



SAFE HARBOR STATEMENT

Forward Looking Statements

This presentation contains or may contain forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to statements relating to the Company's strategic initiatives and adjusted net income per diluted share. Forward-looking statements typically are identified by use of terms such as "may," "will," "should," "plan," "project," "expect," "anticipate," "estimate" and similar words, although some forward-looking statements are expressed differently. These forward-looking statements are based upon the Company's current expectations and assumptions and are subject to various risks and uncertainties that could cause actual results and performance to differ materially. Some of these risks and uncertainties are described in the Company's filings with the Securities and Exchange Commission, including in the "Risk Factors" section of its annual report on Form 10-K for the fiscal year ended January 30, 2021. Included among the risks and uncertainties that could cause actual results and performance to differ materially are the risk that the Company will be unsuccessful in gauging fashion trends and changing consumer preferences, the risks resulting from the highly competitive nature of the Company's business and its dependence on consumer spending patterns, which may be affected by changes in economic conditions, the risks related to the COVID-19 pandemic, including the impact of the COVID-19 pandemic on our business or the economy in general (including decreased customer traffic, schools adopting remote and hybrid learning models, closures of businesses and other activities causing decreased demand for our products and negative impacts on our customers' spending patterns due to decreased income or actual or perceived wealth, and the impact of the CARES Act and other legislation related to the COVID-19 pandemic, and any changes to the CARES Act or such other legislation), the risk that the Company's strategic initiatives to increase sales and margin are delayed or do not result in anticipated improvements, the risk of delays, interruptions and disruptions in the Company's global supply chain, including resulting from COVID-19 or other disease outbreaks, or foreign sources of supply in less developed countries, more politically unstable countries, or countries where vendors fail to comply with industry standards or ethical business practices, including the use of forced, indentured or child labor, the risk that the cost of raw materials or energy prices will increase beyond current expectations or that the Company is unable to offset cost increases through value engineering or price increases, various types of litigation, including class action litigations brought under consumer protection, employment, and privacy and information security laws and regulations, the imposition of regulations affecting the importation of foreign-produced merchandise, including duties and tariffs, and the uncertainty of weather patterns. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they were made. The Company undertakes no obligation to release publicly any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

COMPANY OVERVIEW

About Our Business

- **#1 pure play** children's specialty apparel retailer in North America, offering apparel, footwear, and accessories in sizes 0-22
- **Accelerated structural reset** to **digital first** retailer since the onset of the pandemic, has established a new baseline positioning us to deliver **double digit EPS** and **double digit operating margin** for Fiscal 2022 and beyond
- Strength of design, merchandising, and sourcing teams produces a **superior product offering**
- **Experienced and talented management team**, with an average tenure of over seven years, focused on execution and operational excellence
- **Strong brand awareness** and **market share leader** in specialty apparel children's retail

Size and Scale of Our Operations¹

672 stores in the United States, Canada and Puerto Rico

Rapidly expanding e-commerce presence in the U.S. and Canada representing **45%** of sales for Fiscal 2021

211 international points of distribution in **16** countries



¹ As of January 29, 2022

INVESTMENT HIGHLIGHTS

Realizing the benefits of a multi-year business transformation strategy

How We Serve Our Customer

- Consistently **deliver trend-right product** with an **attractive value proposition** leveraging **deep knowledge** of core customer
- Industry-leading digital penetration, with focus on **mobile-first enabled transactions** and **optimizing interactions** with our customers through **enhanced brand marketing and personalization**
- Areas of focus: 1) **customer insights**, 2) **customer strategy** and 3) **digital delivery**, including **continuing to acquire and retain omni-channel customers** to drive higher digital penetration

Store Portfolio

- **Accelerated our fleet optimization by 5 years** since the onset of the pandemic, resulting in a **structural reset of occupancy expenses** and a **more profitable store fleet**
- **256 store closures** since the onset of the pandemic, including **78** in fiscal 2021, and targeting approximately **40 additional closures** in fiscal 2022. **527 store closures** since the fleet optimization initiative was announced in 2013
- We are planning for **near-term annual digital penetration of approximately 50%** in Fiscal 2022 and expect approximately **75%** of our total revenues to be generated **outside of our mall stores** in fiscal 2022



STRATEGIC INITIATIVES: THE PATH AHEAD

The pandemic accelerated our long-standing transformation strategy by approximately five years with respect to digital transformation and fleet optimization

1 OUR #1 PRIORITY REMAINS SUPERIOR PRODUCT

- Our market share position, consistent styling, and strong value proposition give us confidence that our brands can thrive in all economic environments

2 SCALING DIGITAL TRANSFORMATION

- Supported by accelerated investments from fiscal 2017 to 2019, we achieved one of the highest digital penetrations in the retail industry at 45% of revenue for fiscal 2021
- We are implementing key initiatives to scale and optimize our infrastructure to support increased digital traffic given the continued rapid shift in our customers' shopping patterns to online shopping, in particular digital transactions using a mobile device which represented 70 percent of our digital transactions in fiscal 2021, a shift that has been accelerated by the COVID-19 pandemic

3 ACCELERATING FLEET OPTIMIZATION

- A long-term strategic focus on optimum lease term flexibility enabled us to significantly and strategically accelerate store closures, without financial penalty, to address the pandemic-driven and accelerated consolidation of the brick and mortar channel and structurally reset our occupancy expenses
- The Company ended the quarter with 672 stores and square footage of 3.2 million, a square footage decrease of 10% compared to the prior year and a decrease of 26% since the onset of the pandemic
- Our fleet optimization initiative has greatly reduced our reliance on our brick and mortar channel and we expect our mall-based store portfolio to represent less than 25% of revenue for fiscal 2022

SUPERIOR PRODUCT

Highly talented design, merchandising, and sourcing teams are core strengths, delivering a superior product offering

