

MARCH 2024

Strategic Transformation Plan Update

allbirds

This presentation contains “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are based on our management’s current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives and financial needs. All statements contained in this presentation other than statements of historical facts, including statements regarding our product and brand strategy; efforts to optimize U.S. stores and slow pace of openings; transition from a direct go-to-market model to third party distributor model; capital efficiency and productivity activities; rationalizing our retail fleet; retail store closures; next steps in our transformation plan; illustrative P&L and sales and EBITDA curves for our international transitions; SG&A reductions; marketing campaigns; estimated and/or targeted cost savings; COGS reductions; product line and core franchise management; long-term goals; targets and guidance, including revenue, gross profit, cash flow profitability, cash position and EBITDA; our 2025 vision. These forward-looking statements are subject to a number of risks, uncertainties and assumptions including our ability to execute our strategic transformation plans, simplification initiatives or our long-term growth strategy; our ability to attract new customers, retain existing customers, or maintain or increase sales to customers; fluctuations in our operating results; our ability to achieve financial outlook and guidance targets; our ability to successfully transition to a distributor model in certain international markets; our ability to achieve our cost savings targets; economic uncertainty in our key markets; impairment of long-lived assets; the strength of our brand; our net losses since inception; the competitive marketplace; our reliance on technical and materials innovation; our use of sustainable high-quality materials and environmentally friendly manufacturing processes and supply chain practices; our ability to attract new customers and increase sales to existing customers; the impact of climate change and government and investor focus on sustainability issues; our ability to anticipate product

trends and consumer preferences, including with respect to the product launches we have planned; and our ability to forecast consumer demand. Moreover, we operate in a very competitive and rapidly changing environment in which new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause our actual results or performance to differ materially from those contained in any forward-looking statements we may make.

Further information on these risks and other factors that could cause our financial results, performance, and achievements to differ materially from any results, performance, or achievements anticipated, expressed, or implied by these forward-looking statements is included in the filings we make with the SEC, including our Quarterly Report on Form 10-Q for the quarter ended September 30, 2023, and future reports we may file with the SEC from time to time. The forward-looking statements contained in this presentation are made as of March 12, 2024. If this presentation is reviewed after March 12, 2024, even if made available by us, on our website or otherwise, it may not contain current or accurate information. We disclaim any obligation to update or revise any forward-looking statement based on new information, future events or otherwise, except as required by applicable law. We may not actually achieve the plans, intentions or expectations disclosed in or expressed by, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments.

In addition, this presentation contains certain “non-GAAP financial measures.” The non-GAAP measures are presented for supplemental informational purposes only. Reconciliations to the most directly

comparable financial measure calculated and presented in accordance with GAAP are provided at the end of this presentation.

This presentation includes market data and other statistical information from our own internal estimates and research as well as surveys conducted by third parties. While we believe that surveys conducted by third parties are reliable, we have not independently verified third-party sources. While we believe our internal company research is reliable and the definitions of our market and industry are appropriate, neither such research nor these definitions have been verified by any independent source.

“The Company made meaningful progress in 2023 both operationally and financially, ending the year in a much stronger position. With the transformative actions we completed over the past year, coupled with world-class leadership, I am confident in the team, and in particular, Joe Vernachio’s stewardship of the brand for this next chapter for Allbirds. We entered 2024 with a strong cash position, healthy inventory composition and volume, and a strengthened foundation. Looking ahead, Joe’s focus on growth and rebuilding consumer momentum through compelling products and storytelling is what the company needs now, and sets Allbirds up to achieve durable, profitable growth and create value for our shareholders.”

JOEY ZWILLINGER, CO-FOUNDER

TRANSFORMATION HIGHLIGHTS

Cleaned up inventory; ended 2023 with healthy levels and composition

Significantly reduced operating cash use

Transitioned two international regions from direct selling to a distributor model

Exercised cost discipline; tracking to 2025 COGS and SG&A savings targets

Released Wool Runner 2 in Q4’ 23, the first iteration of our refreshed product strategy

Q4’ 23:
FY’ 23:

