

**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): January 11, 2021

TILLY'S, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State of Incorporation)

1-35535
(Commission File Number)

45-2164791
(IRS Employer
Identification Number)

10 Whatney
Irvine, California 92618
(Address of Principal Executive Offices) (Zip Code)
(949) 609-5599
(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:

- 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 A Common Stock, \$0.001 par value per share	TLYS	New York Stock Exchange

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 January 11, 2021, Tilly's, Inc. (the "Company") announced certain net sales results for the nine-week period ended January 2, 2021, in connection with its participation in the virtual ICR Conference 2021 to be held on January 11 and 12, 2021. The press release is furnished as Exhibit 99.1 hereto and is incorporated herein by reference.

Exhibit 99.1 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 (the "Securities Act") or the Exchange Act, regardless of any general incorporation language in such filing.

Item 7.01 Regulation FD Disclosure

On January 11 and 12, 2021, the Company will be discussing the materials furnished as Exhibit 99.2 hereto, and incorporated by reference herein, during the virtual ICR Conference 2021.

Exhibit 99.2 shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, regardless of any general incorporation language in such filings.

Item 9.01 Financials Statements and Exhibits

The following exhibits are being furnished herewith.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Exhibit Title or Description</u>
99.1	Press Release of Tilly's, Inc., dated January 11, 2021.
99.2	Investor Presentation of Tilly's, Inc., dated January 11, 2021.
104	Cover Page Interactive Data File (embedded within 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.

TILLY'S, INC.

Date: January 11, 2021

By: /s/ Michael L. Henry
Name: Michael L. Henry
Title: Executive Vice President, Chief Financial Officer



Tilly's, Inc. Announces 2020 Holiday Period Net Sales Growth

Irvine, CA – January 11, 2021 – Tilly's, Inc. (NYSE: TLYS, the "Company") today announced growth in its net sales for the nine-week period ended January 2, 2021 (the "2020 holiday period") in advance of its participation in the virtual ICR Conference 2021 on January 11-12, 2021.

"Considering the ongoing, significant impacts and challenges of the COVID-19 pandemic across the country, I am proud of our team's achievement of a positive overall comp for the 2020 holiday period," commented Ed Thomas, President and Chief Executive Officer. "To end the 2020 holiday period with as much cash as last year at this time is an amazing result after all that has taken place, which speaks to the quality of execution by our entire team, especially with respect to inventory and expense planning and management, during this most unpredictable year."

- Total net sales of \$148.7 million increased by 3.3% for the 2020 holiday period compared to \$143.9 million for last year's comparable nine-week holiday period ended January 4, 2020 (the "2019 holiday period").
- Total comparable net sales, including both physical stores and e-commerce, increased by 2.7% for the 2020 holiday period compared to a decrease of 2.0% for the 2019 holiday period. Comparable net sales of Footwear, Womens and Mens increased compared to the 2019 holiday period, partially offset by decreases in Boys, Accessories and Girls.
 - Comparable net sales in physical stores decreased by 12.4% for the 2020 holiday period compared to a decrease of 2.7% during the 2019 holiday period. Comparable net sales in physical stores decreased in all geographic markets during the 2020 holiday period compared to the 2019 holiday period. Net sales in physical stores represented 69.0% of total net sales for the 2020 holiday period compared to 80.5% of total net sales during the 2019 holiday period.
 - E-commerce net sales increased by 65.2% for the 2020 holiday period compared to an increase of 1.0% during the 2019 holiday period. E-commerce net sales increased across all 50 states during the 2020 holiday period compared to the 2019 holiday period. E-commerce net sales represented 31.0% of total net sales for the 2020 holiday period compared to 19.5% of total net sales during the 2019 holiday period.
 - The Company believes the ongoing impacts of the COVID-19 pandemic, including government-mandated restrictions on customer traffic in physical stores and reductions in store operating hours in effect during the 2020 holiday period, resulted in increased online shopping relative to physical stores compared to the 2019 holiday period.
- As of January 4, 2021, the Company had \$169.1 million of cash and marketable securities, including an aggregate of \$2.3 million of withheld store lease payments and no debt outstanding, compared to \$166.4 million at this time last year.

