental, group life insurance, accidental death and dismemberment insurance, long- and short-term disability insurance and a tax-qualified 401(k) plan. The Company subsidizes 100% of some executive officers’ health insurance premiums, when required by contract, whereas only a portion of non-executive employees’ premiums are subsidized by the Company. Our 401(k) plan is intended to qualify as a tax-qualified plan under Section 401 of the Internal Revenue Code of 1986, as amended (the “Code”), so that contributions to our 401(k) plan, and income earned on such contributions, are not taxable to participants until withdrawn or distributed from the 401(k) plan. All of our 401(k) plan participants are eligible for employer matching contributions equal to 100% of the participant’s elective deferral contributions up to 3% of the participant’s compensation. Our 401(k) plan also permits us to make discretionary contributions, and all of our contributions are subject to established limits and a vesting schedule. We do not maintain any defined benefit pension plans or any non-qualified deferred compensation plans.

The Company also provides meals or reimbursement of meal expenses for named executive officers, as well as certain other miscellaneous expenses described in the footnotes to the Summary Compensation Table.

From time to time, the Company reimburses named executive officers for expenses related to marketing and business development activities, such as hunting trips with customers and suppliers.

Accounting and Tax Considerations

Section 162(m) of the Code generally disallows a tax deduction to public corporations for compensation of over \$1,000,000 paid for any fiscal year to an individual who was a named executive officer. The Compensation Committee and the Board will continue to design compensation programs that are in the best long-term interests of the Company and our stockholders, with deductibility of compensation being one of a variety of considerations taken into account.

Risk Assessment of Compensation Policies and Practices

We have assessed the compensation policies and practices with respect to our employees, including our executive officers, and have concluded that they do not create risks that are reasonably likely to have a material adverse effect on the Company.

Summary Compensation Table

The following table sets forth the compensation of our named executive officers for the years ended March 31, 2026 and 2025.

Name and Principal Position	Fiscal Year	Salary (\$)(1)	Bonus (\$)(1)	Non-Equity Incentive Plan Compensation (\$)(1)	Stock Awards (\$)(2)	Option Awards (\$)(2)	All Other Compensation (3)	Total
Steve F. Urvan, Chief Executive Officer ⁽⁴⁾	2026	\$ 1	\$ -	\$ -	\$ -	\$ -	177,167 ⁽⁵⁾	\$ 177,168
Jared R. Smith ⁽⁶⁾	2026	\$ 86,619	\$ -	\$ -	\$ -	\$ -	1,066,972 ⁽⁷⁾	\$ 1,153,591
Former Chief Executive Officer	2025	\$500,000	\$175,000	\$ -	\$ -	\$ -	40,739	\$ 715,739
Paul Kasowski ⁽⁸⁾	2026	\$325,000	\$325,000	\$ -	\$313,750	\$ -	25,145 ⁽⁹⁾	\$ 988,895
Chief Financial Officer	2025	\$301,982	\$113,750	\$ -	\$150,000	\$ -	18,586 ⁽¹¹⁾	\$ 584,318
Jordan Christensen, Chief Legal Officer, Corporate Secretary ⁽¹⁰⁾	2026	\$387,503	\$400,000	\$ -	\$576,050	\$ -	11,625	\$ 1,375,178

- (1) The amounts in this column reflect the amounts earned during the fiscal year, whether or not actually paid during such year.
- (2) The amounts in this column reflect the aggregate fair value of stock awards or options awards, as applicable, granted to our named executive officers during the applicable fiscal year, calculated in

accordance with ASC Topic 718, Stock Compensation ("ASC 718"). The valuation assumptions used in determining such amounts are described in the footnotes to our audited consolidated financial statements included in this Form 10-K. The amounts reported in this column reflect our accounting expense for these awards and do not correspond to the actual economic value received by our named executive officers.

- (3) The named executive officers participate in certain group life, health, hospitalization, and medical reimbursement plans, the costs of which are not disclosed in this column because such plans are available generally to salaried employees and do not discriminate in scope, terms, and operation.
- (4) Mr. Urvan was appointed Chief Executive Officer of the Company effective May 30, 2025. Information for fiscal 2025 is not included because Mr. Urvan was not a named executive officer during fiscal 2025.
- (5) This amount consists of (i) \$16,142 of aggregate incremental costs related to Company-paid health and medical insurance premiums of Mr. Urvan and his family, (ii) \$38,925 in cash compensation for Mr. Urvan's role as a member of the Board from April 1, 2025 to May 30, 2026 and (iii) \$122,100 in aggregate fair value of stock awards issued to Mr. Urvan for his role as a member of the Board.
- (6) Mr. Smith served as Chief Executive Officer from July 24, 2023 to May 30, 2025.
- (7) This amount consists of (i) a \$625,000 cash payment in connection with Mr. Smith's resignation (ii) \$48,728 in incremental fair value, calculated in accordance with ASC 718, in connection with the acceleration of Mr. Smith's stock option to purchase 400,000 shares of common stock, (iii) \$366,597 attributable to the 259,998 shares of restricted stock issued pursuant to Mr. Smith's separation agreement (iv) \$6,619 in Company contributions to a 401(k) plan for the benefit of Mr. Smith and (v) \$20,028 of aggregate incremental costs related to Company-paid health and medical insurance premiums of Mr. Smith and his family.
- (8) Mr. Kasowski was appointed Chief Financial Officer of the Company effective September 20, 2024.
- (9) This amount consists of (i) \$7,934 in Company contributions to a 401(k) plan for the benefit of Mr. Kasowski and (ii) \$17,211 of aggregate incremental costs related to Company-paid health and medical insurance premiums for Mr. Kasowski and his family.
- (10) Mr. Christensen was appointed Chief Legal Officer of the Company on June 1, 2025 and appointed Corporate Secretary of the Company on September 10, 2025. Information for 2025 is not included because Mr. Christensen was not a named executive officer during 2025.
- (11) This amount consists of \$11,625 in Company contributions to a 401(k) plan for the benefit of Mr. Christensen.

Outstanding Equity Awards at Fiscal Year-end

The following table discloses information about unexercised options and unvested stock and equity incentive plan awards outstanding with respect to our named executive officers at March 31, 2026.

	Option Awards					Stock Awards			
	Number of securities underlying unexercised options (#)	Number of securities underlying unexercised options (#)	Equity incentive plan awards: Number of securities underlying unexercised unearned options (#)	Option exercise price (\$)	Option expiration date	Number of shares or units of stock that have not vested (#)	Market value of shares or units of stock that have not vested (\$)	Equity incentive plan awards: Number of unearned shares, units or other rights that have not vested (#)	Equity incentive plan awards: Market or payout value of unearned shares, units or other rights that have not vested (\$)
	exercisable	unexercisable							
Steve Urvan	-	-	-	\$ -	-	-	\$ -	30,000	\$ 60,300
Jared R. Smith	400,000	-	-	\$ 2.08	7/24/2034	-	\$ -	-	\$ -
Paul Kasowski	-	-	-	\$ -	-	-	\$ -	150,000	\$ 301,500
Jordan Christensen	-	-	-	\$ -	-	-	\$ -	225,000	\$ 452,250

Employment Agreements

We have entered into employment agreements with certain of our named executive officers, the material terms of which are set forth below.

Kasowski Employment Agreement

Effective as of September 20, 2024, the Company entered into an employment agreement with Paul Kasowski, which replaced and superseded his prior employment agreement, pursuant to which Mr. Kasowski agreed to serve as the Company's Chief Financial Officer for an initial two-year term, with up to two automatic one-year renewal periods unless terminated earlier in accordance with its terms.

Mr. Kasowski's employment agreement provides that he will receive an annual base salary of \$325,000 subject to annual increases in the sole discretion of the Compensation Committee. The agreement also provides that Mr. Kasowski is entitled to receive 25,000 shares of common stock each quarter. The Compensation Committee determined, as a matter of administrative efficiency, to grant the remaining shares due to Mr. Kasowski under his employment agreement in a single grant (subject to vesting provisions) after the shareholder approval of the Outdoor Holding Company 2025 Long-Term Incentive Plan. Mr. Kasowski was granted 175,000 shares of common stock on October 20, 2025, of which 25,000 shares shall vest each quarter for the remaining duration of Mr. Kasowski's employment agreement. Mr. Kasowski is also eligible to receive cash performance-based bonuses as determined in the sole discretion of the Compensation Committee from time to time. Mr. Kasowski's employment agreement also contains confidentiality, non-competition, non-solicitation and non-disparagement provisions.

Christensen Employment Agreement

On May 1, 2025, the Company entered into an amended and restated employment agreement with Jordan Christensen, which replaced and superseded his prior employment agreement dated April 4, 2024, pursuant to which Mr. Christensen agreed to serve as the Company's Chief Legal Officer.

Mr. Christensen's amended and restated employment agreement provides that he will receive an annual base salary of \$400,000, subject to periodic review by the Board or the Compensation Committee. The agreement also provides for Mr. Christensen a restricted stock award of 360,000 shares of common stock, with a portion vesting upon grant and the remainder vesting in equal quarterly installments of 45,000 shares per quarter over the initial term of the agreement. In addition, Mr. Christensen is eligible to receive annual performance-based cash bonuses in the sole discretion of the Board. Pursuant to the terms of the agreement, Mr. Christensen is also entitled to participate in employee benefit plans, receive reimbursement for business expenses, and take paid time off in accordance with Company policy. The agreement has an initial term of 24 months, with automatic one-year renewal periods unless terminated earlier in accordance with its terms. The agreement further provides for severance and other payments upon certain qualifying terminations, including termination without cause or for good reason, as well as accelerated vesting of equity awards in specified circumstances, including upon a change in control (as further described below). The agreement also contains customary confidentiality, non-competition, non-solicitation, non-disparagement, and other restrictive covenant provisions.

Severance Payments under the Employment Agreements

In the event that the employment of Mr. Christensen or Mr. Kasowski is terminated by the Company without "cause" (as defined in each respective employment agreement) or by Mr. Christensen or Mr. Kasowski for "good reason" (as defined in each respective employment agreement), then Mr. Christensen or Mr. Kasowski, as applicable, will be entitled to receive a severance package which includes 12 months of base salary following the effective date of termination. In each case, such severance is subject to the applicable executive's execution and delivery to the Company of a release of claims.

In the event that Mr. Christensen's employment is terminated by the Company without "cause" or Mr. Christensen terminates his employment for "good reason", in either case upon or within 12 months following the effective date of a "change in control" (as defined in the Outdoor Holding Company 2025 Long-Term Incentive Plan), Mr. Christensen will be entitled to receive a payment equal to 12 months of base salary following the effective date of termination, the accelerated vesting of the stock award granted pursuant to the employment agreement, a pro-rated target annual bonus through the date of termination and release from the non-competition covenant set forth in his employment agreement, in lieu of any other severance amounts, subject to his execution of a release of claims.

With respect to Mr. Christensen, the severance payments will be paid in accordance with the Company's regular payroll practices, commencing with the first payroll period after the effective date of the release of claims and, subject to timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), payment of group health insurance premiums for a period of up to 12 months following the date of termination or until COBRA benefits otherwise end.

With respect to Mr. Kasowski, the severance payments will include salary and insurance benefits for a period of 12 months from the effective date of termination and 100% accelerated vesting of any shares and options, including any remaining unvested shares and options, which shall immediately become vested and issuable upon termination.

Smith Employment Agreement and Executive Separation Agreement

On December 15, 2022, the Company and Mr. Smith entered into an employment agreement, pursuant to which Mr. Smith served as our Chief Operating Officer.

On July 24, 2023, in connection with Mr. Smith's appointment as Chief Executive Officer, the Company and Mr. Smith entered into an amended and restated employment agreement. The amended and restated employment agreement provided for an initial term of three years, with the Company having the right to extend the agreement for up to three additional one-year terms. Mr. Smith's amended and restated employment agreement would be terminated automatically upon Mr. Smith's death and could be terminated by either party with or without cause in accordance with state and federal law, or by the Company upon Mr. Smith's disability, as defined in the amended and restated employment agreement. Mr. Smith's amended and restated employment agreement provided for (i) an annual base salary of \$500,000, subject to annual increases of up to 6% as determined in the discretion of the Board and subject to the recommendation of the Compensation Committee, (ii) 400,000 shares of common stock over the term of the agreement, vesting and issuable on a quarterly basis, and (iii) stock options to purchase 400,000 shares of common stock. Such options were to vest (i) 100,000 on July 24, 2023, and (ii) the remaining 300,000 in equal quarterly installments of 25,000 over three years beginning with the September 30, 2023 quarter, provided, in each case, that Mr. Smith remained in the continuous employ of the Company as of the end of each quarter. Mr. Smith was also eligible to earn an annual cash performance bonus in such amount, if any, as determined in the sole discretion of the Board and subject to the recommendation of the Compensation Committee, which bonus target is 100-125% of his annual salary.

Mr. Smith's amended and restated employment agreement also includes confidentiality, non-competition, non-solicitation and non-disparagement provisions. The agreement provided that, for six months following the date of his termination, or 90 business days if Mr. Smith was terminated without cause upon a change in control (the "Restricted Period"), Mr. Smith was prohibited from, directly or indirectly, in any territory in which the Company operates, (i) engaging in, marketing, selling, or providing any products or services that are the same or similar to or otherwise competitive with the products and services sold or provided by the Company or (ii) owning, acquiring, or controlling any interest, financial or otherwise, in a third party or business or managing, participating in, consulting with, rendering services for or otherwise, any business, that in each case is engaged in selling or providing the same, similar or otherwise competitive services or products that the Company is selling or providing, other than ownership of 1% or less of the equity of a publicly traded company. Further, during the Restricted Period, Mr. Smith could not, directly or indirectly, (i) call on, solicit, or service, engage or contract with, or take any action that may interfere with, impair, subvert, disrupt, or alter the relationship, contractual or otherwise, between the Company and any current or prospective customer, supplier, distributor, agent, contractor, developer, service provider, licensor, licensee or other material business relation of the Company, (ii) divert or take away the business or patronage (with respect to products or services of the kind or type developed, produced, marketed, furnished, or sold by the Company) of any of the Company's clients, customers, or accounts, or prospective clients, customers, or accounts, (iii) solicit, induce, recruit or encourage any employees or independent contractors of or consultants to the Company to terminate their relationship with the Company or take away or hire such employees, independent contractors or consultants, or (iv) attempt to do any of the foregoing.

On May 21, 2025, the Company entered into an executive separation agreement with Mr. Smith which became effective as of May 30, 2025. As a result, Mr. Smith's amended and restated employment agreement terminated, except for certain customary surviving provisions. Pursuant to the executive separation agreement, Mr. Smith received certain separation benefits, including: (i) payment of all compensation and benefits to which Mr. Smith is legally entitled under his amended and restated employment agreement through May 21, 2025; (ii) a lump sum cash separation payment equal to \$625,000 (an amount equal to 15 months of Mr. Smith's annual base salary);

(iii) reimbursement for all reimbursable expenses due to Mr. Smith under the amended and restated employment agreement as of May 30, 2025; and (iv) a lump sum payment equal to the value of Mr. Smith's accrued and unused vacation and paid time off balance as of May 30, 2025. The Company also agreed to pay premiums for extended health insurance coverage under COBRA for a period of 12 months for Mr. Smith and his family, or until Mr. Smith's coverage otherwise terminated in accordance with COBRA or on account of Mr. Smith's eligibility to receive coverage under a subsequent employer's program.

Pursuant to the executive separation agreement, Mr. Smith was permitted to retain 100% of his nonqualified stock options and shares of common stock, including any remaining unvested shares and options, which immediately became vested and exercisable as of May 30, 2025, subject to the terms and conditions of the 2017 Equity Incentive Plan (the "2017 Plan") and any applicable award documentation with respect to such options, which terms and conditions include exercisability of the options for up to ten years after the original issuance date.

Pension Benefits

We do not have any plans that provide for payments or other benefits at, following, or in connection with retirement.

Non-qualified Deferred Compensation

We do not have any non-qualified defined contribution plans or other deferred compensation plans.

Director Compensation

The following table sets forth, for the year ended March 31, 2026, information with respect to compensation for services in all capacities to us and our subsidiaries earned by our directors, who are not officers and who served during the year ended March 31, 2026.

Name and Principal Position	Fees Earned or Paid in Cash \$(1)	Stock Awards \$(2)	Option Awards \$(3)	Total \$(4)
Houman Akhavan	\$ 50,217	\$ 91,800	\$ -	\$ 142,017
Richard Childress	69,658	30,285	-	99,943
David Douglas	49,674	91,800	-	141,474
Randy Luth	106,613	30,285	-	136,898
Jared Smith	-	-	-	-
Christos Tsentas	155,199	122,100	-	277,299
Steve Urvan ⁽³⁾	38,925	122,100	-	161,025
Rusty Wallace	94,052	30,285	-	124,337
Wayne Walker	187,700	122,100	-	309,800

- (1) The amounts in this column reflect the amounts earned during the fiscal year, whether or not actually paid during such year.
- (2) The amounts in this column reflect the aggregate fair value of the stock awards granted to our directors during the fiscal year, as applicable, calculated in accordance with FASB ASC Topic 718, Compensation, Stock Compensation. The amounts reported in this column reflect our accounting expense for these awards and do not correspond to the actual economic value that may be received by the directors from their stock awards. None of our directors held any unvested stock awards or option awards as of March 31, 2026.
- (3) The amounts in this row are also reported in the "All Other Compensation" column of the Summary Compensation Table above. Mr. Urvan's cash board payments were paid during the part of the fiscal year before he became the Chief Executive Officer and became ineligible for non-employee director cash compensation.

In October 2025, our Board adopted an annual compensation policy as it relates to our directors to provide annual cash retainers (paid in quarterly installments) for each non-employee director as follows:

Annual Cash Retainer Fee		
Non-Employee Director	\$	60,000
Audit Committee Chair		15,000
Compensation Committee Chair		15,000
Nominations and Corporate Governance Chair		15,000
Audit Committee Member (Non-Chair)		10,000
Compensation Committee Member (Non-Chair)		10,000
Nominations and Corporate Governance Member (Non-Chair)	\$	10,000

In addition to the cash compensation described above, the director compensation policy provides that, following election at each annual meeting of stockholders of the Company, each non-employee director serving on the Board is entitled to receive an award of 60,000 restricted shares of common stock under the under the Outdoor Holding Company 2025 Long-Term Incentive Plan (or any successor equity incentive plan then in effect). Such shares vest in quarterly installments, with 25% of the shares vesting on November 15, February 15, May 15, and August 15 of the applicable year, provided that the director is providing services to the Company through the applicable vesting date. Any unvested director shares will be forfeited in the event that the director's service on the Board terminates, except upon a termination due to death or total and permanent disability, in which case all unvested shares shall immediately become vested in full. We also reimburse each director for reasonable travel expenses related to such director's attendance at board and committee meetings.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth certain information, to the extent known by us or ascertainable from public filings, with respect to the beneficial ownership of our common stock for:

- each person, or group of affiliated persons, known by us to be the beneficial owner of more than 5% of our voting securities;
- each member of our Board of Directors;
- each of our named executive officers with respect to the year ended March 31, 2026; and
- all of our directors and current executive officers as of June 15, 2026, as a group.

We have determined beneficial ownership in accordance with the rules of the SEC. Under such rules, an individual or entity is generally deemed to beneficially own any shares as to which the individual or entity has sole or shared voting or investment power, including any shares that the individual or entity has the right to acquire within 60 days of June 15, 2026 through the exercise of any stock options or other rights. Except as indicated in the footnotes below, we believe, based on the information furnished or available to us, that the persons and entities named in the table below have sole voting and investment power with respect to all shares of common stock that they beneficially own, subject to community property laws where applicable.

The applicable percentage ownership is based on 116,163,494 shares of common stock outstanding at June 15, 2026, which includes unvested shares of restricted stock.

Name of Beneficial Owner ⁽¹⁾	Shares of Common Stock Beneficially Owned	
	Number	Percentage
5% Stockholders		
Kanen Wealth Management LLC ⁽²⁾ 6810 Lyons Technology Circle, Suite 160 Coconut Creek, Florida 33073	11,494,006	9.9%
BlackRock, Inc. ⁽³⁾ 50 Hudson Yards New York, NY 10001	6,385,721	5.5%
Steve F. Urvan ⁽⁴⁾ 7491 N Federal Highway STE C5 PMB 379 Boca Raton, FL 33487	24,358,366	19.8%
Directors		
Houman Akhavan	45,000	*
David Douglas	45,000	*
Christos Tsentas	176,413	*
Wayne Walker	176,413	*
Named Executive Officers		
Steve F. Urvan ⁽⁴⁾	24,358,366	19.8%
Jared R. Smith ⁽⁵⁾	1,018,491	*
Jordan Christensen	165,801	*
Paul Kasowski	135,970	*
All directors and officers as a group (8 persons)	25,102,963	20.4%

* Percentage of shares does not exceed 1%.

- (1) Except as otherwise indicated, the address of each beneficial owner listed is c/o Outdoor Holding Company, 1100 Circle 75 Pkwy, Suite 1300, Atlanta, GA 30339.
- (2) Amount reported is based on the Schedule 13G filed with the SEC on November 12, 2025 by Kanen Wealth Management LLC (“KWM”) on its own behalf and on behalf of certain affiliates. The filing reports that KWM is the beneficial owner of and has shared dispositive power with respect to 11,494,006 shares of common stock and has shared voting power with respect to 11,494,006 shares of common stock.
- (3) Amount reported is based on the Schedule 13G filed with the SEC on November 8, 2024 by BlackRock, Inc. (“BlackRock”). The filing reports that BlackRock is the beneficial owner of and has sole dispositive power with respect to 6,385,721 shares of common stock and has sole voting power with respect to 6,291,564 shares of common stock.
- (4) Includes (i) 7,000,000 shares underlying a warrant held by GDI Air III LLC (“GDI Air”), which warrant is exercisable within 60 days of June 15, 2026, and (ii) 17,222,857 shares held by UFO LLC (“UFO”) and 135,509 shares held by Steve Urvan. GDI Air is a single-member limited liability company whose sole member is UFO. UFO is a single-member limited liability company whose sole member is the 50 X 50 Trust, a Nevada irrevocable domestic asset protection trust of which Mr. Urvan is the grantor, investment trust adviser, and a discretionary beneficiary. Mr. Urvan serves as a manager of UFO and, in such capacity, has sole voting and dispositive power over the shares owned or controlled by UFO.
- (5) Includes 400,000 shares underlying a stock option granted on July 24, 2023, which is fully vested and exercisable within 60 days of June 15, 2026.

Change-in-Control

There are no arrangements currently in effect, the operation of which may at a subsequent date result in a change of control of the Company.

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth information as of March 31, 2026 with respect to our compensation plans under which equity securities may be issued.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders:			
2025 Long-Term Incentive Plan	-	-	9,139,278
2017 Equity Incentive Plan ⁽¹⁾	400,000	\$ 2.08	—
Total	400,000	-	9,139,278

- (1) In October 2017, our Board of Directors approved the 2017 Plan. The 2017 Plan initially permitted the issuance of equity-based instruments covering up to a total of 485,000 shares of common stock. Our Board of Directors and stockholders approved an increase of 4,515,000 shares in October 2020, an additional increase of 1,000,000 shares in March 2023, and an additional increase of 3,000,000 shares in February 2024, bringing the total shares allowed under the 2017 Plan to 9,000,000. The 2017 Plan was terminated with respect to future awards on August 29, 2025 and was replaced by the 2025 Long-Term Incentive Plan.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Policies and Procedures for Review and Approval of Related Party Transactions

We have adopted a formal written policy for the review, approval and ratification of transactions with related parties. Our Related Party Transactions Policy, which was adopted on June 6, 2024, provides guidance for addressing actual or potential conflicts of interest, including those that may arise from transactions and relationships between us and our executive officers or directors. The policy covers transactions between the Company and our executive officers, directors, director nominees, 5% stockholders and any person who is an immediate family member of any of the foregoing persons. The policy generally applies to any transaction, arrangement or relationship or series of similar transactions, arrangements or relationships (including any indebtedness or guarantee of indebtedness) in which (i) the Company was or is to be a participant, (ii) the amount of which exceeds the lesser of (x) \$120,000 in the aggregate or (y) one percent of the average of the Company's total assets at year-end for the last two completed fiscal years and (iii) the related party had, or will have, a direct or indirect material interest.

The Audit Committee, as matter of appropriate corporate governance, reviews and approves all such transactions, to the extent required by applicable rules and regulations. Generally, management presents to the Board of Directors for approval at the next regularly scheduled Board meeting any related party transactions proposed to be entered into by us. The Audit Committee may approve the transaction if it is deemed to be in the best interests of the Company. In determining whether to approve or ratify a transaction, the Audit Committee takes into account, among

other factors it deems appropriate, (i) the relevant facts and circumstances of the transaction, including if the transaction is on terms comparable to those that could be obtained in arm's length dealings with an unrelated third party, (ii) the extent of the related party's interest in the transaction, (iii) whether the transaction contravenes the Company's Code of Business Ethics and Conduct Policy or other policies, (iv) whether the relationship underlying the transaction is believed to be in the best interests of the Company and its stockholders and (v) if such related party is a director or his or her immediate family member, the effect that the transaction may have on the director's status as an independent member of the Board of Directors and eligibility to serve on committees of the Board of Directors pursuant to SEC rules and applicable stock exchange listing standards.

Transactions with Related Parties

The following is a description of each transaction since April 1, 2024 and each currently proposed transaction in which:

- we have been or are to be a participant;
- the amount involved exceeds the lesser of (x) \$120,000 in the aggregate or (y) one percent of the average of the Company's total assets at year-end for the last two completed fiscal years; and
- any related person had or will have a direct or indirect material interest.

Transactions Involving Steve Urvan

Steve Urvan, our Chief Executive Officer and Chairman of the Board, owns or controls approximately 19.8% of our common stock as of the date of this Form 10-K.

Gemini Accounts Receivable

Through our acquisition of Gemini Direct Investments, LLC ("Gemini") in 2021, a related party relationship was created through Mr. Urvan, then a director and now our Chairman of the Board and Chief Executive Officer, by virtue of his ownership of entities that provided services to Gemini. There was \$201,646 included in our accounts receivable at September 30, 2025 from entities owned by Mr. Urvan. During the three months ended December 31, 2025, the Company determined that these amounts were uncollectible after evaluating the age of the receivables, historical collection experience, incomplete billing records, and the financial condition and operating history of the related entities. As a result, the \$201,646 included in our accounts receivable was written off against the Company's reserve for credit losses. The determination of uncollectibility and the related write-off were reviewed and approved by the Company's Audit Committee, and Mr. Urvan did not participate in the review or approval of such determination and the related write-off.

The 2025 Urvan Settlement Agreement

On May 21, 2025, we entered into the 2025 Settlement Agreement. The 2025 Settlement Agreement became effective as of the Settlement Effective Date. As a result and pursuant to the 2025 Settlement Agreement, effective as of the Settlement Effective Date, (i) Jared Smith resigned as a member of the Board of Directors and from his position as the Chief Executive Officer of the Company and as an officer or member of each of the Company's direct and indirect subsidiaries and (ii) Mr. Urvan was appointed as the Chief Executive Officer of the Company and as the Chairman of the Board of Directors. In addition, in accordance with the 2025 Settlement Agreement, on June 3, 2025, the Company, Speedlight, Mr. Urvan and the Legacy Directors filed a Stipulation of Voluntary Dismissal With Prejudice dismissing, with prejudice, all claims asserted in the Delaware Litigation.

As partial consideration for the settlement, on the Settlement Effective Date, the Company issued to an affiliated designee of Mr. Urvan, GDI Air, LLC, the Warrant to purchase 7.0 million shares of common stock. GDI Air is a single-member limited liability company whose sole member is UFO, LLC ("UFO"). UFO is a single-member limited liability company whose sole member is the 50 X 50 Trust, a Nevada irrevocable domestic asset protection trust of which Mr. Urvan is the grantor, investment trust adviser, and a discretionary beneficiary. Mr. Urvan serves as a manager of UFO and, in such capacity, has sole voting and dispositive power over the shares owned or controlled by UFO. The Warrant has a five-year term and an exercise price of \$1.81 per share. Pursuant to the terms of the Warrant, the Warrant is exercisable at the holder's discretion, in whole or in part, on or after the six-month anniversary of the Settlement Effective Date, subject to certain accelerated vesting in certain circumstances.

In addition to the Warrant, we issued to an affiliated designee of Mr. Urvan, (i) Note 1, an unsecured promissory note in a principal amount of \$12.0 million and (ii) Note 2, an unsecured promissory note in a principal

amount of \$39.0 million. Note 1 bears interest at 6.50% per annum (subject to a 2.00% increase during an event of default), which interest is payable to the holder annually on the anniversary of the Settlement Effective Date, beginning on the first anniversary of the Settlement Effective Date (each interest payment due date, an “Interest Payment Date”). Note 2 bore interest at a rate per annum equal to the applicable federal rate for long-term loans in effect on the Settlement Effective Date (subject to a 2.00% increase during an event of default), which was payable to the holder annually on the Interest Payment Date.

The unpaid principal balance of Note 1 and all accrued and unpaid interest thereon is due on the 12th anniversary of the Settlement Effective Date. Pursuant to the terms of Note 1, the Company is required to make annual prepayments of \$1.0 million (inclusive of accrued and unpaid interest then due and payable) to the holder on each Interest Payment Date. The Company has the right to prepay all or any part of the principal or interest of the Note without penalty.