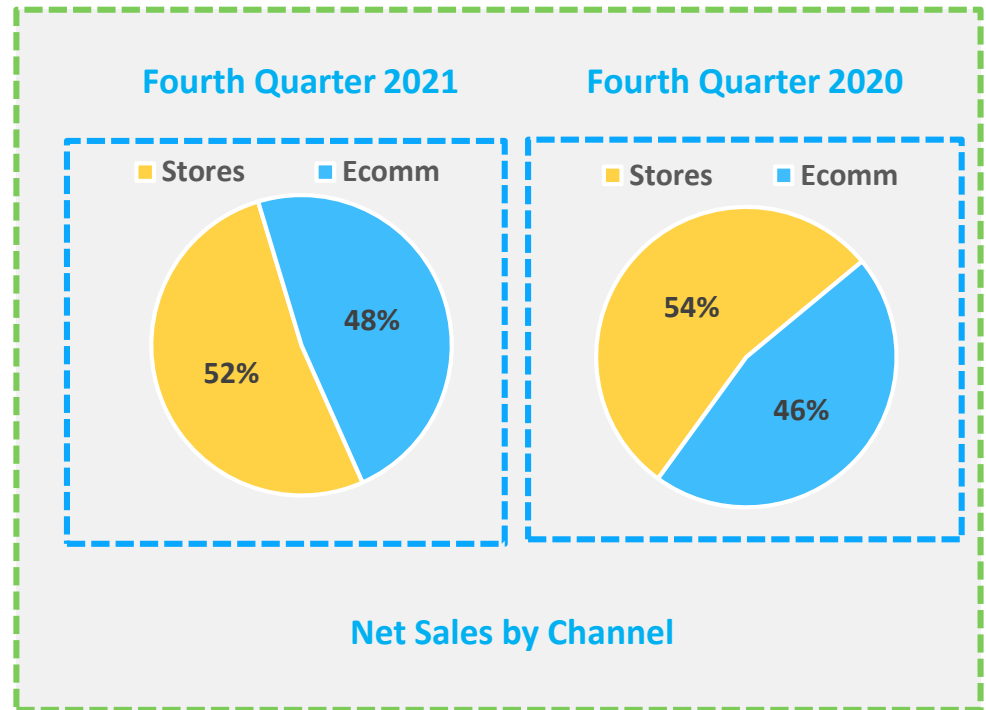
- Consistently strong customer response to differentiated product offering in all economic environments
- Trend-right and age-appropriate assortments and brands
- Better able to service our customer by being in stock in key basic styles and sizes
- Balancing fashion and fashion basics with more frequent, wear now deliveries
- Relaunched the iconic Gymboree brand in February 2020 to better serve the needs of moms looking for elevated, playful collections for “bow-to-toe” outfitting
- Launched Sugar & Jade in November 2021, a new online tween fashion brand that targets opportunities in our total addressable market



DIGITAL TRANSFORMATION

Our long-standing digital transformation strategy enabled us to achieve an industry-leading digital penetration of 45% since the onset of the pandemic

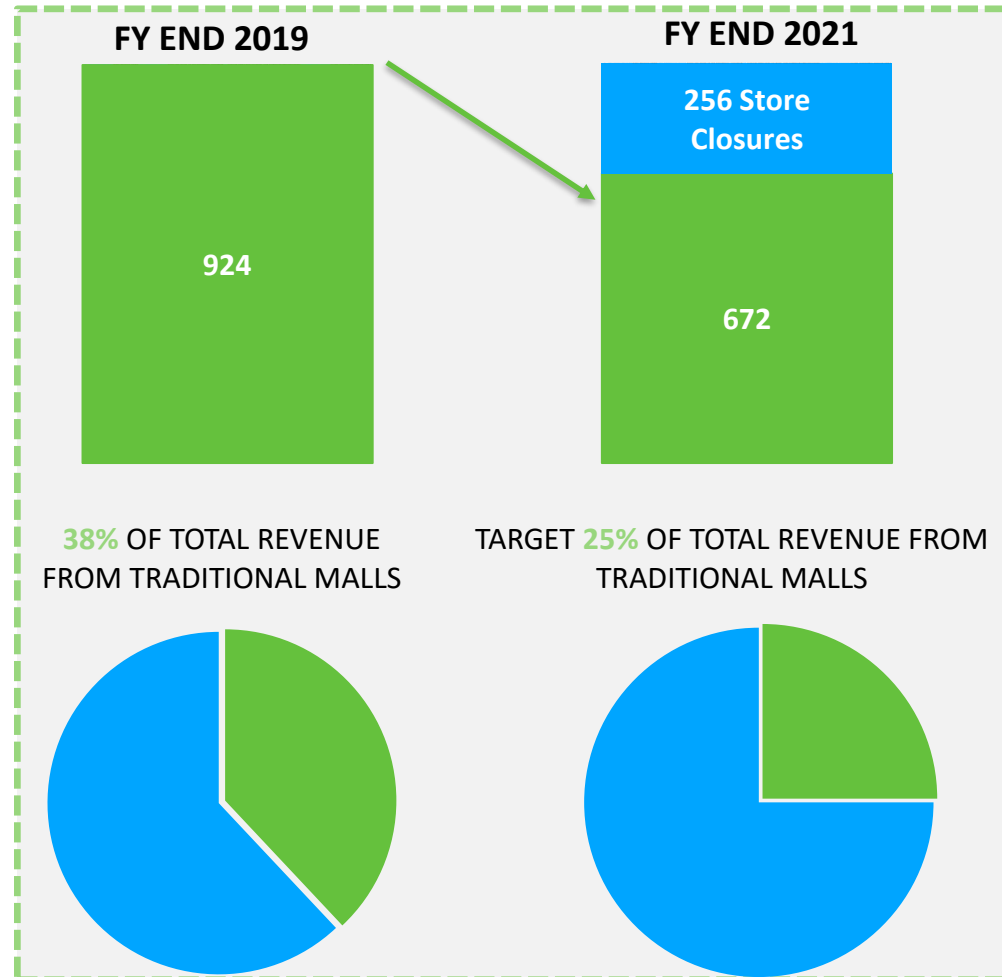
- The pre-existing conditions in our industry – **the shift to online shopping and the consolidation of brick and mortar stores** – have been in place for some time
- The continued impact of COVID-19 has **resulted in further acceleration of the shift to digital**, putting pressure on the already-stressed brick and mortar channel, **resulting in an opportunity to strategically accelerate store closures**
- **The strategic decision to invest \$50M in 2017-2019 to accelerate our digital transformation** and build our omni-channel capabilities from the ground up, provided us with the platform and infrastructure **to operate at a high level during the pandemic** with the ability to handle the surge in digital demand and associated order fulfillment



