

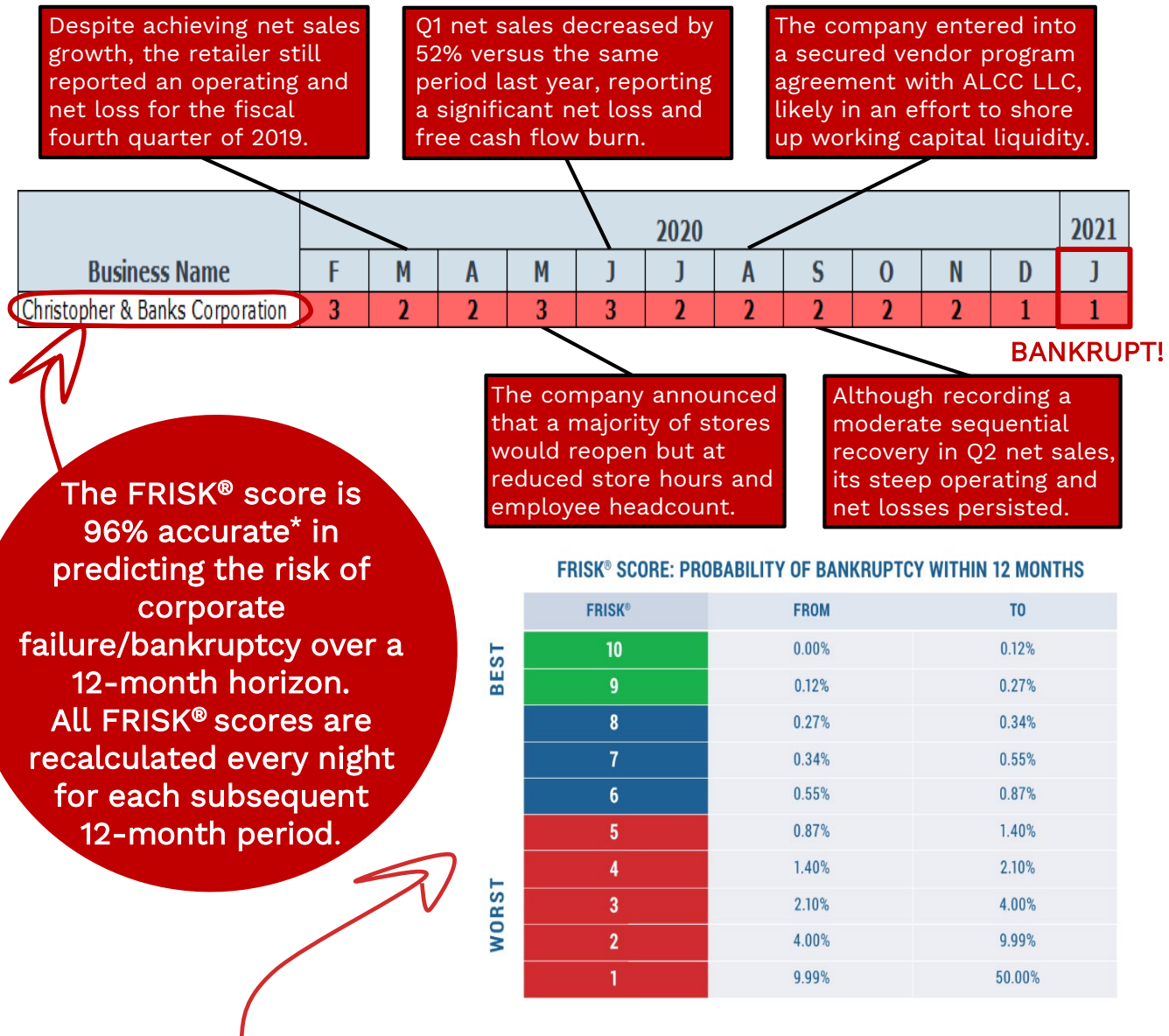


CreditRiskMonitor’s warning of Christopher & Banks Corporation’s (“Christopher & Banks”) bankruptcy risk was determined by a combination of factors:

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MONTHLY AVERAGE FRISK® SCORE

CreditRiskMonitor's FRISK® score had been warning of financial stress at Christopher & Banks (OTC: CBKCQ) for more than a year. The company ultimately filed for bankruptcy on Jan. 13, 2020.