With respect to Note 2, the Company also had the option, at any time prior to the first anniversary of the Settlement Effective Date, to prepay all, but not less than all, of the then-outstanding principal amount of Note 2 and accrued and unpaid interest thereon in exchange for the issuance of the Additional Warrant to purchase 13.0 million shares of common stock. On September 17, 2025, the independent and disinterested members of the Board of Directors approved the exercise of the Prepayment Option, and the Company issued the Additional Warrant to Mr. Urvan’s affiliated designee. Upon issuance of the Additional Warrant, all remaining obligations under Note 2 were deemed satisfied with the same force and effect as a prepayment of all principal and accrued and unpaid interest under Note 2. The Additional Warrant has a five-year term and an exercise price of \$1.00 per share. Pursuant to the terms of the Additional Warrant, the Additional Warrant is exercisable at the holder’s discretion, in whole or in part, on or after September 17, 2026, subject to accelerated vesting in certain circumstances. Except with respect to the exercise price and the vesting date, the terms of the Additional Warrant and the Warrant are substantially similar.

Letter of Credit

On July 26, 2023, we obtained a \$1.6 million letter of credit with The Northern Trust Company (“Northern Trust”) for collateral for a bond related to a judgment assessed to GunBroker. Effective July 12, 2024, our \$1.6 million letter of credit with Northern Trust was extended until July 26, 2025. Effective July 7, 2025 the letter of credit was moved to Sunflower Bank with an expiration date of July 7, 2026. The term of the letter of credit is twelve months and includes interest of approximately 4%. Per the terms of the merger agreement with Gemini, Mr. Urvan was required to indemnify the Company with respect to any losses related to the underlying judgment against GunBroker if the appeal was unsuccessful. Pursuant to the terms of the 2025 Settlement Agreement, the losses related to the judgment are no longer indemnified by Mr. Urvan.

Triton Settlement Agreement Payment

On June 24, 2024, we entered into a Confidential Settlement Agreement and Mutual General Release (the “Triton Settlement Agreement”) with Triton Value Partners, LLC, Donald Gasgarth, Paul Freischlag, Jr., Jeff Zwitter (the “Plaintiffs”), and Steven Urvan and TVP Investments LLC (the “Urvan Defendants”) and GunBroker.com, LLC, IA TECH, LLC, and GB Investments, Inc. (the “GunBroker Defendants,” and collectively with the Urvan Defendants, the “Defendants”) to fully resolve and settle all disputes and claims related to the litigation between the Defendants and Plaintiffs captioned *Triton Value Partners, LLC et al. v. TVP Investments, LLC et al., Cobb County Superior Court, CAFN 18104869* (the “Triton Action”). Pursuant to the Triton Settlement Agreement, the GunBroker Defendants agreed to pay the Plaintiffs \$8,000,000 (the “Settlement Amount”) in a single lump sum payment. The Company agreed to tender the Settlement Amount to an escrow agent on behalf of the GunBroker Defendants within 45 days of the Triton Settlement Agreement’s execution.

In connection with the merger agreement with Gemini, on April 30, 2021, the Company and Mr. Urvan entered into a Pledge and Escrow Agreement (the “Pledge and Escrow Agreement”), pursuant to which Mr. Urvan pledged common stock in the amount of \$2.8 million, a portion of which were sent to the Company’s transfer agent for cancellation on September 30, 2024. Pursuant to the Triton Settlement Agreement, each of the Plaintiffs and the Defendants provided mutual releases of all claims as of June 24, 2024, arising from any allegations set forth in the Triton Action. Upon the cancellation of the pledged securities on September 30, 2024, the parties’ payment obligations under the Triton Settlement Agreement were complete.

As a result of the contingency recognized for the Triton Settlement Agreement, we had recorded a receivable of \$4,800,000. During the year ended March 31, 2025, we recognized the value of shares returned to the

Company in lieu of the settlement payment. As of March 31, 2025, Mr. Urvan transferred the shares to the Company and they have been reclassified to treasury stock.

Tenor Litigation

Pursuant to the merger agreement with Gemini, Mr. Urvan was granted sole and exclusive control over the prosecution, defense and settlement of certain designated litigation matters, including the litigation captioned *GunBroker.com, LLC v. Tenor Capital Partners, No. 1:20-CV-00613 (N.D. GA.)* (the "Tenor Litigation"), and the right to receive any amounts recovered by or awarded to the Company with respect to such matters. In addition, the merger agreement with Gemini required Mr. Urvan to indemnify, defend, hold harmless and reimburse the Company with respect to designated matters, including the Tenor Litigation. Subsequently, pursuant to the 2025 Settlement Agreement, the Company released Mr. Urvan from certain of these indemnification, defense and hold harmless obligations under the merger agreement. In April 2026, the United States Court of Appeals for the Eleventh Circuit reversed the district court's grant of summary judgment on a breach of fiduciary duty claim asserted by GunBroker in the Tenor Litigation and remanded that claim for further proceedings.

In June 2026, the Company and its subsidiary Speedlight Group I, LLC entered into a side letter agreement with Mr. Urvan confirming his right to control the prosecution, defense, and settlement of the Tenor Litigation was not extinguished by the 2025 Settlement Agreement and clarifying that, consistent with the intent of the merger agreement and the 2025 Settlement Agreement, (i) Mr. Urvan is solely responsible for all costs, fees and expenses incurred in connection with the prosecution, defense and settlement of the Tenor Litigation, (ii) the Company has no obligation to fund, advance, reimburse or indemnify any cost, expense or liability arising from or related to the Tenor Litigation, and (iii) Mr. Urvan may not settle the Tenor Litigation on terms that would result in any obligation or restriction binding upon the Company or its subsidiaries without the prior written consent of the independent and disinterested members of the Board of Directors. The side letter does not amend the merger agreement with Gemini or the 2025 Settlement Agreement and does not revive or reinstate any indemnification or similar obligations of Mr. Urvan that were released pursuant to the 2025 Settlement Agreement. If Mr. Urvan determines to pursue a damage claim for breach of fiduciary duty in the full amount permitted by applicable law, such amount is likely to exceed the \$120,000 disclosure threshold of Item 404 of Regulation S-K. The side letter was reviewed and approved by the Company's Audit Committee.

Director Independence

Nasdaq rules require that a majority of the members of our Board of Directors be independent directors. The independence rules include a series of objective tests, including that the director is not employed by the Company and has not engaged in various types of business dealings with the Company. In addition, our Board of Directors is required to make a subjective determination as to each independent director that no relationships exist that, in the opinion of our Board of Directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Based upon these standards and the consideration of the information and the transactions and relationships discussed above, our Board of Directors determined that Houman Akhavan, David Douglas, Christos Tsentas and Wayne Walker are independent, and that Steve Urvan is not independent under such standards. In making such determinations, the Board of Directors considered transactions and relationships between each non-employee director and the Company, if any, that would require disclosure pursuant to Item 404 of Regulation S-K under the Securities Act.

Each director who served on a committee during the fiscal year ended March 31, 2026 was independent under the Nasdaq independence standards for service on the applicable committee.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

PKF of Texas, PC ("PKF") served as the Company's independent registered public accounting firm from April 8, 2021 to July 2, 2025. On July 2, 2025, the Audit Committee of the Board of Directors of Outdoor Holding Company approved the replacement of PKF as the Company's independent registered public accounting firm, due to the acquisition of certain assets of PKF by WithumSmith+Brown, PC ("Withum") effective July 2, 2025. Withum has served as the Company's independent registered public accounting firm from July 2, 2025 to present.

The following table presents the fees billed by Withum (which includes fees from PKF prior to its acquisition by Withum) for its services during the Company's last two fiscal years.

	2026	2025 ⁽¹⁾
Audit Fees	\$ 454,236	\$ 935,827
Audit-Related Fees	-	-
Tax Fees	-	-
All Other Fees	-	1,498,708
	<u>\$ 454,236</u>	<u>\$ 2,434,535</u>

(1) Amounts include invoices received late for services provided in fiscal year 2025, but paid in 2026.

It is our policy to engage the principal accounting firm to conduct the audit of the Company's financial statements and to confirm, prior to such engagement, that such principal accounting firm is independent of the Company to the extent required by SEC rules and regulations. All services of the principal accounting firm reflected above were approved by the Board.

"*Audit Fees*" consist of fees incurred for professional services for the audit of our financial statements and restated financial statements and review of our interim consolidated financial statements included in quarterly reports and other services normally provided in connection with statutory and regulatory filings.

"*Audit-Related Fees*" consist of fees incurred for other attestation engagements and consultations regarding financial accounting and reporting matters.

"*All Other Fees*" consist of legal fees incurred by PKF in connection with the investigation conducted pursuant to Section 10A of the Exchange Act and the SEC Investigation, which fees were reimbursed by the Company pursuant to indemnification provisions in the engagement agreement with PKF.

Audit Committee Pre-Approval Policies

The charter of our Audit Committee provides that the duties and responsibilities of our Audit Committee include the pre-approval of all audit, audit-related, tax, and other services permitted by law or applicable SEC regulations (including fee and cost ranges) to be performed by our independent registered public accountant. Any pre-approved services that will involve fees or costs exceeding pre-approved levels will also require specific pre-approval by the Audit Committee. Unless otherwise specified by the Audit Committee in pre-approving a service, the pre-approval will be effective for the 12-month period following pre-approval. The Audit Committee will not approve any non-audit services prohibited by applicable SEC regulations or any services in connection with a transaction initially recommended by the independent registered public accountant, the purpose of which may be tax avoidance and the tax treatment of which may not be supported by the Code and related regulations.

To the extent deemed appropriate, the Audit Committee may delegate pre-approval authority to the Chairman of the Audit Committee or any one or more other members of the Audit Committee provided that any member of the Audit Committee who has exercised any such delegation must report any such pre-approval decision to the Audit Committee at its next scheduled meeting. The Audit Committee will not delegate the pre-approval of services to be performed by the independent registered public accountant to management.

Our Audit Committee requires that our independent registered public accounting firm, in conjunction with our Chief Financial Officer, be responsible for seeking pre-approval for providing services to us and that any request for pre-approval must inform the Audit Committee about each service to be provided and must provide detail as to the particular service to be provided.

All of the services provided above under the caption "*All Other Fees*" were approved by the Board or by our Audit Committee pursuant to our Audit Committee's pre-approval policies.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

- (a) **Financial Statements and Financial Statement Schedules** are set forth under Part II, Item 8 of this report.
- (b) **Exhibits**

Other schedules are omitted because they are not applicable, not required, or because the required information is included in the Consolidated Financial Statements or notes thereto. Certain agreements and instruments listed below were executed when the Company's name was "AMMO, Inc.", but the description below reflect our current name and the current names of our subsidiaries, as applicable.

Exhibit Number	Exhibit Description	Reference		Filed or Furnished	
		Form	Exhibit	Filing Date	Herewith
2.1#	Agreement and Plan of Merger, dated April 30, 2021, by and among Outdoor Holding Company, SpeedLight Group I, LLC, Gemini Direct Investments, LLC and Steven F. Urvan.	8-K	2.1	05/06/2021	
2.2.1#†	Asset Purchase Agreement, dated January 20, 2025, by and among OHC Technologies, Inc., Enlight Group II, LLC, Firelight Group I, LLC, Outdoor Holding Company and Olin Winchester, LLC.	8-K	2.1	04/18/2025	
2.2.2	First Amendment to the Asset Purchase Agreement, dated April 18, 2025 by and among OHC Technologies, Inc., Enlight Group II, LLC, Firelight Group I, LLC, Outdoor Holding Company and Olin Winchester, LLC.	8-K	2.2	04/18/2025	
3.1	Amended and Restated Certificate of Incorporation, as amended through April 21, 2025.	10-K	3.1	6/16/2025	
3.2	Certificate of Designations with respect to the 8.75% Series A Cumulative Redeemable Perpetual Preferred Stock, par value \$0.001 per share, dated May 18, 2021.	8-K	3.1	5/21/2021	
3.3	Bylaws.	8-K	3.03	02/09/2017	
4.1	Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.	10-K	4.1	6/16/2025	
4.3.1	Form of Warrant in connection with Settlement Agreement.	8-K	10.2	05/28/2025	
4.3.2	Form of Additional Warrant in connection with Settlement Agreement.	8-K	10.3	05/28/2025	
10.1+	2017 Equity Incentive Plan, as amended.	S-8	4.1	03/30/2023	
10.2+	Form of Stock Option Award Agreement under the 2017 Equity Incentive Plan.	S-8	4.2	10/25/2017	
10.3+	Form of Restricted Stock Award Agreement under the 2017 Equity Incentive Plan.	S-8	4.3	10/25/2017	
10.4+	Form of Stock Unit Award Agreement under the 2017 Equity Incentive Plan.	S-8	4.4	10/25/2017	
10.5+	Outdoor Holding Company 2025 Long-Term Incentive Plan	S-8	99.1	10/24/2025	
10.6+	Form of Restricted Stock Award Agreement (Non-Employee Directors) under the Outdoor Holding Company 2025 Long-Term Incentive Plan.	10-Q	10.2	11/10/2025	
10.7+	Form of Restricted Stock Award Agreement (Employees) under the Outdoor Holding Company 2025 Long-Term Incentive Plan.	10-Q	10.3	11/10/2025	
10.8+	Form of Time-Based Restricted Stock Unit Award Agreement under the Outdoor Holding Company 2025 Long-Term Incentive Plan.	10-Q	10.4	11/10/2025	
10.9+	Form of Performance-Based Restricted Stock Unit Award Agreement under the Outdoor Holding Company 2025 Long-Term Incentive Plan.	10-Q	10.5	11/10/2025	

10.10+	Executive Separation Agreement dated March 14, 2025, by and between AMMO, Inc. and Anthony Tate.	10-K	10.1	6/16/2025	
10.11+	Executive Separation Agreement, dated April 8, 2025, by and between Outdoor Holding Company and Fred W. Wagenhals.	8-K	10.1	04/08/2025	
10.12+	Executive Separation Agreement, dated May 21, 2025, by and between Outdoor Holding Company and Jared Smith.	8-K	10.7	05/28/2025	
10.13.1	Voting Rights Agreement, dated April 30, 2021, by and between Outdoor Holding Company and Steven F. Urvan.	8-K	10.2	05/06/2021	
10.13.2	Standstill Agreement, dated April 30, 2021, by and between Outdoor Holding Company and Steven F. Urvan.	8-K	10.3	05/06/2021	
10.13.3	Investor Rights Agreement, dated April 30, 2021, by and between Outdoor Holding Company and Steven F. Urvan.	8-K	10.4	05/06/2021	
10.14.1	Settlement Agreement, by and among Outdoor Holding Company, Steven F. Urvan and Susan T. Lokey, dated November 3, 2022.	8-K	10.1	11/07/2022	
10.14.2	Amendment to Settlement Agreement, by and among Outdoor Holding Company, Steven F. Urvan and Susan T. Lokey, dated November 21, 2022.	8-K	10.1	11/22/2022	
10.14.3	Amendment No. 2 to Settlement Agreement, dated May 21, 2025, by and between Outdoor Holding Company, Steven F. Urvan and Susan T. Lokey.	8-K	10.6	05/28/2025	
10.15	Settlement Agreement, dated May 21, 2025, by and among Outdoor Holding Company, Speedlight Group I, LLC, Richard R. Childress, Jared Smith, Steven F. Urvan, Fred W. Wagenhals, and Russell Williams Wallace, Jr.	8-K/A	10.1	05/30/2025	
10.16.1#	Loan and Security Agreement by and between Outdoor Holding Company, other borrowers party to the Agreement and Sunflower Bank, N.A.	8-K	10.1	01/05/2024	
10.16.2	Amendment to Loan and Security Agreement, dated December 31, 2024, by and among Outdoor Holding Company and Sunflower Bank, N.A.	10-K/A	10.20.2	05/20/2025	
10.16.3	Consent and Second Amendment to Loan and Security Agreement, dated April 18, 2025, by and among Outdoor Holding Company and Sunflower Bank, N.A.	8-K	10.1	04/18/2025	
10.16.4	Third Amendment to Loan and Security Agreement, dated May 13, 2025, by and among Outdoor Holding Company and Sunflower Bank, N. A.	8-K	10.1	05/19/2025	
10.17	Letter of Credit, dated July 15, 2025, by and between Outdoors Online and Sunflower Bank				X
10.18.1	Form of Note 1 in connection with Settlement Agreement.	8-K	10.4	05/28/2025	
10.18.2	Form of Note 2 in connection with Settlement Agreement.	8-K	10.5	05/28/2025	
10.19+	Amended and Restated Employment Agreement, dated May 1, 2025, by and between Outdoor Holding Company and Jordan Christensen.				X
10.20+	Employment Agreement, dated September 20, 2024, by and between Outdoor Holding Company and Paul Kasowski.				X
10.21	Letter of Credit, dated July 26, 2023, by and between Outdoors Holding Company and Northern Trust	10-K/A	10.21	05/20/2025	
14.1	Code of Conduct				X
19.1	Insider Trading Policy				X
21.1	Subsidiaries of the Company.				X
23.1	Consent of WithumSmith+Brown, PC Independent Registered Accounting Firm.				X
23.2	Consent of Pannell Kerr Forster of Texas, P.C. Independent Registered Accounting Firm.				X
31.1	Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X

31.2	Certification of Principal Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.1*	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
32.2*	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
97.1	Outdoor Holding Company Nasdaq Executive Compensation Recovery Policy.	10-K/A	97.1	05/20/2025		
101.INS	Inline XBRL Instance Document-the instance document does not appear in the Interactive Data File as its XBRL tags are embedded within the Inline XBRL document					X
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents					X
104	Cover Page formatted as Inline XBRL and contained in Exhibit 101					X

Certain schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company will furnish supplementally copies of omitted schedules and exhibits to the Securities and Exchange Commission or its staff upon request.

† Certain portions have been redacted in accordance with Item 601(b)(2)(ii) of Regulation S-K. The Company will furnish supplementally copies to the Securities and Exchange Commission or its staff upon request.

+ Management compensatory plan or contract.

* The certifications attached as Exhibit 32.1 and Exhibit 32.2 are not deemed “filed” with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of Outdoor Holding Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Annual Report on Form 10-K, irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Outdoor Holding Company

Date: June 21, 2026

By: /s/ Steven F. Urvan
Steven F. Urvan, Chief Executive Officer
(Principal Executive Officer)

Date: June 21, 2026

By: /s/ Paul J. Kasowski
Paul J. Kasowski, Chief Financial Officer
(Principal Accounting Officer and Principal
Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the registrant and in the capacities and on the dates indicated.

Name	Title	Date
<u>/s/ Steven F. Urvan</u> Steven F. Urvan	Chief Executive Officer and Director (Principal Executive Officer)	June 21, 2026
<u>/s/ Paul J. Kasowski</u> Paul J. Kasowski	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	June 21, 2026
<u>/s/ Houman Akhavan</u> Houman Akhavan	Director	June 21, 2026
<u>/s/ David Douglas</u> David Douglas	Director	June 21, 2026
<u>/s/ Christos Tsentas</u> Christos Tsentas	Director	June 21, 2026
<u>/s/ Wayne Walker</u> Wayne Walker	Director	June 21, 2026

Index to Consolidated Financial Statements

<u>Report of Independent Registered Public Accounting Firm (PCAOB ID: 100)</u>	F-2
<u>Report of Independent Registered Public Accounting Firm (PCAOB ID: 342)</u>	F-4
<u>Consolidated Balance Sheets as of March 31, 2026 and March 31, 2025</u>	F-5
<u>Consolidated Statements of Operations for the years ended March 31, 2026 and March 31, 2025</u>	F-6
<u>Consolidated Statements of Shareholders' Equity for the years ended March 31, 2026 and March 31, 2025</u>	F-7
<u>Consolidated Statements of Cash Flow for the years ended March 31, 2026 and March 31, 2025</u>	F-8
<u>Notes to Consolidated Financial Statements</u>	F-10

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders of
Outdoor Holding Company:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheet of Outdoor Holding Company and Subsidiaries (collectively, the "Company") as of March 31, 2026, the related consolidated statements of operations, stockholders' equity, and cash flows for the year ended March 31, 2026, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2026, and the results of their operations and their cash flows for the year ended March 31, 2026, in conformity with accounting principles generally accepted in the United States of America.

The consolidated financial statements of the Company as of and for the year ended March 31, 2025 were audited by PANNELL KERR FORSTER OF TEXAS, P.C. who joined WithumSmith+Brown, PC on June 1, 2025, and rendered their opinion on such statements on June 1, 2025.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Accounting for Settlement-Related Warrants, Debt Instruments, and Subsequent Extinguishment - Refer to Note 9 to the Consolidated Financial Statements

Critical Audit Matter Description

The Company entered into a settlement agreement with a related party that resulted in the issuance of debt instruments and equity-linked warrants, as well as the subsequent extinguishment of \$39.0 million of debt through the issuance of warrants. The accounting for this transaction involved multiple complex and interrelated elements, including (i) the initial recognition and measurement of the debt instruments and warrants issued in connection with the settlement, (ii) the evaluation of embedded features and classification of warrants as equity, and (iii) the accounting for the extinguishment of the debt.

Auditing this transaction required especially challenging judgment due to the complexity of the contractual terms, and the involvement of a related party. Significant auditor judgment was required in evaluating (i) whether the related instruments issued in the settlement were appropriately identified as freestanding financial instruments and measured at fair value at inception, (ii) whether embedded features required bifurcation or qualified for equity classification, and (iii) whether the extinguishment of the \$39.0 million note and related issuance of warrants were recognized and measured in accordance with applicable accounting guidance.

Given the complexity of the transaction structure and the subjectivity involved in applying the relevant accounting guidance and evaluating management's judgments, auditing these areas involved especially subjective auditor judgment, which led us to determine that this matter is a critical audit matter.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to this critical audit matter included the following, among others:

- Obtained and evaluated the settlement agreement and supporting documentation to understand the structure of the transaction, including the issuance of Notes and warrants. We evaluated management's technical accounting analysis, including the application of the relevant accounting literature.
- Evaluated the initial recognition for the debt and warrants, including testing fair values at inception and recalculating debt discounts and the allocation of consideration with the assistance of an auditor-engaged valuation specialist.
- Assessed embedded features to determine whether bifurcation was required and evaluated the classification of the warrants under relevant accounting guidance.
- Evaluated the accounting for extinguishment of Note 2 by evaluating management's technical accounting analysis, including the application of the relevant accounting literature.

/s/ WithumSmith+Brown, PC

We have served as the Company's auditor since 2021.

San Francisco, California

June 21, 2026

PCAOB ID Number 100

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of
Outdoor Holding Company

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Outdoor Holding Company and Subsidiaries (the “Company”) as of March 31, 2025, the related consolidated statements of operations, stockholders’ equity and cash flows for the year ended March 31, 2025, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025, and the results of its operations for the year then ended in conformity with U. S. Generally Accepted Accounting Principles.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ PANNELL KERR FORSTER OF TEXAS, P.C.

We have served as the Company’s auditor since 2021.

Houston, Texas
June 16, 2025

PCAOB ID Number 342

OUTDOOR HOLDING COMPANY
CONSOLIDATED BALANCE SHEETS

	<u>March 31, 2026</u>	<u>March 31, 2025</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 68,103,395	\$ 30,227,796
Accounts receivable, net of allowance for credit losses of \$2,362,847 in 2026 and \$3,805,488 in 2025	10,361,158	10,189,011
Prepaid expenses and other current assets	3,523,921	1,233,611
Current assets held for sale	-	30,497,720
Total Current Assets	<u>81,988,474</u>	<u>72,148,138</u>
Property and equipment, net	6,927,868	6,477,684
Other Assets:		
Other noncurrent assets	465,247	83,278
Other intangible assets, net	86,890,053	98,891,767
Goodwill	90,870,094	90,870,094
Right of use assets - operating leases	342,034	1,466,026
Noncurrent assets held for sale	-	27,392,642
TOTAL ASSETS	<u>\$ 267,483,770</u>	<u>\$ 297,329,629</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 15,743,606	\$ 18,079,577
Accrued liabilities	4,241,349	37,413,636
Current portion of operating lease liability	515,579	519,522
Note payable - related parties, current maturities	220,000	-
Current liabilities held for sale	-	6,080,182
Total Current Liabilities	<u>20,720,534</u>	<u>62,092,917</u>
Long-term Liabilities:		
Notes payable - related parties, net of \$1,963,771 of debt discounts as of March 31, 2026	9,816,229	-
Income tax payable	-	1,609,520
Operating lease liability, net of current portion	616,904	1,035,813
Other noncurrent liabilities	1,375,000	-
Noncurrent liabilities held for sale	-	10,564,816
Total Liabilities	<u>32,528,667</u>	<u>75,303,066</u>
Shareholders' Equity:		
Series A cumulative perpetual preferred stock 8.75%, (\$25.00 per share, \$0.001 par value) 1,400,000 shares issued and outstanding as of March 31, 2026 and 2025	1,400	1,400
Common stock, \$0.001 par value, 200,000,000 shares authorized 119,346,452 and 118,744,093 shares issued and 116,902,624 and 116,814,190 outstanding as of March 31, 2026 and 2025, respectively	116,905	116,816
Additional paid-in capital	454,877,083	434,335,782
Accumulated deficit	(210,453,668)	(203,862,034)
Treasury stock, at cost	(9,586,617)	(8,565,401)
Total Shareholders' Equity	<u>234,955,103</u>	<u>222,026,563</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 267,483,770</u>	<u>\$ 297,329,629</u>

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

OUTDOOR HOLDING COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year Ended March 31,	
	2026	2025
Net revenues	\$ 51,125,398	\$ 49,401,547
Cost of revenues	6,524,437	6,468,031
Gross Profit	44,600,961	42,933,516
Operating Expenses		
Selling and marketing	550,333	610,926
Corporate general and administrative	22,674,572	70,594,542
Employee salaries and related expenses	13,271,678	17,851,628
Depreciation and amortization expense	14,396,813	13,589,698
Total operating expenses	50,893,396	102,646,794
Loss from operations	(6,292,435)	(59,713,278)
Other Income (Expense)		
Interest and other income	2,364,142	860,293
Gain on extinguishment of debt	801,894	-
Interest expense	(1,769,656)	(82,173)
Total other income, net	1,396,380	778,120
Loss before income taxes from continuing operations	(4,896,055)	(58,935,158)
Provision for income taxes	49,537	6,286,305
Loss from continuing operations	(4,945,592)	(65,221,463)
Preferred stock dividend	(3,053,993)	(3,105,036)
Net loss before discontinued operations, net of tax	(7,999,585)	(68,326,499)
Income (loss) from discontinued operations, net of tax	1,407,951	(65,612,137)
Net loss attributable to common stock shareholders	<u>\$ (6,591,634)</u>	<u>\$ (133,938,636)</u>
Basic income (loss) per share of common stock:		
Continuing operations	\$ (0.06)	\$ (0.58)
Discontinued operations	0.01	(0.56)
Total basic loss per share of common stock	<u>\$ (0.05)</u>	<u>\$ (1.14)</u>
Diluted income (loss) per share of common stock:		
Continuing operations	\$ (0.06)	\$ (0.58)
Discontinued operations	0.01	(0.56)
Total diluted loss per share of common stock	<u>\$ (0.05)</u>	<u>\$ (1.14)</u>
Weighted average number of shares outstanding:		
Basic	117,095,850	117,642,232
Diluted	117,095,850	117,642,232

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

OUTDOOR HOLDING COMPANY
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	<u>Preferred Stock</u>		<u>Common Shares</u>		<u>Additional Paid-In Capital</u>	<u>Accumulated (Deficit)</u>	<u>Treasury Stock</u>	<u>Total</u>
	<u>Number</u>	<u>Par Value</u>	<u>Number</u>	<u>Par Value</u>				
Balance as of March 31, 2024	<u>1,400,000</u>	<u>\$ 1,400</u>	<u>119,181,067</u>	<u>\$ 119,181</u>	<u>\$ 430,525,824</u>	<u>\$ (69,923,398)</u>	<u>\$ (2,673,156)</u>	<u>\$ 358,049,851</u>
Employee stock awards	-	-	1,490,832	1,493	4,349,089	-	-	4,350,582
Common stock purchase options	-	-	-	-	123,936	-	-	123,936
Repurchase of common shares ⁽¹⁾	-	-	(421,103)	(421)	(663,067)	-	-	(663,488)
Preferred stock dividends	-	-	-	-	-	(2,552,085)	-	(2,552,085)
Dividends accumulated on preferred stock	-	-	-	-	-	(552,951)	-	(552,951)
Net loss	-	-	-	-	-	(130,833,600)	-	(130,833,600)
Treasury shares purchased	-	-	(3,436,606)	(3,437)	-	-	(5,892,245)	(5,895,682)
Balance as of March 31, 2025	<u>1,400,000</u>	<u>\$ 1,400</u>	<u>116,814,190</u>	<u>\$ 116,816</u>	<u>\$ 434,335,782</u>	<u>(203,862,034)</u>	<u>\$ (8,565,401)</u>	<u>\$ 222,026,563</u>
Employee stock awards	-	-	809,998	811	1,457,727	-	-	1,458,538
Common stock purchase options	-	-	-	-	48,728	-	-	48,728
Repurchase of common shares ⁽¹⁾	-	-	(207,639)	(208)	(313,880)	-	-	(314,088)
Warrants issued for legal settlement	-	-	-	-	7,094,926	-	-	7,094,926
Warrants issued for extinguishment of debt	-	-	-	-	12,253,800	-	-	12,253,800
Preferred stock dividends	-	-	-	-	-	(2,535,070)	-	(2,535,070)
Dividends accumulated on preferred stock	-	-	-	-	-	(518,923)	-	(518,923)
Net loss	-	-	-	-	-	(3,537,641)	-	(3,537,641)
Treasury shares purchased	-	-	(513,925)	(514)	-	-	(1,021,216)	(1,021,730)
Balance as of March 31, 2026	<u>1,400,000</u>	<u>\$ 1,400</u>	<u>116,902,624</u>	<u>\$ 116,905</u>	<u>\$ 454,877,083</u>	<u>(210,453,668)</u>	<u>\$ (9,586,617)</u>	<u>\$ 234,955,103</u>

(1) The Company acquired common shares held by employees who tendered owned common shares to satisfy the tax withholding on common shares.

