



**LANDS'**

**END**

Investor Presentation

JANUARY 2024

# Forward Looking Statements

This presentation contains forward-looking statements that involve risks and uncertainties, including statements regarding the Company's position for long-term success, opportunities for growth and value creation, ability to leverage data and analytics to engage existing and new customers, customer loyalty, alignment of assortment and marketing strategies to key cohorts, creating more compelling customer journeys, prioritizing more productive inventory and facilitating sales across adjacencies, ability to drive higher quality sales and improve gross margin and cash flow while investing in infrastructure, continued investment in long-term growth and evolution, the Company's aims to capitalize on strengths, simplify approach and drive profitability, ability to create more compelling journeys and drive higher quality sales, digitally-native culture, leveraging data and analytics, execution of a transformative plan to build through the brand to drive long-term, profitable growth, the potential of Company customers, the impact of the Company's focus on behaviors, the Company's ability to retain customers and to show up when the customer is ready to buy, the importance of search channels and social, efficiency of targeted print and digital campaigns, ability to leverage customer purchasing history, first party online interactions, and third party behaviors and demographics, ability to engage customers, focus on driving asset light model for increased reach and profitability, the ability to leverage expanded digital footprint and drive inventory utilization through third-party marketplace sales, the pursuit of licensing of non-core product offerings to expand brand, and minimizing capital cost and driving profitability. The following important factors and uncertainties, among others, could cause actual results to differ materially from those described in these forward-looking statements: the Company may be unsuccessful in implementing its strategies or the strategies may not have their expected impact, global supply chain challenges in the recent past have resulted in a significant increase in inbound transportation costs and delays in receiving product; further 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 obtain additional financing on commercially acceptable terms or at all, including, the condition of the lending and debt markets; 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, including the impact of strikes or other labor disruptions; 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 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.

# Key Investment Highlights

Lands' End is an iconic American brand well-positioned for long-term success. We have two profitable, digitally-enabled e-commerce businesses, deep customer relationships and many opportunities for growth and value creation.

**We have a tremendously loyal customer base** with an average tenure of more than 18 years who come back to Lands' End time and again for our broad product portfolio.

We are closely aligning our assortment and marketing strategies to our key customer cohorts.

With an outfit-centric approach, we are creating more compelling customer journeys and prioritizing more productive inventory that facilitate sales across adjacencies.

We are successfully executing on our strategy to **drive higher quality sales, improving our gross margins and cash flow while investing in infrastructure,** resulting in the Company realizing operating efficiencies.

In the third quarter of 2023, delivered 700 basis points of gross margin expansion to drive incremental gross profit dollars with 25% reduction in inventory levels.

Recently refinanced our term loan with more favorable terms under which we can continue to invest in long-term growth and the evolution of the company.

**We are a digitally-driven solutions business,** leveraging our proprietary data and analytics to engage existing and new-to-brand customers while building on our DTC roots.

Our consumer business reaches consumers where they are: LandsEnd.com, retail stores and online marketplaces including Macy's, Target, Amazon and Kohl's.

Lands' End Outfitters serves businesses of all sizes and over 4,700 schools across the US.

# Focused on Three Strategic Pillars to Build the Lands' End Brand

As we embark on the next phase of our strategy, we aim to capitalize on our strengths, simplify our approach and drive profitability.

LANDS' END

## CUSTOMER

We are creating **more compelling journeys geared toward our targeted key customer cohorts** to drive higher quality sales with more productive inventories. Our lower inventory levels provide flexibility to continuously refresh our assortment with new styles and fabrics.

## PRODUCT

Our solutions-focused merchandising strategy is **driving higher quality sales resulting in enhanced gross margins and improved cash flow** across key items, categories and franchises:

Swimwear

Outerwear

Bottoms

School/Business  
Uniforms

## DIGITAL

We lead with a **digitally-native** culture and approach.

95% of our business is done online.

We are leveraging data and analytics to drive higher quality sales with improved gross margins resulting in increased gross profit.

Our conversion rate is consistently greater than 2x apparel industry norms.