NET REVENUE

\$72M/-15% YoY
\$254M/-15% YoY

NET LOSS/ADJ EBITDA¹ LOSS

\$57M/\$20M
\$152M/\$78M

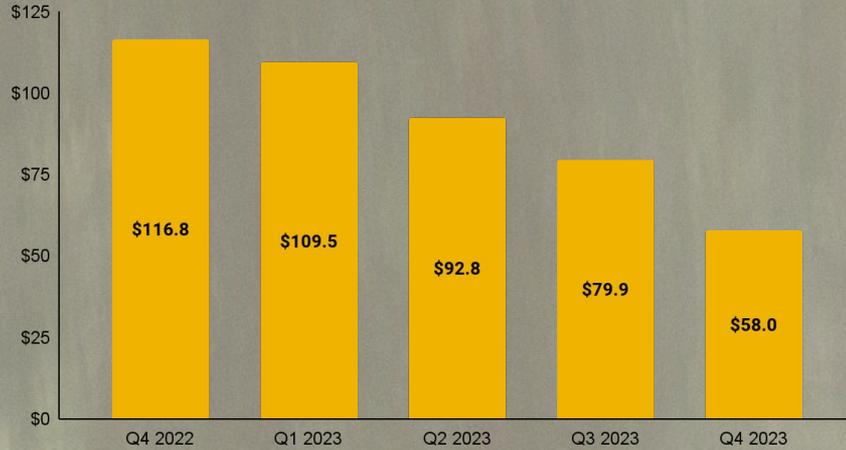
OPERATING CASH USE

\$5M/-44% YoY
\$30M/-66% YoY

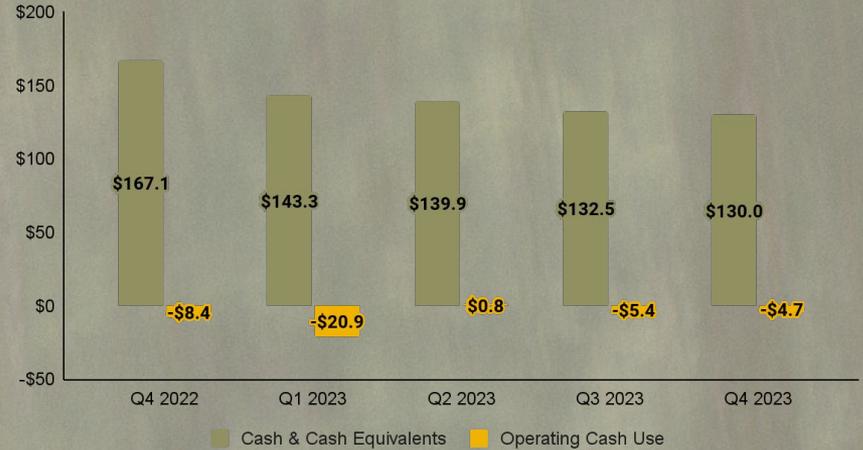
INVENTORY

Dec. 31 2023
\$58M/-51% YoY

Inventory



Cash & Cash Equivalents and Operating Cash Use



- Optimize U.S. Distribution and Store Profitability
- Evaluate Transition of International Go-to-Market Strategy
- Improve Cost Savings and Capital Efficiency
- Reignite Product and Brand

Balancing our U.S. Marketplace

Strategies

- Focus on highest performing locations and drive four-wall profitability
- Increase penetration of omni-channel customers
- Partner with marquee retailers to meet new consumers and increase brand awareness

Execution

- Analyzed the fleet
- Segmented doors
- Created 2024 action plan & initiated negotiations with landlords
- Added Amazon.com as an additional digital marketplace

Next Steps 2024+

- Closing 10-15 Allbirds stores in 2024
- \$7-\$9 million of estimated topline impact in 2024 expected to drive improved fleet profitability
- Expand presence in wholesale channel in tandem with new product introductions

Leaner store portfolio and expanded wholesale will improve profitability, working capital and inventory

○ Markets identified, agreements completed or underway

Strategies

- Transition to a distributor model in certain international markets to increase profitability and capture efficiencies
- Leverage the local expertise and wholesale capabilities of regional distributors to achieve long term and scalable growth
 - Trade-off between short term growth and higher quality revenue
 - Lower operating expense enables strong flow through of gross profit to the bottom line