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

OUTDOOR HOLDING COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOW

	For the Year Ended March 31,	
	2026	2025
Cash flows from operating activities:		
Net loss	\$ (3,537,641)	\$ (130,833,600)
Income (loss) from discontinued operations, net of tax	1,407,951	(65,612,137)
Net loss from continuing operations	\$ (4,945,592)	\$ (65,221,463)
Adjustments to reconcile net loss to net cash provided by/(used in) operations:		
Depreciation and amortization	14,396,813	13,589,698
Debt discount amortization	594,518	-
Amortization of contract costs	59,028	-
Stock-based compensation	1,507,266	4,474,516
Loss on disposal of assets	45,690	-
Allowance for credit losses	(274,298)	637,789
Gain on sale of equity investment	(382,735)	-
Gain on extinguishment of debt	(801,894)	-
Impairment of right of use asset	726,256	-
Reduction in right of use asset	506,477	534,067
Valuation allowance	-	(35,964,755)
Deferred income taxes	-	40,372,246
Changes in current assets and liabilities		
Accounts receivable	102,151	(30,367)
Prepaid expenses and other current assets	(3,368,206)	261,613
Other noncurrent assets	(381,969)	(56,034)
Accounts payable	(2,335,970)	2,451,268
Accrued liabilities	(3,717,574)	34,423,330
Income tax payable	(1,609,520)	-
Other noncurrent liabilities	1,375,000	-
Operating lease liability	(531,594)	(534,152)
Net cash provided by/(used in) operating activities	963,847	(5,062,244)
Cash flow from investing activities:		
Sale of the ammunition business assets	42,946,905	-
Proceeds from the sale of equity investments	542,831	-
Purchase of property and equipment	(2,890,973)	(3,407,910)
Net cash provided by/(used in) investing activities	40,598,763	(3,407,910)
Cash flow from financing activities:		
Repurchase of common shares	(314,088)	(663,488)
Preferred stock dividends paid	(2,926,389)	(2,968,925)
Common stock repurchase plan	(1,011,716)	(5,895,682)
Net cash used in financing activities	(4,252,193)	(9,528,095)
Cash flow from discontinued operations:		
Net provided by/(cash used in) operating activities of discontinued operations	525,169	(5,043,716)
Net cash provided by/(used in) investing activities of discontinued operations	40,013	(2,075,743)
Net cash used in financing activities of discontinued operations	-	(240,937)
Net cash provided by (used in) discontinued operations	565,182	(7,360,396)
Net increase/(decrease) in cash	37,875,599	(25,358,645)
Cash, beginning of period	30,227,796	55,586,441
Cash, end of period	\$ 68,103,395	\$ 30,227,796

(Continued)

OUTDOOR HOLDING COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOW

	For the Year Ended March 31,	
	2026	2025
Supplemental cash flow disclosures:		
Cash paid during the period for:		
Interest	\$ 166,107	\$ 699,929
Income taxes	\$ 49,537	\$ -
Non-cash investing and financing activities:		
Issuance of notes payable - related party in DE Litigation settlement, net of discount	\$ 22,108,410	\$ -
Warrant issued for legal settlement - related party in DE Litigation settlement	\$ 7,094,926	\$ -
Warrant issued to extinguish debt	\$ 12,253,800	\$ -
Dividends accumulated on preferred stock	\$ 127,604	\$ 136,111
Operating lease assets obtained in exchange for new lease liabilities	\$ 108,741	\$ -

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

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION AND BUSINESS ACTIVITY

Outdoor Holding Company ("Outdoor Holding," "we," "us," "our" or the "Company") began its operations in 2017 as a producer of high-performance ammunition and premium components. Following the acquisition of the GunBroker business ("GunBroker") in 2021, we conducted operations through two operating and reportable segments, the Ammunition segment and the Marketplace segment. The Ammunition segment engaged in the design, production and marketing of ammunition, ammunition components and related products. The Marketplace segment consists of the GunBroker e-commerce marketplace ("Marketplace"), which, in its role as a marketplace site, supports the lawful sale of firearms, ammunition, and hunting/shooting accessories. In addition, GunBroker helps provide the outdoors community with a state and federal compliant solution that connects buyers with sellers across the United States with local federally licensed firearm dealers.

Prior to the sale of the Ammunition Manufacturing Business (defined below) in April 2025 (see "Assets Held for Sale and Discontinued Operations" under Note 2), our Ammunition segment manufactured small arms ammunition and their components for the commercial, military, and law enforcement communities. Our manufacturing operations were based out of Manitowoc, Wisconsin. We emphasized an American heritage by using predominantly American-made components and raw materials in our products that were produced, inspected, and packaged at our facility in Manitowoc, WI. Following the sale of the Ammunition Manufacturing Business, the Company continues to operate its online Marketplace business.

We changed our name from AMMO, Inc. to Outdoor Holding Company on April 21, 2025.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of Outdoor Holding Company and its wholly owned subsidiaries. All significant intercompany accounts and transactions are eliminated in consolidation.

Assets Held for Sale and Discontinued Operations

In accordance with Accounting Standards Codification ("ASC") Subtopic 205-20 "Discontinued Operations," a business is classified as held for sale when management having the authority to approve the action commits to a plan to sell the business, the business is available for immediate sale in its present condition and an active program to locate a buyer has been initiated. Additionally, the sale must be probable to occur during the next 12 months at a price that is reasonable in relation to its current fair value and actions required to complete the plan indicate it is unlikely significant changes to the plan will be made or the plan will be withdrawn. A business classified as held for sale is recorded at the lower of (i) its carrying amount and (ii) estimated fair value less costs to sell. When the carrying amount of the business exceeds its estimated fair value less costs to sell, a loss is recognized and updated each reporting period, as appropriate. Assets held for sale are not depreciated or amortized.

The results of operations of businesses classified as held for sale are reported as discontinued operations if the disposal represents a strategic shift that will have a major effect on the entity's operations and financial results. When a business is identified for discontinued operations reporting: (i) results for prior periods are retrospectively reclassified as discontinued operations; (ii) results of operations are reported in a single line, net of tax, in the consolidated statement of operations; and (iii) assets and liabilities are reported as held for sale in the consolidated balance sheets in the period in which the business is classified as held for sale.

As previously reported, during the year ended March 31, 2025, the Board of Directors of the Company (the "Board of Directors") initiated a formal review of strategic alternatives for the Company. This review of strategic alternatives resulted in the decision to sell our Ammunition segment. We concluded the assets of the Ammunition segment met the criteria for classification as held for sale during the three months ended March 31, 2025. Additionally, we determined the ultimate disposal would represent a strategic shift that would have a major effect on our operations and financial results. As such, the results of the Ammunition segment are presented as discontinued operations in the accompanying consolidated statements of operations for all periods presented. Prior periods have been adjusted to conform to the current presentation. The assets and liabilities of the Ammunition segment have been reflected as discontinued operations in the accompanying consolidated balance sheet for the fiscal year ended March 31, 2025. There were no assets or liabilities classified as discontinued operations as of March 31, 2026. We ceased depreciating and amortizing our long-lived assets for the Ammunition segment which primarily include right-of-use assets, intangible assets and property and equipment. On January 20, 2025, we entered into an Asset Purchase Agreement (the "Asset Purchase Agreement") with Olin Winchester, LLC (the "Buyer"), pursuant to which the Buyer agreed to (i) acquire all assets of our business of designing, manufacturing, marketing, distributing and selling ammunition and ammunition components (collectively, the "Ammunition Manufacturing Business") along with certain assets related to the Ammunition Manufacturing Business, including the Ammunition Manufacturing Business' dedicated manufacturing facility in Manitowoc, WI, and (ii) assume certain liabilities related to the Ammunition Manufacturing Business, for a gross purchase price of \$75.0 million, subject to adjustments for estimated net working capital and real property costs and pro-rations. The transaction was completed on April 18, 2025.

OUTDOOR HOLDING COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Unless otherwise noted, all amounts and disclosures included in these notes to the consolidated financial statements reflect only the Company's continuing operations. Refer to Note 4 "Discontinued Operations" for additional details on discontinued operations.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the balance sheet and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates made in preparing the consolidated financial statements include the valuation of allowances for credit losses, valuation of deferred tax assets, useful lives of assets, stock-based compensation, impairment of goodwill, impairment of long-lived assets, and warrant-based compensation.

Goodwill

We evaluate goodwill for impairment annually or more frequently when an event occurs or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying amount. In testing for goodwill impairment, we may elect to utilize a qualitative assessment to evaluate whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If our qualitative assessment indicates that goodwill impairment is more likely than not, we perform a quantitative assessment for impairment. Under the quantitative goodwill impairment test, if a reporting unit's carrying amount exceeds its fair value, an impairment loss is recognized in an amount equal to the excess, not to exceed the total amount of goodwill. We conducted our annual impairment test of goodwill as of March 31, 2026 and 2025 and determined that no adjustment to the carrying value of goodwill was required.

As of March 31, 2026 and 2025, we had a goodwill carrying value of \$90.9 million.

Accounts Receivable and Allowance for Credit Losses

Our accounts receivable represents amounts due from customers for products sold and include an allowance for estimated credit losses. The allowance for credit losses is calculated as a percentage of trade receivables at the end of the reporting period, and is based on historical experience, with the change in such allowance being recorded as provision for credit losses in corporate general and administrative expense in the consolidated statement of operations.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flow, we consider highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents, which may include bank deposits and certificates of deposit.

Impairment of Long-Lived Assets

We continually monitor events and changes in circumstances that could indicate carrying amounts of long-lived assets may not be recoverable. When such events or changes in circumstances are present, we assess the recoverability of long-lived assets by determining whether the carrying value of such assets will be recovered through undiscounted expected future cash flow. If the total of the future cash flow is less than the carrying amount of those assets, we recognize an impairment loss based on the excess of the carrying amount over the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell. During the year ended March 31, 2026, we recognized impairment on our right-of-use assets as discussed in Note 8, "Leases." During the year ended March 31, 2025, we recognized impairment on long-lived assets related to assets that were held for sale as discussed in Note 4, "Discontinued Operations."

Deferred Contract Fulfillment Costs

We capitalize third-party costs to fulfill contracts with customers in prepaid expenses and other current assets and other noncurrent assets on our consolidated balance sheet. We amortize these costs on a straight-line basis over the life of the contract.

Revenue Recognition

We recognize revenue when we transfer control of promised services to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those services. Revenue is recognized net of any taxes collected, which are subsequently remitted to governmental authorities. We apply the following five-step model to determine revenue recognition:

- Identification of a contract with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- Allocation of the transaction price to the separate performance obligation
- Recognition of revenue when performance obligations are satisfied

Revenues are generated through our GunBroker online marketplace. Performance obligations are satisfied, and revenue is recognized, as follows:

Marketplace revenue consists of optional listing fees with variable pricing components based on customer options selected from the GunBroker website and final value fees based on a percentage of the final selling price of the listed item. The performance obligation is to process the transactions as initiated by the customer. Revenue is recognized at a point in time when the transaction is processed.

Marketplace service fee revenue consists of fees charged to customers based on a percentage of the final price of an item at the time of purchase. The performance obligation is to process the transactions as initiated by the customer. Revenue is recognized at a point in time when the transaction is processed.

Shipping revenue consists of fees charged to customers for shipping of sold items listed on the GunBroker website. The performance obligation is to ship the item sold as initiated by the customer. The price is set based on the third-party service provider selected to be used by the customer as well as the speed and location of shipment. Revenue is recognized at a point in time when the shipping label is printed.

Advertising revenue consists of fees charged to customers for advertisement placement and impressions generated through the GunBroker website. The performance obligation is to generate the number of impressions specified by the customer on banner advertisements on the GunBroker website using the placement selected by the customer. The price is set by the customer agreement based on standalone selling prices or by advertising insertion order as negotiated by a media broker. If the number of impressions promised is not generated, the customer receives a refund and the refund is applied to the transaction price. Advertising revenue is recognized at a point in time at the end of the selected month.

For the years ended March 31, 2026 and 2025, no customers comprised more than 10% of total revenues. As of March 31, 2026 and 2025, no customers comprised more than 10% of accounts receivable.

Advertising Costs

Marketplace advertising costs are expensed as they are incurred and recorded in cost of revenues. For the years ended March 31, 2026 and 2025 we incurred advertising expenses of \$577,661 and \$413,461, respectively.

Fair Value of Financial Instruments

We measure options and warrants at fair value in accordance with ASC 820 – Fair Value Measurement (“ASC 820”). The objective of ASC 820 is to increase consistency and comparability in fair value measurements and to expand disclosures about fair value measurements. ASC 820 defines fair value, establishes a framework for measuring fair value in accordance with GAAP, and expands disclosures about fair value measurements. ASC 820 specifies a valuation hierarchy based on whether the inputs to those valuation techniques are observable or unobservable.

Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect our own assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1 – Quoted prices for identical instruments in active markets;

Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets; and

Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

This hierarchy requires us to minimize the use of unobservable inputs and to use observable market data, if available, when estimating fair value.

The carrying values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximated fair values due to the short-term maturities of these instruments.

Property and Equipment, net

We state property and equipment at historical cost less accumulated depreciation. We compute depreciation using the straight-line method at rates intended to depreciate the cost of assets over their estimated useful lives, which are generally three to ten

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

years. Upon retirement or sale of property and equipment, we remove the cost of the disposed assets and related accumulated depreciation from the accounts and any resulting gain or loss is credited or charged to other income or expenses. We charge expenditures for normal repairs and maintenance to expense as incurred.

We capitalize additions and expenditures for improving or rebuilding existing assets that extend the useful life. Leasehold improvements made either at the inception of the lease or during the lease term are amortized over the shorter of their economic lives or the lease term including any renewals that are reasonably assured.

Internal Use Software Costs

Platform development costs, including direct labor, are capitalized and amortized over an estimated useful life of three years, and are included in property and equipment, net on the consolidated balance sheets. During the years ended March 31, 2026 and 2025, we capitalized \$2.5 million and \$2.9 million, respectively. Amortization of previously capitalized amounts was \$2.2 million and \$1.3 million for the years ended March 31, 2026 and 2025, respectively.

Costs related to the design or maintenance of internal use software are expensed as incurred.

Leases

We determine if an arrangement is a lease at inception of the contract. Operating lease assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease assets and liabilities are recognized at commencement date based on the present value of fixed lease payments over the lease term. Leases with an initial term of 12 months or less are not recorded on the balance sheet; instead, we recognize lease expense for these leases on a straight-line basis over the lease term. We do not account for lease components (e.g., fixed payments to use the underlying lease asset) separately from the non-lease components (e.g., fixed payments for common-area maintenance costs and other items that transfer a good or service). Some of our leases include variable lease payments, which primarily result from changes in consumer price and other market-based indices, which are generally updated annually, and maintenance and usage charges. These variable payments are excluded from the calculation of our lease assets and lease liabilities.

We utilize the interest rate implicit in the lease to determine the lease liability when the interest rate can be determined. As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at the lease commencement date in determining the present value of lease payments.

Stock-Based Compensation

We account for stock-based compensation at fair value in accordance with ASC 718 – Compensation – Stock Compensation, which requires the recognition of the cost of employee, director and non-employee services received in exchange for an award of equity over the period the employee, director or non-employee is required to perform the services in exchange for the award. Stock-based compensation is measured based on the grant-date fair value of the award. Stock-based compensation for stock awards is recognized on a straight-line basis over the applicable vesting periods and stock-based compensation for stock options is recognized using the accelerated recognition method. Forfeitures are recognized in the periods they occur. Stock-based compensation expense is recorded in corporate general and administrative expense on the statement of operations.

Treasury Stock

Treasury stock, representing shares of our common stock that have been repurchased after having been issued, are recorded at cost. Converting outstanding shares to treasury shares does not reduce the number of shares issued but does reduce the number of shares outstanding.

Concentrations of Credit Risk

Accounts at banks are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of March 31, 2026 and 2025, our bank account balances exceeded federally insured limits, however, we have not incurred losses related to these deposits.

Income Taxes

We file federal and state income tax returns in accordance with the applicable rules of each jurisdiction. We account for income taxes under the asset and liability method in accordance with ASC 740 - Income Taxes (“ASC 740”). The provision for income taxes includes federal, state, and local income taxes currently payable, and deferred taxes. We recognize deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. We measure deferred tax assets and liabilities using enacted tax rates expected to apply to taxable amounts in years in which those temporary differences are expected to be recovered or settled. If it is more likely than not that some portion or all of a deferred tax asset will not be realized, a valuation allowance is recognized. In accordance with ASC 740, we recognize the effect of income tax positions only if those positions are more likely than not of being sustained. We measure

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

recognized income tax positions at the largest amount that is greater than 50% likely of being realized. We reflect changes in recognition or measurement in the period in which the change in judgment occurs.

Recently Adopted Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board ("FASB") issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which enhances the transparency and decision usefulness of income tax disclosures. The ASU requires that public business entities on an annual basis (1) disclose specific categories in the effective tax rate reconciliation and (2) provide additional information for reconciling items that meet or exceed a quantitative threshold. Additionally, it requires all entities disclose the following information about income taxes paid on an annual basis: (1) the year-to-date amounts of income taxes paid disaggregated by federal (national), state, and foreign taxes and (2) the amount of income taxes paid disaggregated by individual jurisdictions in which income taxes paid is equal to or greater than 5 percent of total income taxes paid. The amendments are effective for annual periods beginning after December 15, 2024. We adopted this guidance prospectively in the fourth quarter of fiscal 2026 with no material impact to our consolidated financial statements.

Recent Accounting Pronouncements

In November 2024, the FASB issued ASU No. 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures: Disaggregation of Income Statement expenses (Subtopic 220-40). This ASU requires disclosure about significant expense categories, including but not limited to, inventory purchases, employee compensation, depreciation, amortization and selling expenses. This ASU is effective for annual reporting periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027 with early adoption permitted. This ASU is applicable to our fiscal year ending March 31, 2027. The transition method may be either prospective or retrospective. We are still evaluating the impact on our consolidated financial statement disclosures.

In July 2025, the FASB issued ASU No. 2025-05, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets, which introduces a practical expedient for the application of the current expected credit loss model to current accounts receivable and contract assets. This ASU is effective for annual periods beginning after December 15, 2025, and interim periods within those annual reporting periods. This ASU is applicable to our fiscal year beginning on April 1, 2026, with early application permitted. The transition method is prospective. We do not expect the guidance to have a material impact on our consolidated financial statements and disclosures.

In September 2025, the FASB issued ASU 2025-06, Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software. This ASU updates the cost capitalization threshold for internal-use software development costs by removing all references to software project development stages and providing new guidance on how to evaluate whether the probable-to-complete recognition threshold has been met. This ASU is effective for annual periods beginning after December 15, 2027, and interim periods within those annual reporting periods. This ASU is applicable to our fiscal year beginning April 1, 2028, with early adoption permitted. The transition method may be prospective, modified, or retrospective. We are currently evaluating the impact of adopting this ASU on our consolidated financial statements and disclosures.

In December 2025, the FASB issued ASU 2025-11 to amend the guidance in Interim Reporting (Topic 270). The amendments in this update clarify current interim disclosure requirements and provide a comprehensive list of required interim disclosures. The update also incorporates a disclosure principle that requires entities to disclose events that occur after the end of the last annual reporting period. This update is effective for interim periods within annual periods beginning after December 15, 2027, though early adoption is permitted. This ASU is applicable to our fiscal year beginning April 1, 2028 and we do not expect it to have a material effect on our consolidated financial statements.

Management does not believe that any other recently issued, but not yet effective, accounting standards could have a material effect on the accompanying consolidated financial statements. As new accounting pronouncements are issued, we will adopt those that are applicable under the circumstances.

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 – INCOME/(LOSS) PER COMMON SHARE

We calculate basic income/(loss) per share using the weighted average number of common shares outstanding during each period. Diluted earnings per share assumes the conversion, exercise or issuance of all potential common stock equivalents unless the effect is to reduce a loss or increase the income per share. Potential common shares consist of the incremental common shares issuable upon the exercise of stock options (using the treasury stock method), the exercise of warrants (using the if-converted method) and the vesting of stock awards.

	For the Year Ended March 31,	
	2026	2025
Numerator:		
Net loss from continuing operations	\$ (4,945,592)	\$ (65,221,463)
Less: Preferred stock dividends	(3,053,993)	(3,105,036)
Net loss before discontinued operations, net of tax	(7,999,585)	(68,326,499)
Net income (loss) from discontinued operations, net of tax	1,407,951	(65,612,137)
Net loss attributable to common stockholders	<u>\$ (6,591,634)</u>	<u>\$ (133,938,636)</u>
Denominator:		
Weighted average shares of common stock - Basic	117,095,850	117,642,232
Effect of dilutive common stock purchase warrants	-	-
Effect of dilutive equity incentive awards	-	-
Weighted average shares of common stock - Diluted	<u>117,095,850</u>	<u>117,642,232</u>
Basic income (loss) per share attributable to common stockholders:		
Continuing operations	\$ (0.06)	\$ (0.58)
Discontinued operations	\$ 0.01	\$ (0.56)
Total basic loss per share attributable to common stockholders	<u>\$ (0.05)</u>	<u>\$ (1.14)</u>
Diluted income (loss) per share attributable to common stockholders:		
Continuing operations	\$ (0.06)	\$ (0.58)
Discontinued operations	\$ 0.01	\$ (0.56)
Total diluted loss per share attributable to common stockholders	<u>\$ (0.05)</u>	<u>\$ (1.14)</u>

The following table presents the number of shares excluded from the calculation of diluted net loss per share attributable to common stockholders:

	For the Year Ended March 31,	
	2026	2025
Common stock options	400,000	275,000
Non-vested stock awards	555,000	215,196
Warrants	20,100,000	1,721,256
Total shares excluded from diluted net loss per share	<u>21,055,000</u>	<u>2,211,452</u>

NOTE 4 – DISCONTINUED OPERATIONS

The Board of Directors initiated a formal review of strategic alternatives for the Ammunition segment during the year ended March 31, 2025. This review of strategic alternatives resulted in the decision to sell the Ammunition segment. Accordingly, we determined the assets of the Ammunition segment met the criteria for classification as held for sale. Additionally, we determined the ultimate disposal will represent a strategic shift that will have a major effect on our operations and financial results. As such, the results of the Ammunition segment are presented as discontinued operations in the accompanying consolidated statements of operations and consolidated statement of cash flows for all periods presented. The assets and liabilities of the Ammunition segment have been reflected as assets and liabilities of discontinued operations in the accompanying consolidated balance sheets for the fiscal year ended March 31, 2025. Net proceeds were approximately \$42.9 million.

Refer to Note 2 under the caption “Assets Held for Sale and Discontinued Operations” for additional details on accounting criteria for held for sale and discontinued operations treatment.

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Financial Information of Discontinued Operations

Loss from discontinued operations, net of tax in the consolidated statements of operations reflects the after-tax results of the Ammunition segment and does not include any allocation of general corporate overhead expense or interest expense. The following table summarizes the results of operations of the Ammunition segment that are being reported as discontinued operations:

	For the Year Ended March 31,	
	2026⁽¹⁾	2025
Net revenues ⁽²⁾	\$ 752,762	\$ 74,867,419
Cost of revenues	1,599,202	83,079,531
Gross profit	(846,440)	(8,212,112)
Operating expenses		
Selling and marketing	15,819	1,296,141
Corporate general and administrative	232,104	8,553,708
Employee salaries and related expenses	84,502	2,610,046
Depreciation and amortization expense	-	35,866
Total operating expenses	332,425	12,495,761
Loss from operations	(1,178,865)	(20,707,873)
Total other income/(expense)	583,231	(617,756)
Impairment of assets	-	(45,847,430)
Loss from discontinued operations before income taxes	(595,634)	(67,173,059)
Benefit for income taxes	(2,003,585)	(1,560,922)
Income (loss) from discontinued operations, net of tax	\$ 1,407,951	\$ (65,612,137)

⁽¹⁾ Reflects results from April 1, 2025 through April 18, 2025 only, except for the benefit for income taxes.

⁽²⁾ Included in revenue for the years ended March 31, 2026 and 2025 are excise taxes of \$27,185 and \$5.0 million, respectively.

There were no assets or liabilities classified as discontinued operations as of March 31, 2026. The following table summarizes the Ammunition segment assets and liabilities classified as discontinued operations in the accompanying consolidated balance sheet:

	March 31, 2025
ASSETS	
Accounts receivable, net	\$ 8,778,545
Inventories	21,520,796
Prepaid expenses	198,379
Equipment, net	25,983,100
Patents, net	1,409,542
Total assets held for sale	\$ 57,890,362
LIABILITIES	
Accounts payable	\$ 2,513,533
Accrued liabilities	3,280,449
Current portion of construction note payable	286,200
Construction note payable, net of unamortized issuance costs	10,564,816
Total liabilities held for sale	\$ 16,644,998

Assets and liabilities classified as held for sale are required to be recorded at the lower of carrying value or fair value less costs to sell. As of March 31, 2025, we determined that the fair value of the Ammunition segment, including costs to sell was lower than its carrying value and we recorded a \$45.8 million impairment. The fair value of the Ammunition segment was estimated using the expected sale price as negotiated with the Buyer.

Capital expenditures related to discontinued operations were \$40,000 and \$2.1 million for the years ended March 31, 2026 and 2025, respectively.

Impairment of Long-Lived Assets

During the year ended March 31, 2025, we determined that our Ammunition segment should be classified as held for sale. In connection with the reclassification of the segment's assets and liabilities, we recorded an impairment of \$45.8 million. For the impairment charges, we performed an undiscounted cash flow analysis on the asset group and determined that net carrying values

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

exceeded the estimated undiscounted future cash flow. We estimated the fair value of the asset group based on a discounted cash flow method and recorded an impairment for asset groups where the fair value was lower than its carrying value. The significant estimates used in the discounted cash flow methodology, which are based on level 3 inputs, include our expectations for projected cash flow to be generated from the asset group. The total impairment included a write-down of inventory of \$16.9 million based on an analysis of liquidation values and obsolescence.

NOTE 5 – SUPPLEMENTAL BALANCE SHEET INFORMATION

Accounts Receivable, net

The following presents a reconciliation of our allowance for credit losses for the periods presented:

April 1, 2024	\$ 3,004,385
Increase in allowance	1,503,700
Write-off of uncollectible amounts	(702,597)
March 31, 2025	3,805,488
Reduction in allowance	(277,057)
Write-off of uncollectible amounts	(1,165,584)
March 31, 2026	<u>\$ 2,362,847</u>

Property and Equipment, net

Property and equipment consisted of the following for the periods presented:

	As of March 31,	
	2026	2025
Leasehold Improvements	\$ —	\$ 247,725
Furniture and Fixtures	19,792	331,483
Software and Equipment	10,961,170	9,249,946
Construction in Progress	870,025	733,384
Total property and equipment	\$ 11,850,987	\$ 10,562,538
Less accumulated depreciation	(4,923,119)	(4,084,854)
Property and equipment, net	<u>\$ 6,927,868</u>	<u>\$ 6,477,684</u>

Depreciation expense for the years ended March 31, 2026 and 2025 totaled \$2,266,829 and \$1,378,619, respectively, and was included in depreciation and amortization expenses in operating expenses on the consolidated statement of operations.

Accrued Liabilities

Accrued liabilities consisted of the following:

	As of March 31,	
	2026	2025
Accrued bonus program	\$ 1,228,300	\$ 1,831,250
Accrued professional fees	1,186,801	4,682,183
Accrued payroll	440,070	764,174
Other accruals	536,178	674,735
Income taxes payable	—	394,065
Accrued contingency	200,000	29,067,229
Accrued interest	650,000	-
Accrued liabilities	<u>\$ 4,241,349</u>	<u>\$ 37,413,636</u>

NOTE 6 – REVOLVING LOAN

On December 29, 2023, we entered into a Loan and Security Agreement (the “Sunflower Agreement”) by and among the Company and other borrowers party to the agreement, the lenders party thereto (collectively, the “Lenders”) and Sunflower Bank, N.A., as administrative agent and collateral agent (the “Agent”), pursuant to which the Lenders provided us a revolving loan (“Revolving Loan”) in the principal amount of the lesser of (a) \$20.0 million and (b) the borrowing base (a formula based on certain amounts owed to borrower for goods sold or services provided and eligible inventory). The proceeds of loans under the Sunflower

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Agreement could be used for working capital, general corporate purposes, permitted acquisitions, to pay fees and expenses incurred in connection with the revolving loan and to fund our general business requirements.

