

Q1 2023

**Supplemental
Financial
Presentation**

April 27, 2023



SAFE HARBOR

The Company claims the protection of the safe-harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

The information in this presentation contains certain forward-looking statements. These statements discuss, among other things, expectations with respect to sales, operating margin rate, net income and earnings.. These forward-looking statements are based on estimates, projections, beliefs and assumptions, and may be affected by risks or uncertainties including, but not limited to, competition, product demand, economic conditions, rising interest rates, the ability to open new stores, the effectiveness of merchandising and marketing initiatives, the ability to realize operational efficiencies, difficulties in integration of Orscheln Farm and Home, inflationary and deflationary pressures, consumer debt levels, ability to hire and retain qualified employees, increasing labor and benefit costs, weather, the imposition of tariffs on imported products, etc. The Company intends these forward-looking statements to speak only as of the time of the presentation and does not undertake any obligation to update or revise them after the date hereof or as more information becomes available.

Actual results may differ materially from anticipated results described in these forward-looking statements. As a result, all of the forward-looking statements made are qualified by these cautionary statements and those contained in the Risk Factors section of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as filed with the Securities and Exchange Commission.





FOR LIFE OUT HERE™

Q1 2023 Overview

Consistent Demand for Core Year-Round Products

Market Share Gains Continued

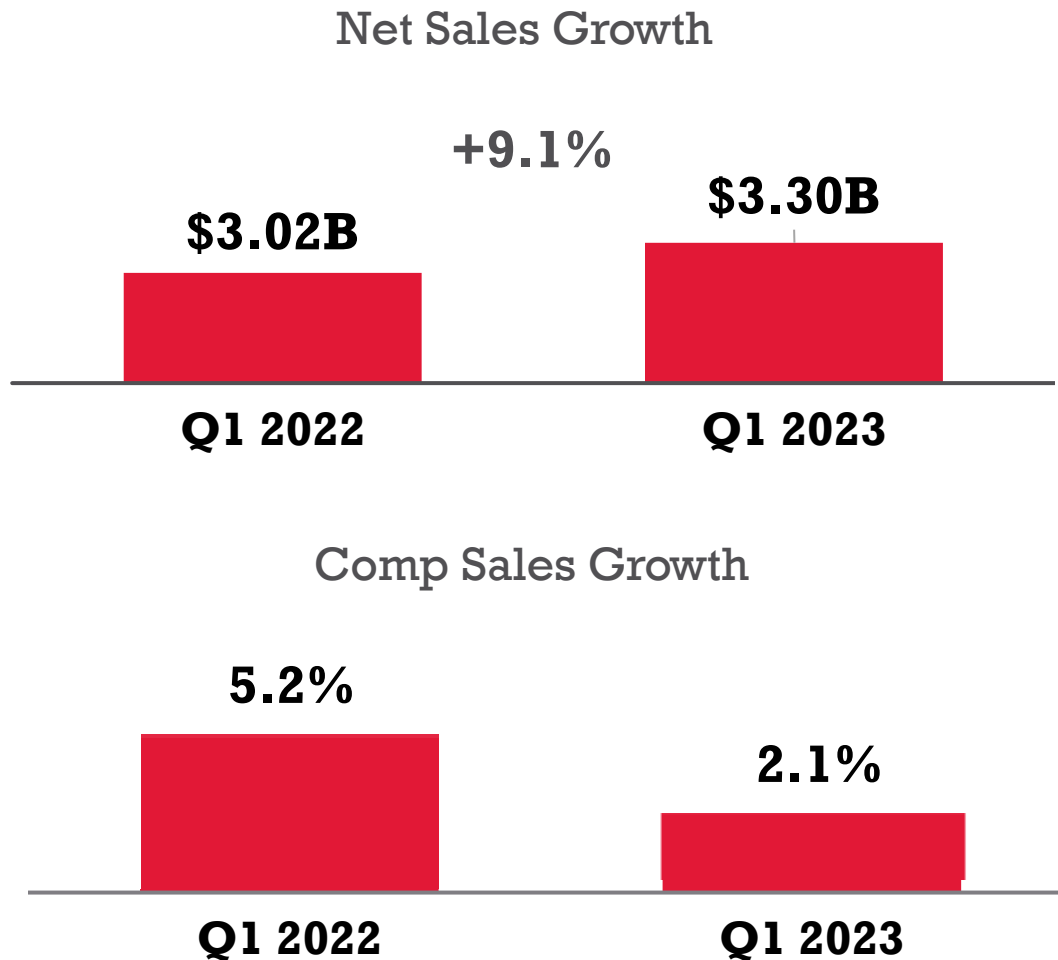
Continued Progress on Life Out Here Strategy

