

**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): March 11, 2025

DULUTH HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Wisconsin
(State or other jurisdiction
of incorporation)

001-37641
(Commission
File Number)

39-1564801
(IRS Employer
Identification No.)

201 East Front Street
Mount Horeb, Wisconsin 53572
(Address of principal executive offices, including zip code)

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

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 (*see* General Instruction A.2. below):

- 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 2.02 Results of Operations and Financial Condition.

On March 13, 2025, Duluth Holdings Inc. (the “Company” or “Duluth Trading”) issued a press release (the “Earnings Press Release”) discussing, among other things, its financial results for its fiscal fourth quarter and fiscal year ended February 2, 2025. A copy of the Earnings Press Release is furnished as Exhibit 99.1 to this report.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.*Retirement of President and Chief Executive Officer*

On March 11, 2025, Mr. Samuel M. Sato informed the Company that he is retiring as President and Chief Executive Officer and as a member of the Board of Directors (the “Board”), with such retirement to be effective on April 25, 2025. Mr. Sato’s decision was not related to any disagreements with the Company or its management on any matters relating to the Company’s operations, policies, or practices. A search process for the selection of a new President and Chief Executive Officer has been initiated by the Company.

Appointment of Chief Executive Officer

The Board appointed Mr. Stephen L. Schlecht as Interim Chief Executive Officer of the Company in addition to his role as Senior Advisor to the Company, effective April 25, 2025, unless the Board appoints a permanent Chief Executive Officer prior to such date. During the transition period, Mr. Schlecht will assume day-to-day leadership of the Company. Mr. Schlecht, age 77, is the Company’s Founder and former Chief Executive Officer. Mr. Schlecht’s biography is set forth under the heading “Proposal One: Election of Directors – Nominees for Director” in the Company’s Proxy Statement for the 2024 Annual Meeting of Shareholders, filed with the Securities and Exchange Commission on April 5, 2024, which information is incorporated herein by reference. Since January 30, 2023, there have been no transactions, and there are no currently proposed transactions, to which the Company was or is a participant and in which Mr. Schlecht had or is to have a direct or indirect material interest that would require disclosure pursuant to Item 404(a) of Regulation S-K, except as disclosed under the heading “Certain Relationships and Related Party Transactions” in the Company’s Proxy Statement for the 2024 Annual Meeting of Shareholders, filed with the Securities and Exchange Commission on April 5, 2024, which information is incorporated herein by reference. Mr. Schlecht will receive no additional compensation for serving as Interim Chief Executive Officer.

The Company’s press release announcing Mr. Sato’s retirement and Mr. Schlecht’s appointment is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On March 13, 2025, the Company issued an Investor Presentation. A copy of the Investor Presentation is attached as Exhibit 99.3 and is incorporated by reference herein.

The information reported in Items 2.02 and 7.01 of this Form 8-K, including Exhibits 99.1 and 99.3, 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 Items 2.02 and 7.01 of this Form 8-K, including the Exhibits 99.1 and 99.3, shall not be deemed to be incorporated by reference into the filings of the registrant under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filings.

Forward Looking Information

Certain matters discussed in this Current Report on Form 8-K and other oral and written statements by representatives of the Company including, but not limited to, the Company’s ability to meet its fiscal 2025 expectations (including its ability to achieve its projected net sales, adjusted EBITDA, and diluted EPS) and its ability to execute on its growth strategies and its long-term growth targets, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. 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 occur or 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 22, 2024 and other factors as may be periodically described in Duluth Trading’s subsequent filings with the SEC. These risks and uncertainties include, but are not limited to, the following: the impact of inflation and measures to control inflation on our results of operations; the prolonged effects of economic uncertainties on store and website traffic; disruptions to our distribution network, supply chains and operations; failure to effectively manage inventory levels; our ability to maintain and enhance a strong brand and sub-brand image; adapting to declines in consumer confidence, inflation and decreases in consumer spending; disruptions to our e-commerce platform; our ability to meet customer delivery time expectations; our ability to properly allocate inventory throughout our distribution network to fulfill customer demand; our failure to meet our debt covenant ratios; natural disasters, unusually adverse weather conditions, boycotts, prolonged public health crises, epidemics or pandemics and unanticipated events; generating adequate cash from our existing stores and direct sales to support our growth; the impact of changes in corporate tax regulations and sales tax; identifying and responding to new and changing customer preferences; the success of the locations in which our stores are located; effectively relying on sources for merchandise located in foreign markets; transportation delays and interruptions, including port congestion; our inability to timely and effectively obtain shipments of products from our suppliers and deliver merchandise to our customers; the inability to maintain the performance of our maturing store portfolio; our inability to deploy marketing tactics to strengthen brand awareness and attract new customers in a cost effective manner; our ability to successfully open new stores; effectively adapting to new challenges associated with our expansion into new geographic markets; competing effectively in an environment of intense competition or elevated promotions; our ability to adapt to significant changes in sales due to the seasonality of our business; price reductions or inventory shortages resulting from failure to purchase the appropriate amount of inventory in advance of the season in which it will be sold; the potential for further increases in price and lack of availability of raw materials; our dependence on third-party vendors to provide us with sufficient quantities of merchandise at acceptable prices; the susceptibility of the price and availability of our merchandise to international trade conditions including tariffs; failure of our vendors and their manufacturing sources to use acceptable labor or other practices; our dependence upon key executive management or our inability to hire or retain the talent required for our business; increases in costs of fuel or other energy, transportation or utility costs and in the costs of labor and employment; failure of our information technology systems to support our current and growing business, before and after our planned upgrades; disruptions in our supply chain and fulfillment centers; our inability to protect our trademarks or other intellectual property rights; infringement on the intellectual property of third parties; acts of war, terrorism or civil unrest; the impact of governmental laws and regulations and the outcomes of legal proceedings; changes in U.S. and non-U.S. laws affecting the importation and taxation of goods, including imposition of unilateral tariffs on imported goods; our ability to secure the personal and/or financial information of our customers and employees; failure to comply with data privacy regulation; our ability to comply with the security standards for the credit card industry; our failure to maintain adequate internal controls over our financial and management systems; acquisition, disposition, and development risks; and other factors that may be disclosed in our SEC filings or otherwise. 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.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are being furnished with this Current Report on Form 8-K.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Earnings Press Release, dated March 13, 2025
99.2	Press release regarding CEO retirement and Interim CEO appointment, dated March 13, 2025
99.3	Investor Presentation, dated March 13, 2025
104	Cover Page interactive data file (embedded with the inline XBRL document)

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.

Date: March 13, 2025

DULUTH HOLDINGS INC.

