

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549
FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): **September 4, 2020**

DULUTH HOLDINGS INC.

(Exact name of registrant as specified in its charter)

<u>Wisconsin</u> (State or other jurisdiction of incorporation)	<u>001-37641</u> (Commission File Number)	<u>39-1564801</u> (IRS Employer Identification No.)
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201 East Front Street
Mount Horeb, Wisconsin 53572

(Address of principal executive offices, including zip
code)

Registrant's telephone number, including area code: (608) 424-1544

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class B Common Stock, No Par Value	DLTH	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 7.01 **Regulation FD Disclosure**

On September 4, 2020, Duluth Holdings Inc. issued an Investor Presentation. A copy of the Investor Presentation is attached as Exhibit 99.1, and is incorporated by reference herein.

The information reported in this Form 8-K, including the exhibit, is not deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of that section. Further, the information reported in this Form 8-K, including the exhibit, shall not be deemed to be incorporated by reference into the filings of the registrant under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filings.

Item 9.01 **Financial Statements and Exhibits**

(d) Exhibits

Exhibit No.	Description
99.1	Investor Presentation dated September 4, 2020

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DULUTH HOLDINGS INC.

Dated: September 4, 2020

By: /s/ David Loretta

David Loretta
Senior Vice President and Chief Financial
Officer



A slide for an investor presentation. The background is a textured, parchment-like surface. A black horizontal band across the middle contains the text "Investor Presentation Second Quarter 2020" in white, bold font, and "September 4, 2020" in a smaller white font below it. At the bottom of the slide, there are several overlapping, aged, yellowish papers with faint, illegible text and diagrams, suggesting a historical or research-oriented theme.

Disclaimer

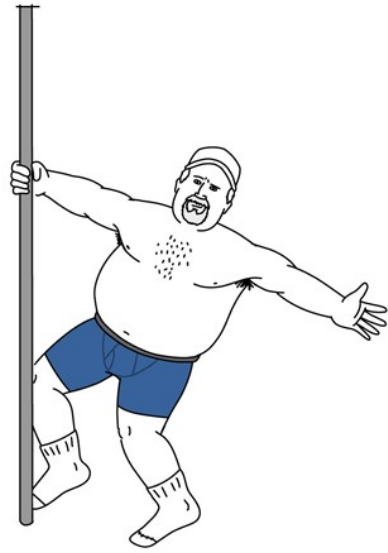
Forward-Looking Statements

This presentation dated September 4, 2020 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 presentation, including statements concerning Duluth Holdings Inc.'s (dba Duluth Trading Company) ("Duluth Trading" or the "Company") 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, including its ability to execute on its growth strategies. 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," "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 Duluth Trading's Annual Report on Form 10-K filed with the SEC on March 20, 2020, Part II, Item 1A "Risk Factors" in our first quarter form 10-Q and our second quarter form 10-Q 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.

Non-GAAP Measurements

Management believes that non-GAAP financial measures may be useful in certain instances to provide additional meaningful comparisons between current results and results in prior operating periods. Within this presentation, reference is made to adjusted earnings before interest, taxes, depreciation and amortization (EBITDA). See Appendix Table "Reconciliation to Adjusted EBITDA," for a reconciliation of net income to EBITDA and EBITDA to Adjusted EBITDA. Adjusted EBITDA is a metric used by management and frequently used by the financial community, which provides insight into an organization's operating trends and facilitates comparisons between peer companies, since interest, taxes, depreciation and amortization can differ greatly between organizations as a result of differing capital structures and tax strategies. Adjusted EBITDA excludes certain items, such as stock-based compensation. The Company provides this information to investors to assist in comparisons of past, present and future operating results and to assist in highlighting the results of on-going operations. While the Company's management believes that non-GAAP measurements are useful supplemental information, such adjusted results are not intended to replace the Company's GAAP financial results and should be read in conjunction with those GAAP results.





Introduction to Duluth Trading Co.

