From: AFNEWS

Subject: Merchandising Update

Date: Friday, February 19, 2021 1:52:22 PM

A AMERICAN FREIGHT

Lauren Pollard Chief Merchandising Officer American Freight Stores, LLC 680 Sunbury Road Delaware, OH 43015

To: All American Freight Team Members

Subject: Merchandising Update

I wanted to provide you with an update on the current manufacturing environment and how this will impact the inventory levels in our stores. As you all know, this week many parts of the US experienced a major winter storm leading to power outages, port closures, shipping delays, and manufacturing facility shutdowns. While we have been working on strategic plans to minimize the impact this will have in our stores, we wanted to let you know about upcoming inventory delays.

This past week, more than 250 of our scheduled Furniture and Mattress trucks were delayed due to weather-related issues. Several of our manufacturing vendors have shut down and have not been able to produce new product. Due to these events, there will most likely be inventory delays over the next few weeks in all categories.

We understand the frustration this creates, especially with tax season approaching. As always, we will fight through this headwind. We are working diligently with our vendors and urging them to prioritize American Freight. We hope to pick up inventory as soon as this weekend and will continue to fight for every opportunity to receive additional product to ship to stores as quickly as possible.

The good news is warmer weather is on the horizon for southern states next week, which will allow the manufacturing facilities to reopen and resume product flow. Thank you for your understanding and patience during this time.

Sincerely,

Lauren Pollard
Chief Merchandising Officer