By: /s/ Heena Agrawal

Name: Heena Agrawal

Title: Senior Vice President and Chief Financial Officer



Duluth Holdings Inc. Announces Fourth Quarter and Fiscal 2024 Financial Results

Net Sales of \$241.3 million in the fourth quarter and \$626.6 million for the full fiscal year

Liquidity of \$103.3 million with no debt on the credit facility

MOUNT HOREB, WI - March 13, 2025 – Duluth Holdings Inc. (dba, Duluth Trading Company) (“Duluth Trading” or the “Company”) (NASDAQ: DLTH), a lifestyle brand of men’s and women’s workwear, casual wear, outdoor apparel and accessories, today announced its financial results for the fiscal fourth quarter and fiscal year ended February 2, 2025.

Summary for the Fourth Quarter Ended February 2, 2025

- Net sales decreased to \$241.3 million compared to \$245.6 million in the prior year fourth quarter
- Net loss of \$5.6 million and adjusted net loss¹ of \$1.5 million, compared to net income of \$6.8 million in prior-year fourth quarter. Adjusted net loss of \$1.5 million excludes software impairment of \$3.0 million and \$1.8 million valuation allowance on our deferred tax assets
- EPS of (\$0.17) and Adjusted EPS¹ of (\$0.04)
- Adjusted EBITDA² of \$8.5 million compared to \$20.9 million in the prior year

Summary for the Fiscal Year Ended February 2, 2025

- Net sales of \$626.6 million compared to \$646.7 million in the prior year
- Net loss of \$43.6 million and adjusted net loss¹ of \$23.6 million, compared to net loss of \$9.9 million in prior-year. Adjusted net loss of \$23.6 million excludes \$7.7 million of restructuring expense, \$11.8 million valuation allowance on our deferred tax assets and \$3.0 million of software impairment
- EPS of (\$1.31) and Adjusted EPS¹ of (\$0.71)
- Adjusted EBITDA² of \$14.6 million; reflects 2.3% of net sales

¹ See Reconciliation of net loss to adjusted net loss and adjusted net loss to adjusted EPS in the accompanying financial tables.

² See Reconciliation of net loss to EBITDA and EBITDA to Adjusted EBITDA in the accompanying financial tables.

Management Commentary

President and CEO, Sam Sato commented, “Delays in processing at our legacy fulfillment center adversely affected our ability to meet our fourth quarter expectations, driven by record-breaking order volume during Black Friday week and Cyber Monday. To fulfill the backlog of orders and preserve higher quality sales for the remainder of the quarter we adjusted our promotional depth and frequency lower.

“While total inventory increased compared to last year, the higher unit velocity between Black Friday and Cyber Monday and our pack-and-hold strategy reduced fall / winter seasonal and clearance inventory since the start of the quarter.

“Looking ahead, we will expand our Duluth Women’s Heirloom and Garden collection, and introduce Men’s Backyard for Him, which will feature an assortment of new products, including a collaboration with Leinenkugels for all his favorite backyard activities. We are also introducing new Armachillo cooling technology products, including Men’s Flex pants and Double-flex denim.



“Our key Marketing and Brand Tent Pole moments will be centered on the Gardens Gone Wild campaign and our 3rd Underwear TradeUp event with 360° media support. Additionally, we will have Always On Product Stories, Social-Only campaigns, and in-store activations.”

Sato concluded, “As the management team looks ahead to 2025, it remains committed to building upon the progress of our strategic initiatives, including making meaningful structural improvements combined with a sharp focus on improving operational execution.”

Operating Results for the Fourth Quarter Ended February 2, 2025

Net sales decreased 1.8% to \$241.3 million, compared to \$245.6 million in the same period a year ago. Direct-to-consumer net sales increased by 0.4% to \$172.9 million compared to the fourth quarter last year driven by greater penetration of mobile. Retail store net sales decreased by 6.9% to \$68.4 million.

Gross profit decreased 10.1% to \$106.5 million, or 44.1% of net sales, compared to \$118.4 million, or 48.2% of net sales, in the corresponding prior-year period. The decrease in gross profit margin rate was primarily due to steeper discounting coupled with a lower mix of full price sales.

Selling, general and administrative expenses increased 1.5% to \$110.7 million. Excluding \$3.0 million of software impairment costs, selling, general and administrative expenses decreased 1.3% to \$107.7 million compared to \$109.1 million in the same period a year ago.

As a percentage of net sales, selling, general and administrative expenses increased to 45.9%, compared to 44.4% in the corresponding prior-year period. The increase in selling, general and administrative expenses was primarily driven by \$3.0 million of software impairment costs.

The effective tax rate related to controlling interest was 0% and 23% in the current period and prior comparable period, respectively.

Balance Sheet and Liquidity

The Company ended the quarter with a cash balance of approximately \$3.3 million, net working capital of \$63.1 million and no outstanding Duluth Trading bank debt. Fiscal 2024 capital expenditures were \$17.4 million, inclusive of investments in software hosting implementation costs, which are included in Prepaid expenses & other current assets on the Company's Consolidated Balance Sheets.

Fiscal 2025 Outlook

The Company provided the following fiscal 2025 outlook:

- Net sales in the range of \$570 million to \$595 million
- Adjusted EBITDA¹ in the range of \$20 million to \$25 million
- Capital expenditures, inclusive of software hosting implementation costs, of approximately \$20 million

¹ See Reconciliation of forecasted net income to forecasted EBITDA and forecasted EBITDA to forecasted Adjusted EBITDA in the accompanying financial tables.

Conference Call Information

A conference call and audio webcast with analysts and investors will be held on Thursday, March 13, 2025 at 9:30 am, Eastern Time, to discuss the results.

- Live conference call: 844-875-6915 (domestic) or 412-317-6711 (international)
- Conference call replay available through March 20, 2025: 877-344-7529 (domestic) or 412-317-0088 (international)
- Replay access code: 6076354
- Live and archived webcast: ir.duluthtrading.com

Investors can pre-register for the earnings conference call to expedite their entry into the call and avoid waiting for a live operator. To pre-register for the call, please visit <https://dpreregister.com/sreg/10196414/fe66458f12> and enter your contact information. You will then be issued a personalized phone number and pin to dial into the live conference call. Investors can pre-register any time prior to the start of the conference call.