Duluth Trading Co. at a Glance

- Workwear Heritage is the Foundation of our Authentic, Everyday Lifestyle Brand
- Long History of Product Innovation and Solution-Based Design



- Humorous and Distinctive Marketing
- Outstanding and Engaging Customer Experience



- Nationwide Omnichannel Presence with Controlled Distribution



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Investment Highlights

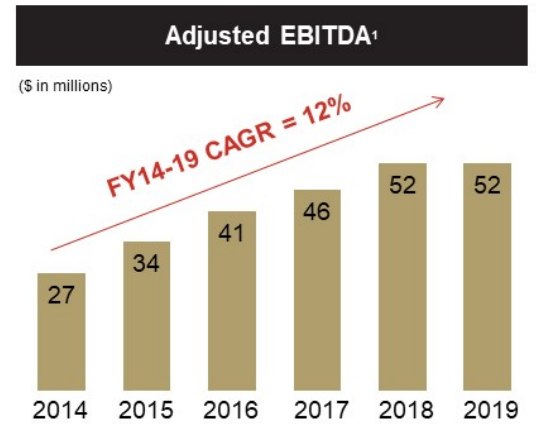
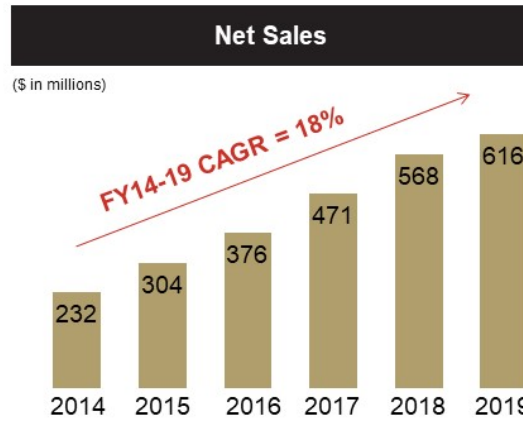
- Growing lifestyle brand with well-established direct business
- Multiple revenue growth opportunities
 - Build brand awareness to expand customer base
 - Expand retail presence with attractive unit economics
 - Grow women's business
 - Broaden men's assortment
- Strategic investments support long-term EBITDA margin expansion
- Strong balance sheet
- Seasoned and passionate management team with meaningful equity stake



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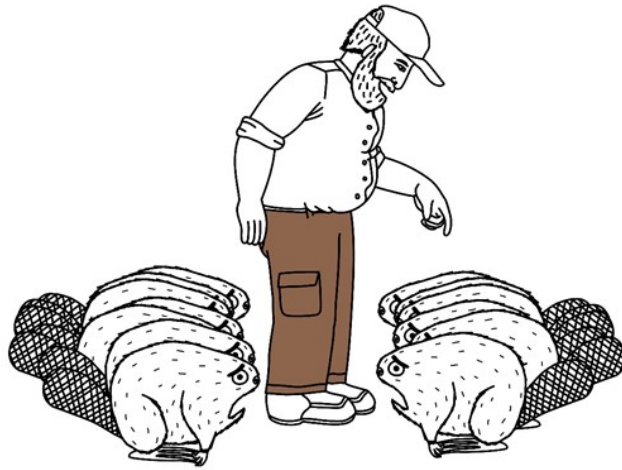
Net Sales and Adjusted EBITDA

- Strong track record of 18% Net Sales and Adjusted EBITDA growth
- Strategic investments support long-term objectives



¹ Adjusted to reflect the add-back of stock compensation expense.

September 4, 2020



Growth Strategy

Growth Strategies

1

Build
Brand
Awareness

2

Expand
Retail
Presence

3

Grow
Women's
Business

4

Broaden
Assortment in
Select Men's
Product
Categories



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Build Brand Awareness

■ Digital Advertising

- Paid-for search and banner ads
- Social media (organic and sponsored)
- Targeted emails



■ TV Advertising

- Strategically placed national ads
- Memorable, humorous ads



■ Catalog

- Captivating storytelling
- Product layouts



■ Local marketing

- Radio and cinema
- In-store events

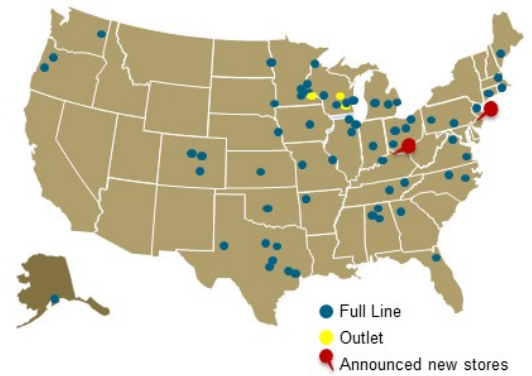


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Expand Retail Presence

- Identified markets with ~100 potential store locations

- Utilize direct segment data to determine markets with existing customer base
- Focus on regions with demographic that aligns with target customer
- Geographic diversity indicates significant white space opportunity