STORE FLEET OPTIMIZATION

Our strong transfer rate for permanently closed stores reinforces our decision to strategically accelerate store closures in 2020 and 2021

- Accelerated our fleet optimization by 5 years since the onset of the pandemic, **resulting in a structured reset of our occupancy expenses and significantly more profitable store fleet**
- Our sales transfer rate increased from 20% in fiscal 2019 to approximately **30%** in fiscal 2020 and has further increased to **32%** in fiscal 2021
- **256 store closures** since the onset of the pandemic, including **78** in fiscal 2021, and targeting approximately **40 additional closures** in fiscal 2022. **527 store closures** since the fleet optimization initiative was announced in 2013
- Average lease term of less than **2 years**, with over **75% of our portfolio coming due** for lease action through the end of fiscal 2023



FISCAL 2021 HIGHLIGHTS

- **Strong recovery** from the pandemic, with net sales +26% to Fiscal 2020
- **Record profitability** in Fiscal 2021, achieving a 15.1% operating margin and \$13.40 in EPS, driven by:
 - A **reset of our pricing and promotion** strategy, resulting in significant double digit AUR increases in both our digital and stores channels
 - Achieved a full year digital penetration of 45%, supported by our investments in **top-of-funnel** and **brand awareness** marketing
 - **Accelerated our fleet optimization by 5 years** since the onset of the pandemic, resulting in a **structural reset of occupancy expenses** through favorable lease negotiations and permanent store closures, resulting in a more **profitable store fleet**
 - **Significant reductions in our per order e-commerce fulfillment** costs due to our continuing optimization initiatives
- **Launched Sugar & Jade** in November 2021



FISCAL 2021 HIGHLIGHTS (CONT.)

- **Resumed our capital return program** and returned \$86 million through share repurchases in Fiscal 2021
- **Refinanced our revolving credit facility and term loan** in the fourth quarter of Fiscal 2021, resulting in **lower interest rates**, more favorable reporting requirements, and **increased flexibility** under covenants, and **paid down our term loan by \$29 million**
- Published a comprehensive **Environmental, Social, and Governance** report, including 22 public goals across our global operations
- Partnered with **Plan International** to establish an **early childhood development** center in adjacent to an industrial park in Ethiopia
- **Launched AfterPay**, a leading Buy Now, Pay Later option



FOURTH QUARTER 2021 ADJUSTED RESULTS

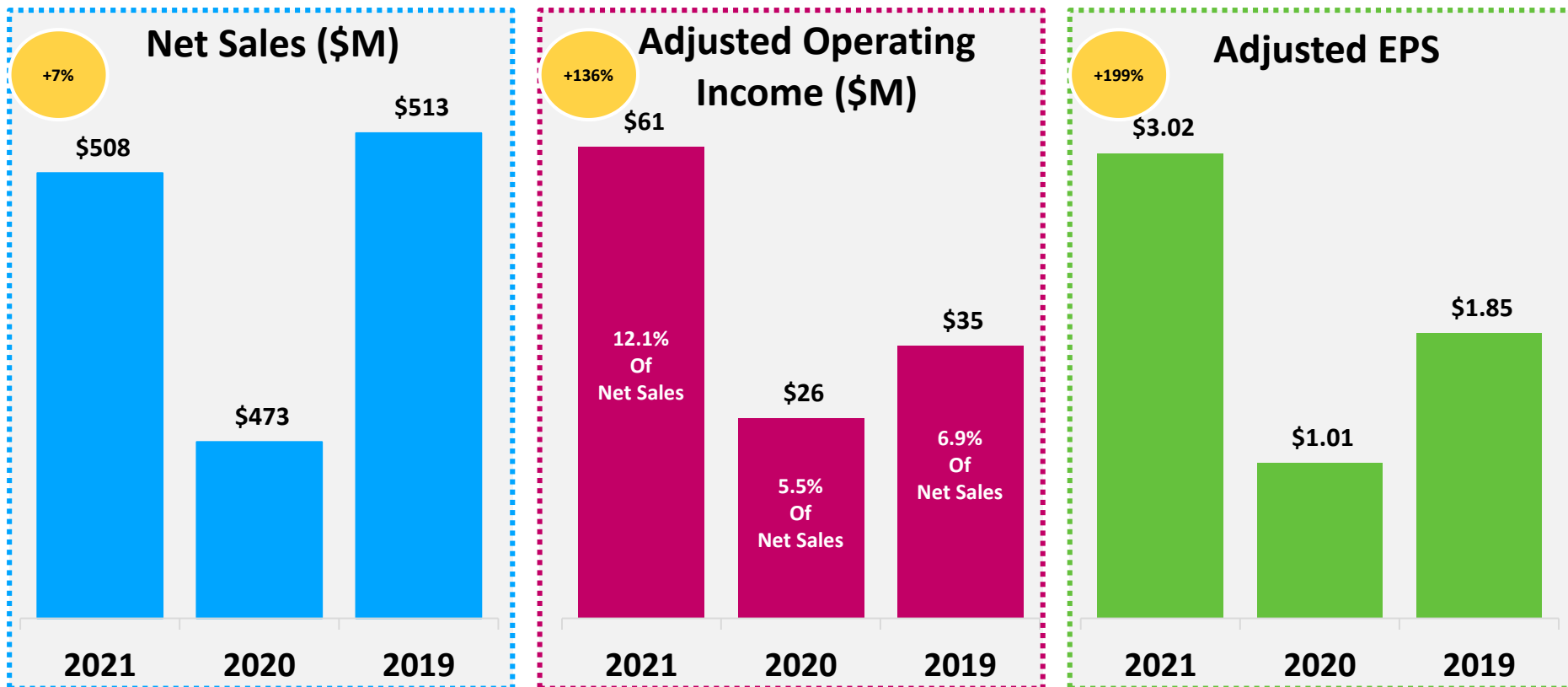
Our operating results reflect gross margin, operating margin, and EPS at record levels. Our record results were primarily driven by strong customer response to our product assortment, significantly higher merchandise margins in our digital, stores, and wholesale channels resulting from our strategic pricing and promotional reset, leverage of fixed expenses resulting from the increase in net sales, as well as lower e-commerce fulfillment costs partially offset by higher occupancy expenses due to rent abatements of \$12.9 million recognized in the fourth quarter of 2020. Comparable retail sales were up 13.3% for the quarter.