About Duluth Trading

Duluth Trading is a lifestyle brand for the Modern, Self-Reliant American. Based in Mount Horeb, Wisconsin, we offer high quality, solution-based casual wear, workwear, outdoor apparel 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 <http://www.duluthtrading.com/>

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 release, including the tables attached hereto, reference is made to adjusted earnings before interest, taxes, depreciation and amortization (EBITDA), Free Cash Flow and Forecasted Adjusted EBITDA. See attached table “Reconciliation of Net (Loss) Income to EBITDA and EBITDA to Adjusted EBITDA,” for a reconciliation of net (loss) income to EBITDA and EBITDA to Adjusted EBITDA for the three months and fiscal year ended February 2, 2025, versus the three months and fiscal year ended January 28, 2024, “Free Cash Flow” as a liquidity measure for the fiscal years ended February 2, 2025 and January 28, 2024, “Reconciliation of Net Loss to Adjusted Net Loss and Adjusted Net Loss to Adjusted EPS” for a reconciliation of net loss to adjusted net loss and adjusted net loss to adjusted EPS for the three months and fiscal year ended February 2, 2025, and “Reconciliation of Forecasted Net Income to Forecasted EBITDA and Forecasted EBITDA to Forecasted Adjusted EBITDA” for a forecasted reconciliation of net income to EBITDA and EBITDA to Adjusted EBITDA for the fiscal year ended February 2, 2025.

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 that are unusual in nature or not comparable from period to period.

Management believes Free Cash Flow is a useful measure of performance as an indication of an organization’s financial strength and provides additional perspective on the ability to efficiently use capital in executing growth strategies. Free Cash Flow is used to facilitate a comparison of operating performance on a consistent basis from period-to-period and the ability to generate cash. Free Cash Flow is defined as net cash provided by operating activities less purchase of property and equipment.

Adjusted Net Loss and Adjusted EPS is a metric used by management and frequently used by the financial community, which provides insight into the effectiveness of our business strategies and to compare our performance against that of peer companies. Adjusted Net Loss and Adjusted EPS exclude restructuring expenses, impairment expenses, and a valuation allowance that are not comparable from period to period.

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 measurements are not intended to replace the Company’s GAAP financial results and should be read in conjunction with those GAAP results.

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, including statements under the heading “Fiscal 2025 Outlook” 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 22, 2024 and other factors as may be periodically described in Duluth Trading’s subsequent filings with the SEC. These risks and uncertainties include, but are not limited to, the following: the impact of inflation and measures to control inflation on our results of operations; the prolonged effects of economic uncertainties on store and website traffic; disruptions to our distribution network, supply chains and operations; failure to effectively manage inventory levels; our ability to maintain and enhance a strong brand and sub-brand image; adapting to declines in consumer confidence, inflation and decreases in consumer spending; disruptions to our e-commerce platform; our ability to meet customer delivery time expectations; our ability to properly allocate inventory throughout our distribution network to fulfill customer demand; our failure to meet our debt covenant ratios; natural disasters, unusually adverse weather conditions, boycotts, prolonged public health crises, epidemics or pandemics and unanticipated events; generating adequate cash from our existing stores and direct sales to support our growth; the impact of changes in corporate tax regulations and sales tax; identifying and responding to new and changing customer preferences; the success of the locations in which our stores are located; effectively relying on sources for merchandise located in foreign markets; transportation delays and interruptions, including port congestion; our inability to timely and effectively obtain shipments of products from our suppliers and deliver merchandise to our customers; the inability to maintain the performance of our maturing store portfolio; our inability to deploy marketing tactics to strengthen brand awareness and attract new customers in a cost effective manner; our ability to successfully open new stores; effectively adapting to new challenges associated with our expansion into new geographic markets; competing effectively in an environment of intense competition or elevated promotions; our ability to adapt to significant changes in sales due to the seasonality of our business; price reductions or inventory shortages resulting from failure to purchase the appropriate amount of inventory in advance of the season in which it will be sold; the potential for further increases in price and lack of availability of raw materials; our dependence on third-party vendors to provide us with sufficient quantities of merchandise at acceptable prices; the susceptibility of the price and availability of our merchandise to international trade conditions including tariffs; failure of our vendors and their manufacturing sources to use acceptable labor or other practices; our dependence upon key executive management or our inability to hire or retain the talent required for our business; increases in costs of fuel or other energy, transportation or utility costs and in the costs of labor and employment; failure of our information technology systems to support our current and growing business, before and after our planned upgrades; disruptions in our supply chain and fulfillment centers; our inability to protect our trademarks or other intellectual property rights; infringement on the intellectual property of third parties; acts of war, terrorism or civil unrest; the impact of governmental laws and regulations and the outcomes of legal proceedings; changes in U.S. and non-U.S. laws affecting the importation and taxation of goods, including imposition of unilateral tariffs on imported goods;

our ability to secure the personal and/or financial information of our customers and employees; failure to comply with data privacy regulation; our ability to comply with the security standards for the credit card industry; our failure to maintain adequate internal controls over our financial and management systems; acquisition, disposition, and development risks; and other factors that may be disclosed in our SEC filings or otherwise. 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.

Investor Contacts:

ICR, Inc.
(646) 277-1200
DuluthIR@icrinc.com

The Company revised its prior period financial statements for an accounting correction related to sales tax collections to the Company's Condensed Consolidated Balance Sheets that are primarily related to accrued expenses and other current liabilities, deferred taxes and retained earnings, as well as corresponding impacts to the Company's other Consolidated Financial Statements. The impacts of these revisions were not material to the Company's previously filed financial statements. These revisions relate to immaterial corrections that were identified by management and when accumulated, required a correction to the Company's previously filed financial statements.

(Tables Follow)

DULUTH HOLDINGS INC.
Condensed Consolidated Balance Sheets
(Unaudited)
(Amounts in thousands)

	<u>February 2, 2025</u>	<u>January 28, 2024</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 3,335	\$ 32,157
Receivables	3,970	5,955
Income taxes receivable	—	617
Inventory, net	166,545	125,757
Prepaid expenses & other current assets	17,781	16,488
Total current assets	191,631	180,974
Property and equipment, net	111,560	132,718
Operating lease right-of-use assets	102,663	121,430
Finance lease right-of-use assets, net	32,957	40,315
Available-for-sale security	4,491	4,986
Other assets, net	9,140	9,020
Deferred tax assets	—	1,767
Total assets	<u>\$ 452,442</u>	<u>\$ 491,210</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$ 73,882	\$ 51,122
Accrued expenses and other current liabilities	35,596	34,111
Income tax payable	65	—
Current portion of operating lease liabilities	15,534	16,401
Current portion of finance lease liabilities	2,541	3,149
Current maturities of TRI long-term debt ¹	931	847
Total current liabilities	128,549	105,630
Operating lease liabilities, less current portion	89,222	106,413
Finance lease liabilities, less current portion	30,621	34,276
TRI long-term debt, less current maturities ¹	24,283	25,141
Deferred tax liabilities	88	—
Total liabilities	272,763	271,460
Treasury stock	(2,332)	(1,738)
Capital stock	108,009	103,579
Retained earnings	77,721	121,392
Accumulated other comprehensive income	(722)	(427)
Total shareholders' equity of Duluth Holdings Inc.	182,676	222,806
Noncontrolling interest	(2,997)	(3,056)
Total shareholders' equity	179,679	219,750
Total liabilities and shareholders' equity	<u>\$ 452,442</u>	<u>\$ 491,210</u>

¹ Represents debt of the variable interest entity, TRI Holdings, LLC, that is consolidated in accordance with ASC 810, *Consolidation*. Duluth Trading Company is not the guarantor nor the obligor of this debt.