# Designing for Customer Centricity at Scale

**CUSTOMER**  
Our Inspiration

**PRODUCT**  
Our Distinctive Solutions

**BRAND**  
Our Distinctive Identity

**CHANNELS**  
Our Integrated Marketplace  
led by landsend.com

**ENABLING OPERATIONS**  
Our Sourcing, Technology,  
Supply Chain, and  
Corporate Functions

The customer is our **why**.

Product is **what** we make.

Brand is **who** we are.

Channels are **where** we reach customers.

Enabling Operations is **how** we deliver to market.

We are executing a transformative plan to build through the brand to drive long-term, profitable growth.

# We Understand our Customers

Leveraging our data to prioritize high-value customer cohorts.



## Resolvers

Largest cohort of existing base and prospects.

Know what works for them:

- Solutions-oriented dresser
- Prefer classic styles; often wear the same thing
- Value quality over trends

Shop primarily on necessity, 2-3x/year



## Evolvers

Second largest cohort of existing base and prospects.

Discovering and refining their style as on ongoing journey.

- What fits their current moment in life
- Gravitate toward comfort and quality
- Value brand story and ethos

Have potential: spend more than Resolvers

Our evolved approach of focusing on behaviors, rather than demographics, enables us to define, prioritize, reach and cater to the customers that matter most, while expanding our customer base over time.

# We Know How to Meet and Keep Our Customers

Our marketing campaigns are built around the customer journey.

## CONNECTING THE BRAND AND SOLUTIONS-DRIVEN PRODUCTS

Lands' End shows up **when the customer is ready to buy.**

New customers are primarily acquired via **search and social channels.**

We retain customers with relevant contacts such as **catalogs and connected digital campaigns.**

**Social** is increasingly important to all customer segments at all points in the funnel.

## CONSUMER-CENTRIC INSIGHT-DRIVEN ORGANIZATION

We drive highly **efficient, targeted print and digital campaigns** that elevate our brand through storytelling.

We leverage our deep customer **purchase history.**

We leverage first-party **online interactions.**

We leverage **third-party behaviors and demographics.**

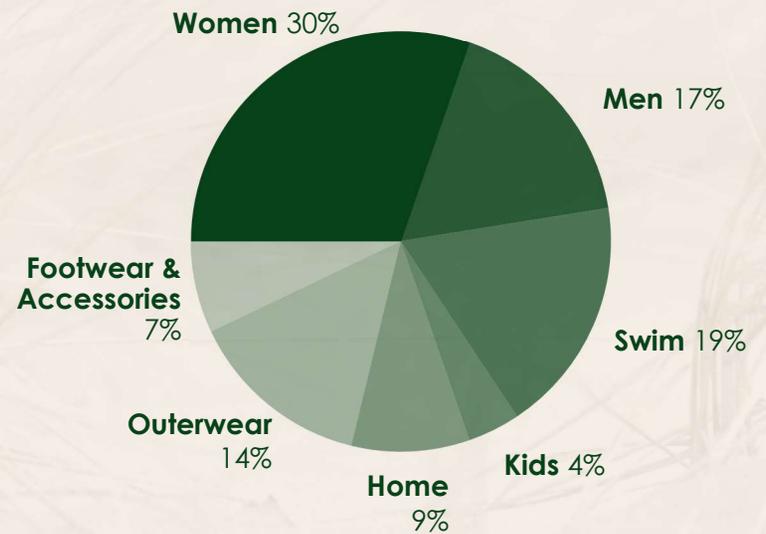
# Our Business

We meet our customers where they are and serve the whole family.

### Revenue by Business Unit



### US eCommerce Product Split



# Differentiation with B2B Offering

Our transformative, customer-centric approach in Lands' End Outfitters better engages current & prospective customers of all sizes.



## National Accounts

Collaborating with large businesses to deliver high quality uniform solutions under multi-year contracts.



## Small & Mid-sized Businesses

160,000 accounts currently partnering with Lands' End across the US with 24,000 unique online storefronts that purchase over 2 million units annually.

Focus on business uniforms and other customized, company-branded goods.