- Highly attractive unit economics

- \$450 net sales per selling square feet in Year 1
- Average 4-wall margin in mid-20's percent
- Average payback < 2 years



- Top 3 Markets: New York, California, Texas



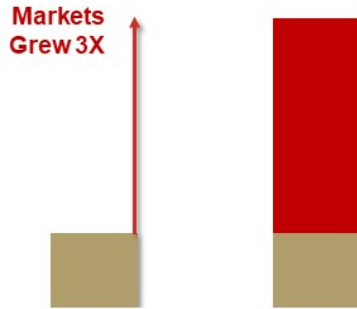
Stores Triple the Size of Markets and Revive Direct Growth Over Time

Total Sales in a store market grow up to 3X with the presence of retail

Direct sales growth accelerates in store markets 18 to 24 months after opening, as evidenced by the higher growth rates in older store markets

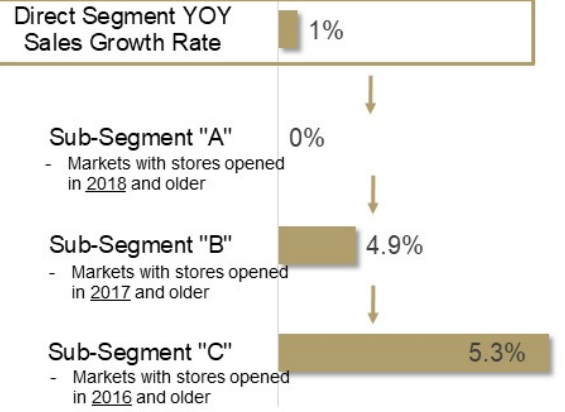
Average Increase in Total Sales in New Store Markets (2013 – 2019) (1)

■ Before Store ■ After Store



(1) Represents combined retail and direct sales in the store market. Excludes shipping revenues.

FY19 vs FY18 (2)



(2) Excludes shipping revenues

Retail Stores Attract New, More Valuable Customers

Retail customers more likely to shop across channels, categories, and spend more



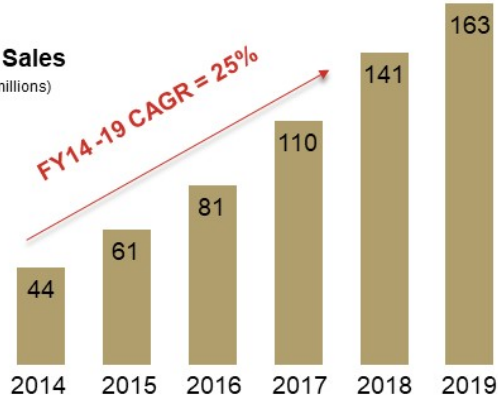
Note: Data based on internal 12-month active buyer file.

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Grow Women's Business

- Net sales increased 17% in 2019
- Continued customer acquisition through marketing investments and retail presence
- Expand product offering to address more of her lifestyle
- Plus sizes grew to 11% of women's sales in Q2 2020

Net Sales
(\$ in millions)



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Broaden Assortments in Select Men's Categories

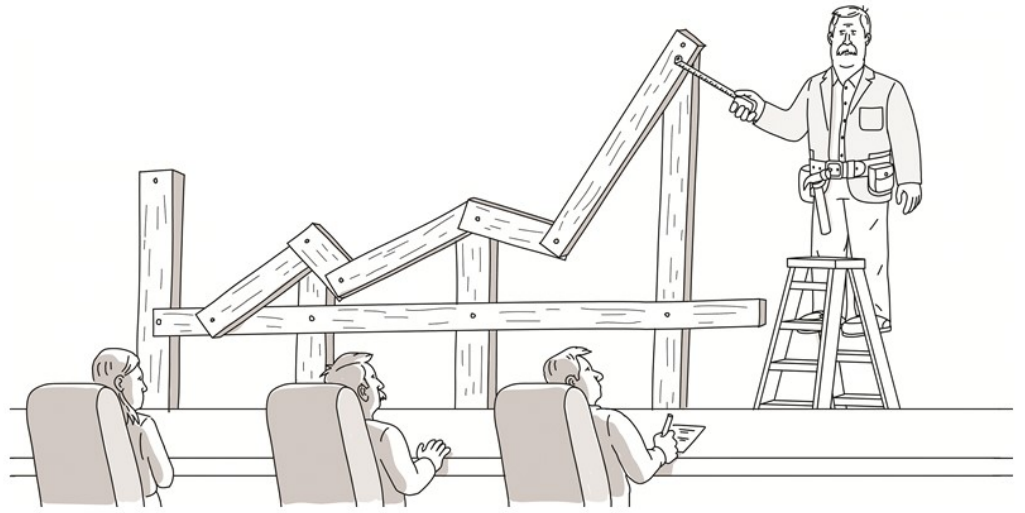
- Net sales increased 8% in 2019
- Extend core products through color, fabric and size
- Increase penetration in spring and transitional product (rain, mid-weight jackets, etc.)
- Continue to introduce products that expand occasions for wear
- Expansion of closet share in sub-brands
 - Duluth-Built Business Wear
 - Alaskan Hardgear brand
 - 40 Grit