DULUTH HOLDING INC.
Consolidated Statements of Operations
(Unaudited)
(Amounts in thousands, except per share figures)

	Three Months Ended		Fiscal Year Ended	
	February 2, 2025	January 28, 2024	February 2, 2025	January 28, 2024
Net sales	\$ 241,270	\$ 245,613	\$ 626,629	\$ 646,681
Cost of goods sold (excluding depreciation and amortization)	134,791	127,180	318,119	321,710
Gross profit	106,479	118,433	308,510	324,971
Selling, general and administrative expenses	110,720	109,110	337,623	334,540
Restructuring expense	—	—	7,748	—
Operating income (loss)	(4,241)	9,323	(36,861)	(9,569)
Interest expense	1,322	1,123	4,554	4,156
Other income, net	6	619	173	923
Income (loss) before income taxes	(5,557)	8,819	(41,242)	(12,802)
Income tax expense (benefit)	4	2,033	2,370	(2,862)
Net income (loss)	(5,561)	6,786	(43,612)	(9,940)
Less: Net income (loss) attributable to noncontrolling interest	25	7	59	(17)
Net income (loss) attributable to controlling interest	\$ (5,586)	\$ 6,779	\$ (43,671)	\$ (9,923)
Basic earnings per share (Class A and Class B):				
Weighted average shares of common stock outstanding	33,510	33,007	33,368	32,955
Net income (loss) per share attributable to controlling interest	\$ (0.17)	\$ 0.21	\$ (1.31)	\$ (0.30)
Diluted earnings per share (Class A and Class B):				
Weighted average shares and equivalents outstanding	33,510	33,007	33,368	32,955
Net income (loss) per share attributable to controlling interest	\$ (0.17)	\$ 0.21	\$ (1.31)	\$ (0.30)

DULUTH HOLDINGS INC.
Consolidated Statements of Cash Flows
(Unaudited)
(Amounts in thousands)

	Fiscal Year Ended	
	February 2, 2025	January 28, 2024
Cash flows from operating activities:		
Net loss	\$ (43,612)	\$ (9,940)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	32,282	32,159
Stock-based compensation	4,046	4,195
Deferred income taxes	1,855	(2,335)
Loss on disposal of property and equipment	473	130
Changes in operating assets and liabilities:		
Receivables	1,985	86
Income taxes receivable	617	(617)
Inventory	(40,788)	29,165
Prepaid expense & other assets	1,085	(1,675)
Software hosting implementation costs, net	(3,171)	(216)
Deferred catalog costs	—	—
Trade accounts payable	22,863	(5,449)
Income taxes payable	65	(1,761)
Accrued expenses and deferred rent obligations	1,971	(4,405)
Other	473	58
Noncash lease impacts	2,939	(722)
Net cash (used in) provided by operating activities	<u>(16,917)</u>	<u>38,673</u>
Cash flows from investing activities:		
Purchases of property and equipment	(8,329)	(49,086)
Principal receipts from available-for-sale security	200	181
Change in other assets	—	16
Changes in the TRI Holdings, LLC consolidation	—	171
Net cash used in investing activities	<u>(8,129)</u>	<u>(48,718)</u>
Cash flows from financing activities:		
Proceeds on line of credit	83,500	56,000
Payments on line of credit	(83,500)	(56,000)
Payments on TRI long term debt	(846)	(767)
Payments on finance lease obligations	(2,721)	(2,842)
Shares withheld for tax payments on vested restricted stock	(594)	(279)
Other	385	542
Net cash used in financing activities	<u>(3,776)</u>	<u>(3,346)</u>
Decrease in cash and cash equivalents	(28,822)	(13,391)
Cash and cash equivalents at beginning of period	32,157	45,548
Cash and cash equivalents at end of period	<u>\$ 3,335</u>	<u>\$ 32,157</u>

DULUTH HOLDINGS INC.
Reconciliation of Net (Loss) Income to EBITDA and EBITDA to Adjusted EBITDA
(Unaudited)
(Amounts in thousands)

	Three Months Ended		Fiscal Year Ended	
	February 2, 2025	January 28, 2024	February 2, 2025	January 28, 2024
Net (loss) income	\$ (5,561)	\$ 6,786	\$ (43,612)	\$ (9,940)
Depreciation and amortization	7,552	8,725	31,133	32,159
Amortization of internal-use software hosting subscription implementation costs	1,425	1,314	5,281	4,961
Interest expense	1,322	1,123	4,554	4,156
Income tax expense (benefit)	4	2,033	2,370	(2,862)
EBITDA (non-GAAP)	\$ 4,742	\$ 19,981	\$ (274)	\$ 28,474
Long-term incentive expense ¹	800	890	4,152	4,195
Restructuring expense	—	—	7,748	—
Impairment expenses	2,998	—	2,998	—
Adjusted EBITDA (non-GAAP)	\$ 8,540	\$ 20,871	\$ 14,624	\$ 32,669

¹ Represents long-term incentives from stock and cash compensation

DULUTH HOLDINGS INC.
Free Cash Flow
(Unaudited)
(Amounts in thousands)

	Fiscal Year Ended	
	February 2, 2025	January 28, 2024
<i>(in thousands)</i>		
Net cash (used in) provided by operating activities	\$ (16,917)	\$ 38,673
Purchases of property and equipment	(8,329)	(49,086)
Free Cash Flow (non-GAAP)	\$ (25,246)	\$ (10,413)

DULUTH HOLDINGS INC.
Reconciliation of Net Loss to Adjusted Net Loss and Adjusted Net Loss to Adjusted EPS
(Unaudited)
(Amounts in thousands)

	Three Months Ended		Twelve Months Ended	
	February 2, 2025		February 2, 2024	
	Amount	Per share	Amount	Per share
<i>(in thousands, except per share amounts)</i>				
Net loss attributable to controlling interest	\$(5,586)	\$ (0.17)	\$(43,671)	\$ (1.31)
Plus: Restructuring expenses	—	—	7,748	0.23
Plus: Impairment expenses	2,998	0.09	2,998	0.09
Income tax effect of adjustments to net loss	(690)	(0.02)	(2,472)	(0.07)
Adjusted net loss before valuation allowance	(3,278)	(0.10)	(35,397)	(1.06)
Plus: Valuation allowance	1,796	0.05	11,847	0.36
Adjusted net loss attributable to controlling interest	\$(1,482)	\$ (0.04)	\$(23,550)	\$ (0.71)