While the risk of bankruptcy varies at each FRISK® score, 96% of public companies that eventually go bankrupt enter the FRISK® "red zone" prior to filing. A FRISK® score of 5 or less is an important warning sign.

*FRISK® score accuracy of 96% is based on backtesting of U.S. public companies; results may vary by country.

THE FRISK® SCORE COMPONENTS

At the core of the CreditRiskMonitor® process is our 96% accurate FRISK® score, which indicates a company's level of financial stress on a scale of 1 to 10, based on the probability of bankruptcy over a 12-month horizon. When available, the FRISK® score incorporates a number of powerful risk indicators including:

A “Merton” type model using stock market capitalization and volatility

Financial ratios, including those used in the Altman Z”-Score Model

Bond agency ratings from Moody’s, Fitch, & DBRS Morningstar

Crowdsourced CreditRiskMonitor® Usage Data

[Crowdsourcing](#) has enhanced the accuracy and timeliness of the FRISK® score. We collect and analyze data patterns from thousands of CreditRiskMonitor® subscribers, including professionals from more than 35% of the Fortune 1000 and other large corporations worldwide.

The crowdsourcing advantage is even more powerful in our FRISK® score since many of the professionals who use our service are credit managers:

- Credit managers control one of the largest sources of working capital going into a company
- They are not held to the same “Fair Disclosure” restrictions that prevent non-disclosed information sharing on public companies
- Credit managers use a variety of non-public information sources such as their own company’s management and sales representatives to be alerted to concerns in a public company’s performance
- It is commonly known credit managers confidentially share information with other credit managers, thus collectively, their behavior helps to provide advanced insight to financial problems in public companies

[Read more in Credit Research Foundation’s quarterly journal article, “Assessing Public Company Financial Risk by Crowdsourcing the Research of Credit Professionals”](#)

DO NOT MISS THIS – MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

Making misleading or fraudulent statements in an MD&A is against the law – and Sarbanes-Oxley subjects CEOs and CFOs to heavy fines or even jail time for doing so. A vital feature of the CreditRiskMonitor service is the ability to quickly access a Company’s Management Discussion and Analysis (MD&A) history. Let it sink in: there are no two people in the world with better knowledge of a company’s liquidity risk than the CEO and CFO. More than any credit manager. More than any trade group. And they’re personally liable if they’re lying.

According to the Financial Accounting Standards Board (FASB), “MD&A should provide a balanced presentation that includes both positive and negative information about the topics discussed.”

You MUST understand trends, commitments, demands and uncertainties likely to result in a material change in Liquidity and Capital Resources, like if they can continue as a going concern. If you don’t, you need help.

The screenshot displays the CreditRiskMonitor interface for Christopher & Banks Corporation. The left sidebar contains a menu with items like Overview, Company News, Risk Ratings, and Liquidity (MD&A). The main content area shows the company name, address (2400 XENIUM LANE NORTH, PLYMOUTH, MN 55441-3626), phone number (763) 551-5000, and ticker symbol CBKCO. A red banner indicates the company was filed for bankruptcy on 1/13/2021. Below this, the 'Management Discussion and Analysis History' section is visible, with the 'Liquidity (MD&A)' entry selected. The text in this entry discusses the impact of the COVID-19 pandemic on cash flow and liquidity, mentioning targeted reductions in operating expenses and the use of funds from the PPP Loan and Credit Facility. A large red circle is overlaid on the text, containing the text: 'More than eight months in advance of filing for bankruptcy, the Company acknowledged potential liquidity and covenant constraints. An amendment was also made to its Credit Facility to incur additional debt. Contact your account manager to discuss these important red flags.'