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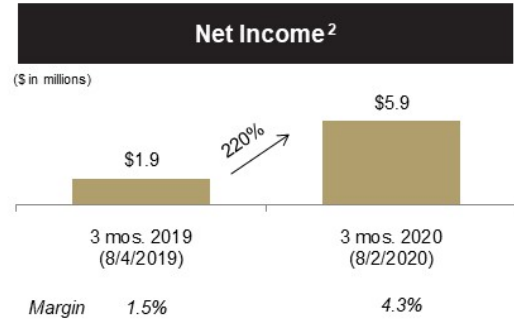
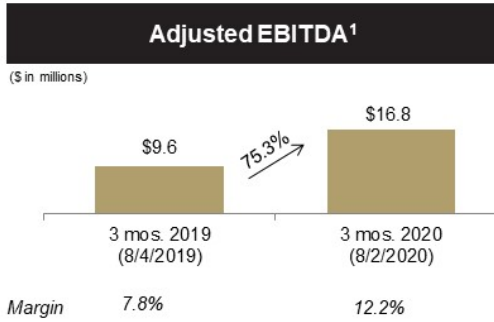
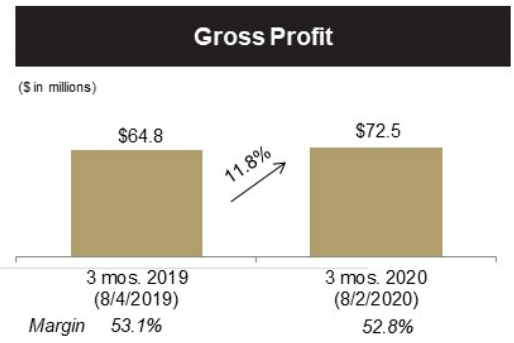
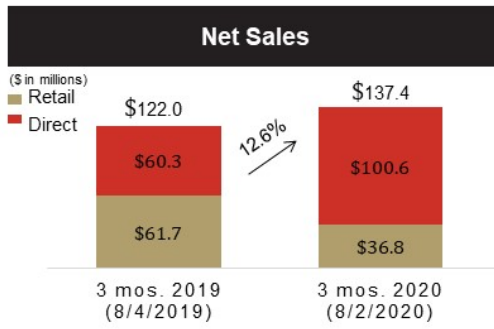
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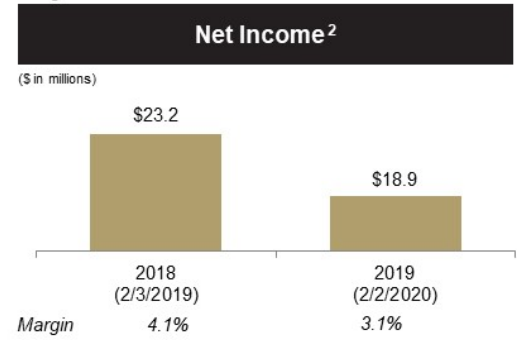
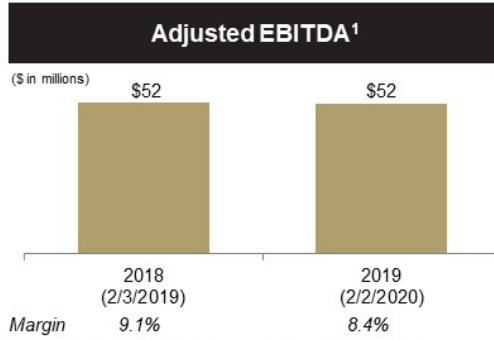
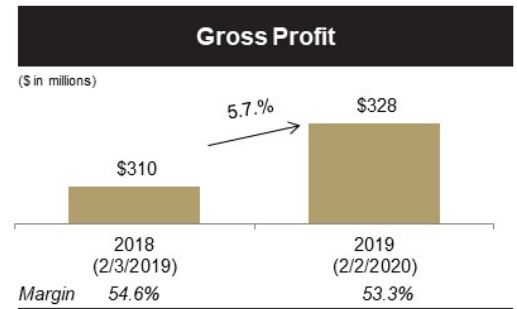
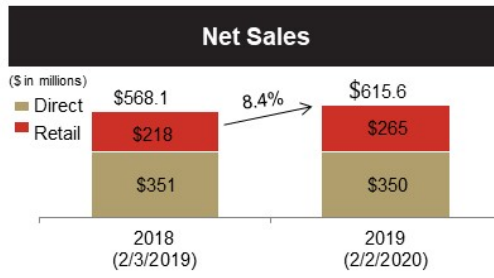
Financial Review