DULUTH HOLDINGS INC.
Reconciliation of Forecasted Net Loss to Forecasted EBITDA and Forecasted EBITDA to Forecasted Adjusted EBITDA
For the Fiscal Year Ended February 1, 2026
(Unaudited)
(Amounts in thousands)

<i>Forecasted</i>	<u>Low</u>	<u>High</u>
Net loss	\$(26,800)	\$(21,500)
Depreciation and amortization	30,300	30,300
Amortization of internal-use software hosting subscription implementation costs	5,000	5,000
Interest expense	6,000	5,700
Income tax expense	800	800
EBITDA (non-GAAP)	<u>\$ 15,300</u>	<u>\$ 20,300</u>
Long-term incentive expense	4,700	4,700
Adjusted EBITDA (non-GAAP)	<u>\$ 20,000</u>	<u>\$ 25,000</u>



Duluth Holdings Inc. Announces Retirement of CEO Samuel M. Sato

Stephen L. Schlecht to Assume Day-to-Day Leadership

Board of Directors Conducting Search for New CEO

Mount Horeb, WI – March 13, 2025 – Duluth Holdings Inc. (dba, Duluth Trading Company) (“Duluth Trading” or the “Company”) (NASDAQ: DLTH), a lifestyle brand of men’s and women’s workwear, casual wear, outdoor apparel, and accessories, today announced that Samuel M. Sato has informed the Company that he plans to retire as President and Chief Executive Officer and as a Board member, effective April 25, 2025. During the transition period, Stephen L. Schlecht, the Company’s Chairman of the Board, Founder and former Chief Executive Officer, will assume day-to-day leadership of the Company with Mr. Sato’s assistance. The Board is undertaking a search for Mr. Sato’s replacement. The Board of Directors has appointed Mr. Schlecht as Interim Chief Executive Officer, effective April 25, 2025, unless the Board concludes its CEO search before that date.

Mr. Sato commented, “It has been a privilege to serve as President and CEO and member of the Board at Duluth Trading. I am humbled and proud of what our team has accomplished and the progress we have made. Working with such talented and passionate team members has been an honor. I believe the future of Duluth Trading is bright. Finally, I want to sincerely thank Steve Schlecht for his support and partnership over the course of my tenure.”

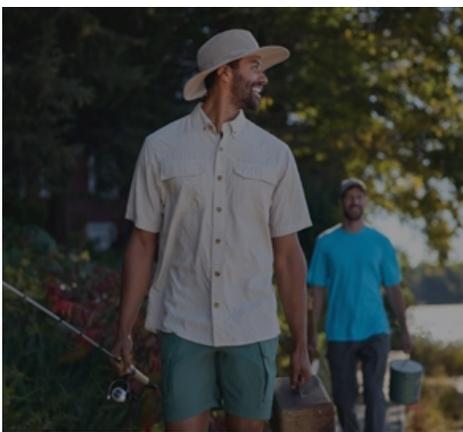
“On behalf of the Board of Directors, I want to thank Sam for his years of service and dedication and wish him the very best in his upcoming retirement,” said Mr. Schlecht. Mr. Schlecht continued, “I appreciate Sam’s contributions and leadership in advancing the strategic roadmap and strengthening our omni-channel capabilities.”

Mr. Schlecht concluded, “As the founder of Duluth Trading, I have a deep commitment to the ongoing success of our Company. To ensure the continuity of our vision and the execution of our strategy, I am fully invested in reassuming leadership of the Company until such time that a replacement is named. Over the years, I have been actively engaged with our talented senior leadership team, and we are committed to moving forward with no disruption to our business.”

About Duluth Trading

Duluth Trading is a 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 are available 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 <http://www.duluthtrading.com>.

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DULUTH TRADING CO

Investor Presentation
Fourth Quarter 2024
March 13, 2025

Disclaimer

Forward-Looking Statements

This presentation dated March 13, 2025 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 including statements under the heading "Fiscal 2025 Financial Guidance" 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 22, 2024 and other factors as may be periodically described in Duluth Trading's subsequent filings with the SEC. These risks and uncertainties include, but are not limited to, the following: the impact of inflation and measures to control inflation on our results of operations; the prolonged effects of economic uncertainties on store and website traffic and disruptions to our distribution network, supply chains and operations; failure to effectively manage inventory levels; our ability to maintain and enhance a strong brand and sub-brand image; adapting to declines in consumer confidence, inflation and decreases in consumer spending; disruptions in our e-commerce platform; effectively adapting to new challenges associated with our expansion into new geographic markets; our ability to meet customer delivery time expectations; natural disasters, unusually adverse weather conditions, boycotts, prolonged public health crises, epidemics or pandemics and unanticipated events; generating adequate cash from our existing stores and direct sales to support our growth; the impact of changes in corporate tax regulations and sales tax; identifying and responding to new and changing customer preferences; the success of the locations in which our stores are located; effectively relying on sources for merchandise located in foreign markets; transportation delays and interruptions, including port congestion; inability to timely and effectively obtain shipments of products from our suppliers and deliver merchandise to our customers; the inability to maintain the performance of a maturing store portfolio; our inability to deploy marketing tactics to strengthen brand awareness and attract new customers in a cost effective manner; our ability to successfully open new stores; competing effectively in an environment of intense competition; our ability to adapt to significant changes in sales due to the seasonality of our business; price reductions or inventory shortages resulting from failure to purchase the appropriate amount of inventory in advance of the season in which it will be sold; the potential for further increases in price and availability of raw materials; our dependence on third-party vendors to provide us with sufficient quantities of merchandise at acceptable prices; the susceptibility of the price and availability of our merchandise to international trade conditions; failure of our vendors and their manufacturing sources to use acceptable labor or other practices; our dependence upon key executive management or our inability to hire or retain the talent required for our business; increases in costs of fuel or other energy, transportation or utility costs and in the costs of labor and employment; failure of our information technology systems to support our current and growing business, before and after our planned upgrades; disruptions in our supply chain and fulfillment centers; our inability to protect our trademarks or other intellectual property rights; infringement on the intellectual property of third parties; acts of war, terrorism or civil unrest; the impact of governmental laws and regulations and the outcomes of legal proceedings; changes in U.S. and non-U.S. laws affecting the importation and taxation of goods, including imposition of unilateral tariffs on imported goods; our ability to secure the personal and/or financial information of our customers and employees; our ability to comply with the security standards for the credit card industry; our failure to maintain adequate internal controls over our financial and management systems; acquisition, disposition, and development risks; and other factors that may be disclosed in our SEC filings or otherwise. 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.