The Revolving Loan bore an interest rate of the greater of (x) 3.50% and (y) Term SOFR, plus 3.00% (the “Revolving Facility Applicable Rate”) and was computed on the basis of a 360-day year for the actual number of days elapsed. Except in an event of default, advances under the Revolving Loan bear interest, on the outstanding daily balance thereof, at the Revolving Facility Applicable Rate. Interest was due and payable on the first calendar day of each month during the term of the Sunflower Agreement. We were also obligated to pay to the Agent, for the ratable benefit of Lenders, an origination fee, prepayment fee, unused facility fee, collateral monitoring fee and Lender expenses.

On April 18, 2025, we entered into a Consent and Second Amendment to the Sunflower Agreement (the “Second Sunflower Loan Amendment”). Pursuant to the Second Sunflower Loan Amendment, we and the Agent agreed to, among other things: (i) release the Agent’s security interest in all collateral securing our obligations under the Sunflower Agreement upon consummation of the sale of the Ammunition Manufacturing Business; (ii) reduce all amounts available under the Revolving Loan to zero dollars as of the effective date of the Second Sunflower Loan Amendment; (iii) enter into an Amended and Restated Revolving Line Promissory Note in the amount of \$5.0 million, representing 100% of the Revolving Line Commitment (as defined in the Sunflower Agreement) available under the Sunflower Agreement, executed by the Company in favor of Agent as of the effective date of the Second Sunflower Loan Amendment; and (iv) certain other amendments to the Company’s customary covenants and obligations under the Sunflower Agreement that only take effect in the event the Revolving Line Availability (as defined in the Sunflower Agreement) is greater than zero dollars.

Upon signing of the Second Sunflower Loan Amendment, the Revolving Line Availability was reduced to zero dollars and will remain at zero dollars unless we provide the Agent with a security interest in new collateral or otherwise further amend the Sunflower Agreement.

On May 13, 2025, the Company entered into a Third Amendment to the Sunflower Agreement (the “Third Sunflower Loan Amendment”). Pursuant to the Third Sunflower Loan Amendment, we and the Agent agreed to change the definitions in the Sunflower Agreement of: (i) “AMMO, Inc” to “Outdoor Holding Company,” (ii) “Ammo” to “OHC,” (iii) “AMMO TECHNOLOGIES, INC” to “OHC TECHNOLOGIES, INC,” and (iv) “AMMO MUNITIONS, INC” to “OHC MUNITIONS, INC.”

We did not have an outstanding balance on our Revolving Loan as of March 31, 2026 and 2025.

NOTE 7 – LEASES

We lease office space in Scottsdale, AZ and Atlanta, GA under contracts we classify as operating leases. None of our leases are financing leases. The Scottsdale lease extension is effective until 2029 and does not include a renewal option.

On September 17, 2025, we signed a lease for 2,660 square feet of mixed-use warehouse space in Marietta, GA. The lease commenced on October 1, 2025 and expires in October 2028.

Lease expense for the year ended March 31, 2026 was \$605,804 including \$564,866 of operating lease expense and \$40,938 of other lease associated expenses such as association dues, taxes, utilities, and other month to month rentals. Consolidated lease expense for the year ended March 31, 2025 was \$656,674 including \$653,420 of operating lease expense and \$3,255 of other lease associated expenses such as association dues, taxes, utilities, and other month to month rentals.

Lease Impairment

During the year ended March 31, 2026, we vacated our Scottsdale office. As we have been unable to sublease the property, we are working to negotiate a termination with the landlord. As a result, we recognized a write-down of the right-of-use asset of \$0.7 million, which is reported in corporate general and administrative expense on the consolidated statements of operations.

Lease Disclosures

The weighted average remaining lease term and weighted average discount rate for operating leases were 1.69 years and 10.0%, respectively, at March 31, 2026 and were 3.1 years and 10.0%, respectively, at March 31, 2025.

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Future minimum lease payments under non-cancellable leases as of March 31, 2026 were as follows:

Years Ended March 31,	
2027	\$ 605,412
2028	402,823
2029	268,256
Total Lease Payments	1,276,491
Less: Amount Representing Interest	(144,008)
Present value of lease liabilities	<u>\$ 1,132,483</u>

The following table presents supplemental information related to our leases.

	Year Ended March 31,	
	2026	2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 433,795	\$ 366,221
ROU Assets obtained in exchange for new lease obligations:		
Operating leases	\$ 108,741	\$ —

NOTE 8 – RELATED PARTY TRANSACTIONS

Gemini Accounts Receivable

Through our acquisition of Gemini Direct Investments, LLC ("Gemini") in 2021, a related party relationship was created through Mr. Urvan, then a director and now our Chairman of the Board and Chief Executive Officer, by virtue of his ownership of entities that provided services to Gemini. There was \$201,646 included in our accounts receivable at September 30, 2025 and March 31, 2025 from entities owned by Mr. Urvan. During the three months ended December 31, 2025, we determined that these amounts were uncollectible after evaluating the age of the receivables, historical collection experience, incomplete billing records, and the financial condition and operating history of the related entities. As a result, the \$201,646 included in our accounts receivable was written off against our reserve for credit losses. The determination of uncollectibility and the related write-off were reviewed and approved by the Company's Audit Committee, and Mr. Urvan did not participate in the review or approval of such determination and the related write-off.

Warrants

7M Warrant

As partial consideration for the settlement in the Delaware Litigation (as defined and described in Note 14, "*Contingencies*"), on May 30, 2025 we issued to an affiliated designee of Mr. Urvan, a warrant (the "Warrant") to purchase 7.0 million shares of common stock (the "Warrant Shares"). The Warrant has a five-year term and an exercise price of \$1.81 per share. Pursuant to the terms of the Warrant, the Warrant is exercisable at the holder's discretion, in whole or in part, on or after November 30, 2025, provided that the Warrant automatically vests and becomes exercisable in certain circumstances, such as bankruptcy, liquidation, termination of the business or other similar events, as well as upon consummation of any Extraordinary Transaction (as defined in the Warrant).

Pursuant to the terms of the Warrant, the Warrant Shares may not, subject to certain exceptions, be sold, assigned, transferred or otherwise distributed without prior approval from a majority of the disinterested and independent members of the Board of Directors, provided that on each of the first three anniversaries of May 30, 2025, the holder may transfer 25% of the total issuable shares under the Warrant.

We evaluated the Warrant in accordance with ASC 815, Derivatives and Hedging ("ASC 815"). We determined that the Warrant meets the criteria for equity classification since the Warrant is indexed to the Company's equity and includes settlement in shares. The Warrant was valued using the Black-Scholes option pricing model using a 70% volatility, risk free rate of 4.15%, an assumed dividend of zero and a term of five years with a resulting fair value of \$7,094,926. The Warrant was recorded as additional paid-in capital on the consolidated balance sheet as of March 31, 2026.

13M Warrant

On September 17, 2025, the independent and disinterested members of the Board of Directors approved the exercise of the Prepayment Option on Note 2 (as defined and described below), and we issued a warrant (the "Additional Warrant") to purchase 13.0

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

million shares of common stock (the “Additional Warrant Shares”) in satisfaction of Note 2. The Additional Warrant has a five-year term and an exercise price of \$1.00 per share. Pursuant to the terms of the Additional Warrant, the warrant is exercisable at the holder’s discretion, in whole or in part, on or after September 17, 2026, provided that the Additional Warrant automatically vests and becomes exercisable in certain circumstances, such as bankruptcy, liquidation, termination of the business or other similar events, as well as upon consummation of any Extraordinary Transaction (as defined in the Additional Warrant). Except with respect to the exercise price and the vesting date, the terms of the Additional Warrant and the Warrant are substantially similar.

We evaluated the Additional Warrant in accordance with ASC 815. We determined that the Additional Warrant meets the criteria for equity classification since the Additional Warrant is indexed to the Company's equity and includes settlement in shares. The Additional Warrant was valued using the Black-Scholes option pricing model using a 67.49% volatility, risk free rate of 3.62% and a term of five years with a resulting fair value of \$12,253,800. The Additional Warrant was recorded as additional paid-in capital on the consolidated balance sheet as of March 31, 2026.

\$12M Note Payable

As partial consideration for the settlement in the Delaware Litigation , on May 30, 2025, we also issued to Mr. Urvan's affiliated designee, an unsecured promissory note for a principal amount of \$12.0 million (“Note 1”). Note 1 bears interest at 6.50% per annum (subject to a 2.00% increase during an event of default), which interest is payable to the holder annually on May 30, beginning on May 30, 2026 (each interest payment due date, an “Interest Payment Date”). The unpaid principal balance of Note 1 and all accrued and unpaid interest thereon is due on May 30, 2037.

Pursuant to the terms of Note 1, we are required to make annual prepayments such that \$1,000,000 (inclusive of accrued and unpaid interest then due and payable) is paid to the holder on each Interest Payment Date. We have the right to prepay, prior to May 30, 2037, all or any part of the principal or interest of Note 1 without penalty. In addition, the holder may not request early repayment of Note 1 prior to May 30, 2027. Any optional prepayment by us must be approved by a majority vote of the independent and disinterested members of the Board of Directors as then constituted.

We evaluated Note 1 in accordance with ASC 470, *Debt* (“ASC 470”). Note 1 was initially recorded at its calculated fair value of \$9,866,679 with a resulting debt discount recorded of \$2,133,321 on the consolidated balance sheet for the period ended June 30, 2025. Note 1 fair value was calculated as the net present value using a discount rate of 9.40%. The debt discount is being amortized over the life of the note using the effective interest rate method.

During the year ended March 31, 2026, we recorded interest expense on Note 1 of \$819,550.

\$39M Note Payable

As partial consideration for the settlement in the Delaware Litigation on May 30, 2025, we also issued to Mr. Urvan's affiliated designee, an unsecured promissory note in a principal amount of \$39.0 million (“Note 2” and together with Note 1, the “Notes”). Note 2 bore interest at 4.62% per annum (subject to a 2.00% increase during an event of default), which was payable to the holder annually on the Interest Payment Date. The unpaid principal balance of Note 2 and all accrued and unpaid interest thereon was due on May 30, 2035.

Pursuant to the terms of Note 2, we were required to make annual prepayments of the outstanding principal amount on Note 2 equal to \$1.95 million on each Interest Payment Date. We had the right to prepay, prior to May 30, 2035, all or any part of the principal or interest of Note 2 without penalty. In addition, the holder could not request early repayment of Note 2 prior to May 30, 2027. We also had the option, at any time prior to May 30, 2026 (unless extended by mutual consent of the holder and us), to prepay all, but not less than all, of the then-outstanding principal amount of Note 2 and accrued and unpaid interest thereon in exchange for the issuance of the Additional Warrant, provided that we must first obtain stockholder approval of the issuance of the Additional Warrant and the Additional Warrant Shares pursuant to Nasdaq Listing Rule 5635. Upon issuance of the Additional Warrant, all remaining obligations under Note 2 would be deemed satisfied with the same force and effect as a prepayment of all principal and accrued and unpaid interest under Note 2. Any optional prepayment by us, whether in cash or by issuance of the Additional Warrant, was required to be approved by a majority vote of the independent and disinterested members of the Board of Directors as then constituted.

We evaluated Note 2 in accordance with ASC 470. Note 2 was initially recorded at its calculated fair value of \$12,105,624 with a resulting debt discount recorded of \$26,894,376 on the consolidated balance sheet for the period ended June 30, 2025. Note 2 was valued using a Binomial Lattice Model with a 9.60% discount rate and a 70% volatility along with a probability of exercise of the Prepayment Option. The debt discount would be amortized over the life of the note using the effective interest rate method. We also evaluated the option to call Note 2 by issuing the Additional Warrant Shares in accordance with ASC 815. We determined that the call option is clearly and closely related to the debt host, therefore, the call option is not required to be bifurcated.

On September 17, 2025, the independent and disinterested members of the Board of Directors approved the exercise of the

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Prepayment Option and we issued the Additional Warrant in satisfaction of Note 2. The prepayment of Note 2 was accounted for as an extinguishment of debt and a gain of \$801,894 was recognized on the consolidated statement of operations for the year ended March 31, 2026.

During the year ended March 31, 2026, we recorded interest expense on Note 2 of \$950,070.

Future maturities on the Notes excluding debt discounts at March 31, 2026 were as follows:

Years Ended March 31,	Amount
2027	\$ 220,000
2028	234,300
2029	249,529
2030	265,749
2031	283,023
Thereafter	10,747,399
Total notes payable - related parties outstanding	\$ 12,000,000
Less unamortized discount	(1,963,771)
Total notes payable - related parties outstanding, net of discount	\$ 10,036,229
Notes payable - related parties, current maturities	\$ 220,000
Notes payable - related parties, noncurrent	\$ 9,816,229

Letter of Credit

On July 26, 2023, we obtained a \$1.6 million letter of credit with The Northern Trust Company (“Northern Trust”) for collateral for a bond related to a judgment assessed to GunBroker. On July 17, 2023, we generated a \$1.6 million certificate of deposit with Northern Trust for security on the letter of credit. The initial term of the certificate of deposit was twelve months and included interest of approximately 5%.

Effective July 12, 2024, the letter of credit with Northern Trust was extended until July 26, 2025. Effective July 7, 2025 the letter of credit was moved to Sunflower Bank with an expiration date of July 7, 2026. The term of the certificate of deposit is twelve months and includes interest of approximately 4%. Per the terms of the merger agreement with Gemini, Mr. Urvan was required to indemnify any losses related to the underlying judgment if the appeal is unsuccessful. As a function of the 2025 Urvan Settlement Agreement, the losses related to the judgment are no longer indemnified by Mr. Urvan.

Triton Settlement Agreement Payment

On June 24, 2024, we entered into a Confidential Settlement Agreement and Mutual General Release (the “Triton Settlement Agreement”) with Triton Value Partners, LLC, Donald Gasgarth, Paul Freischlag, Jr., Jeff Zwitter (the “Plaintiffs,” and together with the Defendants and the Company, the “Parties” or, individually, “Party”), and Steven Urvan and TVP Investments LLC (the “Urvan Defendants”) and GunBroker.com, LLC, IA TECH, LLC, and GB Investments, Inc. (the “GunBroker Defendants,” and collectively with the Urvan Defendants, the “Defendants”) to fully resolve and settle all disputes and claims related to the litigation between the Defendants and Plaintiffs captioned Triton Value Partners, LLC et al. v. TVP Investments, LLC et al., Cobb County Superior Court, CAFN 18104869 (the “Action”). Pursuant to the Triton Settlement Agreement, the GunBroker Defendants agreed to pay the Plaintiffs \$8,000,000 (the “Settlement Amount”) in a single lump sum payment. We agreed to tender the Settlement Amount to an escrow agent on behalf of the GunBroker Defendants within 45 days of the Triton Settlement Agreement’s execution. In connection with the Merger Agreement, on April 30, 2021, the Company and Urvan entered into a Pledge and Escrow Agreement (the “Pledge and Escrow Agreement”), pursuant to which ten stock certificates in the name of Urvan, with each certificate representing \$2.8 million worth of shares of the Company’s common stock as of the date of the Pledge and Escrow Agreement (the “Pledged Securities”) were placed in escrow pending resolution of the Action. Pursuant to the Triton Settlement Agreement, a portion of the Pledged Securities in the form of a stock certificate for 2,857,143 shares (the “Stock Certificate”) were sent to the Company’s transfer agent for cancellation on September 30, 2024.

As a result of the contingency recognized for the Triton Settlement Agreement, we had recorded a receivable of \$4,800,000 that was re-classified to treasury stock upon Mr. Urvan’s transfer of the shares related to the settlement payment to the Company on September 30, 2024. During the year ended March 31, 2025, we recognized the value of shares returned to the Company in lieu of the settlement payment. As of March 31, 2025, Mr. Urvan transferred the shares to us and they have been reclassified to treasury stock.

Tenor Litigation

Pursuant to the merger agreement with Gemini, Mr. Urvan was granted sole and exclusive control over the prosecution, defense and settlement of certain designated litigation matters, including the litigation captioned *GunBroker.com, LLC v. Tenor*

OUTDOOR HOLDING COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Capital Partners, No. 1:20-CV-00613 (N.D. GA.) (the "Tenor Litigation"), and the right to receive any amounts recovered by or awarded to the Company with respect to such matters. In addition, the merger agreement with Gemini required Mr. Urvan to indemnify, defend, hold harmless and reimburse the Company with respect to designated matters, including the Tenor Litigation. Subsequently, pursuant to the 2025 Settlement Agreement, the Company released Mr. Urvan from certain of these indemnification, defense and hold harmless obligations under the merger agreement. In April 2026, the United States Court of Appeals for the Eleventh Circuit reversed the district court's grant of summary judgment on a breach of fiduciary duty claim asserted by GunBroker in the Tenor Litigation and remanded that claim for further proceedings.

In June 2026, the Company and its subsidiary Speedlight Group I, LLC entered into a side letter agreement with Mr. Urvan confirming his right to control the prosecution, defense, and settlement of the Tenor Litigation was not extinguished by the 2025 Settlement Agreement and clarifying that, consistent with the intent of the merger agreement and the 2025 Settlement Agreement, (i) Mr. Urvan is solely responsible for all costs, fees and expenses incurred in connection with the prosecution, defense and settlement of the Tenor Litigation, (ii) the Company has no obligation to fund, advance, reimburse or indemnify any cost, expense or liability arising from or related to the Tenor Litigation, and (iii) Mr. Urvan may not settle the Tenor Litigation on terms that would result in any obligation or restriction binding upon the Company or its subsidiaries without the prior written consent of the independent and disinterested members of the Board of Directors. The side letter does not amend the merger agreement with Gemini or the 2025 Settlement Agreement and does not revive or reinstate any indemnification or similar obligations of Mr. Urvan that were released pursuant to the 2025 Settlement Agreement. If Mr. Urvan determines to pursue a damage claim for breach of fiduciary duty in the full amount permitted by applicable law, such amount is likely to exceed the \$120,000 disclosure threshold of Item 404 of Regulation S-K. The side letter was reviewed and approved by the Company's Audit Committee.

NOTE 9 – PREFERRED STOCK

On May 18, 2021, we filed a Certificate of Designations (the "Certificate of Designations") with the Secretary of State of the State of Delaware to establish the preferences, voting powers, limitations as to dividends or other distributions, qualifications, terms and conditions of redemption and other terms and conditions of the Series A Preferred Stock.

The Series A Cumulative Redeemable Perpetual Preferred Stock ("Series A Preferred Stock"), as to dividend rights and rights as to the distribution of assets upon the Company's liquidation, dissolution or winding-up, ranks: (1) senior to all classes or series of common stock and to all other capital stock issued by the Company expressly designated as ranking junior to the Series A Preferred Stock; (2) on parity with any future class or series of the Company's capital stock expressly designated as ranking on parity with the Series A Preferred Stock; (3) junior to any future class or series of the Company's capital stock expressly designated as ranking senior to the Series A Preferred Stock; and (4) junior to all the Company's existing and future indebtedness.

The Series A Preferred Stock has no stated maturity and is not subject to mandatory redemption or any sinking fund. In the event of the voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, the holders of shares for the Series A Preferred Stock are entitled to be paid out of the Company's assets legally available for distribution to its stockholders (*i.e.*, after satisfaction of all the Company's liabilities to creditors, if any) an amount equal to \$25.00 per share of the Series A Preferred Stock, plus any amount equal to any accumulated and unpaid dividends to the date of payment before any distribution or payment may be made to holders of shares of common stock or any other class of or series of the Company's capital stock ranking, as to rights to the distribution of assets upon any voluntary or involuntary liquidation, dissolution or winding up, junior to the Series A Preferred Stock.

We pay cumulative cash dividends on the Series A Preferred Stock when, as and if declared by our Board of Directors (or a duly authorized committee of our Board of Directors), only out of funds legally available for payment of dividends. Dividends on the Series A Preferred Stock accrue on the stated amount of \$25.00 per share of the Series A Preferred Stock at a rate per annum equal to 8.75% (equivalent to \$2.1875 per year), payable quarterly in arrears. Dividends on the Series A Preferred Stock declared by our Board of Directors (or a duly authorized committee of our Board of Directors) are payable quarterly in arrears on or around March 15, June 15, September 15 and December 15.

Generally, the Series A Preferred Stock is not redeemable by the Company prior to May 18, 2026. However, upon a change of control or de-listing event (each as defined in the Certificate of Designations), the Company will have a special option to redeem the Series A Preferred Stock for a limited period of time.

The following is a summary of the dividends paid on the Series A Preferred Stock in the year ended March 31, 2026:

Dividend Declaration Date	Record Date	Dividend Period	Dividend Payment Date	Dividend Amount	Per Share Amount
May 15, 2025	May 31, 2025	March 15, 2025 - June 14, 2025	June 16, 2025	\$ 765,625	\$ 0.54687500
August 12, 2025	August 31, 2025	June 15, 2025 - September 14, 2025	September 15, 2025	765,625	0.54687500
November 12, 2025	December 1, 2025	September 15, 2025 - December 14, 2025	December 15, 2025	765,625	0.54687500
February 11, 2026	March 1, 2026	December 15, 2025 - March 15, 2026	March 16, 2026	765,625	0.54687500

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Preferred dividends accumulated as of March 31, 2026 were \$127,604.

The following is a summary of the dividends paid on the Series A Preferred Stock in the year ended March 31, 2025:

Dividend Declaration Date	Record Date	Dividend Period	Dividend Payment Date	Dividend Amount	Per Share Amount
May 15, 2024	May 31, 2024	March 15, 2024 - June 14, 2024	June 17, 2024	\$ 782,634	\$ 0.55902778
August 15, 2024	August 31, 2024	June 15, 2024 - September 14, 2024	September 15, 2024	782,639	0.55902778
November 15, 2024	November 30, 2024	September 15, 2024 - December 14, 2024	December 15, 2024	782,639	0.55902778
February 6, 2025	February 28, 2025	December 15, 2024 - March 14, 2025	March 15, 2025	765,625	0.54687500

Preferred dividends accumulated as of March 31, 2025 were \$136,111.

NOTE 10 – CAPITAL STOCK

Our authorized capital consists of 200,000,000 shares of common stock with a par value of \$0.001 per share.

Share Repurchase Program

On January 4, 2026, our Board of Directors authorized a discretionary share repurchase program pursuant to which we may repurchase up to \$15.0 million of our outstanding common stock over a period of twelve months. Repurchases under the program may be made from time to time through open market purchases, privately negotiated transactions, and other means in accordance with federal securities laws, including pursuant to one or more Rule 10b5-1 trading plans. The timing, volume, and value of any repurchases will be determined by management based on factors including market conditions, the Company's liquidity and capital needs, and other factors deemed relevant. The share repurchase program does not obligate the Company to repurchase any specific number of shares and may be modified, suspended, or terminated at any time at the discretion of the Board or management. Any repurchases under the program will be funded from the Company's existing cash balances, future operating cash flow, or other legally available funds.

During the year ended March 31, 2026, we repurchased 513,925 shares of common stock, costing \$1.0 million, including broker commissions and fees. The Inflation Reduction Act imposed a nondeductible 1% excise tax on the net value of stock repurchases. During the year ended March 31, 2026, the excise tax on the net share repurchases was not material.

As of March 31, 2026, the share repurchase program had \$14.0 million in remaining authorized funds.

Warrants

There were no warrants exercised during the years ended March 31, 2026 and 2025.

On May 30, 2025, we issued a warrant to purchase 7.0 million shares of common stock at an exercise price of \$1.81 per share and a 5-year term. Please see Note 8, "*Related Party Transactions*," for more information.

On September 17, 2025, we issued a warrant to purchase 13.0 million shares of common stock at an exercise price of \$1.00 per share with a 5-year term. Please see Note 8, "*Related Party Transactions*," for more information.

At March 31, 2026, outstanding and exercisable stock purchase warrants consisted of the following:

	Number of Shares	Weighted Averaged Exercise Price	Weighted Average Life Remaining (Years)
Outstanding at March 31, 2025	1,721,256	\$ 2.03	0.84
Granted	20,000,000	1.28	4.86
Exercised	—	—	—
Forfeited or cancelled	(1,621,256)	2.15	—
Outstanding at March 31, 2026	20,100,000	\$ 1.28	4.35
Exercisable at March 31, 2026	7,100,000	\$ 1.78	4.12

As of March 31, 2026, we had 20,100,000 warrants outstanding. Each warrant provides the holder the right to purchase up to one share of our common stock at a predetermined exercise price. The outstanding warrants consist of (1) warrants to purchase 100,000 shares of common stock at an exercise price of \$0.01 per share until December 2026; (2) warrants to purchase 7,000,000 shares of common stock at an exercise price of \$1.81 per share until May 2030; and (3) warrants to purchase 13,000,000 shares of common stock at an exercise price of \$1.00 per share until September 2030.

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2017 Equity Incentive Plan

In October 2017, our Board of Directors approved the 2017 Equity Incentive Plan (the "2017 Plan"). The 2017 Plan initially permitted the issuance of equity-based instruments covering up to a total of 485,000 shares of common stock. Our Board of Directors and stockholders approved an increase of 4,515,000 shares in October 2020, an additional increase of 1,000,000 shares in March 2023, and an additional increase of 3,000,000 shares in February 2024, bringing the total shares allowed under the 2017 Plan to 9,000,000. The 2017 Plan was terminated with respect to future awards on August 29, 2025.

2025 Long-Term Incentive Plan

On July 2, 2025, our Board of Directors approved the 2025 Long-Term Incentive Plan (the "2025 Plan") and our stockholders adopted the 2025 Plan at our Annual Meeting of Stockholders on August 29, 2025. The 2025 Plan permits the issuance of equity-based awards to plan participants representing up to a total of 10,000,000 shares of common stock. As of March 31, 2026, there were 9,139,278 shares available to be issued under the 2025 Plan.

Options Granted

During the year ended March 31, 2024, we granted stock options ("Options") to purchase 400,000 shares of our common stock, of which (i) 100,000 Options vested on July 24, 2023, and (ii) 300,000 Options were to vest in equal quarterly installments of 25,000 over three years beginning on September 30, 2023. The Options are exercisable at \$2.08 per share and have a term of ten years. The vesting of the Options was accelerated to be fully vested on May 30, 2025 upon the execution of the separation agreement with our former Chief Executive Officer. We recognized \$48,725 and \$123,935 in expense related to the Options for years ended March 31, 2026 and 2025, respectively.

The following is a summary of our stock option activity during the year ended March 31, 2026:

	Number of Options	Weighted Average Exercise Price	Weighted Average Grant Date Fair Value	Weighted Average Remaining Life in Years
Outstanding, April 1, 2025	400,000	\$ 2.08	\$ 1.50	8.32
Granted	-	-	-	-
Exercised	-	-	-	-
Canceled/Forfeited	-	-	-	-
Outstanding, March 31, 2026	400,000	\$ 2.08	\$ 1.50	7.32

As of March 31, 2026, there was no unrecognized compensation expense related to unvested stock options.

Stock Awards

A summary of stock award activity for the year ended March 31, 2026 under the 2025 Plan is as follows:

	Number of Shares	Weighted-Average Grant-Date Fair Value Per Share
Outstanding at April 1, 2025	-	\$ -
Granted	995,000	1.54
Vested	(383,750)	1.53
Forfeited	(56,250)	1.53
Outstanding at March 31, 2026	555,000	\$ 1.54

As of March 31, 2026, there was \$724,598 of unrecognized compensation expense related to unvested stock awards, granted under the 2025 Plan, which is expected to be recognized over a weighted-average period of approximately 0.61 years.

A summary of stock award activity for the year ended March 31, 2026 under the 2017 Plan is as follows:

	Number of Shares	Weighted-Average Grant-Date Fair Value Per Share
Outstanding at April 1, 2025	215,196	\$ 2.24
Granted	377,498	1.60
Vested	(426,027)	1.73
Forfeited	(166,667)	2.08
Outstanding at March 31, 2026	-	\$ -

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of March 31, 2026, there was no unrecognized compensation expense related to unvested stock awards granted under the 2017 plan.

NOTE 11 – INCOME TAXES

The income tax provision for the periods shown consist of the following:

	For the year ended March 31,	
	2026	2025
Current		
US Federal	\$ -	\$ -
US State	49,537	-
Total current provision	49,537	-
Deferred		
US Federal	(304,882)	(5,601,975)
US State	(80,378)	(1,556,266)
Total deferred benefit	(385,260)	(7,158,241)
Change in valuation allowance	385,260	13,444,546
Income tax provision	\$ 49,537	\$ 6,286,305

The table below provides the updated requirements of ASU 2023-09 for our effective tax rate for the year ended March 31, 2026. See Note 2, Summary of Significant Accounting Policies for additional details on the adoption of ASU 2023-09.