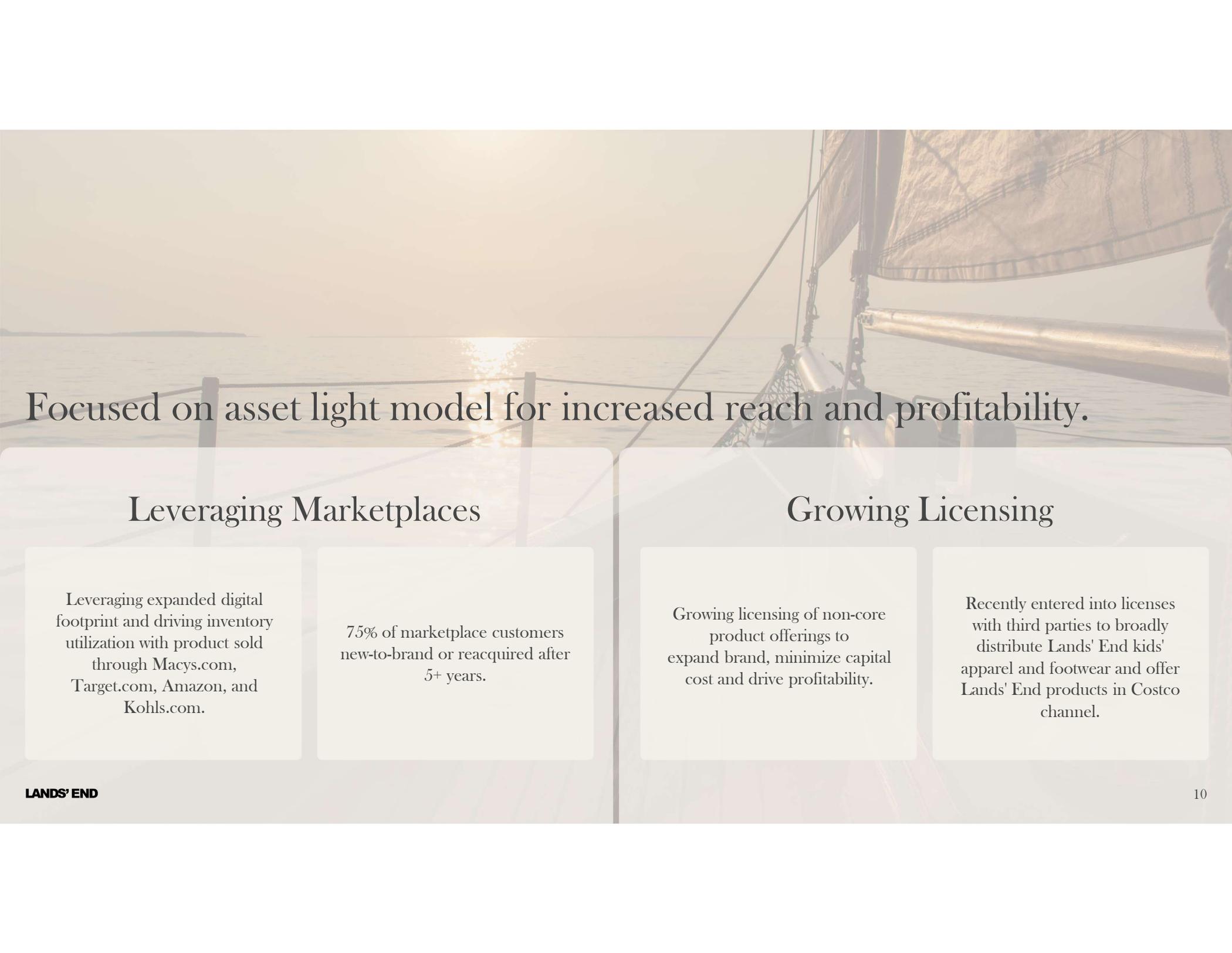


## School Uniform

4,700 schools currently partnering with Lands' End across the US.

300K+ unique households serviced.

Full range of school uniform items available.



Focused on asset light model for increased reach and profitability.

## Leveraging Marketplaces

Leveraging expanded digital footprint and driving inventory utilization with product sold through Macys.com, Target.com, Amazon, and Kohls.com.

75% of marketplace customers new-to-brand or reacquired after 5+ years.