Disclaimer

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) and Free Cash Flow. See Appendix Table "Adjusted EBITDA," for a reconciliation of net income to EBITDA and EBITDA to Adjusted EBITDA and "Free Cash Flow" for a reconciliation of Net cash provided by operating activities to Free Cash Flow. 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. Management believes Free Cash Flow is a useful measure of performance as an indication of an organization's financial strength and provides additional perspective on the ability to efficiently use capital in executing growth strategies. Free Cash Flow is used to facilitate a comparison of operating performance on a consistent basis from period-to-period and the ability to generate cash. Free Cash Flow is defined as net cash provided by operating activities less purchase of property and equipment and capital contributions towards build-to-suit stores. 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 ongoing 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.

OUR GREATER PURPOSE

“Celebrating the can-do spirit by enabling anyone who takes on life with their own two hands.”

OUR MISSION STATEMENT

“We build high-quality, solution-based products for work, play and every day.

We craft our raw materials – unique brands, durable products, standout customer service, and a No Bull Guarantee – into industry-leading consumer experiences.

Job done right means we never forget that “there’s gotta be a better way.”

Secret Sauce

Better Brands

A brood of sub-brands all bonded by the belief that you can accomplish anything that you put your own mind and own two hands to

Better Innovation

Long, colorful history of product innovation and solution-based design

Better Marketing

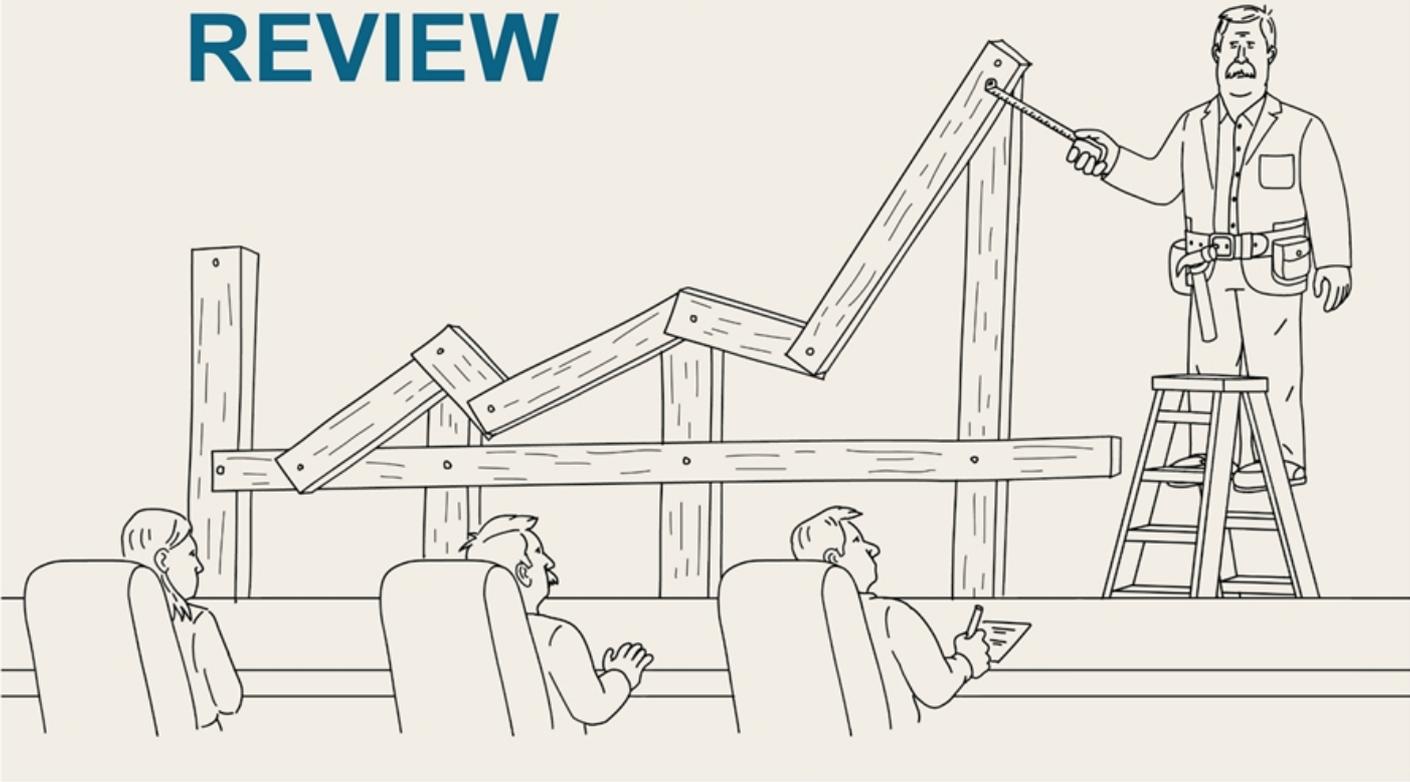
Distinctive marketing made to break through the clutter and drive buying