Execution

- Canada and South Korea transitioned in 2023
- Distribution agreements for Japan and Australia/New Zealand finalized and expected to transition mid-year 2024

Next Steps 2024+

- Maintain direct distribution in U.K.; focus on opportunity in London
- Pursuing opportunities to enter new regions, including Southeast Asia, the Gulf Coast Countries, and to localize in key regional marketplaces across continental Europe

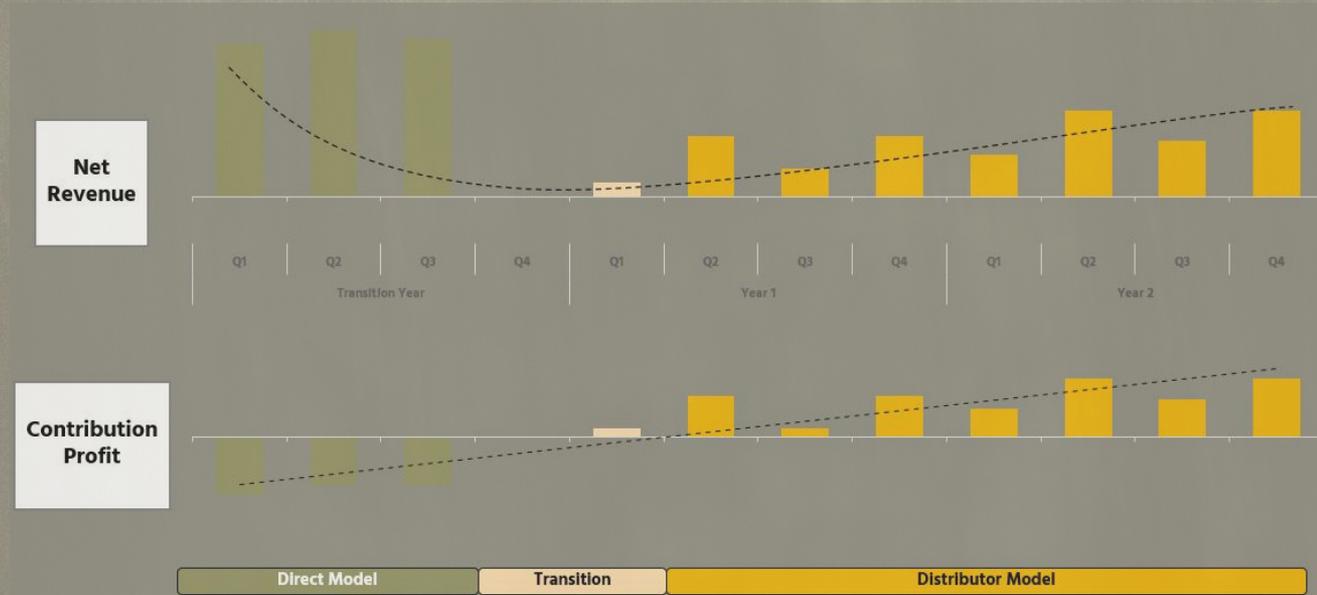
Country	Status	Distributor Name	Transition Date
Canada 	Transitioned	In-Sport Fashion	Q3 2023
South Korea 	Transitioned	EFG	Q3 2023
Japan 	Signed	Goldwin	Mid 2024
Australia / New Zealand  	Signed	Compendium	Mid 2024

INTERNATIONAL TRANSITIONS: ILLUSTRATIVE NET REVENUE AND CONTRIBUTION PROFIT CURVE*

Net revenue decline short term with the transition from selling directly to consumers to selling to distributors at lower pricing.

Volume is expected to begin ramping ~2-3 quarters following the transition date.

Distributor purchasing patterns are seasonally strong in Q2 & Q4.



*Note: Data reflected in the charts is purely illustrative and intended to showcase the international transition from a Direct to a Distributor model.