	Q4 2021	% of	Q4 2020	% of	Increase/(Decrease)	
	(13 Weeks)	Sales	(13 Weeks)	Sales	%	BPS
Net Sales	\$508		\$473		7%	
Gross Profit	194	38.2%	144	30.4%	35%	780
SG&A	119	23.4%	103	21.7%	16%	170
Depreciation	14	2.7%	15	3.2%	-10%	(50)
Operating Income	61	12.1%	26	5.5%	136%	660
Interest	2	0.4%	4	0.9%	-54%	(50)
Income Before Taxes	59	11.7%	22	4.6%	171%	710
Income Tax	15		7		122%	
Net Income	\$44	8.7%	\$15	3.2%	195%	550
Diluted EPS	\$3.02		\$1.01		199%	
Shares	15		15		-2%	
EBITDA	\$75	14.7%	\$41	8.7%	82%	600

*Adjusted measures are non-GAAP and exclude expenses and income which we believe are not indicative of the performance of the core business. A reconciliation of GAAP and non-GAAP measures is provided in the Company's earnings releases which are available at <http://investor.childrensplace.com>.

** Our comparable retail sales do not exclude temporarily closed stores impacted by the COVID-19 pandemic.

FOURTH QUARTER 2021 RESULTS



- **Net Sales** increased by 7% versus 2020, driven by strong customer response to our product assortment and significant increases in AUR and ADS, due to the strategic reset of our pricing and promotions, partially offset by the impact of permanent store closures
- **Adjusted Operating Income**, a record, was driven by higher merchandise margins in our stores, digital, and wholesale channels, as well as strong expense leverage, and lower e-commerce fulfillment costs, resulting from our continuing cost optimization initiatives
- **Adjusted EPS** was \$3.02, a record, and increased \$2.01 over the comparable quarter last year

FISCAL 2021 ADJUSTED RESULTS

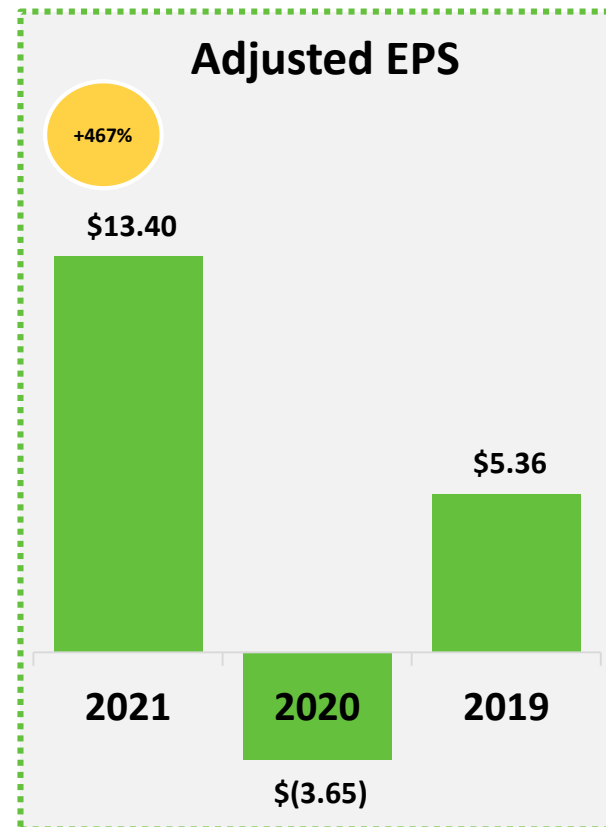
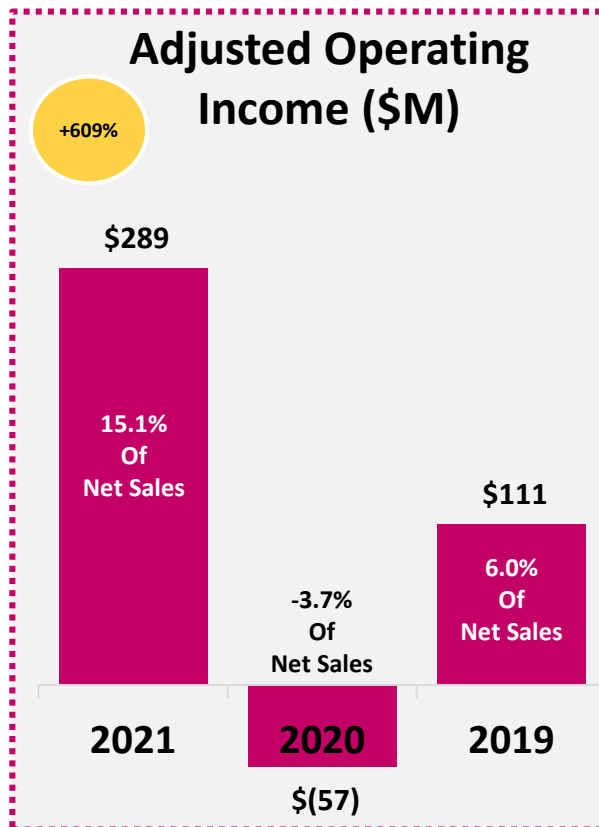
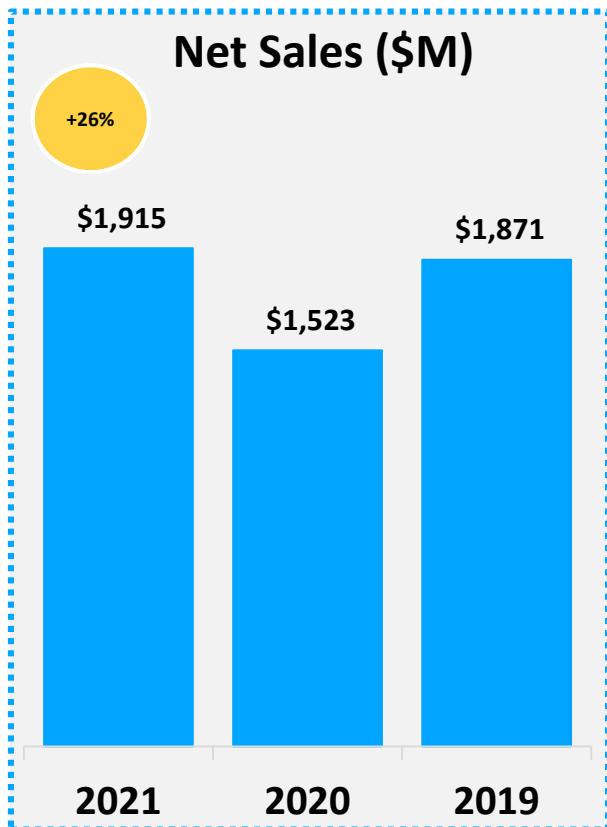
Our operating results reflect gross margin, operating margin, and EPS all at record levels. Our record results were primarily driven by significantly higher merchandise margins in our digital and stores channels resulting from our strategic pricing and promotional reset, lower occupancy expenses resulting from our permanent store closures and favorable negotiations, and lower e-commerce fulfillment costs, resulting from our continuing cost optimization initiatives as well as leverage of fixed expenses resulting from the increase in net sales. Fiscal 2021 comparable retail sales were up 31.3%.