COMPANY REPORT DETAIL

Christopher & Banks Corporation

2400 XENIUM LANE NORTH

Phone: (763) 551-5000

PLYMOUTH, MN 55441-3626 United States

Ticker: **CBKCO**

Filed for Bankruptcy on 1/13/2021
Case #21-10269, filed in the U.S. Bankruptcy Court for the District of New Jersey (Camden)

Latest Financial Statements as of 10/31/2020

Business Summary

Christopher & Banks Corporation is a national specialty retailer featuring private-brand women's apparel and accessories. The Company offers its customers an assortment of clothing for everyday needs. Its merchandise assortments include designs of women's apparel, generally consisting of casual clothing, everyday basics, wear-to-work, leisure/active wear, and sleepwear in missy, petite and women sizes. The Company also offers a selection of jewelry and accessories, including footwear. The Company operates in the Retail Operations segment, which includes the operation of its retail stores, outlet stores, online and mobile. The Retail Operations segment includes activities generated by the Company's retail store locations (Missy Petite Women (MPW), Outlet stores, Christopher & Banks (CB), and C.J. Banks (CJ)), as well as the e-commerce business. Its merchandise is developed for women of all sizes, age 40 and older.

(Source: 10-K)

Employees: 1,140 (as of 2/1/2020)

Incorporated: 11/24/1986

Credit Score History

[Why are these scores different?](#) [FRISK](#)

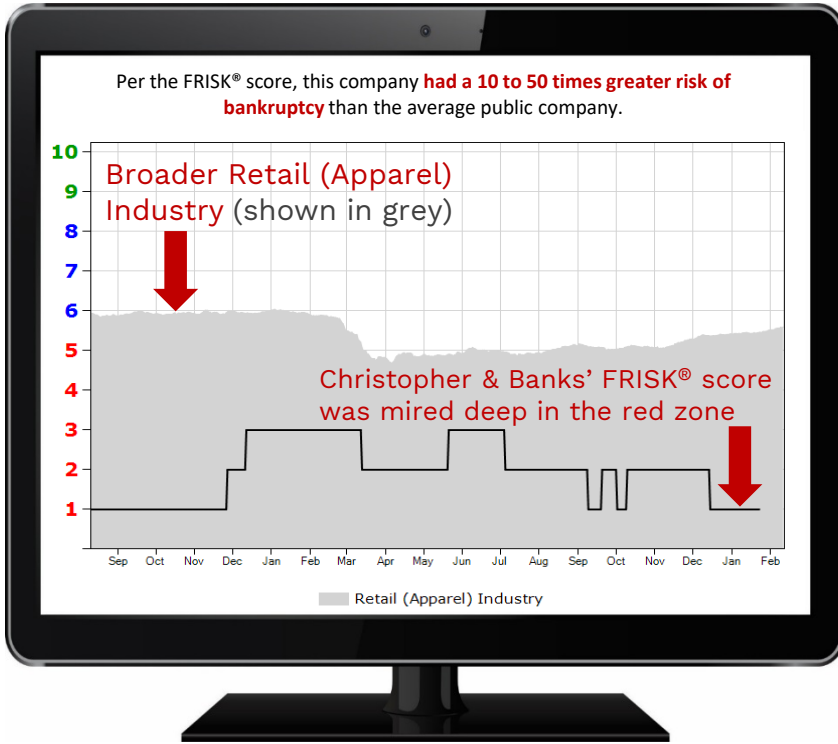
| Score/ Index | 2020 | | | | | | | | | | | | 2021 | |
|----------------------------|-------|---|------|---|-------|---|-------|---|---|---|---|---|------|---|
| | F | M | A | M | J | J | A | S | O | N | D | J | F | J |
| FRISK® Score* | 3 | 2 | 2 | 3 | 3 | 2 | 2 | 2 | 2 | 2 | 1 | 1 | | |
| DBT Index | 9 | 8 | 8 | 7 | 8 | 9 | 9 | 9 | 9 | 8 | 9 | 9 | DBT | |
| Z⁺ Score | -1.57 | | -2.8 | | -3.85 | | -4.64 | | | | | | | |

*FRISK® Scores are month-end

The FRISK® score is a 96% accurate method by which to monitor public company bankruptcy risk.

Payment performance, captured by the Days Beyond Terms (DBT) index, which is very similar to D&B's PAYDEX® score, is not an effective indicator of financial stress for publicly traded companies since they often continue to pay on time right up until their bankruptcy filing. This is what's commonly called the "Cloaking Effect."