Three Months Ended August 2, 2020



¹ Adjusted to reflect the add-back of stock compensation expense.
² Excludes net income attributable to noncontrolling interest.

Year Ended February 2, 2020



¹ Adjusted to reflect the add-back of stock compensation expense.
² Excludes net income attributable to noncontrolling interest.

Strong Balance Sheet and Liquidity⁽¹⁾

	As of
(\$ in millions)	August 2, 2020
Cash	\$ 19.0
Debt:	
Line of Credit	30.0
Term Loan	49.5
Total Debt	79.5
Total Shareholders' Equity	167.4
Total Capitalization	\$ 246.9
Debt to Capital ratio	32.2%

Commentary

- \$19.0 million of cash with \$79.5 million of debt outstanding¹
- \$150.5 million credit facility (\$80 million line of credit and \$70.5 million of term loan capacity²)



¹ Balances do not include TRI Holding, LLC, a variable interest entity that is consolidated for reporting purposes.

² On April 30, 2020, the Credit Agreement was amended to include an incremental DOTL of \$20.5 million that is available to draw upon before March 31, 2021, and matures on April 29, 2021.



Appendix

Reconciliation to Adjusted EBITDA

	3 Months Ended		6 Months Ended	
	Aug 2, 2020	Aug 4, 2019	Aug 2, 2020	Aug 4, 2019
(\$ in millions)				
Net income (loss)	\$ 5.9	\$ 1.8	\$ (9.3)	\$ (5.8)
(+) Depreciation and amortization	6.6	5.0	13.3	9.4
(+) Interest expense	1.8	1.2	3.1	1.6
(+) Amortization of build-to-suit leases capital contribution	0.2	0.3	0.4	0.5
(-/+) Income tax benefit (expense)	1.9	0.7	(3.2)	(2.0)
EBITDA	\$ 16.3	\$ 9.0	\$ 4.3	\$ 3.7
(+) Stock based compensation	0.4	0.6	0.9	1.0
Adjusted EBITDA	\$ 16.8	\$ 9.6	\$ 5.2	\$ 4.7



Announced Store Openings

<u>Location</u>	<u>Timing</u>	<u>Gross Sq Ft</u>
Friendswood, TX	Opened March 7, 2019	16,026
Katy, TX	Opened March 8, 2019	16,000
Wichita, KS	Opened March 21, 2019	15,385
Spokane Valley, WA	Opened April 11, 2019	15,656
Jacksonville, FL	Opened May 2, 2019	14,557
Rogers, AR	Opened May 16, 2019	15,656
Danbury, CT	Opened May 23, 2019	9,792
Madison, AL	Opened June 6, 2019	15,656
Kennesaw, GA	Opened June 28, 2019	20,041
Round Rock, TX	Opened September 5, 2019	15,536
Hoover, AL	Opened September 26, 2019	15,656
Sandy, UT	Opened November 1, 2019	15,602
Bloomington, MN	Opened November 7, 2019	1,663
Franklin, TN	Opened November 14, 2019	11,940
Knoxville, TN	Opened November 15, 2019	15,385
Henrico, VA	Opened March 5, 2020	16,828
Springfield, OR	Opened August 14, 2020	20,388
Orland Park, IL	Opened August 20, 2020	10,000
Florence, KY	Q3 Fiscal 2020	11,441
Cherry Hill, NJ	Fiscal 2021	11,441



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