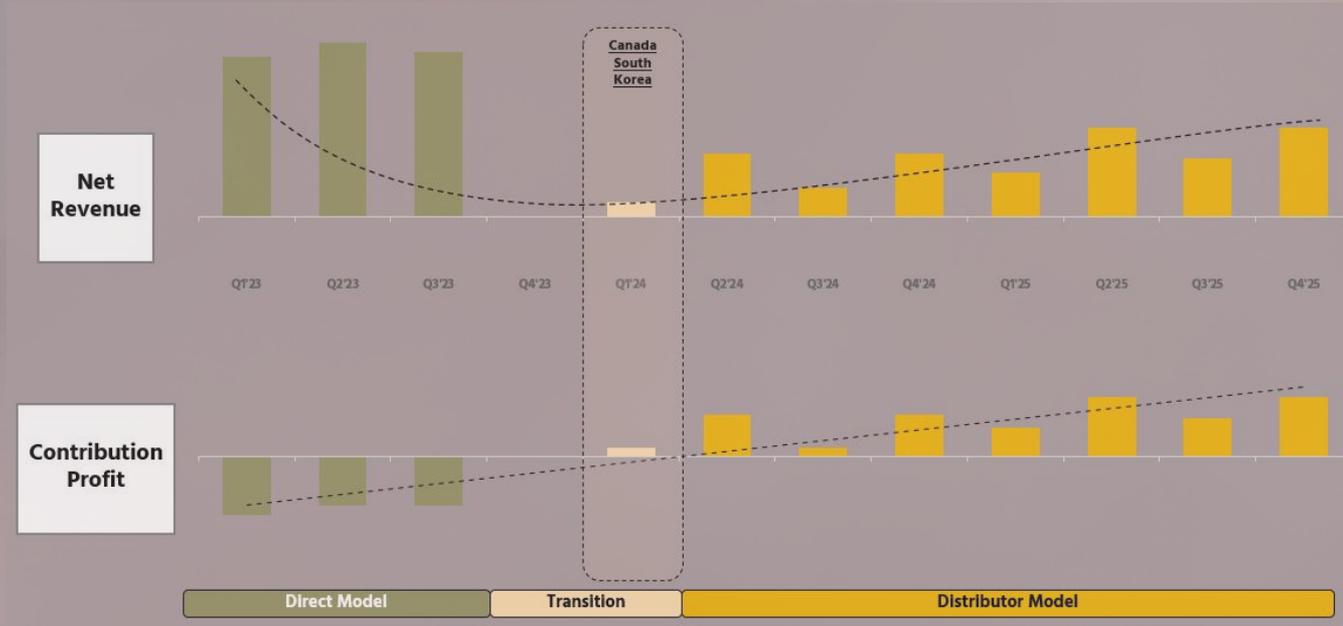
INTERNATIONAL TRANSITIONS:

ILLUSTRATIVE SALES AND CONTRIBUTION PROFIT CURVE*

Finalized agreements with Canada and South Korea in Q3'23.

Transition period Q4'23 & Q1'24

Expected ramp beginning in Q2'24



*Note: Data reflected in the charts is purely illustrative and intended to showcase the international transition from a Direct to a Distributor model.