	For the year ended March 31,	
	2026	
U.S. Federal	\$ (1,017,769)	21.0 %
State taxes, net of Federal income tax benefit	(268,321)	5.5 %
Change in valuation allowance	1,140,184	(23.4) %
Non-deductible meals & entertainment	105,414	(2.2) %
Return-to-provision permanent non-deductible items	90,029	(1.9) %
Total provision for income taxes	\$ 49,537	(1.0) %

The reconciliation of income tax expense computed at the U.S. federal statutory rate of 21% to the effective tax rate, prior to the adoption of ASU 2023-09, is as follows:

	For the year ended March 31,	
	2026	2025
U.S. Federal	21.0 %	21.0 %
State taxes, net of Federal income tax benefit	5.5 %	5.5 %
Change in valuation allowance	(23.4) %	(37.4) %
Other adjustments	0.0 %	0.1 %
Non-deductible meals & entertainment	(2.2) %	0.0 %
Return-to-provision permanent non-deductible items	(1.9) %	0.0 %
Effective tax rate	(1.0) %	(10.8) %

Our effective tax rates were (1.0%) and (10.8%) for the years ended March 31, 2026 and 2025, respectively. During the year ended March 31, 2026, the effective tax rate differed from the U.S. federal statutory rate primarily due to recovery of unrecognized tax benefits and changes in our valuation allowance. During the year ended March 31, 2026, we recorded a valuation allowance of \$36.4 million due to uncertainty regarding the timing and utilization of losses in future periods. During the year ended March 31, 2025, the effective tax rate differed from the U.S. federal statutory rate primarily due to employee stock awards and changes in valuation allowance. During the year ended March 31, 2025, we recorded a valuation allowance of \$36.0 million due to uncertainty regarding the timing and utilization of losses in future periods.

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

State taxes in Georgia, Arizona and Wisconsin represent the majority of the tax effect within this category. Following adoption of ASU 2023-09, our cash income taxes paid, net of refunds for the year ended March 31, 2026 were as follows:

U.S. Federal	\$	-
State ¹		
Georgia		49,287
Other states		250
Total cash paid for income taxes, net of refunds	\$	<u>49,537</u>

¹Georgia was the only jurisdiction to meet the 5% disaggregation threshold.

Significant components of our deferred tax liabilities and assets are as follows:

	<u>As of March 31,</u>	
	<u>2026</u>	<u>2025</u>
Deferred tax assets		
Net operating loss carryforward	\$ 35,465,705	\$ 16,557,351
Loss on purchase	—	2,213,969
Impairment - Ammunition segment	—	12,398,990
Inventory capitalization - Section 263A	—	472,665
Bad debt allowance	627,013	1,045,220
Legal reserve settlement	417,948	7,978,747
Compensation	1,480,036	1,154,090
Other timing differences	568,591	481,036
Total deferred tax assets	<u>\$ 38,559,293</u>	<u>\$ 42,302,068</u>
Deferred tax liabilities		
Depreciation expense	\$ (134,837)	\$ (3,523,690)
Change in estimate and accounting method	-	(699,392)
Accounting method change - Section 481A	(587,500)	-
Amortization - intangible assets	(1,328,882)	(2,114,232)
Total deferred tax liabilities	<u>(2,051,219)</u>	<u>(6,337,314)</u>
Net deferred tax asset	\$ 36,508,074	\$ 35,964,754
Valuation allowance	(36,508,074)	(35,964,754)
Net deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

Net operating loss carryforwards have an indefinite useful life.

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following table summarizes the activity related to unrecognized tax benefits as follows:

	As of March 31,	
	2026	2025
Opening balance	\$ 2,003,585	\$ —
Charged to net income	(2,003,585)	2,003,585
Write-offs, net of recoveries	-	-
Closing balance	<u>\$ -</u>	<u>\$ 2,003,585</u>

We account for uncertain tax positions in accordance with ASC No. 740-10-25. ASC No. 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under ASC No. 740-10-25, we may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. To the extent that the final tax outcome of these matters is different than the amount recorded, such differences impact income tax expense in the period in which such determination is made. Interest and penalties, if any, related to accrued liabilities for potential tax assessments are included in income tax expense. ASC No. 740-10-25 also requires management to evaluate tax positions taken and recognize a liability if we have taken uncertain tax positions that more likely than not would not be sustained upon examination by applicable taxing authorities.

We have evaluated tax positions taken by us as of March 31, 2026 and 2025 in accordance with the recognition and measurement framework within ASC No. 740-10, and have concluded that the benefits associated with certain tax positions should not be recognized on the financial statements for the year ended March 31, 2025. As such, we recorded an additional income tax payable on the consolidated balance sheet of \$1.9 million as of March 31, 2025. Included within this amount is accrued penalties and interest of \$0.3 million. We record penalties and interest associated with uncertain tax positions as a component of income tax expense. During the year ended March 31, 2026, we took corrective action with the IRS that now meets the more likely than not standard and therefore recognized a tax benefit related to the tax position and reversed the associated penalties. We recorded a reversal of income tax payable in the amount of \$1.6 million and accrued penalties of \$0.3 million in the year ended March 31, 2026.

The tax periods ended March 31, 2022, 2023, 2024, 2025, and 2026 are subject to audit by the Internal Revenue Service.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was signed into law. The OBBBA makes permanent or introduces certain changes to the Internal Revenue Code, including 100% bonus depreciation, the deductibility of interest expense, and expensing domestic research costs. ASC No 740 requires that the effect of changes in tax rates and laws be recognized the period in which the legislation is enacted. The impact of this change primarily resulted in a reclassification from current to deferred taxes.

NOTE 12 – INTANGIBLE ASSETS

On April 30, 2021, we entered into an agreement and plan of merger (the "Merger Agreement"), by and among the Company, SpeedLight Group I, LLC, a Delaware limited liability company and a wholly owned subsidiary of the Company and Gemini Direct Investments, LLC, a Nevada limited liability company ("Gemini"), whereby SpeedLight Group I, LLC merged with and into Gemini, with SpeedLight Group I, LLC surviving the merger as a wholly owned subsidiary of the Company (the "Merger"). At the time of the Merger, Gemini had nine subsidiaries, all of which are related to Gemini's ownership of GunBroker, an online auction marketplace dedicated to firearms, hunting, shooting, and related products. The intangible assets acquired include a tradename, customer relationships, intellectual property, software, and domain names.

Total amortization expense of our intangible assets was \$12,129,984 and \$12,121,433 for the years ended March 31, 2026 and 2025, respectively.

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Other intangible assets consisted of the following:

	Weighted Average Remaining Life	As of March 31,	
		2026	2025
Tradename	10.08	\$ 76,532,389	\$ 76,532,389
Customer list	5.08	65,252,802	65,252,802
Intellectual property	5.08	4,224,442	4,224,442
Other intangible assets	8.66	486,017	357,747
Gross intangible assets		146,495,650	146,367,380
Accumulated amortization – intangible assets		(59,605,597)	(47,475,613)
Net intangible assets		<u>\$ 86,890,053</u>	<u>\$ 98,891,767</u>

Annual estimated amortization of intangible assets for the next five fiscal years are as follows:

Years Ended March 31,	Amount
2027	\$ 12,064,397
2028	12,058,435
2029	12,058,435
2030	12,058,435
2031	12,058,435
Thereafter	26,591,916
Total	<u>\$ 86,890,053</u>

NOTE 13 – SEGMENTS

We define our segments as those operations whose results our chief operating decision maker ("CODM") reviews to analyze performance and allocate resources. As described in Note 2 under the caption "Assets Held for Sale and Discontinued Operations," as well as Note 4, "Discontinued Operations", effective as of the fourth quarter of fiscal 2025, we no longer report the Ammunition segment; we now report our financial performance based on one segment.

Our CODM is our chief executive officer. The CODM assesses the performance of the Company and decides how to allocate resources based on consolidated earnings before interest expense, income taxes, depreciation and amortization ("EBITDA"). The CODM uses consolidated EBITDA to analyze how profitable the business is, including reviewing in comparison to budget and in comparison to the prior year performance when making decisions on allocating capital and resources. Significant expense categories regularly provided to and reviewed by the CODM are those presented in the consolidated statement of operations.

Our CODM does not use asset book values in assessing performance or allocating resources for our operating segments and therefore this information is not disclosed.

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following table presents consolidated EBITDA for our reportable segment:

	For the Year Ended March 31,	
	2026	2025
Net revenues	\$ 51,125,398	\$ 49,401,547
Cost of revenues	6,524,437	6,468,031
Selling and marketing	550,333	610,926
Corporate and administrative	22,674,572	70,594,542
Employee salaries and related expenses	13,271,678	17,851,628
Consolidated EBITDA	8,104,378	(46,123,580)
Adjustments and reconciling items:		
Depreciation and amortization	(14,396,813)	(13,589,698)
Other income/(expense)	2,364,142	860,293
Interest expense	(1,769,656)	(82,173)
Gain on the extinguishment of debt	801,894	—
Provision for income taxes	(49,537)	(6,286,305)
Net loss from continuing operations	\$ (4,945,592)	\$ (65,221,463)

NOTE 14 – CONTINGENCIES

Certain conditions may exist as of the date the consolidated financial statements are issued that may result in a loss to us but will only be resolved when one or more future events occur or fail to occur. We assess such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against us or unasserted claims that may result in such proceedings, we evaluate the perceived merits of any legal proceedings or unasserted claims and the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability is reasonably estimated, the estimated liability would be accrued in our consolidated financial statements. If the assessment indicates that a potentially material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of range of possible loss if determinable and material, would be disclosed.

Delaware Litigation

On April 30, 2023, Steve Urvan filed suit in the Delaware Court of Chancery (the "Delaware Court") against the Company, and certain Company directors, former directors, employees, former employees and consultants. At the time the lawsuit was filed, Mr. Urvan was a member of the Board of Directors and our largest stockholder. Mr. Urvan now serves as Chairman of the Board of Directors and Chief Executive Officer of the Company. Mr. Urvan's claims included fraudulent inducement, unjust enrichment and violations of the Arizona Securities Act. The suit sought a court order for partial rescission of the Company's acquisition of GunBroker.com and compensatory damages of not less than \$140 million. On August 1, 2023, the Company filed a separate lawsuit against Mr. Urvan in the Delaware Court alleging, among other things, that Mr. Urvan committed fraud in connection with the GunBroker.com sale, and that Mr. Urvan breached his indemnification obligations to the Company after the sale. On September 11, 2023, the Delaware Court consolidated the Company's lawsuit against Mr. Urvan with Mr. Urvan's lawsuit against the Company and the individual defendants (the "Delaware Litigation").

On December 20, 2024, the Board of Directors held a meeting, during which it voted to pursue a settlement and voted to approve terms outlined in a non-binding term sheet. On May 21, 2025, the Company entered into a settlement agreement with Mr. Urvan and certain other parties, which became effective on May 30, 2025, pursuant to which the parties to the settlement agreement filed a Stipulation of Voluntary Dismissal With Prejudice dismissing, with prejudice, all claims asserted in the Delaware Litigation. As partial consideration for the settlement, the Company issued the Warrant and the Notes to an affiliate of Mr. Urvan. We recorded a settlement contingency of \$29.1 million during the year ended March 31, 2025. During the year ended March 31, 2026, we recorded the Warrant, the Additional Warrant and the Notes issued to an affiliate of Mr. Urvan in the settlement. Please see Note 8, "Related Party Transactions," for additional information regarding the Warrant, the Additional Warrant and the Notes.

SEC Investigation

The Company faced an inestimable loss contingency stemming from a previously-pending investigation of the Staff of the SEC Division of Enforcement (the "SEC Investigation"). The Company produced documents responsive to document subpoenas and cooperated by, among other things, providing other information to the SEC Staff on a voluntary basis. The SEC Staff investigated the Company's: (i) valuation of, and accounting for share-based compensation awards to employees, non-employee directors and other

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

service providers, and issued in exchange for goods and services; (ii) capitalization of certain share issuance costs; (iii) disclosure of the valuation of equity-based compensation paid to certain executives; (iv) disclosure of certain executive officers and related party transactions; and (v) disclosure concerning the calculation of Adjusted EBITDA. The Company made an Offer of Settlement to the SEC, and on December 15, 2025, the SEC instituted settled cease-and-desist proceedings that fully concluded and resolved the SEC Investigation. Under the terms of the settlement, the SEC did not impose a civil penalty or any other monetary relief. Without admitting or denying the findings of the cease-and-desist order except as to the SEC's jurisdiction, the Company agreed to cease and desist from committing or causing any violations and any future violations of specified provisions of the federal securities laws and rules promulgated thereunder.

Vista

On July 28, 2025, Vista Outdoor Sales, LLC d/b/a The Kinetic Group Sales ("Vista") filed a civil action against the Company in the United States District Court for the District of Minnesota alleging a breach of contract from an OEM Supplier and Ammunition Purchase Option Agreement dated August 9, 2021. After the Company's divestiture of the Ammunition Business, it could no longer purchase ammunition manufacturing components.

On November 21, 2025, the Company entered into a Settlement Agreement and Mutual Release (the "Vista Settlement and Release") with Vista to resolve the matter. Under the terms of the Vista Settlement and Release, the Company agreed to pay Vista an aggregate of \$2.75 million in cash in twelve equal quarterly installments, with the first installment due December 1, 2025 and subsequent installments due quarterly. Vista was required to dismiss the lawsuit with prejudice in return for a release of all claims relating to the matter.

As of March 31, 2026, we had a liability of \$2.3 million, \$0.9 million of which is recorded in accounts payable and \$1.4 million of which is recorded in other long-term liabilities on the consolidated balance sheet. During the year ended March 31, 2026, we made payments of \$0.5 million in accordance with the Vista Settlement and Release.

Weiland

On May 20, 2026, the Company entered into a Settlement Agreement and Release ("Settlement and Release") with Wieland Rolled Products North America Buffalo, Inc. ("Wieland") to resolve disputes and claims arising out of or relating to cancellation of purchase orders in connection with our sale of the Ammunition segment.

Under the terms of the Settlement and Release, we agreed to pay Wieland \$0.2 million in cash by May 31, 2026. The parties agreed to mutual releases of all claims relating to the matter. The related purchase order, order acknowledgments, and standard terms and conditions of sale were terminated and cancelled as a function of the settlement. The Settlement and Release did not constitute an admission of liability or fault by either party.

As of March 31, 2026, we had a liability of \$0.2 million recorded in accrued expenses on the consolidated balance sheet.

DCP Matter

On January 18, 2024, Innovative Computer Professionals, Inc. d/b/a Digital Cash Processing ("DCP") filed a civil action in Minnesota state court against Outdoors Online, LLC d/b/a GunBroker.com ("GunBroker.com") for breach of contract (the "MN Action"). In the MN Action, DCP alleged that GunBroker.com breached a May 2021 contract, pursuant to which DCP was to provide specified digital payment processing services, and it alleged \$100 million in damages. On February 7, 2024, GunBroker.com removed the MN Action to the United States District Court for the District of Minnesota (Case No. 24-CV-00373-DWF-DTS). On February 14, 2024, GunBroker.com moved to dismiss the MN Action for lack of personal jurisdiction and for failure to adequately state a claim, or, in the alternative, to transfer the MN Action to the United States District Court for the District of Arizona (the "Motion"). The court denied the Motion and GunBroker filed its Answer and Counterclaims. The Company and DCP engaged in fact and expert discovery for several months.

On February 20, 2026, we entered into a settlement agreement with DCP, resolving the MN Action. Under the terms of the settlement agreement, the Company paid to DCP \$4.4 million on February 27, 2026 in full and final settlement of the MN Action. Upon payment, the parties filed a stipulated dismissal of the MN Action with prejudice. The settlement agreement includes customary mutual releases, but does not release certain non-affiliate third-party contractors. The settlement does not constitute an admission of liability or wrongdoing by the Company or any of its subsidiaries.

Sales Taxes

We are subject to sales and use tax audits, inquiries and other proceedings by state and local taxing authorities in the ordinary course of business. As of March 31, 2026, the Company and certain of its subsidiaries were the subject of open sales and use tax audits or related administrative proceedings in a number of jurisdictions for matters involving the Company's GunBroker.com marketplace business. These matters are in various stages of audit, protest or administrative review.

OUTDOOR HOLDING COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

We assessed these matters under the loss contingency framework described above. We believe that an unfavorable outcome is reasonably possible but not probable. With respect to the open matters for which no assessment has been asserted we are unable to reasonably estimate the amount or range of any reasonably possible loss given the early stage of those proceedings and the unresolved legal and factual issues. Because the criteria for accrual under the framework described above have not been met, we have not recorded an accrual for these matters as of March 31, 2026. An unfavorable resolution of one or more of these matters could result in additional tax, interest or penalties that could be material to our consolidated financial statements, results of operations or cash flows.

There were no other known contingencies as of March 31, 2026.

NOTE 15 – EMPLOYEE BENEFIT PLANS

We provides defined contribution plans covering employees subject to minimum age and service guidelines. Eligible employees may contribute a percentage of their annual compensation subject to statutory guidelines. We make non-discretionary contributions to the plans, which amounted to \$0.4 million and \$0.7 million for the years ended March 31, 2026 and 2025, respectively, and are included in cash-based compensation in the consolidated statements of operations. Under the terms of the plans, a participant becomes 100% vested in the Company's matching contributions after one year of credited service.

NOTE 16 – SUBSEQUENT EVENTS

Effective April 1, 2026, we terminated the Sunflower Agreement and did not incur an early termination penalty. The facility had no outstanding balance at the time of termination, no collateral, and the termination does not materially impact the Company's liquidity or capital resources. As a result of the termination, the Company is no longer subject to any of the debt covenants imposed under the Sunflower Agreement.

Sunflower Bank

3025 Cortland Circle
Salina, KS 67401
SunflowerBank.com

July 15, 2025

Great Midwest Insurance Company
Attn: Treasury Department
800 Gessner, Suite 600
Houston, TX 77024

RE: New Letter of Credit 1103497422 issued on behalf of Outdoors Online, LLC

To Whom It May Concern:

Please see enclosed a new Letter of Credit# 1103497422 issued on behalf of Outdoors Online, LLC in the amount of \$1,550,000.00. You are receiving this letter of credit as the beneficiary listed. The letter is the original letter that must be presented should you need to request a draft per the instructions contained within. Please keep the original in file with any subsequent amendments.

Please take a moment to look over this letter carefully. If it meets all your requirements, then you can simply keep the letter with no further action needed. If you have questions or do not feel that this letter of credit meets your requirements, please contact me with the contact information below as soon as possible.

Sincerely,

Julie C. Hammonds

Loan Operations Manager, AVP
Post Closing & Quality Control
Direct: 785.826.5314 / Office: 785.827.5564
Julie.Hammonds@sunflowerbank.com 3025
Cortland Circle | Salina, KS 67401

Date of Issue: July 10, 2025

Letter of Credit No.: 1103497422

ISSUING BANK:

Sunflower Bank, N.A.
3025 Cortland Circle
Salina, KS 67401

BENEFICIARY:

Great Midwest Insurance Company Attn: Treasury Department
800 Gessner, Suite 600
Houston, TX 77024

APPLICANT:

Outdoors Online, LLC 7681E Gray Rd.
Scottsdale, AZ 85260-3469

Attention: Surety Bond Department

We hereby establish our Irrevocable Letter of Credit in your favor and authorize you to draw on us, up to the aggregate amount of \$1,550,000.00, and we engage with you that all drafts drawn under and in compliance with the terms of this credit will be fully and promptly honored by us if presented at this office on or before July 26, 2026 or any extended date provided:

1. This Letter of Credit shall be automatically extended for additional periods of one year from the present or each future expiration date unless we have notified you in writing, not less than sixty (60) days before such date, that we elect not to renew this Letter of Credit. Our notice of such election shall be sent by receipted overnight courier to the above address, attention "Treasury Department".
2. Any draft(s) drawn by you under this Letter of Credit shall be accompanied by your written certification that you, as Surety, have executed or procured the execution of bond(s), undertaking(s), agreement(s) of indemnity, or other instrument(s) of suretyship on behalf of Outdoors Online, LLC or any of its affiliates or subsidiaries, heirs, successors and/or assigns, and that either of the following alternatives exists: (a) Claim(s) have been or may be made thereunder and that in your sole judgment as Surety the funds represented by your draft(s) are required for your protection and for the protection of your Co-Surety(ies) and Reinsurer(s) if any; (b) Our notice of election not to renew has been received and that you have not been released from liability under the bond(s), undertaking(s), agreement(s), or instruments aforesaid and the proceeds of your draft(s) will be held by you as collateral against loss, cost or expense including satisfaction of any and all unpaid premium(s) thereunder.
3. Partial draws on this Letter of Credit are permitted. Our obligation under this Letter of Credit is our individual obligation, in no way contingent upon reimbursement with respect thereto, or upon our ability to perfect any lien or security interest.
4. We hereby represent and affirm that the execution of this Letter of Credit will not constitute a violation of any law or regulation which may limit the amount of credit which can be extended by this bank to any single borrower or customer.
5. Your acceptance of this Credit will constitute your agreement to repay to us funds paid to you hereunder to the extent that such funds exceed the total of your loss, cost and expense (including unpaid premium(s) under the mentioned bond(s), undertaking(s), agreement(s), or instrument(s)).
6. Unless otherwise expressly stated, this Credit is subject to the Uniform Customs and Practice for Documentary Credits, 2007 Revision, International Chamber of Commerce Publication No. 600.

Sincerely,

SUNFLOWER BANK, N.A.

By: /s/ Julie C. Hammonds

Loan Operation Mgr/AVP

By: /s/ Amy Bledose

SVP, Loan Ops Director

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This Amended and Restated Employment Agreement (the “Agreement”) is made and entered into May 1, 2025 (the “Effective Date”) between **Outdoor Holding Company (formerly AMMO, Inc.)**, a Delaware corporation (the “Company”), and **Jordan Christensen** (“Employee”). The Company and Employee are sometimes referred to individually as “Party” and collectively as “Parties”.

RECITALS

- A. The Company is a public company, and its securities are listed on The Nasdaq Capital Market under the ticker symbols “POWW” and “POWWP”;
- B. Employee and the Company previously entered into an employment agreement on April 4, 2024 (the “Prior Employment Agreement”);
- C. Employee served as General Counsel of the Company under the Prior Agreement;
- D. The Company and Employee desire to embody the terms and conditions of Employee’s employment with the Company in a written agreement, which will supersede all prior agreements of employment, whether written or oral, between the Company and Employee, including but not limited to the Prior Employment Agreement, pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of their mutual covenants and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I. EMPLOYMENT DUTIES AND TERM

Section 1.1 Employment.

(a) The Company hereby agrees to employ Employee, and Employee hereby accepts such employment, on the terms and conditions hereinafter set forth. Employee shall serve as the Chief Legal Officer of the Company, in which capacity Employee shall perform such duties and responsibilities as are commensurate with such title. Employee shall report directly to the Chief Executive Officer (“CEO”) and the Board of Directors (“Board”) of the Company.

(b) During the Term (defined below), Employee shall devote all of his business time, attention, skill, and efforts to the faithful performance of his duties hereunder; provided, however, Employee may participate in the outside activities set forth on Exhibit A (each an “Outside Activity”), so long as each Outside Activity is pre-approved in writing by the Board and no Outside Activity, either individually or the aggregate, (i) poses (or creates the appearance of) a conflict of interest; (ii) interferes or otherwise conflicts with Employee’s job duties, job performance or expected time allocation with respect to the Company; or

(iii) violates the terms of this Agreement or any other agreement by and between Employee on the one hand, and the Company or its affiliates, on the other hand, in each case with respect to subsections (i), (ii) and (iii), as determined by the Board in its sole discretion. Upon request by the Board, Employee agrees to terminate any Outside Activity in the event the Board determines that such Outside Activity breaches any of the terms set forth in subsections (i) through (iii) above or otherwise interferes or conflicts with Employee’s duties to the Company under this Agreement. Employee agrees to use his best efforts to perform Employee’s duties and responsibilities within and subject to the Company’s general employment policies and practices, and such other reasonable policies, practices and restrictions as the Company shall

from time to time establish for its similarly situated executives. Employee acknowledges and agrees that Employee shall be required to travel for business purposes in the performance of his duties, including, without limitation, travel to the Company's headquarters.

(c) The Company shall have the right from time to time to establish rules, regulations, and special instructions covering the terms and conditions of work of Employee, and Employee agrees to obey and abide by all such lawful rules, regulations, and special instructions given by the Company through its authorized agents. In the event of a conflict between the terms of this Agreement and any rules, regulations, or special instructions promulgated by the Company, the terms of this Agreement will prevail.

Section 1.2 Term. The term of this Agreement shall commence on the Effective Date and shall continue until the date that is 24 months following the Effective Date (the "Initial Term") unless terminated earlier pursuant to Article III. The Initial Term shall automatically be extended for an additional one year term (the "Additional Term," and collectively with the Initial Term, the "Term") unless either the Company or Employee provides a written notice of an intention to terminate the agreement at least 60 days prior to the expiration of the Initial Term.

ARTICLE II. COMPENSATION

Section 2.1 Compensation.

(a) Salary. The Company shall pay Employee \$400,000.00 per year (\$33,333.33 per month) during the Term, minus applicable taxes and withholdings, paid in accordance with the Company's normal payroll practices, and prorated for any partial years of employment ("Salary"). The Board or the Compensation Committee of the Board shall review Executive's Base Salary no less frequently than annually.

(b) Stock Compensation. Within 30 days of the Effective Date, the Company shall grant Employee an award of restricted stock (the "Stock Award") pursuant to the Ammo, Inc. 2017 Equity Incentive Plan (or a successor plan thereto) (the "EIP"), subject to the approval of the Board and availability of sufficient shares in the EIP reserve, with respect to 360,000 shares of the Company's common stock, and subject to the terms and conditions of an award agreement, which terms shall include, without limitation, (i) 45,000 of the shares subject to the Stock Award vesting on the date of grant, (ii) the remaining 315,000 shares subject to the Stock Award vesting in equal 45,000 share tranches on the last trading day of each calendar quarter of the Term, beginning with the calendar quarter ending September 30, 2025 and ending with the calendar quarter ending March 31, 2027, and (iii) a clawback provision that complies with the Company's clawback policy as in effect from time to time and such other terms and conditions as approved by the Board (or a duly authorized committee of the Board).

(c) Annual Bonus. With respect to each calendar year during the Term, Employee shall be eligible to earn an annual performance-based bonus in the sole discretion of the Board and subject to the recommendations of the Compensation Committee (the "Annual Bonus"). Any Annual Bonus with respect to any calendar year during the Term shall be paid to Employee between January 1st and March 15th of the immediately following calendar year, provided that Employee is employed by the Company on the date such Annual Bonus is paid, or as otherwise set forth in Section 3.6 of this Agreement. The payment of any Annual Bonus shall be subject to all federal, state and withholding taxes, social security deductions and other general withholding obligations. Award of an Annual Bonus with respect to a particular calendar year does not guarantee the award of an Annual Bonus in any subsequent calendar year.

Section 2.2 Participation in Employee Benefit Plans; Incentive Programs. During the Term, Employee shall be eligible to participate in any employee benefit plans, programs or policies that the Company may establish or adopt for the benefit of similarly-situated employees of the Company, subject to the terms of the documents governing such plan, program or policy, as such plans, programs or policies may be modified, amended, terminated, or replaced from time to time by the Company, in its sole discretion.

Section 2.3 Time Off. During the Term, Employee shall be entitled to four weeks of paid time off consistent with Company policy ("Time Off"). The timing of vacations shall be scheduled in a manner reasonably acceptable to the Company.

Section 2.4 Expenses. The Company shall reimburse the reasonable and actual out-of-pocket business expenses incurred by Employee which are approved in advance by the Company in the performance of his duties and responsibilities under this Agreement.

Section 2.5 Clawback. To the extent required by Company policy, applicable law, government regulation or any applicable securities exchange listing standards, amounts paid or payable under this Agreement or under the EIP or any incentive plan of the Company shall be subject to the provisions of any applicable clawback policies or procedures adopted by the Company and applicable to executives of the Company generally, including pursuant to applicable law, government regulation or applicable securities exchange listing requirements, which clawback policies or procedures may provide for forfeiture and/or recoupment of amounts paid or payable under this Agreement or under the EIP or any incentive plan of the Company in the event of material misstatements, financial restatements, other bad acts (or inaction), or other events or occurrences consistent with any government regulation or securities exchange listing requirement. The Company reserves the right, without the consent of Employee, to adopt any such clawback policies and procedures that are consistent with the immediately preceding sentence, including such policies and procedures applicable to this Agreement and under the EIP or any incentive plan of the Company with retroactive effect.

ARTICLE III. TERMINATION OF EMPLOYMENT

Section 3.1 Termination upon Death or Disability of Employee. In the event of Employee's death during the Term, this Agreement shall terminate immediately. If, during the Term, Employee shall suffer a Disability (as defined below), the Company may terminate Employee's employment upon written notice to Employee. For purposes of this Agreement "Disability" shall mean that Employee is permanently and totally disabled and is unable to engage in any substantial gainful activity, with or without reasonable accommodation, by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period exceeding 90 days or for a total of 180 days during any period of 12 consecutive months.