	FY 2021	% of	FY 2020	% of	Increase/(Decrease)	
	(52 Weeks)	Sales	(52 Weeks)	Sales	%	BPS
Net Sales	\$1,915		\$1,523		26%	
Gross Profit	796	41.6%	409	26.8%	95%	1,480
SG&A	452	23.6%	402	26.4%	12%	(280)
Depreciation	56	2.9%	63	4.2%	-12%	(130)
Operating Income	289	15.1%	(57)	-3.7%	609%	1,880
Interest	15	0.8%	12	0.8%	26%	0
Income Before Taxes	274	14.3%	(69)	-4.5%	499%	1,880
Income Tax	74		(15)		589%	
Net Income	\$199	10.4%	(\$53)	-3.5%	473%	1,390
Diluted EPS	\$13.40		(\$3.65)		467%	
Shares	15		15		2%	
EBITDA	\$344	18.0%	\$7	0.4%	5044%	1,760

*Adjusted measures are non-GAAP and exclude expenses and income which we believe are not indicative of the performance of the core business. A reconciliation of GAAP and non-GAAP measures is provided in the Company's earnings releases which are available at <http://investor.childrensplace.com>.

** Our comparable retail sales do not exclude temporarily closed stores impacted by the COVID-19 pandemic.

FISCAL 2021 RESULTS



- **Net Sales** increased by 26% versus 2020 and 2% versus our 2019 net sales, despite having significantly fewer stores, a reduction in mall operating hours, and half of our Canadian stores closed for the majority of the first half. Our net sales were positively impacted by the unprecedented level of stimulus and enhanced child tax credit payments to our customers resulting from the government pandemic relief legislation
- **Adjusted Operating Income**, a record, was driven by higher merchandise margins in both channels resulting from our strategic pricing and promotion changes, lower occupancy expenses due to favorable lease negotiations and permanent store closures, lower e-commerce fulfillment costs, resulting from our continuing cost optimization initiatives, as well as strong expense leverage
- **Adjusted EPS** was \$13.40, a record, an increase of \$17.05 over the comparable period last year

BALANCE SHEET AND CASH FLOW

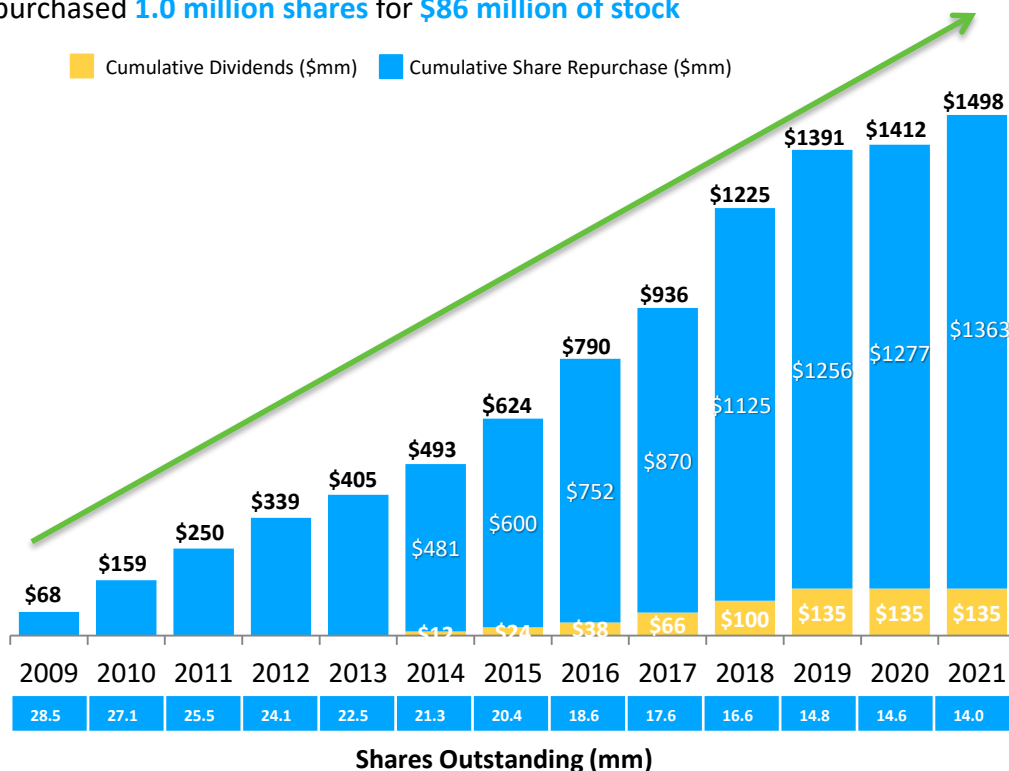
BALANCE SHEET (YEAR-END)	2021	2020
Cash & ST Invest	\$55	\$64
Accounts Receivable	22	40
Inventory	429	388
Revolver	175	170
Accounts Payable	184	252
Term Loan	50	78
CASH FLOW (FISCAL YEAR)		
Operating Cash Flow	\$133	(\$36)
Capital Expenditures	(29)	(31)
Free Cash Flow	\$104	(\$66)
Share Repurchases	\$86	\$15