FRISK® DEEP DIVE



The FRISK® score relative to the broader Retail (Apparel) industry raised an additional red flag signaling heightened risk relative to peers, as well...

MAKING IMMEDIATE ATTENTION REQUIRED.

ADJUSTED MARKET CAP VOLATILITY



One of the inputs of the FRISK® score is a company's market cap volatility, adjusted for dividends, over the course of a year. Incorporating this information allows us to capture the "wisdom of markets" on a daily basis. This ensures our subscribers are getting the most up to date view of the risks they face since stocks tend to be more liquid and faster moving than bond prices and ratings.

FRISK® STRESS INDEX

| # | Business Name | Country | Current FRISK® score |
|----|--|---------------|----------------------|
| 1 | Restoque Comercio e Confecos de Roups SA | Brazil | 1 |
| 2 | Christopher & Banks Corporation | United States | 1 |
| 3 | Mosaic Brands Ltd | Australia | 2 |
| 4 | Ichikura Co Ltd | Japan | 2 |
| 5 | TXM SA w restrukturyzacji | Poland | 2 |
| 6 | Rnb Retail and Brands AB (publ) | Sweden | 2 |
| 7 | J.Jill Inc | United States | 2 |
| 8 | Chico's FAS, Inc. | United States | 3 |
| 9 | Palemo Holdings Co Ltd | Japan | 3 |
| 10 | Airesis S.A. | Switzerland | 2 |

Primary industry codes only Primary and secondary industry codes

Businesses From: All Businesses CLEAR

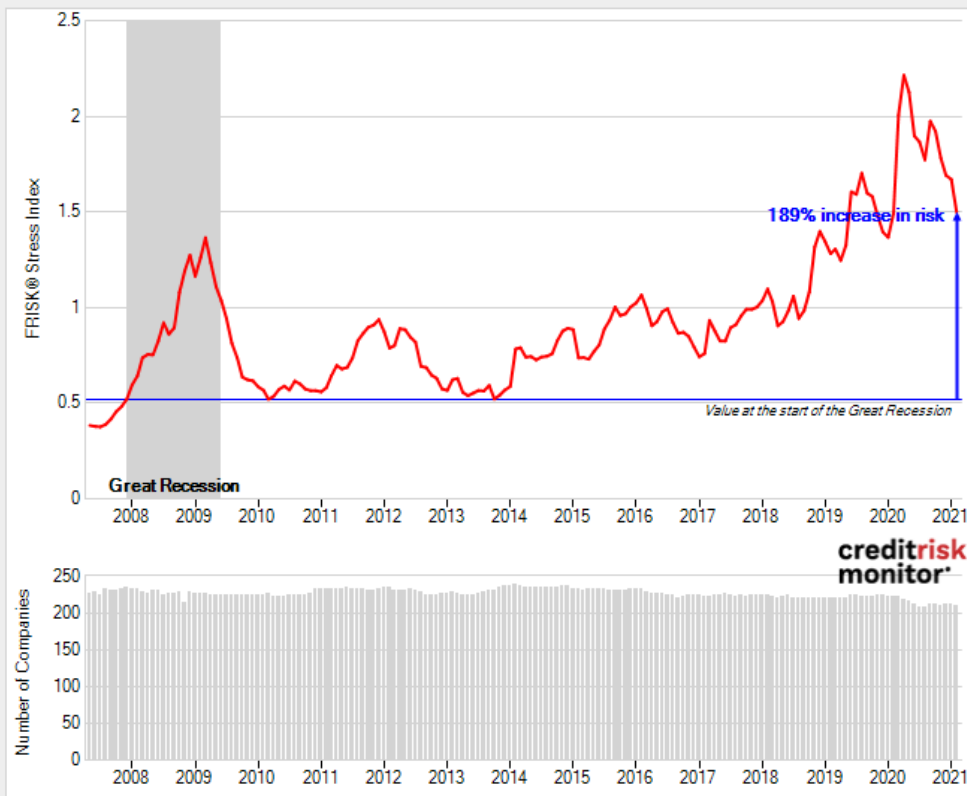
In Industry: SIC 5621: Women's clothing stores

Country: All Countries

UPDATE RESULTS

Scale: Auto

Total Companies in all months **353**



The FRISK® Stress Index shows the collective probability of failure in a group of companies (such as an industry, country or portfolio) over the next 12 months. It is designed to show trends in risk level across groups of companies and is shown on a zero to 50 scale, with 50 being the most risky.