Better Customer Experiences

Outstanding and engaging customer experience



FINANCIAL REVIEW



Year Ended February 2, 2025

Summary

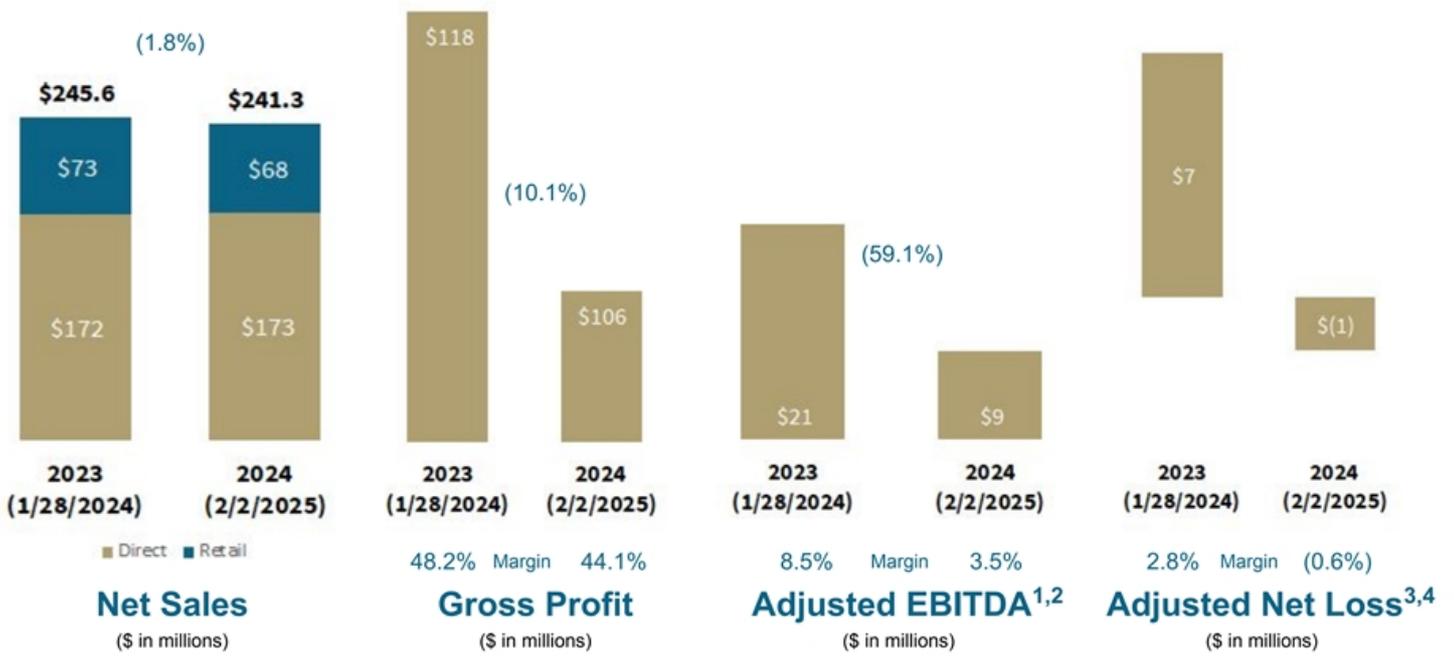
- Net sales of \$626.6 million compared to \$646.7 million in the prior year
- Net loss of \$43.6 million and adjusted net loss¹ of \$23.6 million, compared to net loss of \$9.9 million in prior-year.
 - Adjusted net loss of \$23.6 million excludes \$7.7 million of restructuring expense, \$11.8 million valuation allowance on our deferred tax assets and \$3.0 million of software impairment
- EPS of (\$1.31) and Adjusted EPS of (\$0.71)
- Adjusted EBITDA² of \$14.6 million; reflects 2.3% of net sales

¹ See Reconciliation of net loss to adjusted net loss and adjusted net loss to adjusted EPS on slide 19

² See Reconciliation of net loss to EBITDA and EBITDA to Adjusted EBITDA on slide 18

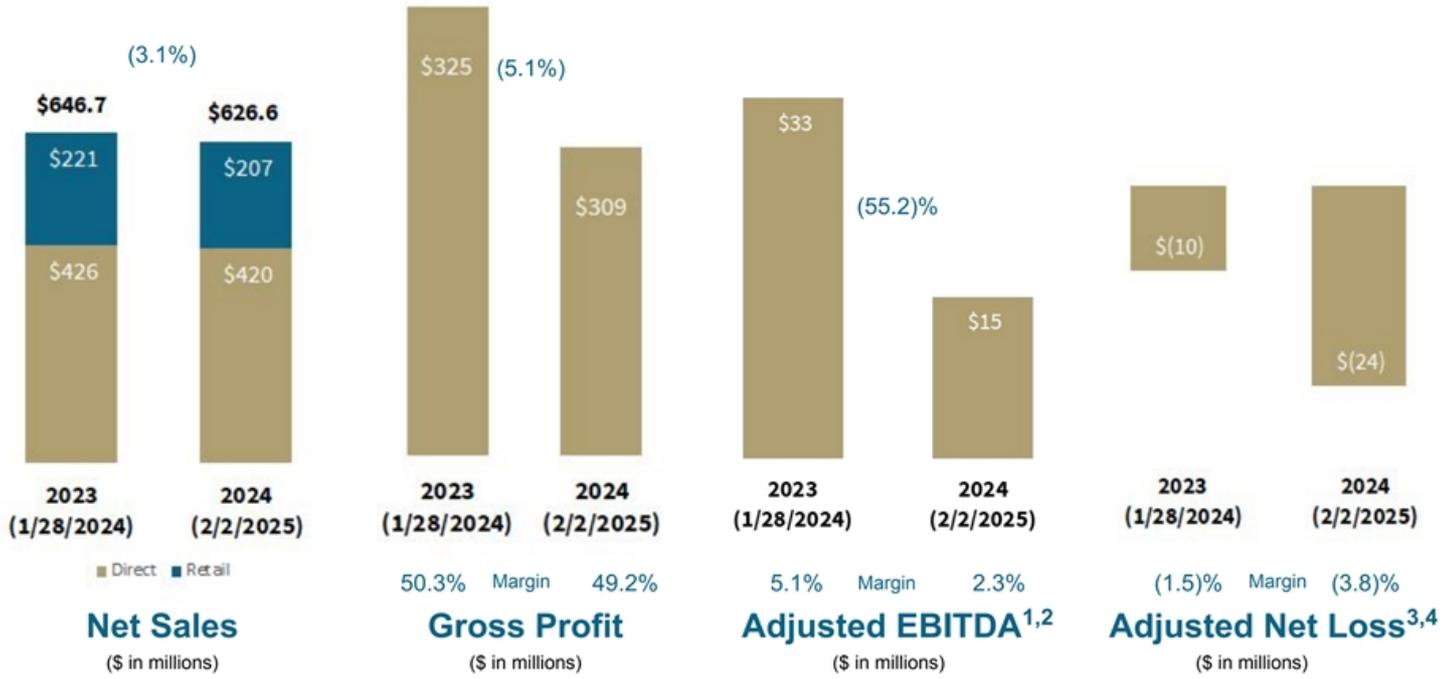


Three Months Ended February 2, 2025



¹ Adjusted to reflect the add-back of long-term incentive, restructuring, and impairment expenses
² See Reconciliation of net loss to EBITDA and EBITDA to Adjusted EBITDA on slide 18
³ Excludes net income (loss) attributable to noncontrolling interest.
⁴ See Reconciliation of net loss to adjusted net loss on slide 19

Twelve Months Ended February 2, 2025



¹ Adjusted to reflect the add-back of long-term incentive, restructuring, and impairment expenses.

² See Reconciliation of net loss to EBITDA and EBITDA to Adjusted EBITDA on slide 18

³ Excludes net income (loss) attributable to noncontrolling interest.

⁴ See Reconciliation of net loss to adjusted net loss on slide 19

Strong Balance Sheet, Liquidity and Free Cash Flow

Debt to Capital ^{1,2}	
(\$ in millions)	As of February 2, 2025
Cash	\$3.3
Debt:	
Line of Credit	\$0.0
<u>Term Loan</u>	<u>\$0.0</u>
Total Debt	\$0.0
Total Shareholders' Equity	\$182.7
Total Capitalization	\$186.0
Debt to Capital ratio	0.0%



¹ Debt balances do not include TRI Holdings, LLC, a variable interest entity that is consolidated for reporting purposes

² The Credit Agreement matures on July 8, 2027 and provides for borrowings of up to \$100.0 million that are available under a revolving senior credit facility.