- Cash and short term investments of **\$55 million** versus \$64 million last year with **\$175 million** outstanding on our Revolver, compared to \$170 million outstanding last year
- Refinanced our Revolver and Term Loan, with **lower interest rates, extended 5-year terms, reduced reporting requirements, and increased flexibility** under the covenants. **Paid down \$29 million** on the term loan as part of the refinancing
- Inventory increased 10%, with over 26% of our inventory in-transit
- Accounts Payable decreased 27%, resulting from the normalization of vendor payment terms, extended at the onset of the pandemic in 2020
- Generated **\$133 million** in operating cash flow in Fiscal 2021
- **\$86M in capital returned to shareholders** in fiscal 2021

CAPITAL ALLOCATION

Consistent track record of returning excess cash to shareholders

- Temporarily suspended payment of dividends and share repurchase program in Q1 2020 as a result of COVID-19 pandemic
- In November 2021, our Board approved a **new \$250 million share repurchase authorization** which affirms our commitment to our long-standing capital return program
- Repurchased **\$41 million of stock**, representing **507 thousand shares**, during the fourth quarter, leaving us with **\$257 million** available on our current authorization
- For the full year, we repurchased **1.0 million shares** for **\$86 million of stock**



FISCAL 2022 OUTLOOK

Opportunities

- Accelerated structural reset to digital first retailer, has established a new baseline positioning us to deliver double digit EPS and double digit operating margin in Fiscal 2022 and beyond
- Strong customer acquisition and marketing mix optimization strategy, fueled by over 70% mobile web penetration, and supported by customer segmentation data, to deliver enhanced personalized content
- Significant channel migration with industry-leading 45% digital penetration, resulting in an increase in spend per customer
- Improved price realization, supported by increased investment in brand awareness
- Strong Gymboree brand momentum
- Accelerated growth opportunity with Amazon
- Sugar & Jade brand opportunity
- Fleet optimization benefits, resulting from our structural reset of occupancy expenses and fewer and more profitable stores
- Continued e-commerce fulfillment optimization, resulting in lower costs per order
- Lower incentive compensation accruals
- Lower interest expense
- Benefit of continuing share repurchases


Risks

- Cotton costs at decade highs. Increase in excess of 50% in the past 12 months
- Loss of AGOA trade preferences in Ethiopia-- \$15 million in annualized impact
- Highest level of inflation in 40 years
- Lapping COVID-19 stimulus relief programs, including enhanced child tax credits
- Continuing factory delays and late deliveries
- Higher inbound transportation costs and capacity constraints
- Uncertainty surrounding COVID-19

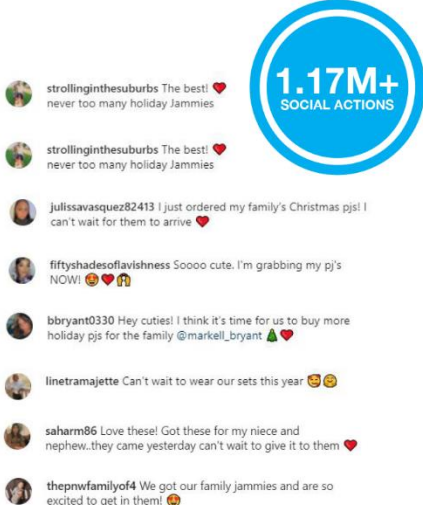
THE CHILDREN'S PLACE | HOLIDAY CAMPAIGN

TCP's Holiday PJ Brand Campaign generated strong brand awareness, while establishing The Children's Place as the leader in matching family Holiday sleepwear.

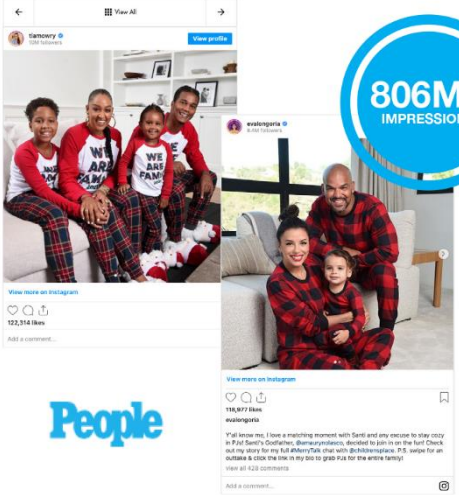
During Q4, the campaign:



Aided in over **5K** user-generated videos and song listens for 'Pajama Jama Party', the choreographed dance by TikTok mega-star, Addison Rae and Family



Drove over **1.17M+** social engagements and conversations across Instagram & TikTok



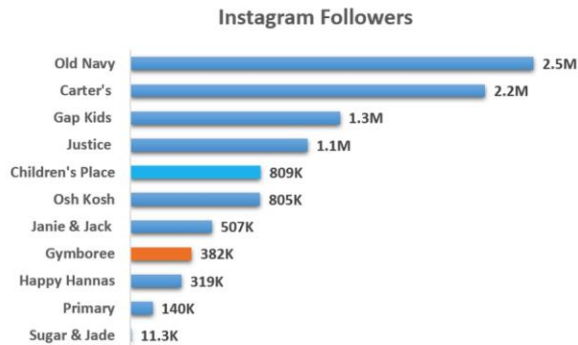
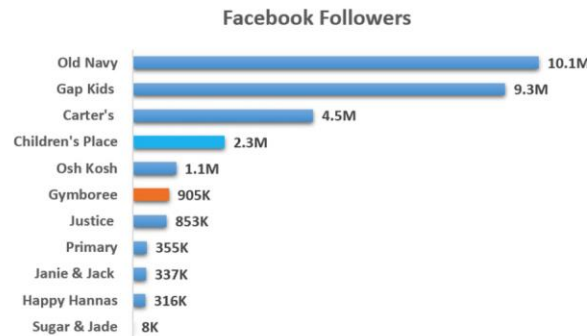
Garnered over **806M+** impressions via editorial placements