The average probability of failure for SIC code 5621 (Women's clothing stores) has increased 189% since 2007. Christopher & Banks was among the weakest names in the industry as evidenced by its FRISK® score of 1.

[Request a Personalized Demo](#)

PEER ANALYSIS ON ALTERNATE SUPPLIERS AND CUSTOMERS

The Peer Analysis expands to provide a ranking of a company's competitors, which can help provide options for alternate suppliers or new customers

| Group: 868 | | Ranking Within Peer Group | Number Of Peers Ranked | Company Value | Peer Group Range | | |
|---|-----|---------------------------|------------------------|---------------|------------------|-----------|------|
| | | | | | Low | Median | High |
| Credit Ratings | | | | | | | |
| Z-Score | 154 | 163 | -4.64 | -2,973.60 | 2.93 | 74.38 | |
| Performance ratios: | | | | | | | |
| Net Sales (Thousands of U.S. Dollars) | 27 | 31 | 72,797 | 0 | 274,579 | 3,994,000 | |
| Gross Margin % Of Sales | 141 | 166 | 24.64 | -1,021.24 | 43.61 | 81.61 | |
| Gross Margin % Of Sales -- TTM | 155 | 167 | 21.14 | -195.17 | 44.35 | 75.64 | |
| SGA % Of Sales | 84 | 160 | 36.14 | 2.35 | 34.90 | 12,389.66 | |
| SGA % Of Sales -- TTM | 83 | 161 | 36.27 | 3.24 | 35.62 | 319.69 | |
| Operating Margin % Of Sales | 140 | 170 | -14.49 | -22,968.97 | 1.38 | 107.07 | |
| Operating Margin % Of Sales -- TTM | 142 | 170 | | | | | |
| EBITDA Margin Of Sales | 85 | 92 | | | | | |
| EBITDA Margin Of Sales -- TTM | 88 | 97 | | | | | |
| Net Profit Margin % Of Sales | 138 | 170 | | | | | |
| Net Profit Margin % Of Sales -- TTM | 141 | 170 | | | | | |
| Pre-tax Income % Of Sales | 133 | 170 | | | | | |
| Effective Tax Rate | 46 | 168 | | | | | |
| Depreciation % Of Prop/Plant/Equipment | 26 | 156 | | | | | |
| Capital Expense % Of Prop/Plant/Equipment | 13 | 109 | | | | | |
| Interest Coverage | 79 | 82 | -31.68 | -125.95 | 4.51 | 204.46 | |
| Interest Coverage -- TTM | 89 | 94 | -44.47 | -468.81 | 2.73 | 156.35 | |
| Liquidity ratios: | | | | | | | |
| Cash Ratio | 169 | 171 | | | | | |
| Quick Ratio | 158 | 160 | | | | | |
| Current Ratio | 162 | 171 | | | | | |
| Efficiency ratios: | | | | | | | |
| Accounts Receivable Turnover | 22 | 161 | | | | | |
| Days Sales Outstanding | 32 | 170 | | | | | |
| % of Inventory Financed by Vendors | 43 | 154 | | | | | |
| % of Inventory Financed by Vendors -- TTM | 38 | 155 | | | | | |
| Inventory Turnover | 17 | 165 | | | | | |
| Inventory Turnover -- TTM | 20 | 165 | 4.68 | 0.00 | 2.41 | 26.77 | |
| Days Sales in Inventory | 17 | 163 | 69.25 | 12.72 | 146.71 | 8,788.52 | |
| Inventory to Working Capital | 156 | 166 | -1.08 | -125.32 | 0.70 | 26.41 | |
| Accounts Payable Turnover | 68 | 159 | 6.96 | 0.00 | 6.32 | 52.47 | |
| Accounts Payable Turnover -- TTM | 52 | 159 | 7.69 | 0.00 | 6.05 | 53.39 | |
| Leverage & debt coverage: | | | | | | | |
| Total Debt to Equity Ratio | | 150 | | 0.00 | 0.63 | 84.25 | |
| Debt to Tangible Equity Ratio | | 140 | | 0.00 | 0.65 | 37.18 | |
| Total Debt to Assets Ratio | 52 | 161 | 0.17 | 0.00 | 0.28 | 0.92 | |
| Short-Term Debt % of Total Debt | 82 | 147 | 50.54 | 0.00 | 42.86 | 100.00 | |
| Short-Term Debt % of Working Capital | 148 | 150 | -33.41 | -3,859.38 | 21.42 | 3,025.45 | |
| Liabilities to Net Worth Ratio | | 150 | | 0.02 | 1.31 | 45.54 | |
| Total Liabilities to Equity Ratio | | 160 | | 0.02 | 1.20 | 114.17 | |
| TTM EBITDA to Total Debt | 89 | 91 | -1.37 | -3.08 | 0.18 | 5.31 | |
| Net Debt to TTM EBITDA | | 61 | | -684.33 | 1.88 | 22.53 | |