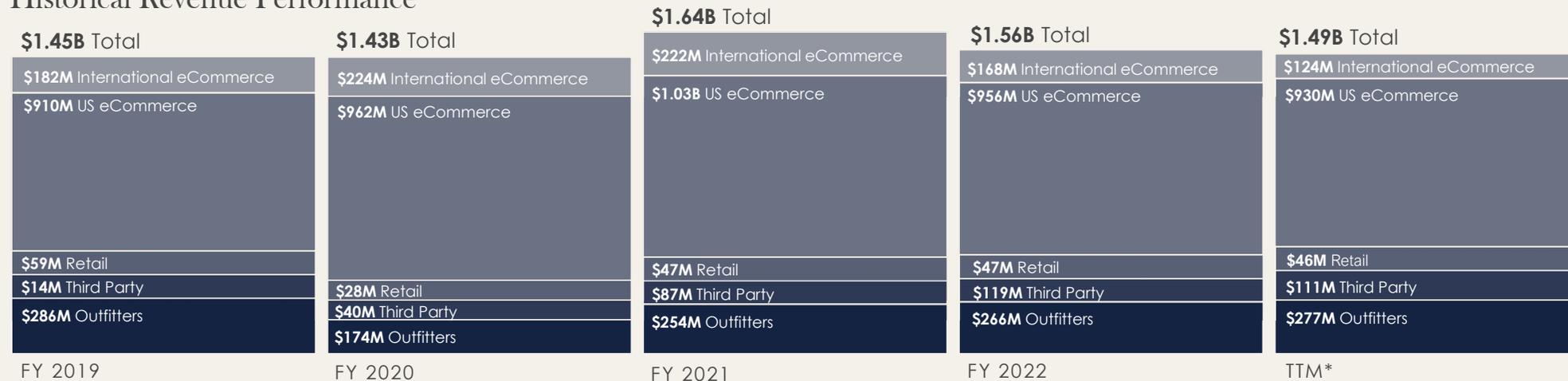
## Growing Licensing

Growing licensing of non-core product offerings to expand brand, minimize capital cost and drive profitability.

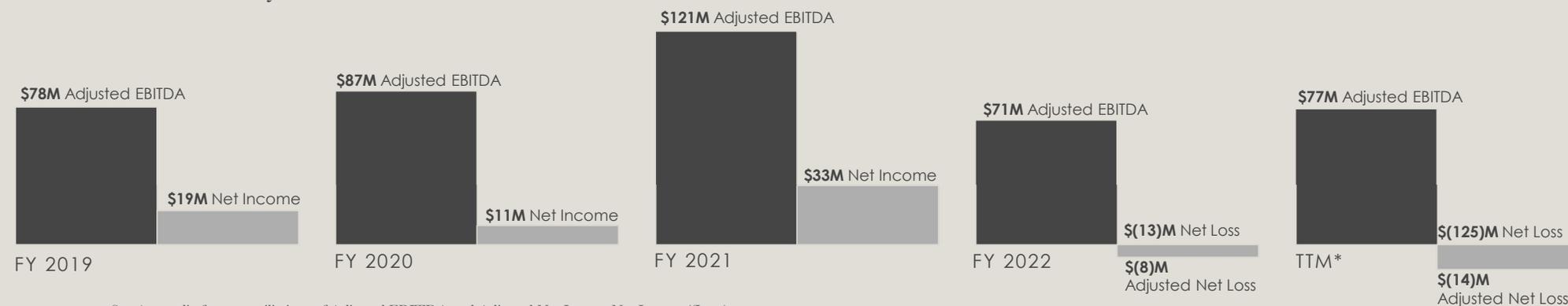
Recently entered into licenses with third parties to broadly distribute Lands' End kids' apparel and footwear and offer Lands' End products in Costco channel.