BRAND SOCIAL PRESENCE

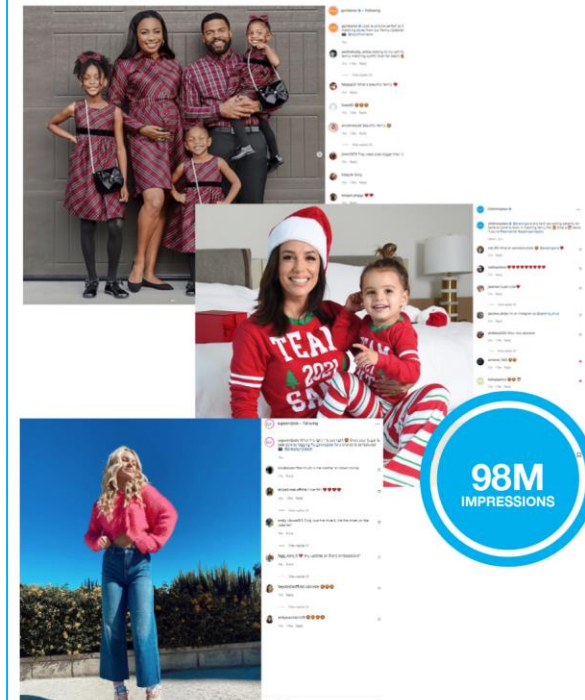
Our Family of Brands have an avid customer following as demonstrated through strong social engagement and video completion rates across our key social platforms; Instagram, TikTok & Facebook.



Adapted to new social algorithms and best practices demonstrated by high video completion rates and over **19M+** video views across Instagram and TikTok for all Brands



Emerged into new social platforms, like TikTok, and grew social following and engagement rates by over **500%**

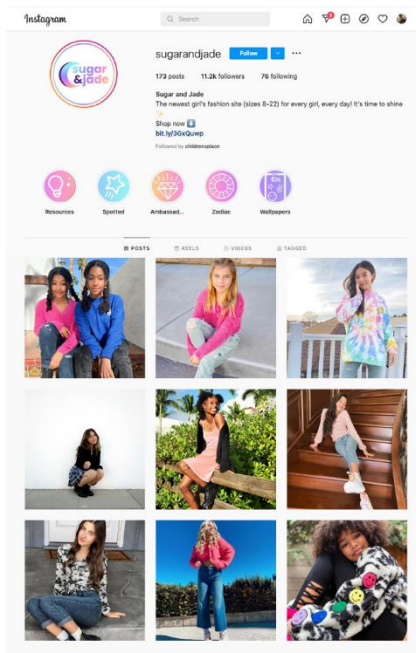


Drove over **98M+** impressions across The Children's Place, Inc. Family of Brands' social channels

SUGAR & JADE | BRAND LAUNCH

Our new tween brand launch, Sugar & Jade, was celebrated by the editorial, influencer and brand ambassador community.

Launch drove the following brand buzz:



Vetted **6K+** brand ambassador submissions to join Team Sugar & Jade on social in a few short weeks pre-launch




Drove over **6.5M+** social engagements and conversations across Instagram & TikTok

The Children's Place launches new tween brand

The Children's Place is tapping into the US\$8bn tween apparel market with the launch of a new fashion line – Sugar & Jade.

By Beth Wright




DIVE BRIEF

The Children's Place launches tween brand Sugar & Jade

Published Nov. 10, 2021

Keaton Vecchiaro Editor

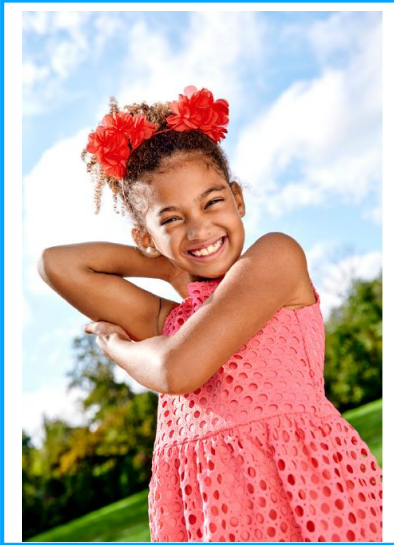
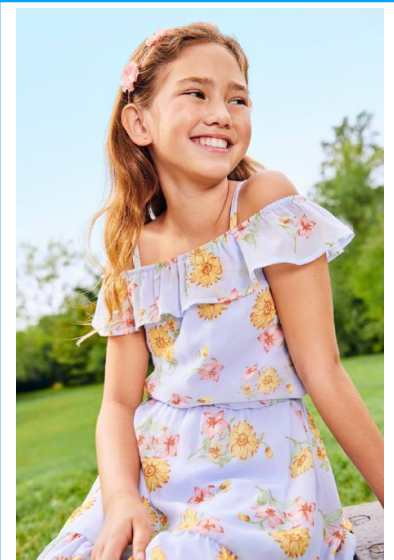
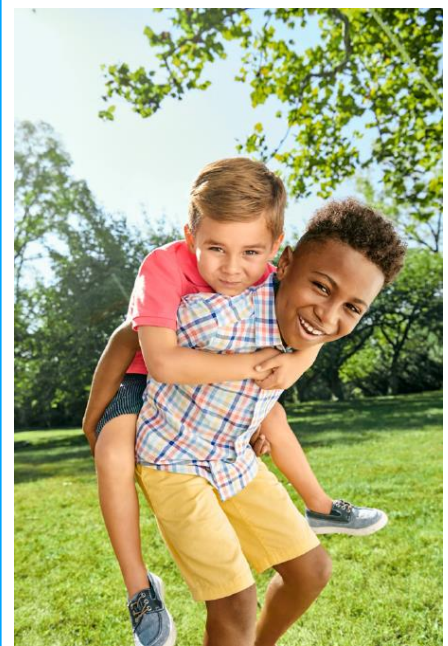
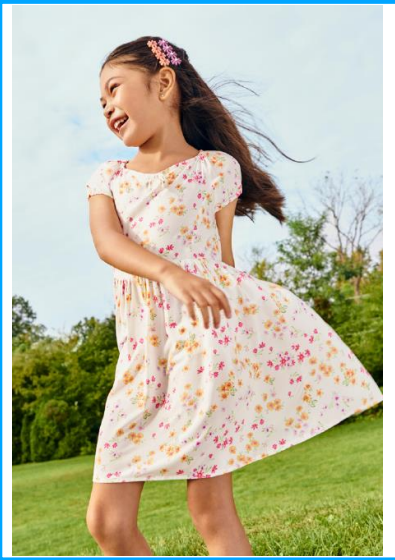


Dive Brief:

- In the midst of a tween clothing resurgence, The Children's Place on Tuesday announced the launch of Sugar & Jade, its new tween apparel, accessories and footwear brand, according to company information sent to Retail Dive.
- The new DTC brand is launching with five apparel and accessory collections in sizes 8 to 22 and can be found at sugarandjade.com.