Section 3.2 Termination with Cause By Company. The Company may terminate this Agreement at any time during the Term for "Cause" upon written notice to Employee, upon which termination shall be effective immediately. For purposes of this Agreement, "Cause" means the following, without limitation:

- (a) Misconduct or failure by Employee to perform his responsibilities to the Company which misconduct or failure, if curable, as determined by the Board in its reasonable discretion, Employee does not cure within ten days of receiving written notice from the Board notifying Employee of such misconduct or failure;

(b) Employee's material breach of this Agreement which breach, if curable, as determined by

the Board in its reasonable discretion, Employee does not cure within ten days of receiving written notice from the Board notifying Employee of such material breach;

- (c) Employee's failure to adhere to any written Company policy which failure, if curable, as determined by the Board in its reasonable discretion, Employee does not cure within ten days of receiving written notice from the Board notifying Employee of such failure;
- (d) Employee engages in misfeasance or malfeasance demonstrated by a pattern of failure to perform job duties diligently and professionally;
- (e) Employee's appropriation (or attempted appropriation) of a material business opportunity of the Company, including attempting to secure or securing any personal profit in connection with any transaction entered into on behalf of the Company;
- (f) Employee's misappropriation (or attempted misappropriation) of any of the Company's funds or property;
- (g) Employee's conviction of, indictment for (or procedural equivalent), or entering of a guilty plea or plea of no contest with respect to, any felony involving moral turpitude, including breach of trust, dishonesty, or physical harm to any person; or
- (h) Any action or inaction by Employee that reasonably has the potential to cause, or actually causes, reputational harm to the Company, which action or inaction, if curable, as determined by the Board in its reasonable discretion, Employee does not cure within ten days of receiving written notice from the Board notifying Employee of such action or inaction.

Section 3.3 Termination Without Cause by the Company. The Company may terminate this Agreement at any time during the Term without "Cause" upon 60 days' written notice to Employee (the "Applicable Notice Period"); provided that the Company, in its sole discretion, may elect to shorten or eliminate the Applicable Notice Period. In such instance, Employee's termination will become effective on the date set forth in a written notice of termination to be provided by the Company (the "Early Termination Date"), and Employee will be paid an amount equal to the amount of Employee's prorated, then-current Salary that Employee would have received had Employee remained employed by the Company between the Early Termination Date and the end of the Applicable Notice Period (the "Early Termination Payment"), minus applicable taxes and withholdings, with the Early Termination Payment to be made no later than the 30th day following the end of the Applicable Notice Period. In the event the Company terminates Employee's employment under this Agreement without Cause, Employee shall also be eligible to receive the severance benefits set forth in Section 3.6(c), subject to the terms and conditions set forth therein.

Section 3.4 Termination By Employee for Good Reason. Employee may terminate this Agreement at any time during the Term for "Good Reason" subject to the terms and conditions set forth in this Section 3.4, and provided that Employee follows the Good Reason Process set forth herein. For purposes hereof, the term "Good Reason" shall exist upon the occurrence of any of the following events without Employee's prior consent: (i) a material diminution in Employee's Salary; (ii) a material diminution in Employee's authority, duties or responsibilities; (iii) a Company required relocation of Employee's primary office location to a distance of more than fifty (50) miles from Employee's then-current primary office location (provided that such relocation materially increases Employee's commute, and further provided that the Parties agree that the relocation of the Company's headquarters from the State of Arizona to the State of Georgia, whether prior to or following the Effective Date, shall not in and of itself

constitute “Good Reason” under this Agreement unless Employee is required to relocate his primary office location to the State of Georgia); or (iv) any material breach by the Company of this Agreement. “Good Reason Process” means the following series of actions: (1) Employee reasonably determines in good faith that Good Reason exists; (2) Employee notifies the Company in writing of the existence of Good Reason within 60 days of the occurrence of the event that gave rise to the existence of Good Reason; (3) Employee cooperates in good faith with the Company’s efforts to remedy the conditions that gave rise to the existence of Good Reason for a period of 30 days following such notice (such 30 day period, the “Cure Period”); (4) notwithstanding such efforts, Good Reason continues to exist after the Cure Period ends; and (5) Employee terminates his employment within 30 days after the end of the Cure Period. For the avoidance of doubt, if the Company remedies the conditions that gave rise to the existence of Good Reason during the Cure Period, Good Reason shall be deemed not to have existed. In the event Employee terminates employment under this Agreement for Good Reason, Employee shall be eligible to receive the severance benefits set forth in Section 3.6, subject to the terms and conditions set forth therein.

Section 3.5 Termination by Employee without Good Reason. Employee may terminate Employee’s employment with the Company without Good Reason at any time subject to Employee’s provision of the Applicable Notice Period to the Company; provided, however, the Company, in its sole discretion, may elect to shorten or eliminate the Applicable Notice Period and determine the date of termination without any obligation to pay Employee any additional compensation through the remainder of the Applicable Notice Period except as set forth in Section 3.6(b), and without triggering a termination of Employee’s employment for Good Reason.

Section 3.6 Compensation upon Termination.

(a) Death/Disability. In the event Employee is terminated due to death or Disability, Employee (or his estate in the event of his death) shall be eligible to receive his accrued but unpaid Salary and reimbursable expenses and benefits owing to Employee through the day on which Employee is terminated (the “Accrued Obligations”), which shall be paid to Employee (or, as applicable, Employee’s estate or personal representative) within 15 days of the date of Employee’s termination of employment (the “Termination Date”). In addition, Employee (or, as applicable, Employee’s estate or personal representative) will be eligible to receive (i) (A) three months’ of Employee’s Salary as of the Termination Date, plus (B) an amount equal to the pro-rata target Annual Bonus in effect for the year of Employee’s Termination Date, in each case, payable in accordance with the Company’s regular payroll practices, and

(ii) 100% vesting of the unvested portion of the Stock Award, provided, that in the event of Employee’s death or Disability, any such payment or vesting is subject to Employee (or his estate or personal representative) timely executing, returning, and not revoking a release of claims in such form provided by the Company (the “Release”) within 30 days of the Termination Date. Regardless of whether Employee (or Employee’s personal representative) executes the Release, Employee (or his estate, as applicable) will be eligible to receive any disability or life insurance benefits pursuant to and subject to the terms of such plans that Employee was enrolled in as of the Termination Date.

(b) For Cause/Without Good Reason. In the event that the Company terminates Employee’s employment hereunder for Cause or Employee voluntarily terminates employment with the Company without Good Reason, Employee shall be eligible to receive only the Accrued Obligations within 15 days of the Termination Date.

(c) Without Cause/Good Reason. In the event that the Company terminates Employee’s employment hereunder without Cause or Employee terminates his employment hereunder for Good Reason, Employee shall be eligible to receive the Accrued Obligations, which the Company shall pay to Employee within 15 days of the Termination Date. In addition, subject to Employee executing, timely returning, and not revoking the Release and continuing to comply with the terms set forth in Article IV

below, Employee

shall also be eligible to receive (i) 12 months' of Employee's Salary as of the Termination Date, payable in accordance with the Company's payroll practices, commencing with the first payroll period after the effective date of the Release (provided that if the time period for executing, returning, and revoking the Release spans two tax year, no payments shall be made until the second tax year), (ii) subject to Employee timely electing continuation of group health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, ("COBRA") payment of the insurance premiums under the Company's group health plan until the earlier of the date that is 12 months following Employee's Termination Date or the date COBRA benefits end for any reason (other than for nonpayment of premiums), and (iii) 100% vesting of the unvested portion of the Stock Award. Except as otherwise contemplated by this Agreement, Employee will not be entitled to any other compensation upon termination of this Agreement.

Section 3.7 Change in Control. In addition, notwithstanding the foregoing and subject to the provisions of Section 5.12 below, in the event that Employee's continuous status as an employee of the Company is terminated by the Company without Cause or Employee terminates his employment with the Company for Good Reason, in either case upon or within 12 months following the date of a Change in Control (as defined in the EIP), subject to Employee's execution of a Release, in lieu of any other amounts set forth in this Article III, (i) Employee shall be eligible to receive Employee's then-current Salary for a period of 12 months, in accordance with the Company's regular payroll dates, commencing on the first payroll date after the effective date of the Release (provided that if the time period for executing and revoking the Release spans two tax year, no payments shall commence until the second taxable year), (ii) 100% vesting of the unvested portion of the Stock Award, (iii) Employee shall be eligible to receive a pro-rated target Annual Bonus through the date of termination, if applicable, and (iv) Employee shall be released from any restriction on Non-Competition as set forth in Section 4.2 herein.

ARTICLE IV. RESTRICTIVE COVENANTS

Section 4.1 Confidentiality. Employee recognizes and acknowledges that Employee has had and will continue to have access to various trade secrets and/or proprietary information (collectively, the "Confidential Information") concerning the Company. Employee acknowledges that the Confidential Information has been developed solely through the substantial efforts of the Company over a long period of time, and that such Confidential Information is valuable and unique and constitutes a trade secret of the Company. Employee agrees to keep all Confidential Information of the Company in strict confidence and agrees not to disclose any Confidential Information to any other person, firm, association, company, corporation or other entity for any reason except as such disclosure may be required in connection with his employment hereunder. Employee further agrees not to use any Confidential Information for any purpose except on behalf of the Company. For purposes of this Agreement, "Confidential Information" shall mean any information, process or idea that is not generally known in the industry, that the Company considers confidential and/or that gives the Company a competitive advantage, including, without limitation: (i) books and records relating to operation, finance, accounting, sales, personnel and management, (ii) policies and matters relating particularly to operations such as customer service requirements, costs of providing service and equipment, operating costs, and price matters, and (iii) various trade or business secrets, including business opportunities, marketing or business diversification plans, business development and bidding techniques, methods of processes, financial data and the like. If Employee is unsure whether certain information or material is Confidential Information, Employee shall treat that information or material as confidential unless Employee is informed by the Company, in writing, to the contrary. "Confidential Information" shall not include any information which: (i) is or becomes publicly available through no act or failure of Employee; (ii) was or is rightfully learned by Employee from a source other than the Company before being received from the Company; (iii) becomes independently available to Employee as a matter of right from a third Party having lawful right to make such communication; or (iv) is developed by

Employee independently of any Confidential Information. Employee further agrees that upon termination of his employment with the Company or upon earlier request by the Company, for whatever reason, Employee will surrender to the Company all of the property, notes, manuals, reports, documents and other things in Employee's possession, including copies or computerized records thereof, which reference, include or otherwise relate directly or indirectly to, any Confidential Information.

Section 4.2 Non-Competition. Beginning on the date hereof and through the date that is 12 months following the Termination Date (the "Restricted Period"), Employee shall not, and shall cause his affiliates not to, directly or indirectly, through or in association with any third party, in any territory which the Company operates as of the Termination Date and within which Employee performed any services, had any oversight or responsibility, or about which Employee received Confidential Information during his employment or other service relationship with the Company (the "Restricted Area"), (i) control, manage, operate, establish, take steps to establish, lend money to, invest in, solicit investors for, or otherwise provide capital to, or (ii) become employed by, join, perform services for, consult for, or otherwise engage in, any Competing Business. For purposes of this Agreement, "Competing Business" means any Person directly or indirectly engaged or otherwise involved in (1) the operation of an e-commerce marketplace or platform featuring firearms, ammunition, air guns, hunting gear, fishing equipment, or related outdoor products for sale; and (2) any other business in which the Company engages during Employee's employment and for which Employee performed any services or had any responsibility (each a "Competing Business"), other than ownership of one percent or less of the equity of a publicly traded company. "Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust (charitable or non-charitable), unincorporated organization, or other form of business entity.

Notwithstanding the foregoing, Employee may, following the Termination Date only, become employed or engaged with a Competing Business in the Restricted Area during the Restricted Period if Employee does not perform the same or similar services for the Competing Business as Employee provided for the Company during Employee's employment with the Company and Employee is employed or engaged by the Competing Business in a manner that the Company's Confidential Information would not be used by Employee to assist or further the Competing Business. During the Restricted Period, Employee must provide such Competing Business with a copy of this Agreement and, if requested, such Competing Business must provide the Company written assurances to the reasonable satisfaction of the CEO and the Board that Employee's employment or engagement with such Competing Business will comply with Article IV prior to Employee beginning employment or engagement with such Competing Business.

Notwithstanding the foregoing or any other term of this Agreement, nothing in this Agreement or this Section 4.2 in any way restricts or otherwise impedes Employee's right or ability to practice law after Employee's employment or other service relationship with the Company terminates for any reason,

Section 4.3 Non-Solicitation.

(a) During the Restricted Period, Employee will not, and will cause his affiliates not to, directly or indirectly, through or in association with any third party: (1) call on, solicit, or service, engage or contract with, or take any action which may interfere with, impair, subvert, disrupt, or alter the relationship, contractual or otherwise, between the Company and any current or prospective customer, supplier, distributor, agent, contractor, developer, service provider, licensor, or licensee or other material business relation of the Company; (2) divert or take away the business or patronage (with respect to products or services of the kind or type developed, produced, marketed, furnished, or sold by the Company) of any of the clients, customers, or accounts, or prospective clients, customers, or accounts, of the Company or (3) attempt to do any of the foregoing, either for Employee's own purposes or for any other third party; provided, however, that nothing in this Section 4.3 restricts or otherwise impedes

Employee's right to practice law after Employee's employment with the Company terminates for any reason.

(b) During the Restricted Period, Employee will not, and will cause his affiliates not to, directly or indirectly, through or in association with any third party (1) solicit, induce, recruit, or encourage any employees or independent contractors of or consultants to the Company to terminate their relationship with the Company or take away or hire such employees, independent contractors, or consultants; or (2) attempt to do any of the foregoing, either for Employee's own purposes or for any other third party.

Section 4.4 No Derogatory Statements. Employee shall not at any time make or publish any written or oral statements or remarks (including, without limitation, the repetition or distribution of derogatory rumors, allegations, negative reports or comments) which are disparaging, deleterious or damaging to the integrity, reputation or goodwill of the Company, its management, products, services, customers, business policies, direct or indirect owners, shareholders, managers, officers, directors, employees, or investors. The Company shall direct its officers and directors not to engage in any pattern of conduct that involves the making or publishing of written or oral statements or remarks (including, without limitation, the repetition or distribution of derogatory rumors, allegations, negative reports or comments) which are disparaging, deleterious or damaging to the integrity or reputation of Employee. Nothing in this Section 4.4 or elsewhere in this Agreement is intended to prevent or prohibit (i) Employee from communicating with the Equal Employment Opportunity Commission (or a similar fair employment practices agency of Employee's state of residence or employment) or engaging in the conduct set forth in Section 4.5 below; or (ii) Employee, any member of the Board or any other person from making truthful statements in good faith in connection with any litigation, arbitration, governmental proceeding or similar proceeding, to defend or prosecute any claim or to the extent required by applicable law, legal process, subpoena, court order or similar requirement; (iii) Employee from engaging in any criticism or other statements made internally within the Company on a need-to-know basis, and provided such criticism or other statement is not presented in a disruptive or insubordinate manner, concerning the Company's or any employee's or other service provider's performance or nonperformance; and (iv) any named executive officer or member of the Board from engaging in any criticism or other statements made internally within the Company on a need-to-know basis concerning Employee's performance or nonperformance of Employee's duties or responsibilities for the Company.

Section 4.5 Protected Rights. Employee acknowledges that, notwithstanding any Company policy or agreement that could be read to the contrary, nothing in any agreement or policy prohibits, limits or otherwise restricts Employee or Employee's counsel from initiating communications directly with, responding to any inquiry from, volunteering information (including confidential or proprietary information of the Company) to, or providing testimony before, the Securities and Exchange Commission, the Department of Justice, Congress, any agency of the Inspector General, the National Labor Relations Board ("NLRB"), any self-regulatory organization, or any other governmental authority, in connection with any reporting of, investigation into, or proceeding regarding suspected violations of law, including potential securities law violations. Employee acknowledges that Employee is not required to advise or seek permission from the Company before engaging in any such activity with any such governmental authority. Employee further recognizes that, in connection with any such activity, Employee must inform such governmental authority that any confidential information Employee provides is considered to be confidential. Despite the foregoing, Employee is not permitted to reveal to any third-party, including any governmental, law enforcement, or regulatory authority, information Employee came to learn during the course of employment with the Company that is protected from disclosure by any applicable privilege, including, but not limited to, the attorney-client privilege or the attorney work product doctrine; the Company does not waive any applicable privileges or the right to continue to protect its privileged attorney-client information, attorney work product, and other privileged information. Further, nothing in this Agreement shall be construed to prevent or limit Employee from (a) discussing Employee's employment terms or conditions; (b) making other disclosures that are protected under the whistleblower provisions of federal, state or local law or regulation; (c) filing a claim or charge with any

federal, state or local

government agency or entity; or (d) testifying, assisting, or participating in an investigation, hearing, or proceeding conducted by any federal, state or local government or law enforcement agency, entity or court. In making or initiating any such reports or disclosures, Employee need not seek the Board's prior authorization and is not required to notify the Board of any such reports or disclosures.

Employee is further advised that U.S. federal law provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (1) in confidence to a federal, state, or local government official (either directly or indirectly) or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; or (2) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

Section 4.6. Remedies. If the provisions of Article IV are violated, or threatened to be violated, in whole or in part, by Employee, the Company shall be entitled to a temporary restraining order or a preliminary injunction restraining or enjoining Employee without prejudice to any other remedies the Company may have at law or in equity. If Employee violates this Article, Employee agrees that the Company would be irreparably harmed.

ARTICLE V. MISCELLANEOUS

Section 5.1 Assignment; Binding Effect; Amendment. This Agreement and the rights of the Parties under it may not be assigned (except by operation of law and except that it may be assigned by the Company to an affiliate thereof) and shall be binding upon and shall inure to the benefit of the Parties and their successors and assigns. This Agreement, upon execution and delivery, constitutes a valid and binding agreement of the Parties enforceable in accordance with its terms and may be modified or amended only by a written instrument executed by all Parties hereto.

Section 5.2 Entire Agreement. This Agreement is the final, complete and exclusive statement and expression of the agreement among the Parties hereto with relation to the subject matter of this Agreement, it being understood that there are no oral representations, understandings or agreements covering the same subject matter as this Agreement. This Agreement supersedes, and cannot be varied, contradicted or supplemented by evidence of any prior or contemporaneous discussions, correspondence, or oral or written agreements of any kind.

Section 5.3 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

Section 5.4 Notices. All notices or other communications required or permitted hereunder shall be in writing and may be given by depositing the same in United States mail, addressed to the Party to be notified, postage prepaid and registered or certified with return receipt requested, by nationally recognized overnight courier or by delivering the same in person to such Party.

(a) If to Employee, addressed to:

Jordan Christensen
3825 N. Desert Oasis Circle
Mesa, Arizona 85207

(b) If to the Company, addressed to it at:

Outdoor Holding Company
Attn: Human Resources
7681 E. Grey Road
Scottsdale, AZ 85260

Notice shall be deemed given and effective the day personally delivered, the day after being sent by overnight courier, subject to signature verification, and three business days after the deposit in the U.S. mail of a writing addressed as above and sent first class mail, certified, return receipt requested, or when actually received, if earlier. Any Party may change the address for notice by notifying the other Parties of such change in accordance with this Section.

Section 5.5 Governing Law; Arbitration. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Arizona, without giving effect to any choice or conflict of law provision or rule (whether of the State of Arizona or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Arizona. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by binding arbitration before a single arbitrator, in accordance with the rules of the American Arbitration Association for employment disputes as then in effect, except those claims. For the avoidance of doubt, it is understood and agreed that this Agreement to arbitrate includes any and all claims and disputes, including, without limitation, as to arbitrability, with respect to Employee's employment with the Company or the termination of such employment, including, without limitation, any claim for alleged discrimination, harassment, or retaliation under on the basis of race, sex, color, national origin, sexual orientation, age, religion, creed, marital status, veteran status, alienage, citizenship, disability or handicap, or any other legally protected status, and any alleged violation of any federal, state, or other governmental law, statute or regulation, including, but not limited to, any alleged violation of Title VII of the Civil Rights Act of 1964, other civil rights statutes including, without limitation, 42 U.S.C. § 1981, 42 U.S.C. § 1982, and 42 U.S.C. § 1985, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, Employee Retirement Income Security Act, the Fair Labor Standards Act, the Occupational Safety and Health Act, the Immigration Reform and Control Act, the Sarbanes-Oxley Act, or any state or local law, statute or regulation, as such statutes, laws, and regulations are amended. Judgment may be entered on the arbitrator's award in any court having jurisdiction. The arbitrator shall apply the Federal Rules of Civil Procedure ("FRCP") and either Party may file a dispositive motion in accordance with the FRCP. Employee agrees that Employee shall not be entitled to bring any action as or to participate in a class or collective action or any other type of representative proceeding against the Company.

Notwithstanding anything to the contrary in this Section 5.5, claims not covered by this agreement to arbitrate are claims that, as a matter of law, the Parties cannot agree to arbitrate, including: (i) claims for workers' compensation benefits; (ii) claims for unemployment compensation benefits; (iii) claims arising under the National Labor Relations Act, as amended; (iv) administrative charges filed with a federal, state or government agency or entity with authority to investigate such charge; (v) any claim for injunctive relief arising out of or in connection with, or in any way related to any nondisclosure agreement by and between Employee and the Company, any claims for unfair competition, and any claims concerning misappropriation, unauthorized use or unauthorized disclosure of trade secrets or confidential information;

(vi) claims based upon the Company's current (successor or future) employee benefits and/or welfare plans that either contain an arbitration or other non-judicial resolution procedure, in which case the provisions of such plan shall apply, or that is underwritten by a commercial insurer which decides claims; (vii) to the extent applicable law prohibits the mandatory arbitration of such claims, claims of sexual

harassment and

sexual assault; (viii) any claims that, by law, may not be subject to mandatory arbitration; and (ix) actions to compel arbitration, or enforce or vacate an arbitrator's award. In addition, nothing in this Agreement shall prevent Employee from filing an administrative complaint or charge with any federal, state, or local agency with jurisdiction over the Company.

Section 5.6 No Waiver. No delay of or omission in the exercise of any right, power or remedy accruing to any Party as a result of any breach or default by any other Party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of or in any similar breach or default occurring later; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default occurring before or after that waiver.

Section 5.7 Captions. The headings of this Agreement are inserted for convenience only, and shall not constitute a part of this Agreement or be used to construe or interpret any provision hereof.

Section 5.8 Severability. In case any provision of this Agreement shall be invalid, illegal or unenforceable, it shall, to the extent possible, be modified in such manner as to be valid, legal and enforceable but so as most nearly to retain the intent of the Parties. If such modification is not possible, such provision shall be severed from this Agreement. In either case the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

Section 5.9 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local or foreign statute shall be deemed to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "including" means including, without limitation. The Parties intend that representations, warranties and covenants contained herein shall have independent significance. If any Party has breached any representation, warranty or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) that the Party has not breached shall not detract from or mitigate the fact the Party is in breach of the first representation, warranty or covenant.

Section 5.10 Indemnification by the Company. Employee shall be eligible for indemnification and advancement of expenses for acts and omissions that occurred during Employee's employment or other service with the Company or any of its subsidiaries or affiliates (whether occurring before, on, or after, the Effective Date) in accordance with the terms of the Company's (or as applicable, its subsidiaries' and affiliates') by-laws and other governing documents (unless such action or omission was not taken or made by Employee in good faith). In addition, during the Term and for at least six (6) years thereafter, the Company shall maintain a directors & officers insurance policy providing for market levels of coverage (or higher), and shall cause Employee to be an insured under such policy with respect to actions and omissions that occurred during Employee's employment or other service with the Company or any of its subsidiaries or affiliates (whether occurring before, on, or after, the Effective Date). The Company's obligations under this Section 5.10 shall survive the termination of the Term and the termination of Employee's employment.

Section 5.11 Headings. The headings used herein are for convenience only and do not limit the contents of this Agreement.

Section 5.12 Section 280G. Notwithstanding anything to the contrary in this Agreement, if

Employee is a “disqualified individual” (as defined in Section 280G(c) of the Internal Revenue Code of 1986, as amended (the “Code”)), and the payments and benefits provided for in this Agreement, together

with any other payments and benefits which Employee has the right to receive from the Company or any of its affiliates or other payor, would constitute a “parachute payment” (as defined in Section 280G(b)(2) of the Code), then such payments and benefits shall be either (a) reduced (but not below zero) so that the present value of such total payments and benefits shall be one dollar (\$1.00) less than three times Employee’s “base amount” (as defined in Section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by Employee shall be subject to the excise tax imposed by Section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to Employee (taking into account any applicable excise tax under Section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in-kind in a similar order, and then reducing equity or equity-based benefits (reduced in the order of highest value to lowest value under Section 280G of the Code). The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary (or whether Employee would be subject to such excise tax) shall be made at the expense of the Company by a firm of independent accountants, a law firm, or other valuation specialist selected by the Board in good faith prior to the consummation of the applicable change in control transaction, and the applicable independent accountants, law firm, or other valuation specialist shall consider the value, if any, of Employee’s restrictive covenants (including the non-competition restrictions set forth herein) as part of its analysis as may be appropriate under Section 280G of the Code. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits used in determining if a “parachute payment” exists, exceeds one dollar (\$1.00) less than three times Employee’s base amount, then Employee shall immediately repay such excess to the Company upon notification that an overpayment has been made. Nothing in this Section 5.12 shall require the Company to provide a gross-up payment to Employee with respect to Employee’s excise tax liabilities under Section 4999 of the Code. Notwithstanding the foregoing, in the event that no stock of the Company or its applicable affiliates is readily tradable on an established securities market or otherwise (within the meaning of Section 280G of the Code) as of immediately prior to an applicable transaction that constitutes a “change in ownership or control” for purposes of Section 280G of the Code, the Company shall submit to a vote of stockholders for approval the portion of the payments and benefits payable to Employee that equal or exceeds three times the Employee’s “base amount” (the “Excess Parachute Payments”) in accordance with Treas. Reg.

§1.280G-1; provided, that Employee has first, in Employee’s sole discretion, executed a customary waiver of such Excess Parachute Payments (the Company makes no guarantee regarding the outcome of any such vote). If such stockholder approval is obtained in accordance with Section 280G of the Code, then the payments and benefits shall not be subject to reduction as described above.

Section 5.13 Section 409A. This Agreement is intended to be interpreted and applied so that the payments and benefits set forth herein shall either be exempt from the requirements of Section 409A of the Code (“Section 409A”) or shall comply with the requirements of Section 409A. In no event may Employee, directly or indirectly, designate the calendar year of any payment to be made under this Agreement or otherwise which constitutes a “deferral of compensation” within the meaning of Section 409A. Notwithstanding anything in this Agreement or elsewhere to the contrary, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that constitute “non-qualified deferred compensation” within the meaning of Section 409A upon or following a termination of Employee’s employment unless such termination is also a “separation from service” within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a “termination,” “termination of employment” or like terms shall mean “separation from service” within the meaning of Section 409A. Notwithstanding any provision in this Agreement or elsewhere to the contrary, if on Employee’s termination of employment, Employee is a “specified employee” within the meaning of

Section 409A, any payments or benefits that

are payable as the result of a termination of Employee's employment under any arrangement that constitutes a "deferral of compensation" within the meaning of Section 409A (whether under this Agreement, any other plan, program, payroll practice or any equity grant) and which do not otherwise qualify under the exemptions under Treasury Regulation section 1.409A-1 (including without limitation, the short-term deferral exemption and the permitted payments under Treasury Regulation section 1.409A-1(b)(9)(iii)(A)) and that otherwise would have been paid within six months following such termination of employment, shall be delayed and paid or provided to Employee in a lump sum (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) on the earlier of (x) the date which is six months and one day after Employee's separation from service for any reason other than death, and

(y) the date of Employee's death (but not earlier than such payments or benefits would have been made absent this provision), and any remaining payments and benefits shall be paid or provided in accordance with the normal payment dates specified for such payment or benefit. With respect to any expense reimbursement benefit or in-kind benefit provided pursuant to this Agreement or otherwise, (1) the amount of expenses eligible for reimbursement or in-kind benefits provided to Employee during any calendar year shall not affect the amount of expenses eligible for reimbursement or in-kind benefits provided to Employee in any other calendar year, (2) the reimbursements for expenses for which Employee is entitled to be reimbursed shall be made promptly, but in all events on or before the last day of the calendar year immediately following the calendar year in which the applicable expense is incurred, and (3) the right to payment or reimbursement hereunder may not be liquidated or exchanged for any other benefit. Each payment under this Agreement to Employee shall be deemed a separate payment for purposes of Section 409A.

[Remainder of the Page Intentionally Left Blank - Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed effective as of the day and year first above written.

OUTDOOR HOLDING COMPANY

By: Paul Kasowski

Its: Chief Financial Officer EMPLOYEE:

By: Jordan Christensen

Exhibit A

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the “Agreement”) is made and entered into as of September 20, 2024 (the “Effective Date”), by and among AMMO, Inc., a Delaware corporation (“Company”) and Paul Kasowski (“Employee”). The Company and Employee collectively (the “Parties”)

RECITALS

WHEREAS, the Company desires to retain the services of Employee as Chief Financial Officer and the Employee is willing and able to render such services, subject to the terms and conditions set forth in this Agreement.

AGREEMENTS

NOW, THEREFORE, in consideration of their mutual covenants and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE I DUTIES AND TERM

1.1 Employment.

(a) Prior to the Effective Date of this Agreement, Company and Employee entered into an offer letter (“Offer Letter”), with an effective date of January 15, 2024, in which Company employed Employee as Chief Compliance and Transformation Officer (“CCTO”). By executing this Agreement, Employee and Company mutually agree to terminate the Offer Letter. Beginning on the Effective Date, Company and Employee have no further rights, duties, and obligations under the Offer Letter and this Agreement will be the sole source of the Company and Employee’s rights, responsibilities, and obligations to each other.