The scope and nature of the impacts of the COVID-19 pandemic on the Company's business continue to evolve each day. As a result, there can be no guarantee that the Company's financial results through the remainder of the fourth quarter will remain consistent with those of the 2020 holiday period. The Company's actual financial results for the fiscal 2020 fourth quarter and full fiscal year ending January 30, 2021, are subject to completion of the period, the finalization of its normal quarter-end and year-end accounting procedures, and the audit of its fiscal 2020 financial statements. The Company currently expects to report its actual results for the fiscal 2020 fourth quarter and full fiscal year on or about March 11, 2021

ICR Conference 2021

The Company will be participating in the virtual ICR Conference 2021 on Monday and Tuesday, January 11-12, 2021. The Company will be conducting a fireside chat presentation at 12:30 p.m. Eastern time on Monday, January 11, 2021. The audio of the fireside chat will be webcast live over the internet and can be accessed under the Investor Relations section of the Company's website at www.tillys.com.

About Tillys

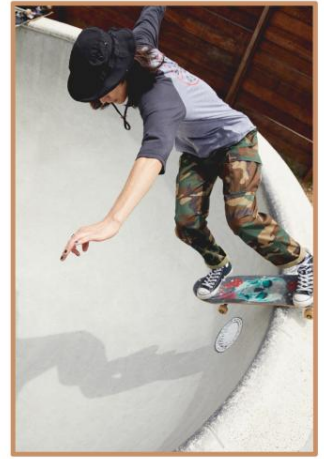
Tillys is a leading, destination specialty retailer of casual apparel, footwear and accessories for young men, young women, boys and girls with an extensive selection of iconic global, emerging, and proprietary brands rooted in an active, outdoor and social lifestyle. Tillys is headquartered in Irvine, California and currently operates 239 total stores, including one RSQ-branded pop-up store and one RSQ Skate store, across 33 states, as well as its website, www.tillys.com.

Forward Looking Statements

Certain statements in this press release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In particular, statements regarding the overall effect of the novel coronavirus (COVID-19) pandemic, including its impacts on us, our operations, or our future financial condition or operating results, the actions taken or to be taken in response to the COVID-19 pandemic, and the impacts thereof on us, our operations, or our future financial condition or operating results, expectations regarding customer traffic and sales activities once stores have reopened, the effects of guidance from local, state and federal governments and health organizations on our future business operations, the possibility of repaying withheld store rents, our ability to properly manage our inventory levels, and any other statements about our future cash position, financial flexibility, expectations, plans, intentions, beliefs or prospects expressed by management are forward-looking statements. These forward-looking statements are based on management's current expectations and beliefs, but they involve a number of risks and uncertainties that could cause actual results or events to differ materially from those indicated by such forward-looking statements, including, but not limited to, the effects of the COVID-19 pandemic (or other weather, epidemics, pandemics, or other public health issues) on our business and operations, and our ability to respond thereto (including any surges in the number of cases related thereto), our ability to respond to changing customer preferences and trends, attract customer traffic at our stores and online, execute our growth and long-term strategies, expand into new markets, grow our ecommerce business, effectively manage our inventory and costs, effectively compete with other retailers, attract talented employees, realize anticipated, enhance awareness of our brand and brand image, general consumer spending patterns and levels, the markets generally, our ability to satisfy our financial obligations, including under our credit facility and our leases, and other factors that are detailed in our Annual Report on Form 10-K, filed with the Securities and Exchange Commission ("SEC"), including those detailed in the section titled "Risk Factors" and in our other filings with the SEC, which are available from the SEC's website at www.sec.gov and from our website at www.tillys.com under the heading "Investor Relations". Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. We do not undertake any obligation to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise. This release should be read in conjunction with our financial statements and notes thereto contained in our Form 10-K.

Investor Relations Contact:

Michael L. Henry
Executive Vice President, Chief Financial Officer
949-609-5599 x.17000
irrelations@tillys.com



TILLYS
2021 ICR CONFERENCE
INVESTOR PRESENTATION



SAFE HARBOR STATEMENT

This presentation, and responses to certain questions about this presentation, will contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, particularly with regard to future financial and operating expectations, business plans and key initiatives. All such statements are subject to risks and uncertainties that could cause actual results or events to differ materially from those indicated by such forward-looking statements. Please see "Risk Factors" in our Annual and Quarterly Reports on Forms 10-K and 10-Q filed with the Securities and Exchange Commission for a description of such risks and uncertainties. We urge you not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. We do not undertake any obligation to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise. This presentation should be read in conjunction with our financial statements and notes thereto contained in our most recent Form 10-K for the fiscal year ended February 1, 2020 and our Form 10-Qs for the fiscal quarters ended May 2, August 1, and October 31, 2020.



