



Duluth Holdings Provides Business Update Related to COVID-19

April 10, 2020

MOUNT HOREB, Wis., April 10, 2020 (GLOBE NEWSWIRE) -- Duluth Holdings Inc. (dba, Duluth Trading Company) ("Duluth Trading") (NASDAQ: DLTH), a lifestyle brand of men's and women's casual wear, workwear and accessories, today announced additional measures to ensure its business and financial resiliency during the rapidly escalating impact of the COVID-19 pandemic.

"As we entered fiscal 2020, no one could have anticipated the severe impact of COVID-19 on our citizens and country. The retail sector deemed 'non-essential' has been especially hard hit and there is no clear line-of-sight to recovery. In this challenging time, our management and board had to make some difficult but necessary decisions to safeguard our long-term outlook. While I am confident in our brand and the resiliency of our Company, we are taking additional precautions to prepare for extended business disruption in our retail stores. We are fortunate to have a strong online presence to provide uninterrupted and outstanding service to our customers, as we all weather this pandemic together," said Steve Schlecht, Executive Chairman and Chief Executive Officer of Duluth Trading.

As previously reported, the Company closed its stores on March 20, 2020 to protect its employees and customers. As a result, hourly store employees were temporarily laid off and provided with two weeks of pay. They will have the opportunity to be re-hired as soon as the retail stores are safe to re-open in accordance with state and local regulations. Duluth Trading continues to serve its customers through its online business, and its distribution centers remain fully operational. On April 6, the Company provided staff at its distribution centers with a \$2.50 hourly premium while Duluth Trading stores remain closed.

Additional measures to ensure business and financial resiliency include:

- Six-month pay reduction for senior leadership ranging from 10 to 20 percent.
- CEO Steve Schlecht will waive all cash compensation for the balance of fiscal 2020.
- The Board of Directors will forego cash retainers for the second and third quarters.
- Furloughs of varying lengths with benefits intact for 68% of salaried staff.
- A permanent 10 percent reduction in corporate staff.
- All operating expenses are under review including price concessions with vendors and reductions in lease expense for its fleet of retail stores.
- To curtail capital expenditures, the Company now plans to open four stores in fiscal year 2020, reducing its previously disclosed plan by one store.

The Company's liquidity position as of April 10, 2020 is \$85 million outstanding on its \$130 million line of credit and \$13 million in cash balance.

About Duluth Trading

Duluth Trading is a rapidly growing lifestyle brand for the Modern, Self-Reliant American. Based in Mount Horeb, Wisconsin, we offer high quality, solution-based casual wear, workwear and accessories for men and women who lead a hands-on lifestyle and who value a job well-done. We provide our customers an engaging and entertaining experience. Our marketing incorporates humor and storytelling that conveys the uniqueness of our products in a distinctive, fun way, and our products are sold exclusively through our content-rich website, catalogs, and "store like no other" retail locations. We are committed to outstanding customer service backed by our "No Bull Guarantee" - if it's not right, we'll fix it. Visit our website at www.duluthtrading.com.

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts included in this press release, including statements concerning Duluth Trading's plans, objectives, goals, beliefs, business strategies, future events, business conditions, its results of operations, financial position and its business outlook, business trends and certain other information herein are forward-looking statements. You can identify forward-looking statements by the use of words such as "may," "might," "will," "should," "expect," "plan," "anticipate," "could," "believe," "estimate," "project," "target," "predict," "intend," "future," "budget," "goals," "potential," "continue," "design," "objective," "forecasted," "would" and other similar expressions. The forward-looking statements are not historical facts, and are based upon Duluth Trading's current expectations, beliefs, estimates, and projections, and various assumptions, many of which, by their nature, are inherently uncertain and beyond Duluth Trading's control. Duluth Trading's expectations, beliefs and projections are expressed in good faith, and Duluth Trading believes there is a reasonable basis for them. However, there can be no assurance that management's expectations, beliefs, estimates, and projections will be achieved and actual results may vary materially from what is expressed in or indicated by the forward-looking statements. Forward-looking statements are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the forward-looking statements, including, among others, the risks, uncertainties, and factors set forth under Part 1, Item 1A "Risk Factors" in the Company's Annual Report on Form 10-K filed with the SEC on March 20, 2020, and other factors as may be periodically described in Duluth Trading's subsequent filings with the SEC. Forward-looking statements speak only as of the date the statements are made. Duluth Trading assumes no obligation to update forward-looking statements to reflect actual results, subsequent events or circumstances or other changes affecting forward-looking information except to the extent required by applicable securities laws.

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