| Rank | Company Name |
|------|--------------------|
| 1 | Buckle Inc |
| 2 | Ralph Lauren Corp |
| 3 | Zumiez Inc. |
| 4 | Revolve Group Inc |
| 5 | Vera Bradley, Inc. |

| Rank | Company Name |
|------|---------------------------|
| 1 | Ralph Lauren Corp |
| 2 | Buckle Inc |
| 3 | Revolve Group Inc |
| 4 | G-III Apparel Group, Ltd. |
| 5 | Zumiez Inc. |

| |
|--|
| Green - Ranked in Upper Quartile of Peer Group |
| White - Ranked in the Middle Two Quartiles of Peer Group |
| Red - Ranked in Lower Quartile of Peer Group |
| Orange - Confidential |
| Grey - Data is Not Available |

TTM = trailing 12 months
N/A = Not Available

Christopher & Banks demonstrated bottom quartile ranking in key financial ratios (shown in red) versus its industry peers.

QUARTERLY PERFORMANCE RATIOS

Operating & net losses piled up following the outbreak of the COVID-19 pandemic

Interest coverage ratios and cumulative free cash flow suddenly turned negative

Performance Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

| Period Ended | 13 weeks 10/31/2020 | 13 weeks 8/1/2020 | 13 weeks 5/2/2020 | 13 weeks 2/1/2020 | 13 weeks 11/2/2019 |
|-----------------------------------|------------------------|----------------------|----------------------|----------------------|-----------------------|
| Net Sales \$ | \$72,797 | \$58,481 | \$40,125 | \$88,126 | \$94,061 |
| % change | 24.48% | 45.75% | -54.47% | -6.31% | 12.72% |
| Gross Margin \$ | \$17,935 | \$6,380 | \$3,724 | \$26,813 | \$31,926 |
| % change | 181.11% | 71.32% | -86.11% | -16.02% | 30.45% |
| % of sales | 24.64% | 10.91% | 9.28% | 30.43% | 33.94% |
| change as % of incremental sales | 80.71% | 14.47% | n/m | n/m | 70.18% |
| SG&A \$ | \$26,308 | \$19,361 | \$18,523 | \$29,930 | \$29,271 |
| % change | 35.88% | 4.52% | -38.11% | 2.25% | 5.47% |
| % of sales | 36.14% | 33.11% | 46.16% | 33.96% | 31.12% |
| change as % of incremental sales | 48.53% | 4.57% | n/m | n/m | 14.29% |
| Operating margin \$ | (\$10,547) | (\$14,851) | (\$16,969) | (\$5,104) | \$658 |
| % change | 28.98% | 12.48% | -232.46% | -875.68% | 111.36% |
| % of sales | -14.49% | -25.39% | -42.29% | -5.79% | 0.70% |
| change as % of incremental sales | 30.06% | 11.54% | n/m | n/m | 60.73% |
| EBITDA \$ | (\$8,554) | (\$12,981) | (\$15,063) | (\$3,117) | \$2,655 |
| % change | 34.10% | 13.82% | -383.25% | -217.40% | 173.93% |
| % of sales | -11.75% | -22.20% | -37.54% | -3.54% | 2.82% |
| change as % of incremental sales | 30.92% | 11.34% | n/m | n/m | 58.82% |
| EBIT \$ | (\$10,547) | (\$14,851) | (\$16,969) | (\$5,104) | \$658 |
| % change | 28.98% | 12.48% | -232.46% | -875.68% | 111.36% |
| % of sales | -14.49% | -25.39% | -42.29% | -5.79% | 0.70% |
