

Chico's FAS, Inc. Announces Enhanced Financial Stability

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Amended Credit Facility Significantly Strengthens Liquidity and Extends Maturity
Company Expects to Continue Benefitting from Cost Reduction Actions

FORT MYERS, Fla., Nov. 2, 2020 /PRNewswire/ -- Chico's FAS, Inc. (NYSE: CHS) (the "Company") today announced the closing of its amended and extended \$300 million Senior Secured Credit Facility (the "Credit Facility"), consisting of a \$285 million asset-based revolving credit agreement ("Revolver") and a \$15 million "first-in last-out" term loan ("FILO"), with Wells Fargo & Company as the lead lender. The Revolver and FILO have a five-year term maturing on October 30, 2025.

"We are pleased to announce that the Company has significantly strengthened our liquidity and enhanced our financial stability for the foreseeable future. As well, this new Credit Facility demonstrates the confidence our lenders have in Chico's FAS and the sustainable, long-term success of our brands," said Molly Langenstein, Chief Executive Officer and President. "We also are continuing to benefit from the aggressive measures we initiated earlier this year to streamline the organization and reduce operating and occupancy costs. These substantial ongoing cost savings initiatives are expected to benefit future years and reflect a cultural shift in how we manage our business."

Molly Langenstein, continued: "Our new casual and cozy deliveries hitting stores were informed by customer demand during the store closure period, and these new products are resonating well across all three of our brands. Together with our three differentiated brands and strong customer loyalty for each of the brands, we are confident we have the foundation necessary to successfully navigate both the pandemic and longer term. Indeed, we are positioned to create meaningful value for our shareholders."

David Oliver, Interim Chief Financial Officer, said: "We are pleased to have added liquidity and based on our

projected cash flows do not expect to make additional draws on the Credit Facility this or next fiscal year. Our leaner expense base will allow for increases in sales to meaningfully improve profitability as the business returns to a more normal environment. We plan for a major component of our 2020 expense reductions to roll through to the bottom line in 2021, and as business continues to grow, we expect to generate increased profits."

The amended and extended Credit Facility replaces the prior \$200 million credit facility, which was scheduled to mature in August 2023. As previously reported, debt at the end of the second quarter of fiscal 2020 totaled \$149 million, and there were no new borrowings on the facility prior to its amendment.

Interest on the Revolver is LIBOR (floor of 0.75%) plus a margin of 2.25% to 2.50% (based on average quarterly availability), and interest on the FILO is LIBOR (floor of 0.75) plus 4.50%. The Credit Facility is secured by inventory, receivables and real and intellectual property.

PJ Solomon acted as the Company's exclusive financial advisor for the transaction.

ABOUT CHICO'S FAS, INC.

Chico's FAS is a Florida-based fashion company founded in 1983 on Sanibel Island, Fla. The Company reinvented the fashion retail experience by creating fashion communities anchored by service, which put the customer at the center of everything we do. As one of the leading fashion retailers in North America, Chico's FAS is a company of three unique brands - Chico's®, White House Black Market® and Soma® - each thriving in their own white space, founded by women, led by women, providing solutions that millions of women say give them confidence and joy.

Our Company has a passion for fashion, and each day, we provide clothing, shoes and accessories, intimate apparel and expert styling in our brick-and-mortar boutiques, digital online boutiques and through Style Connect, the Company's proprietary digital styling tool that enables customers to conveniently shop wherever, whenever and however they prefer.

As of August 1, 2020, the Company operated 1,313 stores in the U.S. and sold merchandise through 69 international franchise locations in Mexico and 2 domestic franchise airport locations. The Company's merchandise is also available at www.chicos.com, www.chicosofftherack.com, www.whbm.com, www.soma.com and www.mytelltale.com as well as through third-party channels.

To learn more about Chico's FAS, visit www.chicosfas.com. The information on our corporate website is not, and shall not be deemed to be, a part of this press release or incorporated into our federal securities law filings.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF

1995

This press release contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The statements, which include but are not limited to the quotes from Ms. Langenstein and Mr. Oliver, relate to expectations and projections regarding the Company's future performance and may include the words "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "will," "plan," "outlook," "project," "should," "strategy," "potential", "confident" and similar terms. These forward-looking statements are based largely on information currently available to our management and on our current expectations, assumptions, plans, estimates, judgments and projections about our business and our industry, and are subject to risks and uncertainties that could cause actual results to differ materially from historical results or those expressed or implied by such forward-looking statements. Although we believe our expectations are based on reasonable estimates and assumptions, there is no assurance that our expectations will, in fact, occur or that our estimates or assumptions will be correct, and we caution investors and all others not to place undue reliance on such forward-looking statements. Factors that could cause actual results to differ include, but are not limited to: the effects of the COVID-19 pandemic and uncertainties about its depth and duration, including any resurgence, as well as the impacts to general economic conditions and the economic slowdown affecting consumer behavior and spending (before and after the COVID-19 pandemic) and potential future temporary store closures due to government mandates; the effectiveness of store reopenings, cost reduction initiatives (including our ability to effectively restructure our lease portfolio to obtain rent relief), the extent, availability and effectiveness of any COVID-19 stimulus packages or loan programs, including the CARES Act, the ability of our third-party business partners, including our suppliers, logistics providers, vendors and landlords, to meet their obligations to us in light of financial stress, staffing shortages, liquidity challenges, bankruptcy filings by other industry participants and other disruptions due to the COVID-19 pandemic, the impact of the COVID-19 pandemic on our manufacturing operations in China, and trends in consumer behavior and spending during and after the end of the pandemic; our ability to successfully implement any alternatives that we pursue including our ability to achieve the cost savings and additional liquidity described in this release; government actions and policies; increases in unemployment rates and taxes; local, regional, national and international economic conditions; changes in the general economic and business environment; changes in the general or specialty retail or apparel industries, including the extent of the market demand and overall level of spending for women's private branded clothing and related accessories; the exiting of store operations in Canada and other future permanent store closures; the effectiveness of our brand strategies, awareness and marketing programs; the ability to successfully execute and achieve the expected results of our business strategies and particular strategic initiatives (including, but not limited to, the Company's digital strategy, organizational restructure, retail fleet optimization plan and three operating priorities which are driving stronger sales through improved product and marketing; optimizing the customer journey by simplifying, digitizing and extending the Company's unique and personalized service; and transforming sourcing and supply chain operations to increase product speed to market and improve quality), sales initiatives and multi-channel strategies;

customer traffic; our ability to appropriately manage our inventory and allocation processes; our ability to leverage inventory management and targeted promotions; the successful recruitment of leadership and the successful transition of members of our senior management team; uncertainties regarding future unsolicited offers to buy the Company and our ability to respond effectively to them as well as to actions of activist shareholders and others; changes in the political environment that create consumer uncertainty; the risk that our investments in merchandise or marketing initiatives may not deliver the results we anticipate; significant changes to product import and distribution costs (such as unexpected consolidation in the freight carrier industry, and the ability to remain competitive with customer shipping terms and costs pertaining to product deliveries and returns); new or increased taxes or tariffs that could impact, among other things, our sourcing from foreign suppliers; and significant shifts in consumer behavior. Other risk factors are detailed from time to time in the Company's Quarterly Reports on Form 10-Q, Annual Report on Form 10-K and other reports filed with the Securities and Exchange Commission. These factors should be considered in evaluating forward-looking statements contained herein. There can be no assurance that the actual future results, performance, or achievements expressed or implied by such forward-looking statements will occur. The Company does not undertake to publicly update or revise its forward-looking statements even if experience or future changes make it clear that projected results expressed or implied in such statements will not be realized.

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