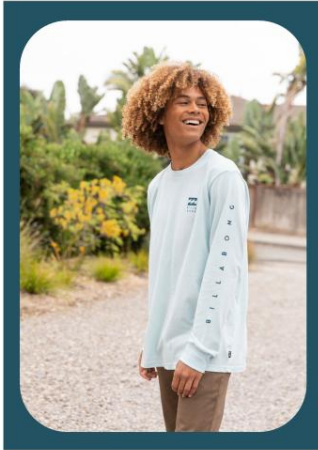
TILLYS AT A GLANCE

- **Leading specialty retailer** offering apparel, footwear, accessories and hardgoods for young adults, teens and children
- Unparalleled blend of **iconic global, emerging, and proprietary brands**
- **239 stores** in 33 states averaging ~7,500 square feet
- **Profitable, growing e-commerce business** represented 16% of fiscal 2019 net sales (pre-pandemic) and 32% of fiscal 2020 YTD net sales (pandemic-aided)
- HQ in **Irvine, CA** and **founded in 1982**

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OUR CORE CUSTOMERS



**Pre-teens,
teens and
young adults**



**Active,
connected,
creative and
adventurous**



**Passionate
about an active
lifestyle** (sports,
music, art and
fashion)



Highly
engaged
on **social
media
channels**

CONSTANTLY EVOLVING MERCHANDISE MIX



Emerging brands and new merchandise from established brands



Exclusive styles from popular brands that are limited or not offered at other retailers



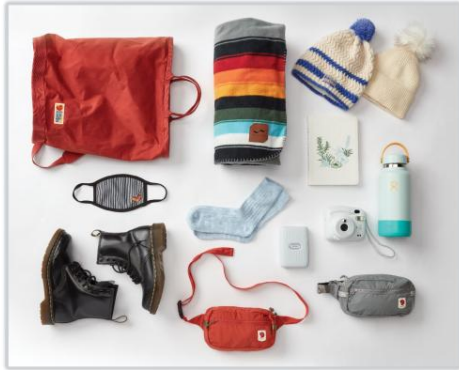
Newly added categories



Analyze and adjust to performance trends within different markets



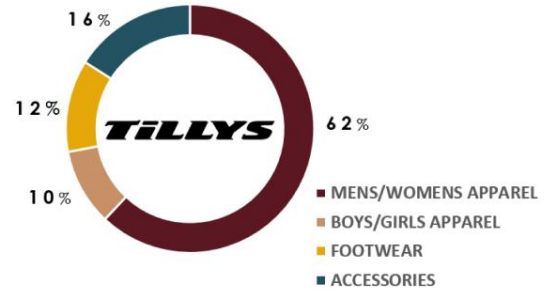
Ship products to stores multiple times per week



**DESTINATION
RETAILER WITH A
BROAD AND
DIFFERENTIATED
ASSORTMENT**



MERCHANDISE MIX (FY20 Q3 YTD)



- **400+ 3rd-party lifestyle brands** in a given year with a **variety** of styles, colors, sizes and price points. Only one 3rd-party brand > 4% of total sales.
- **Our own brands = 26%** of YTD sales, including 2 of our top 3 brands overall.
- Stores **are frequently remodeled/refreshed**



MERCHANDISING PRIORITIES FOR FY2021-22



DIGITAL FIRST

- Exclusives & expanded online assortment
- Implement print-on-demand
- Launch dropship



NEW AND EXPANDED CATEGORIES

- Surf hardgoods/gear
- Active
- New brands and gear
- Home/Dorm
- Plus-sizes launch



PRIVATE LABEL EXPANSION

- New Design/Tech team for denim and plus-size expansion



SUSTAINABILITY

- Tillys sustainable site experience
- RSQ sustainable denim launch



INVENTORY MANAGEMENT

- Shorten Lead Times
- Improve Flow
- Reduce Markdowns

LAUNCHING NEW CATEGORIES



Element 8.5" 17" Complete Skateboard \$21.99
Element 8.5" 17" Complete Skateboard \$21.99
Hero 8.5" 17" Complete Skateboard \$21.99



Milano 8.5" 17" Complete Skateboard \$21.99
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SKATE HARDGOODS