Confirmed Full Year 2023 Outlook

Released 4th Annual “Stewards of Life Out Here” Tear Sheet

Q1 2023 Performance

Sustained Sales Growth



Highlights

Non-Comp Sales Increased From New Store Growth and Orscheln Farm & Home Acquisition

Comparable Ticket Up 2.8%

Customer Traffic Decreased 0.7%

C.U.E. Products Posted Highest Gains

Q1 2023 Performance

Broad-Based Strength in Customer Trends



TOTAL MEMBERS

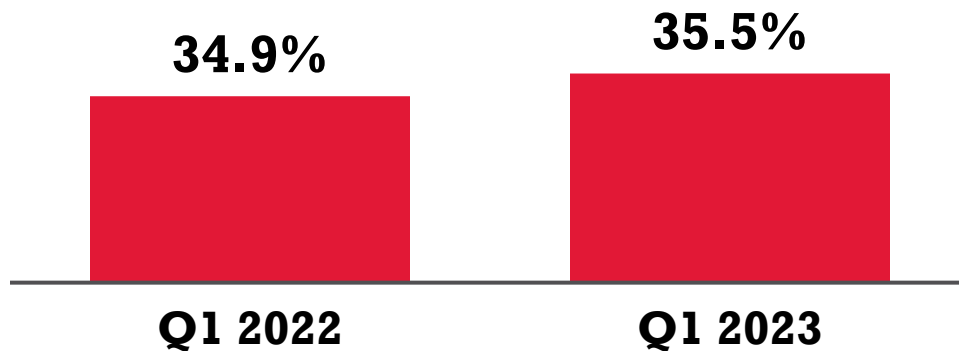
29M+

+4.9M YoY

Q1 2023 Performance

Gross Margin

+52 bps Expansion



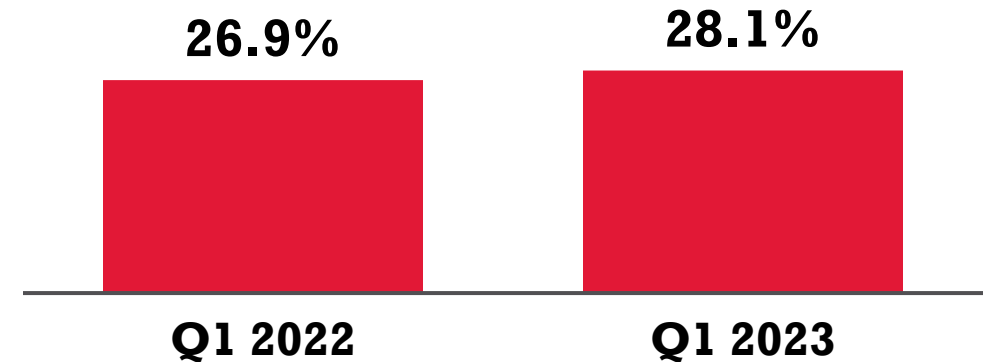
Key Drivers

- Consistent Execution of Everyday Low Price Strategy and Lower Transportation Costs Offset:
 - Product Cost Inflation
 - Product Mix from Growth of C.U.E. Products

SG&A Expenses

as a % of net sales

-119 bps Deleverage



Key Drivers

- Planned Investments in Strategic Growth Initiatives
- Onboarding New Distribution Center
- Impact of Orscheln Farm and Home Acquisition
- Deleverage from Moderate Comp Sales Growth

Q1 2023 Performance

Operating Margin

-67 bps

8.1%

7.4%

Q1 2022

Q1 2023

Net Income

-2.2%

\$187M

\$183M

Q1 2022

Q1 2023

Diluted EPS

Unchanged

\$1.65

\$1.65

Q1 2022

Q1 2023

FOR LIFE OUT HERE™



CONFIRMED FULL-YEAR 2023 OUTLOOK



Net Sales	\$15.0B to \$15.3B
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Comparable Store Sales	+3.5% to +5.5%
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Operating Margin Rate	10.1% to 10.3%
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Net Income	\$1.13B to \$1.17B
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Diluted Earnings Per Share	\$10.30 to \$10.60
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LIFE *Out* **HERE** STRATEGY

We are committed to being an integral part of our customers' lives as the dependable supplier of Out Here Lifestyle solutions.

Anytime • Anywhere • Anyway



Deliver Legendary Customer Experiences



Advance Our ONETractor Capabilities



Operate the Tractor Way



Go the Country Mile for Our Team



Generate Healthy Shareholder Return



FOR LIFE OUT HERESM