# Financial Profile

## Historical Revenue Performance

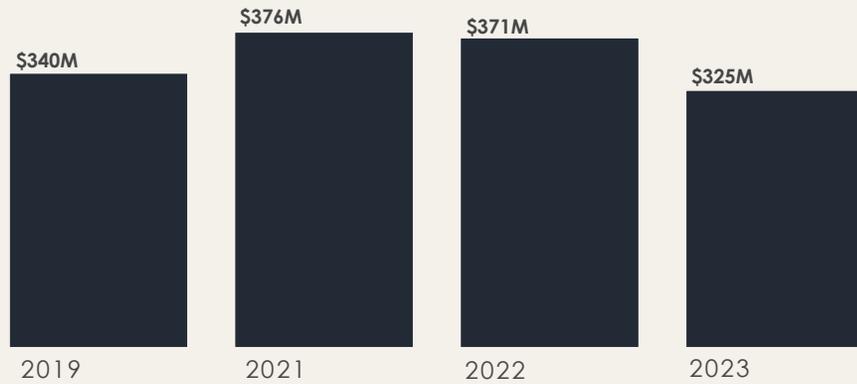


## Historical Profitability Performance

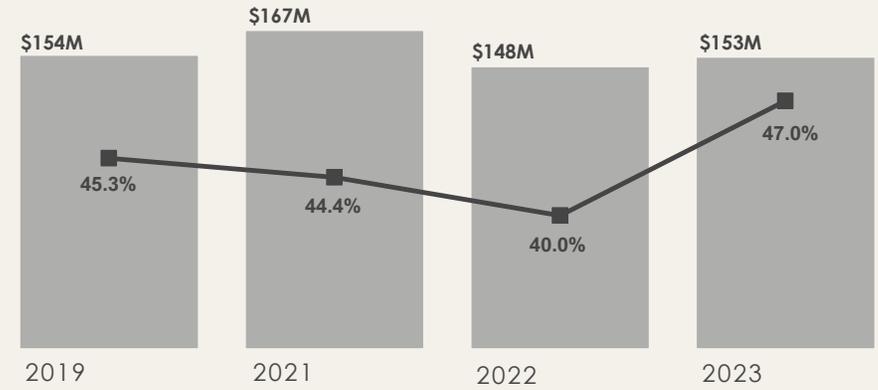


# Third Quarter Financial Profile \*

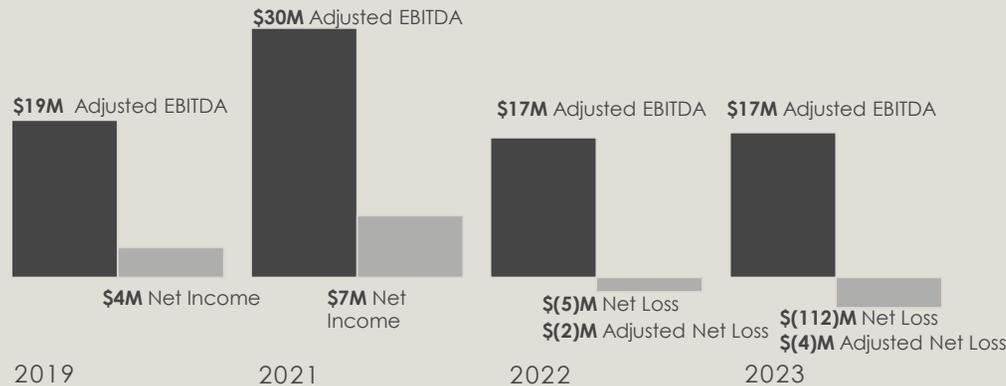
## Historical Revenue Performance



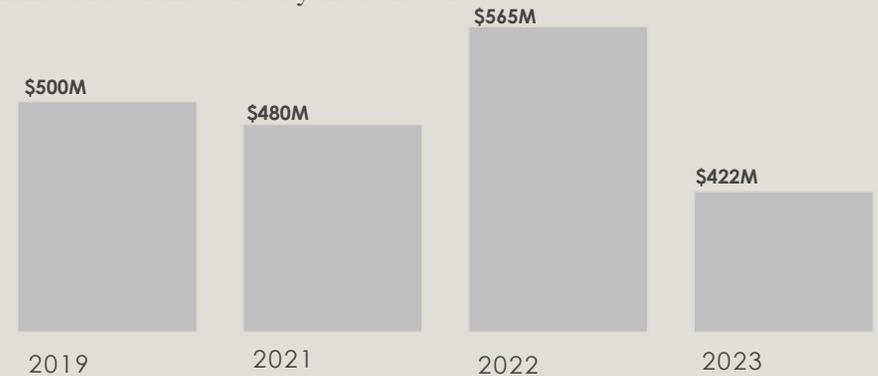
## Historical Gross Profit and Gross Margin