(b) On the Effective Date, Employee will henceforth be employed as the Company’s full-time Chief Financial Officer. Employee shall have such duties and responsibilities, consistent with such position as shall be assigned to Employee from time to time by the CEO and the company’s Board of Directors (“Board”).

(c) During the period of Employee’s employment hereunder, after the Effective Date, Employee shall serve as CFO of the Company and shall have the powers, authorities, and duties customarily vested in such office in the industry of the Company and as reasonably determined by the Board.

(d) During the Term, Employee shall (i) devote all of Employee’s business time, energy and skill to the performance of Employee’s duties for the Company, (ii) perform such duties in a faithful, effective and efficient manner to the

best of Employee's abilities, and (iii) hold no other employment; provided that the foregoing

shall not prevent Employee from continuing to participate in such charitable, civic, educational, professional, community or industry affairs as disclosed to and approved in writing by the Board so long as such activities do not, either individually or in the aggregate, interfere or conflict with Employee's duties hereunder. Employee agrees to use best efforts to perform Employee's duties and responsibilities within and subject to the Company's general employment policies and practices, and such other reasonable policies, practices and restrictions as the Company shall from time to time establish for its similarly situated executives.

1.2 Rules and Regulations. The Company shall have the right from time to time to establish rules, regulations, and special instructions covering the terms and conditions of work of Employee, and Employee agrees to obey and abide by all such lawful rules, regulations, and special instructions given by the Company through its authorized agents. In the event of a conflict between the terms of this Agreement and any rules, regulations, or special instructions promulgated by the Company, the terms of this Agreement will prevail.

ARTICLE II COMPENSATION

2.1 Base Salary. Subject to the further provisions of this Agreement, the Employee's base salary shall be three hundred twenty-five thousand U.S. dollars (\$325,000.00) annually (the "Base Salary"). The Board, within its discretion and upon recommendation from the compensation committee ("Compensation Committee"), may adjust the Base Salary. The Base Salary shall be paid in accordance with the Company's normal payroll practices, which is currently bi-monthly.

2.2 Stock Compensation. On the Effective Date, each quarter Employee works, Employee will earn 25,000 shares of restricted common stock in the Company (the "Shares"). To be entitled to the Shares, the Employee must work the entire quarter. The first 25,000 Shares will be issued to Employee on September 30, 2024, provided that Employee meets the requirements of this Section 2.2. Employee will be entered into the new Long-Term Incentive (LTI) Stock program upon approval of the program by the Board of Directors and Shareholders. The LTI program will consist of 50% Restricted Stock and 50% Stock Options issued from the Company's 2017 Equity Incentive Plan. Under the LTI program, Employee will be entitled to earn the same amount of Restricted Stock as the Shares.

2.3 Bonus Compensation – During the Term, and in the sole discretion of the Board and subject to the recommendation of the Compensation Committee, the Employee shall be eligible to receive performance-based bonus compensation which shall be determined in the sole discretion of the Compensation Committee of the Board. The Bonus target shall be 100% of Employee's annual Base Salary ("Bonus").

2.4 Qualified Plan. Employee shall be entitled to enrollment into a retirement or deferred compensation plan including, without limitation, any profit sharing, pension or 401(k) plan ("Qualified Plan"), then maintained by the Company for its employees provided Employee satisfies the enrollment criteria of any Qualified Plan.

2.5 Employee Benefit Plans. Employee shall be entitled to participate in any employee benefit plans the Company may establish or adopt for the benefit of the employees of the

Company. During the Term, the Company shall provide Employee with health and medical insurance benefits with 100% of monthly premiums paid for by the Company for the Employee and his immediate family.

2.6 Time Off. Employee shall be entitled to 4 weeks of paid time off per year, whether because of sickness, vacation, or otherwise (“Time Off”). The timing of vacations shall be scheduled in a manner that is reasonable acceptable to the Company and shall be undertaken with due consideration to ensuring consistent senior managerial oversight of the Company’s business operations during such Time Off. Accrued but unused Time Off shall not roll over to the next fiscal year and is “use it or lose it” Time Off.

2.7 Reimbursement of Business Expenses. Employee is authorized to incur reasonable expenses (including telephone, commercial air travel, and entertainment) in carrying out Employee’s duties hereunder and shall, upon receipt by the Company of proper documentation with respect thereto (setting forth the amount, business purpose and establishing payment) be reimbursed for all such business expenses incurred during the Term, subject to the Company’s written expense reimbursement policies, employee travel policies and any written pre-approval policies in effect from time to time.

2.8 Clawback. To the extent required by applicable law or regulation, any applicable stock exchange listing standards or any clawback policy adopted by the Company pursuant to any such law, regulation or stock exchange listing standards, or to comport with good corporate governance practices, and any other incentive compensation granted to Employee (whether pursuant to this Agreement or otherwise) shall be subject to the provisions of any applicable clawback policies or procedures, which may provide for forfeiture and/or recoupment of such amounts paid or payable under this Agreement or otherwise, including incentive equity awards granted to Employee.

**ARTICLE III
TERM AND
TERMINATIO
N**

3.1 This Agreement shall begin on the Effective Date and shall terminate one day before the second anniversary of the Effective Date for an effective term of twelve (12) months (the “Initial Term”) unless Employee’s employment with the Company terminates earlier pursuant to this Article III. The Term shall be extended automatically at the close of business on the day before the end of the last day of the Initial Term and on up to two successive anniversaries of the Effective Date thereafter (each such anniversary, a “Renewal Date”) by successive one (1) year periods unless either the Company or the Employee provides written notice of an intention to terminate the Agreement at least ninety (90) days prior to such Renewal Date. The term “Period of Employment” shall include any such automatic one (1) year extensions. The Period of Employment may be modified only by a written agreement between the parties and in such case, the term “Period of Employment” shall be deemed to mean the Period of Employment as so modified. Notwithstanding anything to the contrary herein, Executive’s employment with the Company shall be “at will” and a non-renewal of the Agreement by the Company shall not provide the Executive with “Good Reason” for purposes of a resignation for Good Reason under this Article III.

Notwithstanding the foregoing, Employee may terminate this Agreement for any reason with sixty (60) days written notice. In the event the Employee terminates this Agreement for any reason, beginning the day after the effective date of Employee's resignation, Employee is no longer entitled to any further compensation and benefits as outlined in Article 2 above.

Additionally, the Company may terminate this Agreement at any time without cause and the Employee may resign for Good Reason. For the purposes of this Agreement, "Good Reason" means the occurrence of any of the following events without Employee's written consent, provided that Employee provides written notice to the Company of such event constituting Good Reason within 60 days of the occurrence and the Company does not cure such event within 30 days of the receipt of such notice from Employee: (A) a material reduction in Executive's Base Salary (except for any across-the-board reduction impacting substantially all executives of the Company of not more than 10%), (B) a material diminution in Employee's duties, authorities and responsibilities; or (C) a Company-mandated relocation of Employee's principal place of employment for a period longer than 6 months and by more than one hundred (100) miles.

Subject to entry into a separation and release agreement, in the event that the Company terminates this Agreement without cause, or Employee resigns for Good Reason, Employee shall be entitled to compensation, including salary and insurance benefits for a period of twelve (12) months from the effective date of termination (the "Severance Period") and 100% of the Shares and options, including any remaining unvested Shares and options which shall immediately become vested and issuable upon termination. The Employee's reimbursable expenses shall be paid within 15 days of termination.

Notwithstanding the foregoing, Employee will not be entitled to any severance if the Company terminates his employment for "cause." "Cause" will exist if: (a) Employee materially violates any provisions of this Agreement or the written rules, policies and/or procedures of the Company in effect from time to time; (b) Employee engages in conduct which is considered by Company to be fraudulent, unlawful, or adverse to the interest, reputation, or business of the Company; (c) Employee dies during the term of this Agreement; (d) Employee experiences a total or partial disability from whatever cause that results in his failure to perform the essential functions of his normal duties, with reasonable accommodation, which disability is permanent, or persists to a point where it would become an undue hardship for Company to accommodate Employee; (e) Employee is convicted of a felony or crime of moral turpitude; (f) Employee uses alcohol or a controlled substance which materially impairs his ability to effectively perform his duties and obligations under this Agreement; (g) the misappropriation of a material business opportunity of the Company, including attempting to secure or securing any personal profit in connection with any transaction entered into on behalf of the Company; or (h) the Board, by a majority vote, finds Employee is not performing the essential functions of his job.

ARTICLE IV CONFIDENTIALTY

4.1 Confidentiality.

(a) Employee agrees to keep all trade secrets and/or proprietary information (collectively, “Confidential Information” as defined in Section 4.1(b) below)

of the Company in strict confidence and agrees not to disclose any Confidential Information to any other person, firm, association, partnership, corporation, or other entity for any reason except as such disclosure may be required in connection with Employee's employment or as permitted pursuant to this Agreement. Employee further agrees not to use any Confidential Information for any purpose except on behalf of the Company.

(b) For purposes of this Agreement, "Confidential Information" shall mean any information, process, or idea that the Company considers confidential, and/or that gives the Company a competitive advantage, including, without limitation, technology designs, suppliers, production costs or production information; marketing plans; business forecasts; and sales records. Employee understands that the above list is intended to be illustrative, and that other Confidential Information may currently exist or arise in the future. If Employee is unsure whether certain information or material is Confidential Information, Employee shall treat that information or material as confidential unless Employee is informed by the Company, in writing, to the contrary. Notwithstanding the foregoing, Confidential Information does not include: (i) any information of general knowledge in the industry of the Company; (ii) any information that is already public knowledge or becomes public knowledge other than through the act or omission of Employee, or (iii) any information that is acquired by Employee independently from a third party upon whom there is no confidentiality restriction.

(c) Employee further agrees that upon termination of Employee's employment with the Company, for whatever reason, Employee will surrender to the Company all of the property, notes, manuals, reports, documents and other tangibles or intangibles in Employee's possession, including copies or electronic records thereof, which relate directly or indirectly to Confidential Information.

(d) Except in the execution of Employee's duties pursuant to this Agreement, subpoena, or legal process, Employee further agrees not to use, disclose, divulge, or publish Confidential Information without the prior written consent of the Company. In instances of subpoena or other legal process, within three (3) calendar days of Employee receiving the subpoena or the request for Confidential Information pursuant to a legal process, Employee shall notify the Company in writing of the nature of such subpoena or other legal process, and the Confidential Information sought to be obtained, so that the Company may object or seek to obtain a protective order. Employee may not produce Confidential Information sought in a subpoena or legal process, until the earlier of: (i) the Company consenting to the disclosure in writing; (ii) the time for the Company to object or seek a protective order has expired and the Company has made no such objection or failed to seek a protective order; or (iii) a court has determined that the Confidential Information must be disclosed and the Company has exhausted all legal remedies, including appeals, preventing the disclosure.

(e) Nothing in this Section 4.1 is not intended to preclude or dissuade Employee from engaging in legally protected activities under the National Labor Relations Act (NLRA). This Section 4.1 is not intended to violate any local, state, or federal law. No provision or policy applies or will be enforced if it conflicts with or is superseded by any requirement or prohibition contained in federal, state, or local law, or regulation. Furthermore, nothing in this Agreement prohibits Employee from reporting concerns to, filing a charge or complaint with, making lawful disclosures to,

providing

documents or other information to, or participating in an investigation or hearing conducted by the Equal Employment Opportunity Commission (EEOC), National Labor Relations Board (NLRB), Securities and Exchange Commission (SEC), or any other federal, state, or local agency charged with the enforcement of any laws.

ARTICLE V

ADDITIONAL COVENANTS AND REPRESENTATIONS

5.1 No Conflict; Violation with Other Agreements. Employee further represents that neither the execution nor the delivery of this Agreement, nor the performance of nor compliance with this Agreement, has resulted (or will result) in any violation of any contract or agreement to which Employee is bound.

5.2 Indemnification. In the event a court of competent jurisdiction determines that Employee breached the covenant, representation or warranty of Section 5.1, and enters an award of damages against the Company, Company owners, Company directors, or Company officers, Employee shall indemnify, defend and hold harmless the Company, its owners, directors and officers from any loss, liability, cost or other expense (including attorneys' fees and expert witness fees) incurred by them or any of them arising from, any claim or claims resulting in such award.

ARTICLE VI

MISCELLANEOUS

6.1 Assignments. Neither this Agreement nor any right, duty, obligation, or interest hereunder shall be assignable or delegable by Employee without the written consent of the Company. The Company shall have the right to assign this contract to its successors or assigns. Subject to the terms and prior provisions of this Paragraph, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, personal representatives, successors, and assigns.

6.2 Return of Other Property Not Involving Confidential Information. Employee, in addition to Employee's obligations under Section 4.3, will immediately upon termination or expiration of this Agreement or upon Company's earlier request, return to Company all originals and copies of any other property or information, not involving Confidential Information, owned by Company or any of its affiliates, as applicable, or relating to their respective businesses, that Employee has within or under Employee's possession, custody or control, including, without limitation, all credit cards, papers, books, equipment, and files.

6.3 Intellectual Property.

(a) Each and every Invention (defined below in Section 6.3(c) below) Employee makes during the period of time Employee is employed by the Company (a) which relates directly to the business of the Company or to the Company's actual or demonstrably anticipated research or development, or (b) which results from any work Employee performs for the Company is the sole and exclusive property of the Company, and Employee agrees to assign and hereby assigns Employee's entire right, title and interest in each such Invention to the Company. Each Invention Employee

makes during the period of time Employee is employed by the Company for which no Company

equipment, supplies, facilities or Confidential Information was used and which was developed entirely on Employee's own time is Employee's property, unless

(a) the Invention relates directly to the business of the Company or to the Company's actual or demonstrably anticipated research or development, or (b) the Invention results from any work performed by Employee for the Company. If Employee asserts any property right in an Invention Employee makes during the period of time Employee is employed by the Company, Employee will promptly notify the Company in writing.

(b) Employee will assist and fully cooperate with the Company in obtaining, maintaining, and asserting the fullest measure of legal protection, which the Company elects to obtain, maintain, or assert for Inventions in which it has a property right. Employee will also assist and fully cooperate with the Company in defending the Company against claims of violation of the intellectual property rights of others. Employee will be paid reasonable expenses for assisting, and cooperating with, the Company. Employee will execute any lawful document the Company requests Employee to execute relating to obtaining, maintaining, or asserting legal protection for any said Invention or in defending against claims of the violation of the intellectual property rights of others (including, but not limited to, executing applications, assignments, oaths, declarations, and affidavits) and Employee will make himself available for interviews, depositions, and testimony. In the event that the Company is unable, after reasonable effort, to secure Employee's signature on any document or documents needed to apply for or prosecute any patent, copyright, or other right or protection relating to an Invention, for any other reason whatsoever, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Employee's agent and attorney-in-fact, to act for and on Employee's behalf to execute and file any such application or applications, and to do all other lawfully-permitted acts to further the prosecution and issuance of patents, copyrights, or similar protections thereon with the same legal force and effect as if executed by Employee.

(c) "Invention" includes not only inventions (including, but not limited to, copyright works, trademarks, domain names, URLs, keywords, social media account or identification names, business networking / media account or identification names and mask works), but also innovations, improvements, discoveries, ideas and all other forms of intellectual property (including, but not limited to, copyright works and mask works) - whether or not any of the foregoing constitutes Confidential Information.

6.4 Notices. For the purpose of this Agreement, notices and all other communications provided for in the Agreement shall be in writing and shall be personally delivered or sent by United States registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth below, or to such other addresses as either party may have furnished to the other in writing in accordance herewith:

To the Company: AMMO, Inc.
Attn: Jared Smith, CEO
7681 E Gray Rd.
Scottsdale, AZ 85260

To Employee: Paul Kasowski
6231 E. Evening Glow Dr
Scottsdale, AZ 85266
paul.kasowski@outlook.com

Such notices shall be deemed received upon delivery, if personally delivered, or two days after deposit in the United States registered mail.

6.5 Amendments or Additions. No amendments or additions to this Agreement shall be binding unless in writing and signed by each of the parties hereto.

6.6 Section Headings. The section headings used in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

6.7 Severability. The provisions of this Agreement shall be deemed severable, and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If, in any judicial proceedings, a court shall refuse to enforce one or more of the covenants or agreements contained herein because the duration thereof is too long, or the scope thereof is too broad, it is expressly agreed between the parties hereto that such scope or duration shall be deemed reduced to the extent necessary to permit the enforcement of such covenants or agreements.

6.8 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

6.9 Modifications and Waivers. No provision of this Agreement may be modified, waived, or discharged unless such waiver, modification or discharge is agreed to in writing and signed by Employee and such officer of the Company as may be specifically designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

6.10 Governing Law. The validity, interpretation, construction, and performance of this Agreement shall be governed by the laws of the State of Arizona without regard to its conflicts of law principles. Any disputes arising out of this Agreement or Employee's employment with Employer shall be resolved by arbitration before a single arbitrator mutually selected by the parties. The arbitration shall be conducted in Maricopa County, Arizona. The arbitrator shall conduct the arbitration in accordance with the then current employment arbitration rules promulgated by the American Arbitration Association. While the arbitration shall be conducted in accordance with the then current employment arbitration rules promulgated by the American Arbitration Association, the arbitration shall not be administered by the American Arbitration Association. Instead, the arbitration shall be administered by the single arbitrator mutually selected by the parties. If an arbitrator cannot be agreed upon, each party shall select an arbitrator. The arbitrators selected by each of the parties shall then choose the ultimate single arbitrator who will arbitrate the disputes between the parties.

6.11 Taxes. Any payments provided for hereunder shall be paid net of any applicable

withholding or other employment taxes required under federal, state, or local law.

6.12 Third Party Beneficiary. None of the terms or provisions of this Agreement shall be deemed or construed to create any third-party beneficiary rights to any person who is not a party hereto unless expressly otherwise provided; provided, however, the Employee's family trust shall be deemed a third-party beneficiary.

6.13 Subsequent Litigation Costs. In the event of any legal proceeding in which one party alleges that the other has breached this Agreement, the prevailing party shall recover Employee's or its litigation costs (including, without limitation, attorneys' fees, expert witness fees and both taxable and non-taxable costs) incurred in connection with the dispute underlying such legal proceeding.

6.14 Cooperation in Dispute Resolution. Following termination of Employee's employment with the Company for any reason, Employee shall be reasonably available to consult with the Company with regard to any potential or actual dispute the Company may have with any third party, and to testify about any such matter should such testimony be required, so long as doing so does not unreasonably interfere with Employee's then-current professional activities.

6.15 Legal Representation; Construction. Each of the parties acknowledges that Company's counsel, Jennifer L. Sellers of The Cavanagh Law Firm, prepared this Agreement, and the other documents contemplated hereby, for and on behalf of, and in the course of its representation of, Company, and that:

a. Employee has received no representations about the tax or other legal consequences of this Agreement from the Company or its agents;

b. Employee has been represented by its own counsel or had the opportunity to seek advice of independent counsel with respect to all aspects of this Agreement, and the documents contemplated hereby; and

c. Because the Employee either retained counsel to review this Agreement or had the opportunity to retain counsel to review this Agreement, any rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be applied to the interpretation of this Agreement.

6.16 Integration. This Agreement constitutes a single, integrated written contract expressing the entire agreement of the parties to this Agreement concerning the subject matters covered by this Agreement and supersedes all prior agreements, letters of intent or understandings of any nature whatsoever between the parties with respect to the subject matters covered herein. No other agreements or understandings of any kind concerning the subject matters covered by this Agreement, whether express or implied in law or fact, have been made by the parties to this Agreement except as specifically set forth in this Agreement.

IN WITNESS WHEREOF, each of the parties hereto has executed this Employment Agreement as of the Effective Date first written above.

COMPANY:

AMMO, Inc., a Delaware Corporation

By: _____

Jared Smith, CEO

EMPLOYEE:

Paul Kasowski

**OUTDOOR HOLDING COMPANY
CODE OF CONDUCT****Effective as of January 22, 2026.****Introduction**

This Code of Conduct (this “**Code**”) covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide the directors, officers and employees of Outdoor Holding Company and its subsidiaries (collectively, the “**Company**,” “**we**,” **us**” or “**our**”). All employees, including executive officers, and members of the Board of Directors of the Company (the “**Board**”), are expected to adhere to the principles and procedures set forth in this Code that apply to them. All Company directors, officers, and employees should conduct themselves accordingly and seek to avoid even the appearance of improper behavior in any way relating to the Company. As a public company, we have a responsibility to ensure that our filings with the U.S. Securities and Exchange Commission (the “**SEC**”) and other public communications are timely and accurate. Accordingly, we expect our directors, officers, and other employees to take this responsibility seriously and act in accordance with the highest standards of personal and professional integrity in all aspects of their work. In appropriate circumstances, this Code should also be provided to and followed by the Company’s agents and representatives, including consultants.

Any director or officer who has any questions about this Code should consult with the Chief Executive Officer, the Chief Financial Officer[, the Chief Operating Officer] or the Chief Legal Officer of the Company as appropriate in the circumstances. If an employee has any questions about this Code, the employee should consult with his or her manager, supervisor, or Human Resources as appropriate in the situation.

1. Scope of the Code

This Code was adopted by the Board and is intended to deter wrongdoing and to promote the following:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- full, fair, accurate, timely, and understandable disclosure in reports and documents the Company files with, or submits to, the SEC and in other communications made by the Company;
- compliance with applicable governmental laws, rules, and regulations;
- the prompt internal reporting of violations of this Code to the appropriate person or persons, in accordance with this Code and the Company’s Whistleblower Policy, as applicable;
- accountability for adherence to this Code; and
- adherence to a high standard of business ethics.

2. Compliance with Laws, Rules, and Regulations

Obedying the law, both in letter and in spirit, is the foundation on which the Company’s ethical standards are built. All directors, officers, and employees should respect and obey all laws, rules, and regulations applicable to the business and operations of the Company. Although directors, officers, and employees are not expected to know all of the details of these laws, rules, and regulations, it is important to know enough to determine when to seek advice from managers, supervisors, officers, legal, or other appropriate Company personnel.

3. Conflicts of Interest

A “*conflict of interest*” exists when an individual’s private interest interferes in any way – or even appears to conflict – with the interests of the Company. Conflicts of interest should be avoided whenever possible. Conflicts of interest may arise when a director, officer, or employee takes actions or has interests that make it difficult to perform his or her work on behalf of the Company in an objective and effective manner. In most cases, anything that would constitute a conflict for a director, officer or employee also would present a conflict if it is related to a member of his or her family. Conflicts of interest may also arise when a director, officer, or employee, or a member of his or her family, receives improper personal benefits as a result of his or her position with the Company. Loans by the Company to, or guarantees by the Company of obligations of, employees or their family members are of special concern and could constitute improper personal benefits to the recipients of such loans or guarantees, depending on the facts and circumstances. Loans by the Company to, or guarantees by the Company of obligations of, any director or officer or their family members are expressly prohibited.

Service to the Company should never be subordinated to personal gain or advantage. In particular, clear conflicts of interest involving directors, officers, and employees who occupy supervisory positions or who have discretionary authority in dealing with any third party may include the following:

- any significant (greater than 5%) ownership interest in any customer or supplier;
- any consulting or employment relationship with any customer, supplier, or competitor;
- any outside business activity that detracts from an individual’s ability to devote appropriate time and attention to his or her responsibilities to the Company;
- the receipt of non-nominal gifts or excessive entertainment from any organization with which the Company has current or prospective business dealings;
- being in the position of supervising, reviewing, or having any influence on the job evaluation, pay, or benefit of any family member; and
- selling anything to the Company or buying anything from the Company, except on the same terms and conditions as unaffiliated third parties are permitted to so purchase or sell.

It is almost always a conflict of interest for a Company officer or employee to work simultaneously for a competitor, customer, or supplier. No officer or employee may work for a competitor as a consultant or board member. The best policy is to avoid any direct or indirect business connection with the Company’s customers, suppliers, and competitors, except on the Company’s behalf.

Financial interests in other companies, including potential competitors and suppliers, that are passive investments, are not significant (less than 5%) and do not involve active management of the other entity will not be considered a conflict of interest for the purposes of this Code.

Conflicts of interest may not always be clear-cut and further review and discussions may be appropriate. Any director or officer who becomes aware of a conflict of interest or a material transaction or relationship that could reasonably be expected to give rise to a conflict of interest should bring it to the attention of the Chief Executive Officer, the Chief Financial Officer[, the Chief Operating Officer,] or the Chief Legal Officer of the Company as appropriate in the circumstances. Directors and officers must seek determinations and prior authorizations or approvals of potential conflicts of interest exclusively from the Audit Committee of the Company (the “*Audit Committee*”). Any employee who becomes aware of a conflict or potential conflict should bring it to the attention of a manager, supervisor, Human Resources, or other appropriate personnel.

4. Insider Trading

Directors, officers, and employees who have access to confidential information relating to the Company are not permitted to use or share that information for stock trading purposes (including the purchase or sale of the Company's stock) or for any other purpose except the conduct of the Company's business. Furthermore, directors, officers and employees are prohibited from trading in the securities of other companies who are peers, competitors, participants in the Company's industry, or companies with whom the Company has a commercial relationship, or with whom the Company is negotiating transactions or exploring the possibility of establishing a commercial relationship, on the basis of information obtained while working for the Company.

All non-public information about the Company should be considered confidential information. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical and against Company policy but is also illegal. Directors, officers, and employees also should comply with the Company's Insider Trading Policy and all other such standards and procedures adopted by the Company. If a question arises, the director, officer, or employee should consult with the Chief Executive Officer, the Chief Financial Officer, or the Chief Legal Officer.

5. Competition and Fair Dealing; Anti-Bribery

The Company seeks to compete in a fair and honest manner. The Company seeks competitive advantages through superior performance rather than through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each director, officer, and employee should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, service providers, competitors, and employees. No director, officer, or employee should take unfair advantage of anyone relating to the Company's business or operations through manipulation, concealment, or abuse of privileged information, misrepresentation of material facts, or any unfair dealing practice.

The Company is committed to complying with the highest ethical standards, including anti-bribery and anti-corruption obligations. As such, each director, officer, and employee shall not solicit, receive, give, or offer bribes, kickbacks, inappropriate gifts or engage in other corrupt practices to obtain or maintain business or favors. In particular, the Company's directors, officers, and employees shall not authorize, provide, promise, or offer to provide anything of value to a third party for the purpose or with the intent of improperly influencing his or her decisions or improperly performing his or her functions. For the purposes of this Code, a "*third party*" includes customers, vendors, suppliers, agents, distributors, developers, local or foreign governments, agencies, political organizations, political candidates, etc. No Company directors, officers, or employees, shall request, agree to receive, or accept money or anything of value with the intent of being influenced in the performance of their functions.

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country.

In addition, the U.S. government has a number of laws and regulations regarding business gratuities that may be accepted by U.S. government personnel. The promise, offer, or delivery to an official or employee of the U.S. government of a gift, favor, or other gratuity in violation of these rules would not only violate Company policy but could also be a criminal offense. State and local governments, as well as foreign governments, may have similar rules.

Personal gifts and entertainment offered by fellow employees or persons doing commercial business with the Company may be accepted when offered in the ordinary and normal course of the business relationship. However, the frequency and value of any such gifts or entertainment may not be so excessive that your ability to exercise independent judgment on behalf of the Company is or may appear to be compromised. Accordingly, if you receive or are offered a gift that you believe to have a value in excess of the lesser of (i) 1% of your annual base compensation and (ii) \$1000 (USD) in amount (or if in another currency, an amount equivalent to \$1000 (USD)), or

entertainment that is in excess of usual and customary levels, by any fellow employee or person providing or offering goods or services to the Company, you must promptly disclose the same to your supervisor who will advise you in writing whether the gift or entertainment is proper, based upon the standards set out in this Code. Any gift or entertainment determined to be improper must be returned, reimbursed or refused by you.

6. Record-Keeping

All of the Company's books, records, accounts, and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions, and must conform both to applicable legal requirements and to the Company's system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation.

Business records and communications often become public, and the Company and its officers and employees in their capacity with the Company should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to e-mail, internal memos, and formal reports. The Company's records should always be retained or destroyed according to the Company's record retention policies. In accordance with those policies, in the event of litigation or governmental investigation, directors, officers, and employees should consult with the Company's Chief Financial Officer[, Chief Operating Officer,] or Chief Legal Officer before taking any action because it is critical that any impropriety or possible appearance of impropriety be avoided.

Many officers and employees regularly use business expense accounts, which must be documented and recorded accurately. If an officer or employee is not sure whether a certain expense is legitimate, the employee should ask his or her supervisor [or the Company's controller]. Rules and guidelines are available from [the Company's Accounting Department].

7. Confidentiality; Privacy and Data Security

Directors, officers, and employees must maintain the confidentiality of confidential information entrusted to them by the Company or its customers, suppliers, joint venture partners, or others with whom the Company is conducting or considering conducting business or other transaction except when disclosure is authorized by an executive officer or required or mandated by laws or regulations. Confidential information includes all non-public information that might be useful or helpful to competitors or harmful to the Company or its customers and suppliers, if disclosed. It also includes information that suppliers and customers have entrusted to the Company. The obligation to preserve confidential information continues even after employment ends.