Garnered over 118M+ impressions via editorial placements

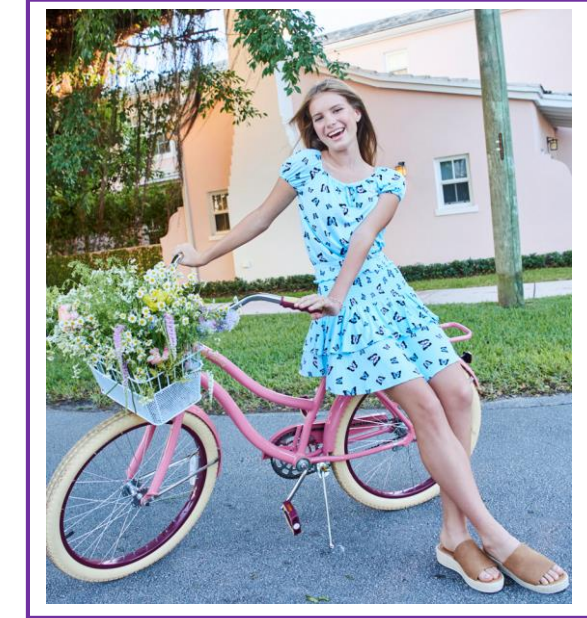
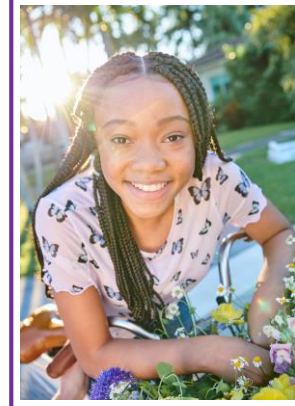
CHILDRENS PLACE SPRING 2022 COLLECTION



GYMBOREE SPRING COLLECTION



SUGAR & JADE SPRING COLLECTION



SPRING 2022

THE CHILDREN'S
PLACE

GYMBOREE

sugar
& jade



ENVIRONMENT, SOCIAL & GOVERNANCE



ENVIRONMENT, SOCIAL & GOVERNANCE

We are focused on mitigating our environmental impact, fostering an equitable and inclusive workplace, and protecting the human rights and well-being of the people who make our product

ENVIRONMENT



Climate + Energy: Reducing GHG emissions across our operations and global supply chain.



Raw Materials: Increasing the use of more sustainable materials in our products.



Water Stewardship: Working with vendors to reduce water consumption in manufacturing and processing.



Chemical Management: Supporting implementation of responsible chemical management and wastewater systems.



Waste: Diverting the amount of our waste sent to landfill.



Circularity: Helping to avert product and material disposal through reuse and recycling.

SOCIAL: PEOPLE



Workplace Health & Safety: Safeguarding our associates and customers.



Talent: Investing in the people that make our business possible.



Diversity, Equity & Inclusion: Building an inclusive environment where all people feel welcomed and valued.



Community: Supporting children and families in need.

SOCIAL: SUPPLY CHAIN



Supply Chain Compliance: Helping to improve the lives of third-party factory workers and protect their rights in the workplace.



Worker Well-Being: Moving beyond the factory walls to improve the well-being of workers and their families.

GOVERNANCE



Board Composition: Continuing Board refreshment, prioritizing diversity and relevant experience.



Board Oversight and Risk Management: Expanding Committee responsibilities to enhance oversight of ESG.



Ethics & Integrity: Operating in an ethical and responsible manner in all aspects of our business.



Cybersecurity & Privacy: Protecting the information we receive about our customers, associates and other third-party partners

See our 2020 Environment, Social, and Governance report, which can be found at <http://corporate.childrensplace.com> under the ESG tab

ENVIRONMENT, SOCIAL & GOVERNANCE

We continue to focus on our strategic areas where we believe we can have the most impact in order to achieve our ESG goals

Highlights

- Publicly set 2022 ESG goals, including science-based scope 1, 2 and 3 greenhouse gas emission reduction targets; use of responsibility sourced cotton and other sustainable raw materials in our products, and reductions in water and chemical usage.
- Completed LED installations to increase lighting efficiency and reduce greenhouse gas emissions at our Alabama Distribution Center
- Joined Textile Exchange, an organization focused on accelerating the use of preferred fibers across the textile industry to further support our efforts with responsibility sourced raw materials
- Developed and launched our first comprehensive factory Worker Well-Being Guide which provides tools and resources for partners to implement programs within their operations
- Continued to engage with external partners and experts to further establish quantitative ESG goals and to assess and refine our long term ESG approach



OUR INITIATIVE PARTNERS



HUMAN CAPITAL MANAGEMENT

We invest in our associates, support the well-being of the people who make our product and give back through philanthropic activities



Workplace Health & Safety:

Safeguarding our associates and customers, including through increased safety measures during the COVID-19 pandemic



Talent:

Investing in the people that make our business possible



Diversity, Equity & Inclusion:

Building an inclusive environment where all people feel welcomed and valued



Community:

Supporting children and families in need

Our focus on talent acquisition and development programs helps us grow and sustain diverse representation across our workforce

- Diverse teams operating in an inclusive environment enhances our business results
- We are building a diverse pipeline of entry level talent through our internship program by partnering with organizations and academic institutions such as Black Retail Action Group and Howard University
- Building an inclusive culture through awareness, education and training on DE&I for associates
- Committed to the development, advancement retention and reward of top talent: ~50% of all open roles filled through internal promotions in fiscal year 2020

Over **50%** of our Board of Directors and senior leadership team are women

87% of our associates are women

87% of new hires and **90%** of promotions during fiscal 2020 were women

64% of our associates identify as racially or ethnically diverse

Racially or ethnically diverse associates represented **70%** of new hires and **62%** of promotions during fiscal 2020

Published EEO-1 data in November 2021, available in our ESG report at <http://corporate.childrensplace.com> under the ESG tab

THANK YOU