## Historical Profitability Performance

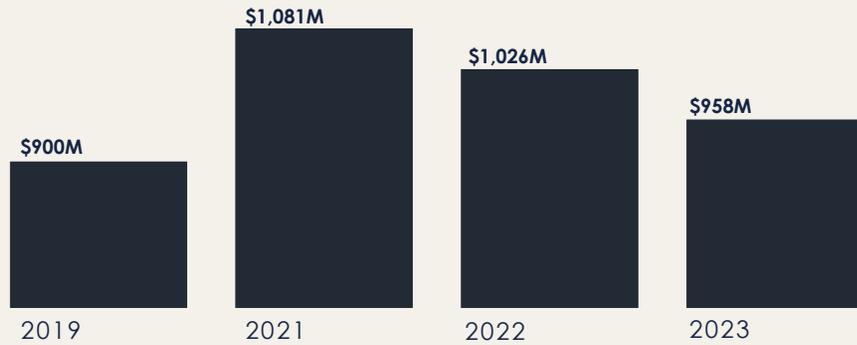


## Historical Inventory Balances



# Year-to-Date Financial Profile \*

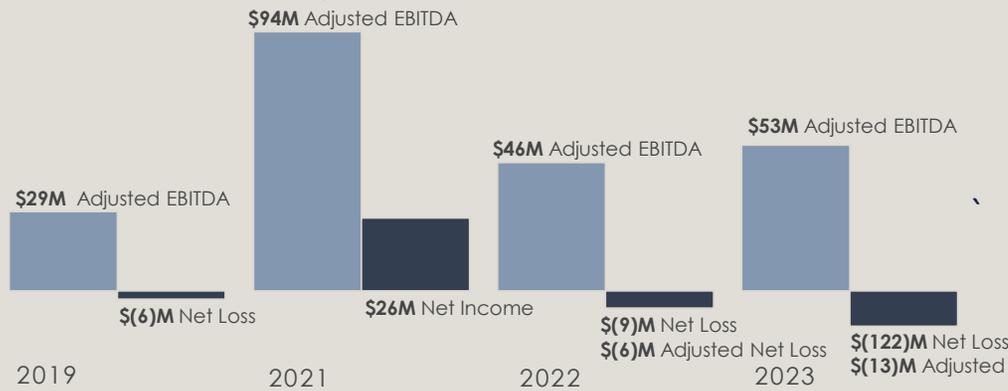
## Historical Revenue Performance



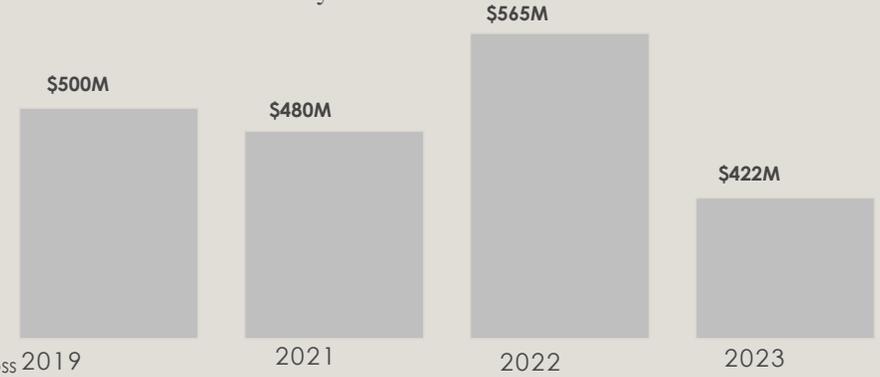
## Historical Gross Profit and Gross Margin



## Historical Profitability Performance



## Historical Inventory Balances



\*Excludes 2020 due to Covid Pandemic

YTD represents performance through the fiscal third quarter and includes \$107M impairment of goodwill in 3Q FY23 due to the decline of the stock price  
See Appendix for reconciliations of Adjusted EBITDA and Adjusted Net Loss to Net Income/(Loss).