Nothing in this Code prohibits employees from (i) reporting possible violations of law or regulation to, or communicating with or testifying before, any governmental agency or entity, including but not limited to (A) the U.S. Department of Justice, the SEC, the U.S. Congress, and any U.S. agency Inspector General, and (B) similar competent authorities in any non-U.S. jurisdiction, to the extent that any such authority has specific power under applicable law to receive or request the relevant information, (ii) making other disclosures that are protected under the whistleblower provisions of federal, state or local law or regulation, or (iii) disclosing information about wages or working conditions that is not proprietary Company information. Employees do not need the Company's prior authorization to make any such reports or disclosures and they are not required to notify the Company that they have made such reports or disclosures. Furthermore, nothing in this Code prohibits or limits employees from reporting possible violations to the Company in accordance with the Company's Whistleblower Policy.

Employees have a duty to protect confidential information and to take precautions before sharing it with anyone, inside or outside the workplace. Employees should not share confidential information with friends or family or discuss it in places where others could learn that information. Employees also should not access or use confidential information or disclose it to fellow employees who are not involved in providing services to the owner of the information, unless the employee is authorized and legally permitted to do so. Finally, employees should not send confidential information, including internal information, to third parties.

During the course of employment at the Company, employees may have access to confidential, personal, or proprietary information that requires safeguarding. Employees must follow applicable privacy and data security laws and the Company's privacy and security policies when handling sensitive personal or proprietary information.

The Company is committed to maintaining the privacy and security of its employees' personal information. The Company will collect, transmit, disclose, or use employee personal information or data only in compliance with local law and only for legitimate business purposes. Safeguarding personal information about individuals includes maintain the confidentiality of names, ages, nationalities, bank account information, criminal history and similar matters.

8. Protection and Proper Use of Company Assets

All directors, officers, and employees should endeavor to protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. Company assets should be used for legitimate business purposes and should not be used for non-Company business.

The obligation to protect the Company's assets includes its proprietary information. Proprietary information includes intellectual property, such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information, and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Company policy. It could also be illegal and result in civil or even criminal penalties.

9. Corporate Disclosures

All directors, officers, and employees should support the Company's goal to have full, fair, accurate, timely, and understandable disclosure in the periodic reports required to be filed by the Company with the SEC. Although most employees hold positions that are far removed from the Company's required filings with the SEC, each director, officer, and employee should promptly bring to the attention of the Chief Executive Officer, the Chief Financial Officer, [the Chief Operating Officer,] the Chief Legal Officer, or the Audit Committee, as appropriate in the circumstances, any of the following:

- Any material information to which such individual may become aware that affects the disclosures made by the Company in its public filings or would otherwise assist the Chief Executive Officer, the Chief Financial Officer, [the Chief Operating Officer,] the Chief Legal Officer, the Company's Disclosure Committee and the Audit Committee in fulfilling their responsibilities with respect to such public filings.
- Any information the individual may have concerning (i) significant deficiencies in the design or operation of internal controls that could adversely affect the Company's ability to record, process, summarize, and report financial data or (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's financial reporting, disclosures, or internal controls.
- Any information the individual may have concerning any violation of this Code, including any actual or apparent conflicts of interest between personal and professional relationships, involving any management or other employees who have a significant role in the Company's financial reporting, disclosures, or internal controls.
- Any information the individual may have concerning evidence of a material violation of the securities or other laws, rules, or regulations applicable to the Company and the operation of its business, by the Company or any agent thereof, or of violation of this Code.

10. Waivers of the Code of Conduct

Any waiver of this Code for directors or executive officers may be made only by the Board or the Audit Committee and will be promptly disclosed to stockholders as required by applicable laws, rules, and regulations, including the rules of the SEC and Nasdaq. Waivers of this Code applicable to all other employees must be approved by the Chief Legal Officer. Any waiver granted will be made only when circumstances warrant such a grant, and then only in conjunction with appropriate monitoring of the particular situation.

11. Reporting and Enforcement

Actions prohibited by this Code involving directors or officers must be reported to the Audit Committee. Actions prohibited by this Code involving anyone other than a director or officer must be reported to the reporting person's supervisor or the Chief Legal Officer. After receiving a report of an alleged prohibited action, the Audit Committee, the relevant supervisor or the Chief Legal Officer, as applicable, must promptly take all appropriate actions necessary to investigate. All directors, officers and employees are expected to cooperate in any internal investigation of misconduct.

The Company must ensure prompt and consistent action against violations of this Code. If, after investigating a report of an alleged prohibited action by a director or officer, the Audit Committee determines that a violation of this Code has occurred, the Audit Committee will report such determination to the Board.

If, after investigating a report of an alleged prohibited action by any other person, the relevant supervisor determines that a violation of this Code has occurred, the supervisor will report such determination to the Chief Legal Officer.

The Board shall determine, or designate appropriate persons to determine, appropriate actions to be taken in the event of violations of this Code. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability for adherence to this Code and to these additional procedures, to ensure prompt and clear consistent enforcement of this Code, to provide clear and objective standards for compliance with this Code, to protect persons reporting questionable behavior, to provide for a process by which to determine violations, and may include written notices to the individual involved that the Board has determined that there has been a violation, censure by the Board, demotion or re-assignment of the individual involved, suspension with or without pay or benefits, reduction of compensation, and termination of the individual's employment or position, among other things, as well as reporting illegal actions to appropriate authorities. In determining the appropriate action in a particular case, the Board or such designee shall take into account all relevant information, including the nature and severity of the violation, whether the violation was a single occurrence or repeated occurrences, whether the violation appears to have been intentional or inadvertent, whether the individual in question had been advised prior to the violation as to the proper course of action, and whether or not the individual in question had committed other violations in the past.

The Company will not tolerate retaliation against any director, officer or employee for reports of misconduct or suspected violation of this Code by another person made in good faith, for providing to a law enforcement officer any truthful information relating to the commission or possible commission of any offense or for providing information on actions such person reasonably believes to be violations of securities laws, rules of the Securities and Exchange Commission or other federal laws relating to fraud against stockholders.

Persons subject to disciplinary measures shall include, in addition to the violator, others involved in the wrongdoing such as (i) persons who fail to use reasonable care to detect a violation, (ii) persons who if requested to divulge information withhold material information regarding a violation and (iii) supervisors who approve or condone the violations or attempt to retaliate against employees or agents for reporting violations or violators.

12. Publicly Available; Annual Review

This Code shall be posted on the Company's website. At least annually, the Audit Committee shall conduct a review and assessment of this Code, report to the Board regarding the general effectiveness of this Code and the Company's controls and reporting procedures, and recommend to the Board any changes to this Code that the Audit Committee deems necessary.

**OUTDOOR HOLDING COMPANY
CODE OF CONDUCT**

ACKNOWLEDGMENT OF RECEIPT AND REVIEW

By signing below, I acknowledge and certify that I have received, read, and understand Outdoor Holding Company's Code of Conduct (the "***Code***").

I acknowledge that, unless otherwise stated in a separate employment agreement with the Company, my employment relationship with the Company is terminable at will, by the Company or me, at any time, for any reason, with or without cause.

I agree (i) to comply with the Code and conduct the business of the Company in keeping with the highest ethical standards and (ii) to comply with international, federal, state and local laws applicable to the Company's businesses. I understand that failure to comply with the Code will lead to disciplinary action by the Company, which may include termination of my employment and/or the reduction of compensation or demotion.

Please note that regardless of whether you return an executed signature page, the Code is binding on you as long as you remain a director, officer or employee of Outdoor Holding Company.

Name: _____

Business Unit / Location: _____

Position Title: _____

Signature: _____

Date: _____

Please sign and return entire document to the Chief Legal Officer and keep a copy for your own records.

OUTDOOR HOLDING COMPANY INSIDER TRADING POLICY

Effective as of January 22, 2026.

This Insider Trading Policy (this “**Policy**”) sets forth the policy for members of the boards of directors (“**Board Members**”), officers, other employees and consultants of Outdoor Holding Company (“**Outdoor Holding**”) and its subsidiaries (collectively, the “**Company**”) with respect to transactions in Outdoor Holding securities.

Applicability of Policy

This Policy is divided into two parts. Part I of this Policy imposes restrictions on all Board Members, officers, employees and consultants of the Company, as well as such persons’ respective immediate family members, members of their respective households, and other family members who do not live in their respective households but whose transactions in Outdoor Holding securities are directed by or subject to their influence or control. Part I of this Policy also applies to any person who receives Material Nonpublic Information (as defined below) from any Board Member, officer, employee or consultant of the Company. Part II of this Policy imposes additional restrictions on (i) Outdoor Holding Board Members and executive officers (collectively, “**Insiders**”) and (ii) certain Company employees and consultants, as identified on a list maintained by the Company, who regularly receive or have access to Material Nonpublic Information concerning the Company or otherwise are at an enhanced risk of possessing Material Nonpublic Information concerning the Company due to the nature of their respective roles (collectively, with Insiders, “**Restricted Persons**”). The list of persons designated as Restricted Persons is updated on a quarterly basis by the Chief Legal Officer or his or her designee, in consultation with the Chief Financial Officer.

This Policy applies to all transactions in Outdoor Holding securities, including common stock, restricted common stock, preferred stock, options and warrants for common stock and any other securities Outdoor Holding may issue from time to time, such as convertible debentures and other derivative securities relating to Outdoor Holding stock, whether or not issued by Outdoor Holding, such as exchange-traded options.

Inquiries

Any person who has a question about this Policy or its application to any proposed transaction may obtain additional guidance from the Chief Legal Officer. Ultimately, however, the responsibility for adhering to this Policy and avoiding unlawful transactions rests with the individual.

Certifications

All Board Members, officers, other employees and consultants must certify their understanding of, and intent to comply with, this Policy by signing the certification attached hereto as Attachment 1.

PART I

1. General Policy

It is against Company policy for any Board Member, officer, employee or consultant to make an unauthorized disclosure of any nonpublic information acquired in the workplace or as a result of their position with the Company. It is also against Company policy for any Board Member, officer, employee or consultant to misuse Material Nonpublic Information in securities trading. The Company has established procedures for releasing material information in a manner that is designed to achieve broad public dissemination of the information to the public immediately upon its release. You may not, therefore, disclose such information to anyone outside the Company, including family members and friends or on any internet-based forum, other than in accordance with those procedures.

Nothing in this Policy prohibits you from (i) reporting possible violations of law or regulation to, or communicating with or testifying before, any governmental agency or entity, including but not limited to (A) the U.S. Department of Justice, the U.S. Securities and Exchange Commission (the “SEC”), the U.S. Congress, and any U.S. agency Inspector General, and (B) similar competent authorities in any non-U.S. jurisdiction, to the extent that any such authority has specific power under applicable law to receive or request the relevant information, (ii) making other disclosures that are protected under the whistleblower provisions of federal, state or local law or regulation, or (iii) disclosing information about wages or working conditions that is not proprietary Company information. You do not need the Company’s prior authorization to make any such reports or disclosures and you are not required to notify the Company that you have made such reports or disclosures.

2. Definition of “Material Nonpublic Information”

It is not possible to define all categories of Material Nonpublic Information. Information should be considered Material Nonpublic Information if it meets the criteria described below.

First, information should be regarded as material if there is a reasonable likelihood that it would be considered important to an investor in making an investment decision regarding the purchase or sale of securities.

While it may be difficult under this standard to determine whether particular information is material, there are various categories of information that are particularly sensitive and, as a general rule, should always be considered material. Examples of such information may include known but unannounced:

- operating or financial results, including results that are inconsistent with the consensus expectations of the investment community;
- internal projections of future earnings or losses, or other earnings guidance or targets;
- execution or termination of significant contracts with business partners;

- potential or actual gain or loss of a significant customer, supplies, contract or purchase order;
- pending or proposed merger or other acquisition;
- disposition, construction or acquisition of significant assets;
- significant developments involving corporate relationships;
- changes in dividend policy;
- new product announcements;
- stock splits;
- new equity or debt offerings;
- positive or negative developments in outstanding litigation;
- significant litigation exposure due to actual or threatened litigation; and
- changes in the Board of Directors, senior management or the Company's auditors.

Material information is not limited to historical facts. Either positive or negative information may be material. You should be aware that the public, the media and the courts will have the benefit of hindsight in judging what is material.

Nonpublic information is information that has not been previously disclosed to the general public and is otherwise not available to the general public. The fact that information has been disclosed to a few members of the public does not make it "public" for insider trading purposes. Even if information is widely known within the Company, it may still be considered nonpublic. To be "public" the information must have been disseminated in a manner designed to reach investors generally, and the investors must be given the opportunity to absorb the information.

3. Trading on Material Nonpublic Information

It is illegal and against Company policy for you to trade in Outdoor Holding securities while in possession of Material Nonpublic Information about the Company.

Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure) are not excepted from this Policy. The securities laws do not recognize such mitigating circumstances, and, in any event, even the appearance of an improper transaction must be avoided to preserve the Company's reputation.

Every person subject to this Policy has the individual responsibility to comply with this Policy. You may, from time to time, have to forego a proposed transaction in Outdoor Holding securities even if you planned to make the transaction before learning of the Material Nonpublic Information and even though you believe you may suffer an economic loss or forego anticipated profit by waiting.

4. Confidentiality of Nonpublic Information

Material Nonpublic Information relating to the Company is the property of the Company. That information should be maintained in strict confidence and should be discussed, even within the

Company, only with persons who have a “need to know.” You should exercise the utmost care and discretion in dealing with information that may be Material Nonpublic Information. Discussions in public places, such as elevators, restaurants and airplanes, involving information that may be Material Nonpublic Information or sensitive in nature, should be avoided. Written information should be safeguarded. Unauthorized disclosure of information could result in serious consequences for the Company, whether or not such disclosure is made for the purpose of facilitating acts prohibited by law or this Policy.

5. Public Disclosure

Unauthorized disclosure of Material Nonpublic Information relating to the Company may lead to illegal insider trading and is prohibited by law. In the event you receive any inquiry for information from outside the Company, such as from a stock analyst or investor, the inquiry should be referred to the Chief Legal Officer.

6. Tipping

This Policy prohibits you from (i) disclosing (commonly known as “tipping”) Material Nonpublic Information to any other person (including family members) where such information may be used by such person to his or her profit by trading (buying or selling) in the securities of companies to which such information relates and (ii) making recommendations or expressing opinions on the basis of Material Nonpublic Information as to trading in Outdoor Holding securities.

7. Short-Term Trading

Short-term or frequent trading of Outdoor Holding securities can create an appearance of wrongdoing, even if the decision to trade was not based on Material Nonpublic Information. You are strongly discouraged from trading daily or frequently in Outdoor Holding securities, and trading in Outdoor Holding securities for short-term profits is highly discouraged. The Company reserves the right to request brokerage account statements to ensure compliance with the terms of this Policy. If you are an Insider, see Part II, Section 6 for additional restrictions on short-term trading.

8. Applicability of Policy to Inside Information Regarding Other Companies

This Policy also applies to Material Nonpublic Information relating to other companies with which the Company conducts business, including proposed business combinations (“**business partners**”), when that information is obtained in the course of employment with, or other services performed on behalf of, the Company. Civil and criminal penalties, and termination of employment, may result from trading on inside information regarding the Company’s business partners. You should treat Material Nonpublic Information about the Company’s business partners with the same care required with respect to information related directly to the Company. Similarly, you must not discuss Material Nonpublic Information relating to the Company or the Company’s business partners on blogs, websites, electronic bulletin boards, chat rooms, any form of social media or other internet-based forum.

9. Post-Termination Transactions

This Policy continues to apply to your transactions in Outdoor Holding securities even after you have terminated employment. If you are in possession of Material Nonpublic Information when your employment terminates, you may not trade in Outdoor Holding securities until that information has become public or is no longer material.

10. Potential Criminal and Civil Liability

a. Liability for Insider Trading

Pursuant to federal and state securities laws, individuals who violate insider trading laws may be subject to imprisonment for up to 20 years, criminal fines of up to \$5,000,000 and civil fines of up to three times the profit gained or loss avoided. If the Company or its supervisory personnel fail to take appropriate steps to prevent illegal insider trading, they may be subject to (i) a civil penalty of up to \$2,636,135 or, if greater, three times the profit gained or loss avoided as a result of the employee's violation, and (ii) a criminal penalty of up to \$5,000,000 and up to 20 years in jail for individuals and/or a fine of \$25,000,000 for the Company.

b. Liability for Tipping

Individuals may also be liable for improper transactions by any person (commonly referred to as a "tippee") to whom they have disclosed Material Nonpublic Information regarding the Company or to whom they have made recommendations or expressed opinions based on such information as to trading in Outdoor Holding securities in violation of this Policy. The SEC has imposed large penalties even when the disclosing person did not profit from the trading. The SEC, the stock exchanges and the Financial Industry Regulatory Authority use sophisticated electronic surveillance techniques and proprietary software to uncover illegal insider trading.

11. Possible Disciplinary Actions

Employees of the Company who violate this Policy may also be subject to disciplinary action by the Company, which may include ineligibility for future participation in the Company's equity incentive plans or termination of employment.

12. Certain Exceptions

a. Stock Option Exercises

This Policy does not apply to the exercise of a director or employee stock option if the shares acquired upon exercise are held rather than sold into the public market, or to the exercise of a tax withholding right pursuant to which you elect to have the Company withhold shares subject to an option to satisfy tax withholding requirements. This Policy does apply, however, to any sale of stock as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

b. 401(k) Plan

This Policy does not apply to transactions in Outdoor Holding stock in the 401(k) plan resulting from your periodic contribution of money to the plan pursuant to your payroll deduction election.

c. Restricted Stock Awards

This Policy does not apply to the vesting of restricted stock, restricted stock units or the forfeiture or other disposition of shares to the Company to pay for taxes incident to such vesting. This Policy does apply, however, to any open market sale of vested shares, including to satisfy tax liabilities.

d. Gifts

Bona fide gifts of Outdoor Holding securities generally will be exempt from this Policy. However, if you are a Restricted Person, see Part II, Section 7 for additional requirements.

PART II

As described in this Part II, if you are a Restricted Person, your transactions in Outdoor Holding securities are subject to additional restrictions.

1. Short Sales

No Restricted Person shall engage in a short sale of Outdoor Holding stock. Furthermore, Section 16(c) of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), prohibits Outdoor Holding officers and Board Members from engaging in short sales. A short sale is a sale of securities not owned by the seller or, if owned, not delivered against such sale within 20 days thereafter (commonly known as a “short against the box”).

2. Publicly Traded Options

A transaction in options is, in effect, a “bet” on the short-term movement of Outdoor Holding stock and therefore may create the appearance that an individual is trading based on inside information. Transactions in options also may focus the individual’s attention on short-term performance at the expense of the Company’s long-term objectives. Accordingly, transactions in puts, calls or other derivative securities, on an exchange or in any other organized market, by any Restricted Person are prohibited by this Policy. See Part II, Section 4 for additional requirements related to option positions arising from certain types of hedging transactions.

3. Standing Orders

Standing orders should be used only for a very brief period of time, and in no case shall such period exceed three trading days. A standing order placed with a broker to sell or purchase securities at a specified price leaves you with no control over the timing of the transaction. A standing order transaction executed by the broker when you are aware of Material Nonpublic Information may result in unlawful insider trading. Transactions pursuant to a plan adopted in accordance with Rule 10b5-1 of the Exchange Act, discussed below, may be excepted from this prohibition against standing orders.

4. Hedging Transactions

Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow an individual to lock in much of the value of his or her stock holdings, often in exchange for all or part of the potential for upside appreciation in the stock. These transactions allow the individual to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the individual may no longer have the same objectives as Outdoor Holding's other stockholders. Restricted Persons may not enter into hedging or monetization transactions or similar arrangements with respect to Outdoor Holding securities.

5. Margin Accounts and Pledges

Securities held in a margin account may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. A margin or foreclosure sale that occurs when the pledgor is aware of Material Nonpublic Information may, under some circumstances, result in unlawful insider trading. Because of this danger, Restricted Persons should exercise caution in holding Outdoor Holding securities in a margin account or pledging Outdoor Holding securities as collateral for a loan. All Restricted Persons must pre-clear any pledge or similar arrangement with respect to Outdoor Holding securities. Certain Insiders may be required to publicly disclose the amount of Outdoor Holding securities pledged as collateral for a loan.

6. Short-Term Trading

If you are an Insider and you purchase or sell Outdoor Holding securities, you may not conduct an opposite-way transaction in any Outdoor Holding securities of the same class for at least six (6) months after the purchase or sale, unless you first pre-clear the proposed transaction with the Chief Legal Officer.

7. Trading Guidelines and Requirements

Set forth below are guidelines and requirements related to trading in Outdoor Holding securities. **Even outside of a Black-Out Period (as defined below), any person possessing Material Nonpublic Information concerning the Company should not engage in any transactions in Outdoor Holding securities until such information has been known publicly for at least two full trading days. Trading in Outdoor Holding securities outside of a Black-Out Period should not be considered a "safe harbor," and all Restricted Persons should always use good judgment and, if applicable, pre-clear transactions as described below.**

a. Quarterly Black-Out Periods

The period beginning at the close of trading on the 15th day of the last month of a fiscal quarter and ending at the commencement of trading on the next trading day after the date of public disclosure of the financial results for that fiscal quarter (the "**Quarterly Black-Out Period**") is a particularly sensitive period of time for transactions in Outdoor Holding stock from the perspective of compliance with applicable securities laws. This sensitivity arises because Insiders and other Restricted Persons will often possess Material Nonpublic Information about the

expected financial results for the quarter during that period. Accordingly, all Restricted Persons are prohibited from trading during any Quarterly Black-Out Period.

b. Special Black-Out Periods

Even outside of Quarterly Black-Out Periods, the Company may prohibit all or certain Board Members, officers, other employees and consultants of the Company from trading Outdoor Holding securities because of material developments known to the Company and not yet disclosed to the public. Accordingly, upon receipt of written notice by email or otherwise from the Chief Legal Officer, all Restricted Persons and any other designated employees and consultants of the Company may not engage in any transaction involving the purchase or sale of Outdoor Holding securities and may not disclose to any others the fact of such suspension of trading. The period during which trading is suspended is referred to as a “**Special Black-Out Period**.” The Company will typically permit trading in Outdoor Holding securities at the commencement of trading on the next trading day following the date of public disclosure of the material development, or at such time as it is determined that the development is no longer material, so long as such next trading day is not in a Quarterly Black-Out Period. The Chief Legal Officer will notify the affected persons as soon as possible of such disclosure or such determination.

c. Pre-Clearance of Transactions

The Company has established a “pre-clearance” process for certain transactions in Outdoor Holding securities. The Chief Legal Officer is responsible for pre-clearing transactions and will consult as necessary with senior management of the Company before pre-clearing any proposed transaction. Requests for pre-clearance should be submitted to the Chief Legal Officer at least two trading days in advance of the proposed transaction.

If you are a Restricted Person, you must obtain pre-clearance prior to engaging in any transaction in Outdoor Holding securities at any time, regardless of whether a Black-Out Period is in effect.

The Chief Legal Officer may prohibit any transaction that is subject to pre-clearance in its sole discretion. The fact that pre-clearance of a transaction has been rejected should be treated as Material Nonpublic Information.

d. Blind Trusts and Pre-Arranged Trading Programs

Rule 10b5-1 of the Exchange Act provides an affirmative defense against insider trading liability for transactions pursuant to (i) a written plan, or a binding contract or instruction, entered into in good faith at a time when the individual was not aware of Material Nonpublic Information (a “**Rule 10b5-1 Plan**”) or (ii) “blind trusts” (trusts in which investment control has been delegated to a third party, such as an institutional or professional trustee), even though the transaction in question may occur at a time when the individual is aware of Material Nonpublic Information.

The Company may, in appropriate circumstances, permit Restricted Persons to enter into a Rule 10b5-1 Plan or blind trust that complies with Rule 10b5-1, provided that a Black-Out Period is not then in effect. If you are a Restricted Person and you wish to establish a Rule 10b5-1 Plan or blind trust, you must pre-clear it with the Chief Legal Officer. With respect to arrangements that

result or may result in transactions taking place during Black-Out Periods, the Chief Legal Officer will review such arrangements with input, if appropriate, from the Board of Directors, the Chief Financial Officer and Company legal counsel. The Company reserves the right to bar any transactions in Outdoor Holding stock, including transactions pursuant to arrangements previously approved, if the Chief Legal Officer determines that such a bar is in the best interests of the Company. In addition, if you are otherwise permitted to do so under this Policy, you may not engage in any hedging transactions (as described above) if you are trading in Outdoor Holding securities pursuant to a Rule 10b5-1 Plan or a blind trust.

Securities laws require the Company to make quarterly disclosures of executive officer and director trading arrangements, including any adoption, modification or termination of a Rule 10b5-1 Plan, and a description of the material terms of each plan. Any amendment to an existing Rule 10b5-1 Plan must meet the requirements for the adoption of a new Rule 10b5-1 plan and be approved by the Chief Legal Officer.

ATTACHMENT 1

CERTIFICATIONS

I certify that:

1. I have read and understand the Company's Insider Trading Policy (the "**Policy**"). I understand that the Chief Legal Officer is available to answer any questions I have regarding the Policy.

2. Since the date this Policy became effective, or such shorter period of time that I have been a Board Member, officer, other employee or consultant of the Company, I have complied with the Policy.

3. I will continue to comply with the Policy for as long as I am subject to the Policy.

Signature: _____

Date: _____

Print Name: _____

SUBSIDIARIES

Outdoor Holding Company, a Delaware corporation, had the subsidiaries shown below as of June 22, 2026. Outdoor Holding Company is not a subsidiary of any other entity.

Name	Jurisdiction
OHC Munitions, Inc.	Delaware
OHC Technologies Inc.	Arizona
Enlight Group II, LLC	Delaware
Firelight Group I, LLC	Delaware
SNI LLC	Arizona
Speedlight Group I, LLC	Delaware
GB Investments, Inc. (wholly owned subsidiary of Speedlight Group I, LLC)	Delaware
IA Tech, LLC (wholly owned subsidiary of GB Investments, Inc.)	Delaware
Cloud Catalyst Technologies, LLC (wholly owned subsidiary of IA Tech, LLC)	Delaware
Enthusiast Commerce, LLC (wholly owned subsidiary of IA Tech, LLC)	Delaware
Outdoors Online, LLC f/k/a GunBroker.com, LLC (wholly owned subsidiary of IA Tech, LLC)	Delaware
S&T Logistics, LLC (wholly owned subsidiary of IA Tech, LLC)	Delaware
Outdoor Liquidators, LLC (wholly owned subsidiary of Enthusiast Commerce, LLC)	Delaware
Outsource Commerce, LLC (wholly owned subsidiary of Enthusiast Commerce, LLC)	Delaware
RightFit Direct, LLC (wholly owned subsidiary of Enthusiast Commerce, LLC)	Delaware

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-251677 and No. 333-277078) and Form S-3 (No. 333-252786) of Outdoor Holding Company of our report dated June 21, 2026, relating to the consolidated financial statements of Outdoor Holding Company as of and for the year ended March 31, 2026, which appears in this Form 10-K.

/s/ WithumSmith+Brown, PC

San Francisco, CA
June 21, 2026

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statements of Outdoor Holding Company on Forms S-8 (No. 333-251677 and No. 333-277078) and the Registration Statement of Outdoor Holding Company on Form S-3 (No. 333-252786), of our reports dated June 16, 2025, with respect to the consolidated financial statements and the effectiveness of Outdoor Holding Company's internal control over financial reporting appearing in the Annual Report on Form 10-K of Outdoor Holding Company for the year ended March 31, 2025.

During 2025, we entered into a transaction with WithumSmith+Brown, P.C. ("Withum") pursuant to which certain of our professional staff and partners joined Withum due to the acquisition of certain of our assets by Withum. As such, we have not performed any audit procedures with respect to any financial statements appearing in the Annual Report on Form 10-K for the periods after the date of our transaction.

/s/ PANNELL KERR FORSTER OF TEXAS, P.C.

Houston, Texas
June 21, 2026

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
EXCHANGE ACT RULES 13a-14(a) and 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Steven F. Urvan, certify that:

1. I have reviewed this Annual Report on Form 10-K of Outdoor Holding Company.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 21, 2026

By: /s/ Steven F. Urvan
Name: Steven F. Urvan
Title: Chief Executive Officer (Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO
EXCHANGE ACT RULES 13a-14(a) and 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Paul J. Kasowski, certify that:

1. I have reviewed this Annual Report on Form 10-K of Outdoor Holding Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 21, 2026

By: /s/ Paul J. Kasowski
Name: Paul J. Kasowski
Title: Chief Financial Officer (Principal Financial Officer)

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with Annual Report of Outdoor Holding Company (the “ Company”) on Form 10-K for the period ended March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned Steven F. Urvan, Chief Executive Officer (Principal Executive Officer) of the Company, certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13a-14(b) or 15d-14(b) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 21, 2026

By: /s/ Steven F. Urvan
Name: Steven F. Urvan
Title: Chief Executive Officer (Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with Annual Report of Outdoor Holding Company (the “ Company”) on Form 10-K for the period ended March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned, Paul J. Kasowski, Chief Financial Officer (Principal Financial Officer) of the Company, certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13a-14(b) or 15d-14(b) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 21, 2026

By: /s/ Paul J. Kasowski
Name: Paul J. Kasowski
Title: Chief Financial Officer (Principal Financial Officer)