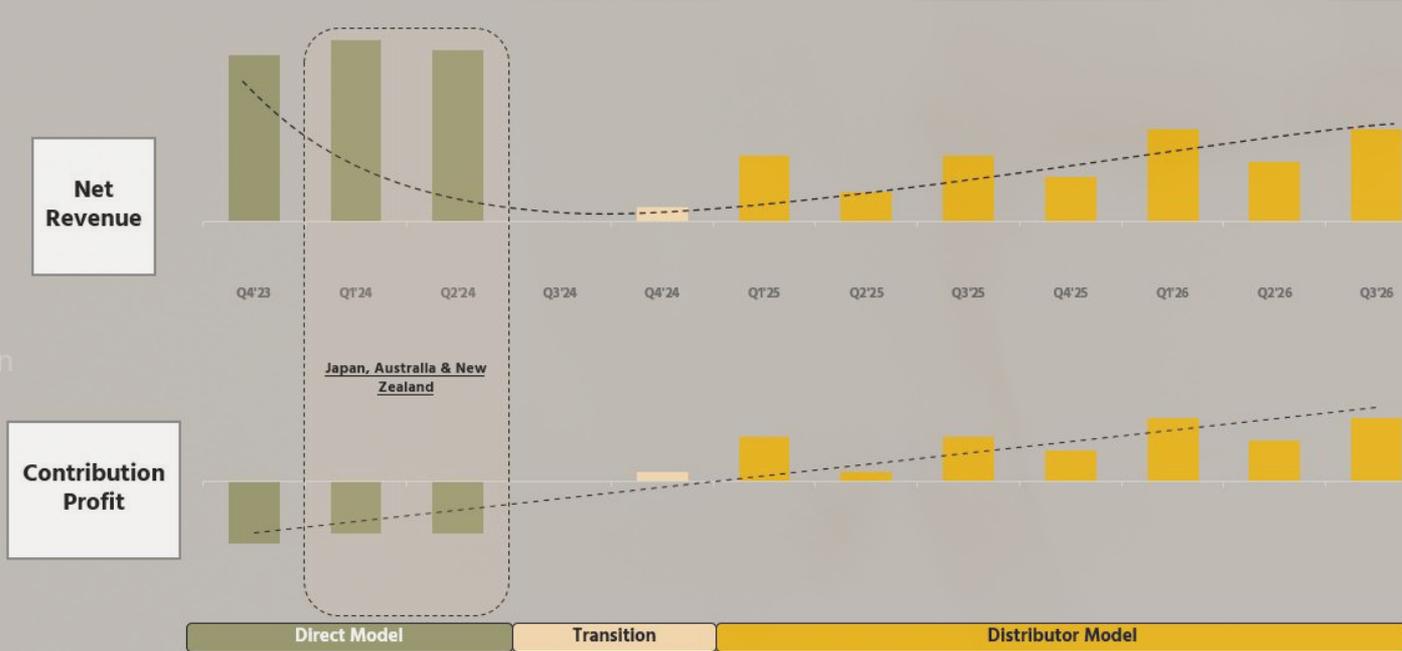
INTERNATIONAL TRANSITIONS

ILLUSTRATIVE SALES AND CONTRIBUTION PROFIT CURVE*

Finalized agreements with Japan and Australia/New Zealand in early '24

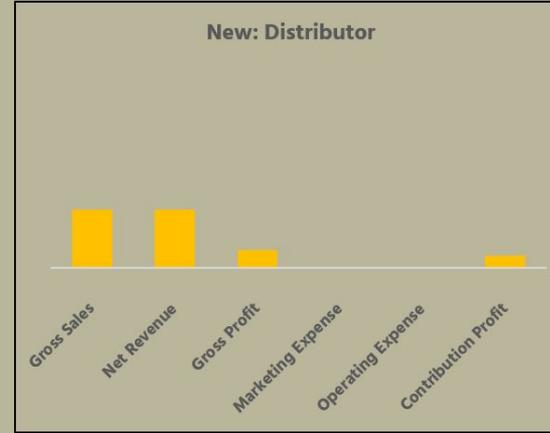
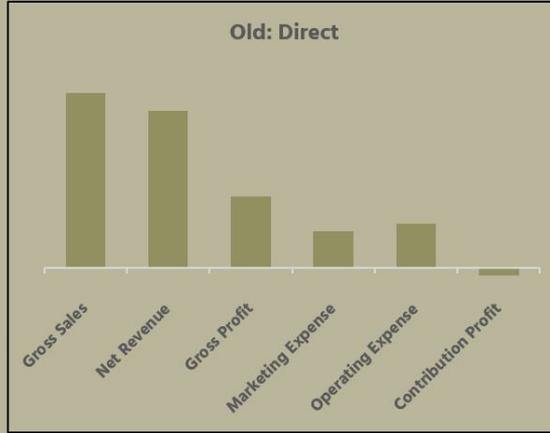
Transition period Q3'24 & Q4'24

Expected ramp beginning in Q1'25



*Note: Data reflected in the charts is purely illustrative and intended to showcase the international transition from a Direct to a Distributor model.

INTERNATIONAL TRANSITIONS: ILLUSTRATIVE P&L*



Net Revenue & Gross Profit	▼	On a one-for-one basis, Allbirds' net revenue and gross profit decline as a result of selling to distributors at lower pricing rather than selling directly to consumers.
Marketing Expense & SG&A Expense	▼	In-region marketing and SG&A costs will reduce to a nominal amount.
Contribution Profit	▲	Despite lower gross profit, with minimal marketing and operating expense, each region is profitable under the new distributor model.