# APPENDIX

# Full Year Reconciliation of Non-GAAP Measures

(in millions)	FY 2019	FY 2020	FY 2021	FY 2022	TTM 2023
Net Income/ (loss)	\$19.3	\$10.8	\$33.4	\$(12.5)	\$(125.4)
Taxes	2.1	1.8	12.6	(2.1)	5.1
Interest	26.0	27.8	34.4	39.8	47.9
Depreciation	31.1	37.3	39.2	38.7	38.0
Goodwill & Long-Lived Asset Impairment	-	-	-	0.5	107.0
Other Adjustments	(0.6)	9.3	1.3	6.2	4.1
<b>Adjusted EBITDA</b>	<b>\$77.9</b>	<b>\$87.0</b>	<b>\$120.9</b>	<b>\$70.5</b>	<b>\$76.8</b>

(in millions)	FY 2019	FY 2020	FY 2021	FY 2022	TTM 2023
Net Income/ (loss)	\$19.3	\$10.8	\$33.4	\$(12.5)	\$(125.4)
Goodwill & Long-Lived Asset Impairment	-	-	-	0.5	107.0
Corporate Restructuring	-	-	-	-	2.7
Lands' End Japan Closure	-	-	-	6.1	2.4
Tax Effects on Adjustments	-	-	-	(1.7)	(0.9)
<b>Adjusted Net Income/ (loss)</b>	<b>\$19.3</b>	<b>\$10.8</b>	<b>\$33.4</b>	<b>\$(7.7)</b>	<b>\$(14.2)</b>

**LANDS' END** TTM represents Q3 2022 through Q3 2023 and includes \$107M impairment of goodwill in 3Q FY23 due to the decline of the stock price

# Third Quarter Reconciliation of Non-GAAP Measures

(in millions)	3Q 2019	3Q 2021	3Q 2022	3Q 2023
Net Income/ (loss)	\$3.6	\$7.4	\$(4.7)	\$(112.4)
Taxes	1.3	3.9	(3.6)	(0.5)
Interest	6.1	8.3	10.8	11.7
Depreciation	8.1	9.8	9.8	9.6
Goodwill & Long-Lived Asset Impairment	-	-	0.1	106.7
Other Adjustments	(0.4)	0.2	4.3	2.2
<b>Adjusted EBITDA</b>	<b>\$18.8</b>	<b>\$29.8</b>	<b>\$16.7</b>	<b>\$17.3</b>

(in millions)	3Q 2019	3Q 2021	3Q 2022	3Q 2023
Net Income/ (loss)	\$3.6	\$7.4	\$(4.7)	\$(112.4)
Goodwill & Long-Lived Asset Impairment	-	-	0.1	106.7
Corporate Restructuring	-	-	-	2.3
Lands' End Japan Closure	-	-	3.9	-
Tax Effects on Adjustments	-	-	(1.0)	(0.2)
<b>Adjusted Net Income/ (loss)</b>	<b>\$3.6</b>	<b>\$7.4</b>	<b>\$(1.7)</b>	<b>\$(3.6)</b>

# Year-to-Date Reconciliation of Non-GAAP Measures

(in millions)	YTD 2019	YTD 2021	YTD 2022	YTD 2023
Net Income/ (loss)	\$(6.2)	\$26.3	\$(9.2)	\$(122.1)
Taxes	(6.7)	10.7	(6.3)	1.0
Interest	20.2	26.2	27.8	36.0
Depreciation	23.1	29.5	29.2	28.4
Goodwill & Long-Lived Asset Impairment	-	-	0.1	106.7
Other Adjustments	(1.7)	0.9	4.8	2.6
<b>Adjusted EBITDA</b>	<b>\$28.6</b>	<b>\$93.6</b>	<b>\$46.3</b>	<b>\$52.6</b>

(in millions)	YTD 2019	YTD 2021	YTD 2022	YTD 2023
Net Income/ (loss)	\$(6.2)	\$26.3	\$(9.2)	\$(122.1)
Goodwill & Long-Lived Asset Impairment	-	-	0.1	106.7
Corporate Restructuring	-	-	-	2.7
Lands' End Japan Closure	-	-	3.9	0.1
Tax Effects on Adjustments	-	-	(1.0)	(0.2)
<b>Adjusted Net Income/ (loss)</b>	<b>\$(6.2)</b>	<b>\$26.3</b>	<b>\$(6.2)</b>	<b>\$(12.8)</b>

**LANDS' END** YTD represents performance through the fiscal third quarter and includes \$107M impairment of goodwill in 3Q FY23 due to the decline of the stock price