Online launch Feb 2020
20 stores Oct 2020
80 stores for 2021
RSQ Skate store

SNOW HARDGOODS

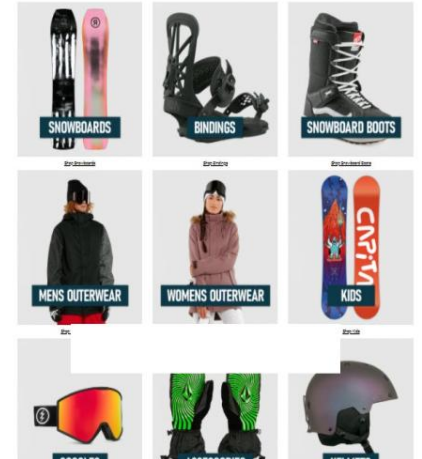
Online launch Oct 2020

BIKES

Online launch Oct 2020



BAZILION Cruz BURNE RIDE ROXY VANS DC RIDE

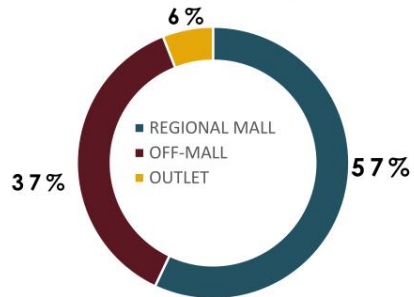


FLEXIBLE REAL ESTATE STRATEGY ACROSS REAL ESTATE VENUES AND GEOGRAPHIES

- 239 total stores across 33 states,
- Multiple formats: **indoor malls, power, neighborhood, lifestyle and outlet centers, street-front locations**
- Strategy of clustering stores in **promising markets** to enhance brand awareness



STORE COUNT BY LOCATION TYPE

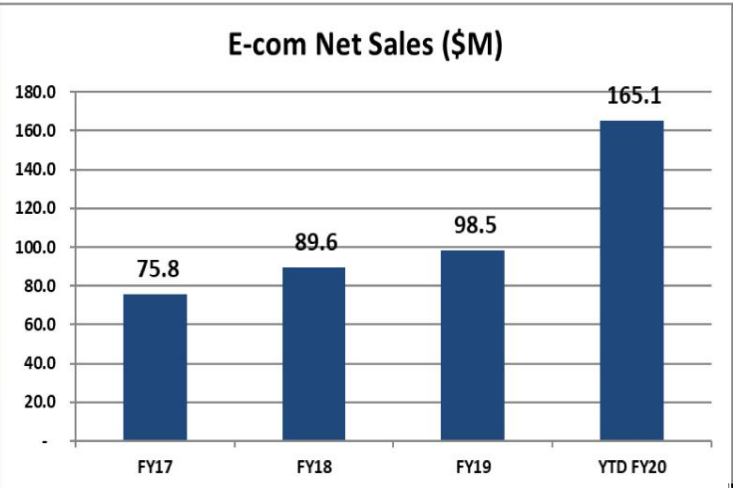
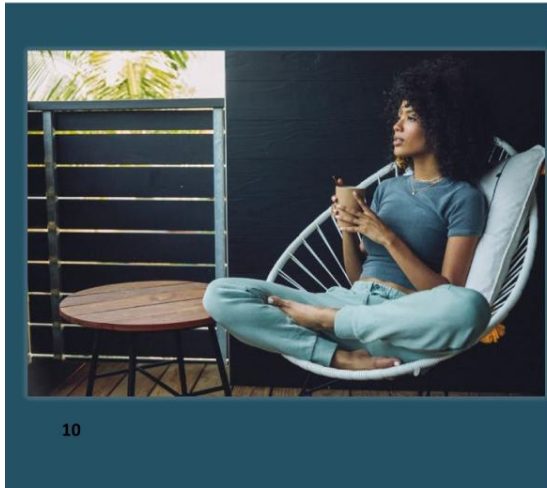


PROFITABLE AND GROWING E-COM BUSINESS

E-com sales, sales penetration, and profitability continues to grow. YTD FY20 e-com sales have grown by 68% vs full FY19.