³ See Reconciliation of Free Cash Flow on slide 18

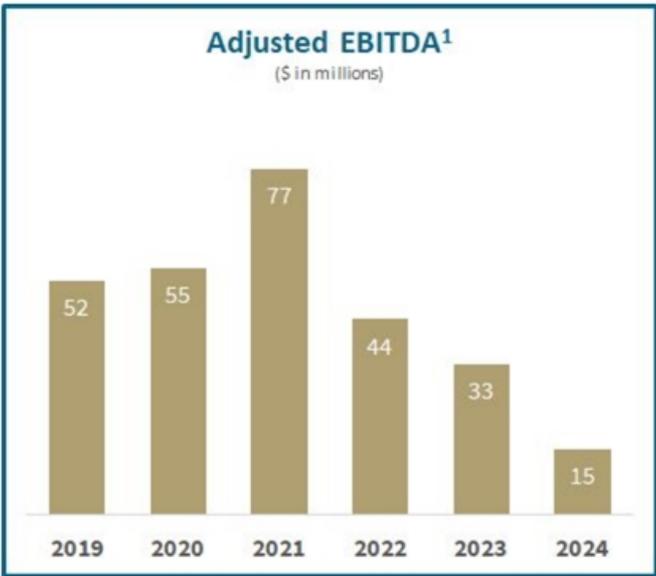
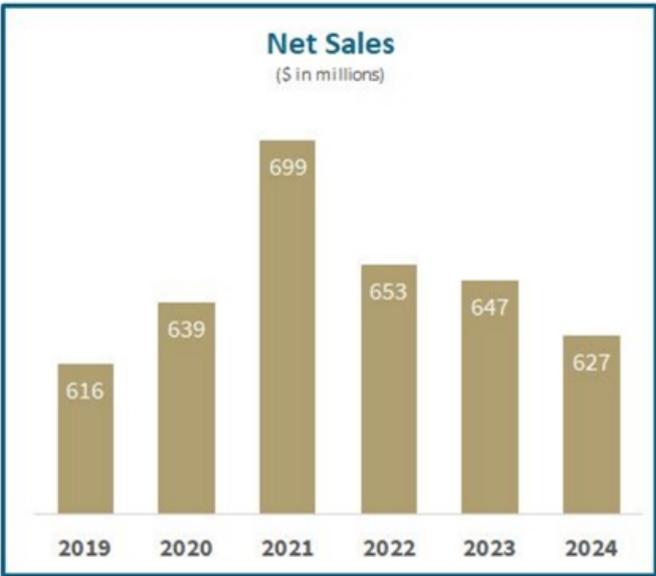
Fiscal 2025 Financial Guidance

(\$ in millions)	2024	2025 Guidance
Net Sales	\$626.6	\$570 to \$595 (9.0)% to (5.0)%
Adj. EBITDA	\$14.6	\$20 to \$25 37.0% to 71.2%
CAPEX ¹	\$17.4	~\$20

Reconciliation to 2025 Forecasted Adj. EBITDA		
Fiscal Year Ended February 1, 2026		
Forecasted (\$ in millions)	Low	High
Net Loss	\$(26.8)	\$(21.5)
(+) Depreciation and amortization	30.3	30.3
(+) Amortization of internal-use software hosting subscription implementation costs	5.0	5.0
(+) Interest expense	6.0	5.7
(+) Income tax expense	0.8	0.8
EBITDA	\$15.3	\$20.3
(+) Long-term incentive expense	4.7	4.7
Adjusted EBITDA	\$20.0	\$25.0

¹ 2024 and 2025 inclusive of software hosting implementation costs, fund store openings and system infrastructure which are included in Prepaid expenses & other current assets on the Company's Consolidated Balance Sheets.

Net Sales and Adjusted EBITDA



¹ Adjusted to reflect the add-back of long-term incentive, restructuring, and impairment expenses.

Capital Expenditures





BIG DAM
BLUEPRINT

Big Dam Blueprint Growth Drivers

1. Lead With a Digital Mindset



2. Intensify Our Efforts to Optimize Our Owned DTC Channels



3. Evolve the Company's Platform to Grow Into a Multi-brand and Multi-channel Business



4. Prioritize Test and Learn to Unlock Long-term Growth



5. Future Proof the Business Through Investments in Capabilities and Infrastructure



THANK YOU



Appendix

Reconciliation to 2024 Adjusted EBITDA and Free Cash Flow

Adjusted EBITDA

(\$ in millions)	3 Months Ended		12 Months Ended	
	Feb 2, 2025	Jan 28, 2024	Feb 2, 2025	Jan 28, 2024
Net loss	\$(5.6)	\$6.8	\$(43.6)	\$(9.9)
(+) Depreciation and amortization	7.6	8.7	31.1	32.2
(+) Amortization of internal-use software hosting subscription implementation costs	1.4	1.3	5.3	4.9
(+) Interest expense	1.3	1.1	4.6	4.2
(+) Income tax expense (benefit)	0.0	2.0	2.4	(2.9)
EBITDA	\$4.7	\$20.0	\$(0.3)	\$28.5
(+) Long-term incentive expense	0.8	0.9	4.2	4.2
(+) Restructuring expenses	—	—	7.7	—
(+) Impairment expense	3.0	—	3.0	—
Adjusted EBITDA	\$8.5	\$20.9	\$14.6	\$32.7

Free Cash Flow

(\$ in millions)	12 Months Ended	
	Feb 2, 2025	Jan 28, 2024
Net cash used in operating activities	\$(16.9)	\$38.7
Purchases of property and equipment	(8.3)	(49.1)
Free Cash Flow (non-GAAP)	\$(25.2)	\$(10.4)

Appendix

Reconciliation to 2024 Adjusted Net Loss

Adjusted Net Loss

	3 Months Ended		12 Months Ended	
(\$ in millions)	Feb 2, 2025		Feb 2, 2025	
	Amount	Per share	Amount	Per share
Net loss	\$(5.6)	\$(0.17)	\$(43.7)	\$(1.31)
(+) Restructuring expenses	—	—	7.7	0.23
(+) Impairment expenses	3.0	0.09	3.0	0.09
Income tax effect of restructuring & sales tax	(0.7)	(0.02)	(2.5)	(0.07)
Adjusted net loss before valuation allowance	\$(3.3)	\$(0.10)	\$(35.4)	\$(1.06)
(+) Valuation allowance	1.8	0.05	11.8	0.36
Adjusted Net Loss	\$(1.5)	\$(0.04)	\$(23.6)	\$(0.71)