Tough decisions made, 2025 foundation laid

Strategies

- Drive Cost of Goods Sold improvements
- Reduce Selling, General & Administrative expenses
- Optimize cash

Execution

- Shifted factory base to a single, large-scale manufacturing group in Vietnam
- Secured materials innovation, with durability and cost improvements
- Streamlined HQ complexity; reduced headcount
- Implemented cost discipline

Next Steps 2024+

- Close 10-15 U.S. retail stores
- Complete transitions to a distributor model in international markets
- Continue to exercise strict cost control

\$15-20M of SG&A¹ savings and \$20-25M of COGS² savings by 2025

⁽¹⁾ Compared to our run rate at end of 2022

⁽²⁾ On a volume-neutral basis compared to 2022

○ Driving resonance with the consumer in 2024 and beyond

Strategies

- Transition to a “franchise offense” approach, driving energy through the core and increasing SKU productivity
- Upgrade and elevate core franchise silhouettes
- Rebuild organic demand via upper funnel marketing investment
- Drive consideration with *her* via gender-differentiated colorways and unique silhouettes

Prior Execution

- Inventory down 51% YOY as of year end
- Updated and elevated product launches
 - Wool Runner 2
 - Core franchise extensions
- Introduced influencer campaign

Next Steps 2024+

- Deliver refreshed product line to consumers
- Establish a clear, connected narrative across brand and product
- Invest in Upper Funnel to coincide with innovation pipeline
- Authenticate and amplify the brand through our influencer program

Laying new groundwork in 2024

- Taking deliberate actions to drive long-term, profitable growth through store optimization and international transitions
- Delivering product innovation
- Driving improvement in gross margins

Our 2025 Vision

- Fresh, innovative & cohesive product offerings
- Optimized U.S. distribution
- More efficient and profitable international model
- Enhanced gross margins and improved cost structure

Full Year 2024 Guidance

TOTAL NET REVENUE ¹	\$190 - \$210 Million
INTERNATIONAL NET REVENUE	\$40 - \$45 Million
US NET REVENUE	\$150 - \$165 Million
GROSS MARGIN	42% - 45%
ADJUSTED EBITDA ²	(\$78) - (\$63) Million

¹Net revenue guidance by geography is being provided in 2024 only.

²A reconciliation of these non-GAAP financial measures to corresponding GAAP financial measures is not available on a forward-looking basis without unreasonable effort as we are currently unable to predict with a reasonable degree of certainty certain expense items that are excluded in calculating adjusted EBITDA, although it is important to note that these factors could be material to our results computed in accordance with GAAP.

Q1 2024 Guidance

TOTAL NET REVENUE ¹	\$37 - \$42 Million
INTERNATIONAL NET REVENUE	\$9 - \$11 Million
US NET REVENUE	\$28 - \$31 Million
ADJUSTED EBITDA ²	(\$27) - (\$23) Million

¹Net revenue guidance by geography is being provided in 2024 only.

²A reconciliation of these non-GAAP financial measures to corresponding GAAP financial measures is not available on a forward-looking basis without unreasonable effort as we are currently unable to predict with a reasonable degree of certainty certain expense items that are excluded in calculating adjusted EBITDA, although it is important to note that these factors could be material to our results computed in accordance with GAAP.

OUR LEADERSHIP TEAM



Joe Vernachio
Chief Executive Officer,
Director



Tim Brown
Co-Founder,
Chief Innovation Officer,
Director



Annie Mitchell
Chief Financial Officer



Kelly Olmstead
Chief Marketing Officer



Benny Joseph
Chief Technology &
Culture Officer



Adrian Nyman
Chief Design
Officer



THANK YOU

Reconciliation of GAAP to Non-GAAP Financial Measures

	Three Months Ended December 31,	Year Ended December 31,
<i>in thousands</i>	2023	2023
Net loss	-\$56,779	-\$152,458
Add (deduct):		
Stock-based compensation expense	3,684	19,346
Depreciation and amortization expense	5,789	21,058
Impairment expense	27,392	27,392
Restructuring expense	1,243	6,757
Loss from sales of businesses	415	2,761
Other expense (income)	138	-4,076
Interest (income) expense	-1,115	436
Income tax provision (benefit)	-297	334
Adjusted EBITDA	-\$19,530	-\$78,450