



## Lands' End Announces New Term Loan

January 2, 2024

*Company Refinances Existing Term Loan*

*New Loan Maturity In 2028*

DODGEVILLE, Wis., Jan. 02, 2024 (GLOBE NEWSWIRE) -- Lands' End, Inc. (NASDAQ: LE) today announced that it has entered into a new term loan of \$260 million. The loan proceeds were used to refinance the Company's existing term loan well ahead of its maturity in September 2025. The loan is secured by a first lien on all non-ABL assets and a second lien on all ABL assets. Interest is payable monthly at an initial rate of 8.25% per annum plus the greater of SOFR or 2.0%. The initial rate is subject to a reduction to 8.00% and 7.75% based on the Company's debt and EBITDA levels. Amortization is payable quarterly at 1.25% of original principal amount. The loan matures in December 2028.

"The completion of this refinancing initiative is an important step in Lands' End's trajectory and provides us with more favorable terms under which we can continue to invest in the growth and evolution of the Company," said Bernard McCracken, Chief Financial Officer. "Our performance in 2023 has been characterized by steady improvements throughout the year –including expanding gross margin by approximately 700 basis points and reducing our inventory position year-over-year by 25% in the third quarter of 2023 – and underpins our confidence in our ability to drive long-term profitable growth."

Andrew McLean, Chief Executive Officer, added, "On the heels of our strong third quarter, it's clear that Lands' End's solutions-based strategy is delivering compelling results. Through our focus on injecting newness across our assortment and reaching new and prospective customers in the most impactful ways, which collectively are helping us drive more profitable sales, we have significantly improved our operating and financial position and paved the way for sustainable growth. As we look to 2024 and beyond, we plan to build on our progress by further enhancing efficiency, reducing our costs and ensuring we are best positioned to create value for our stakeholders over the long term."

The Company was advised on the refinancing transaction by Perella Weinberg Partners. The lending group includes Blue Torch Capital, Sculptor Capital Management, JPMorgan and Arbour Lane Capital Management.

### **About Lands' End, Inc.**

Lands' End, Inc. (NASDAQ:LE) is a leading digital retailer of casual clothing, swimwear, outerwear, accessories, footwear, home products and uniform solutions. We offer products online at [www.landsend.com](http://www.landsend.com), through our own Company Operated stores and through third-party distribution channels. We are a classic American lifestyle brand with a passion for quality, legendary service and real value. We seek to deliver timeless style for women, men, kids and the home. We also offer products to businesses and schools, for their employees and students, through the Outfitters distribution channel.

### **Forward-Looking Statements**

This press release contains forward-looking statements that involve risks and uncertainties, including statements regarding the impact of the financing terms on the Company's ability to invest in growth and further evolution of the Company; the Company's confidence in its ability to drive long-term profitable growth; expectations of sustainable growth; and plans and expectations for enhancing efficiency, reducing costs and positioning to create value for stakeholders over the long term. The following important factors and uncertainties, among others, could cause actual results to differ materially from those described in these forward-looking statements: global supply chain challenges in the recent past have resulted in a significant increase in inbound transportation costs and delays in receiving product; disruption in the Company's supply chain, including with respect to its distribution centers, third-party manufacturing partners and logistics partners, caused by limits in freight capacity, increases in transportation costs, port congestion, other logistics constraints, and closure of certain manufacturing facilities and production lines due to public health crises and other global economic conditions; the impact of global economic conditions, including inflation, on consumer discretionary spending; the impact of public health crises on operations, customer demand and the Company's supply chain, as well as its consolidated results of operation, financial position and cash flows; the Company may be unsuccessful in implementing its strategic initiatives, or its initiatives may not have their desired impact on its business; the Company's ability to offer merchandise and services that customers want to purchase; changes in customer preference from the Company's branded merchandise; the Company's results may be materially impacted if tariffs on imports to the United States increase and it is unable to offset the increased costs from current or future tariffs through pricing negotiations with its vendor base, moving production out of countries impacted by the tariffs, passing through a portion of the cost increases to the customer, or other savings opportunities; customers' use of the Company's digital platform, including customer acceptance of its efforts to enhance its eCommerce websites, including the Outfitters website; customer response to the Company's marketing efforts across all types of media; the Company's maintenance of a robust customer list; the Company's retail store strategy may be unsuccessful; the Company's Third Party channel may not develop as planned or have its desired impact; the Company's dependence on information technology and a failure of information technology systems, including with respect to its eCommerce operations, or an inability to upgrade or adapt its systems; fluctuations and increases in costs of raw materials as well as fluctuations in other production and distribution-related costs; impairment of the Company's relationships with its vendors; the Company's failure to maintain the security of customer, employee or company information; the risk of cybersecurity events and their impact on the Company; the Company's failure to compete effectively in the apparel industry; legal, regulatory, economic and political risks associated with international trade and those markets in which the Company conducts business and sources its merchandise; the Company's failure to protect or preserve the image of its brands and its intellectual property rights; increases in postage, paper and printing costs; failure by third parties who provide the Company with services in connection with certain aspects of its business to perform their obligations; the Company's failure to timely and effectively obtain shipments of products from its vendors and deliver merchandise to its customers; reliance on promotions and markdowns to encourage customer purchases; the Company's failure to efficiently manage inventory levels; unseasonal or severe weather conditions; the adverse effect on the Company's reputation if its independent vendors or licensees do not use ethical business practices or comply with applicable laws and regulations; assessments for additional state taxes; incurrence of charges due to impairment of goodwill, other intangible assets and long-lived assets; the impact on the Company's business of adverse worldwide economic and market conditions, including inflation and other economic factors that negatively impact consumer spending on discretionary

items; the stock repurchase program may not be executed to the full extent within its duration, due to business or market conditions; the ability of the Company's principal stockholders to exert substantial influence over the Company; and other risks, uncertainties and factors discussed in the "Risk Factors" section of the Company's Annual Report on Form 10-K for the fiscal year ended January 27, 2023. The Company intends the forward-looking statements to speak only as of the time made and does not undertake to update or revise them as more information becomes available, except as required by law.

## **CONTACTS**

Lands' End, Inc.  
Bernard McCracken  
Chief Financial Officer  
(608) 935-9341

Investor Relations:  
ICR, Inc.  
Tom Filandro  
(646) 277-1235  
Tom.Filandro@icrinc.com