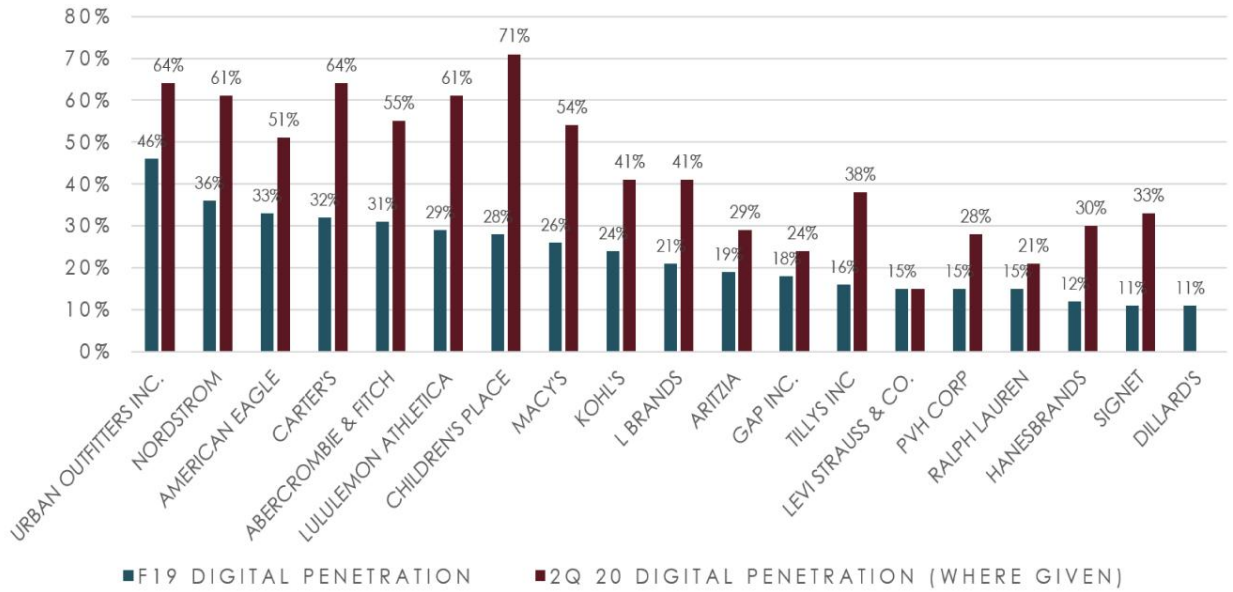
E-com = 32% of FY20 YTD total sales (aided by temporary pandemic-related store shutdowns) vs. 16% of FY19 total sales.

E-com product margins and operating margin have improved meaningfully during FY20 with the increased sales volume influenced by the pandemic.



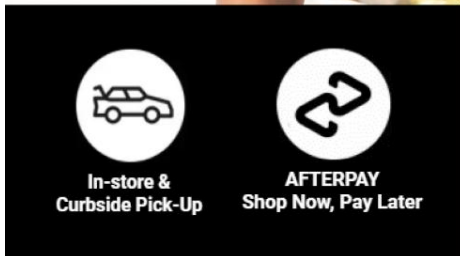
ACCELERATION OF E-COM DURING PANDEMIC

As have many other retailers, we have experienced a **substantial rate of e-com growth** during the 2020 pandemic period, certainly aided by periods of store closures.



MANAGING THROUGH THE PANDEMIC

- **\$169M in cash/investments** (including \$2.3M in withheld store rents) and **no debt** as of January 4, 2021 compared to \$166M in cash/investments and no debt at same time last year
- Inventory levels **well controlled** and managed to conservative sales assumptions
- **Total occupancy costs reduced below LY levels each quarter of fiscal 2020** despite having more stores than LY
- **SG&A** managed millions of dollars **below LY levels each quarter of fiscal 2020**
- Established **new \$65M asset-backed credit facility** for greater protection against additional potential pandemic shutdowns in early November 2020
- **Amplifying e-commerce** efforts and customer-convenience options (**curbside pickup, same-day delivery, ship from store**)



INVESTING IN CUSTOMER CONVENIENCE (OMNI-CHANNEL)

- **Buy online, pickup in store**
- **Ship from store**
- **Curbside pickup** in certain locations
- **Same-day delivery** in certain areas
- **Online order brokering** to stores when items are out of stock in e-com
- Collectively, **omni-channel initiatives** > **10% of total sales** in FY20.
- **Afterpay** launched online, represents > **10% of online transactions** with **meaningfully higher AOV** compared to company average transaction value.

- Opened October 29, 2020 in Irvine Spectrum.
- **RSQ Skate** is a curated collection of skate-centric brands for a core, yet commercial consumer in an inclusive, easy to shop environment.
- Pillars of RSQ include Skateboarding, Music, Art and Fashion.
- Skateboarding is booming...but the retail landscape is severely lacking.
- 4 key pillars of the store: hardgoods, footwear, graphics/apparel/accessories, RSQ apparel
- Blend of global and local brands
- Authentic support of the skate community through artists, ambassadors and grass roots events





THANK YOU

TILLYS