| change as % of incremental sales | 30.06% | 11.54% | n/m | n/m | 60.73% |
| Pre-tax income \$ | (\$10,817) | (\$15,131) | (\$17,242) | (\$5,174) | \$520 |
| % change | 28.51% | 12.24% | -233.24% | -1,095.00% | 108.81% |
| % of sales | -14.86% | -25.87% | -42.97% | -5.87% | 0.55% |
| change as % of incremental sales | 30.13% | 11.50% | n/m | n/m | 60.47% |
| Net income (loss) \$ | (\$10,808) | (\$15,094) | (\$17,238) | (\$5,088) | \$487 |
| % change | 28.40% | 12.44% | -238.80% | -1,144.76% | 108.20% |
| % of sales | -14.85% | -25.81% | -42.96% | -5.77% | 0.52% |
| change as % of incremental sales | 29.94% | 11.68% | n/m | n/m | 60.54% |
| Tax expense \$ | (\$9) | (\$37) | (\$4) | (\$86) | \$33 |
| Effective tax rate | 0.08% | 0.24% | 0.02% | 1.66% | 6.35% |
| Depreciation expense \$ | \$1,993 | \$1,870 | \$1,906 | \$1,987 | \$1,997 |
| % of sales | 2.74% | 3.20% | 4.75% | 2.25% | 2.12% |
| % of capital expenses | 732.72% | 703.01% | 482.53% | 531.28% | 313.99% |
| % of PP&E, net (annualized) | 6.78% | 6.03% | 5.78% | 5.73% | 5.48% |
| Capital expenditures \$ | \$272 | \$266 | \$395 | \$374 | \$636 |
| % change | 2.26% | -32.66% | 5.62% | -41.20% | 55.50% |
| % of PP&E, net (annualized) | 0.93% | 0.86% | 1.20% | 1.08% | 1.74% |
| % of working capital (annualized) | -2.66% | -2.85% | -5.02% | -6.16% | -10.84% |
| Interest coverage ratio | (31.68) | (46.36) | (55.18) | (44.53) | 19.24 |
| % change | 31.66% | 15.98% | -23.91% | -331.45% | 159.47% |
| Free cash flow \$ | (\$10,967) | \$4,829 | (\$24,419) | \$5,605 | (\$1,191) |
| % change | -327.11% | 119.78% | -535.66% | 570.61% | -45.60% |
| Source: | 10-Q 12/14/2020 | 10-Q 9/14/2020 | 10-Q 6/15/2020 | 10-K 3/16/2020 | 10-Q 12/11/2019 |

QUARTERLY LEVERAGE RATIOS

Total debt increased as the company attempted to shore up liquidity in light of a rapid cash flow shortfall

Minimal shareholders' equity cushion eroded following a substantial widening of its accumulated deficit

Leverage Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

| Period Ended | 10/31/2020 | 8/1/2020 | 5/2/2020 | 2/1/2020 | 11/2/2019 |
|--|-------------------|-------------------|------------------|------------------|------------------|
| Total debt \$ | \$28,978 | \$19,575 | \$21,797 | n/a | \$4,550 |
| % change | 48.04% | -10.19% | n/a | n/a | 31.88% |
| Stockholders' equity \$ | (\$33,578) | (\$22,922) | (\$7,970) | \$9,108 | \$12,703 |
| % change | -46.49% | -187.60% | -187.51% | -28.30% | 5.33% |
| Total debt to equity ratio | n/a | n/a | n/a | n/a | 0.36 |
| % change | n/a | n/a | n/a | n/a | 25.20% |
| Tangible net worth \$ | (\$33,578) | (\$22,922) | (\$7,970) | \$9,108 | \$12,703 |
| % change | -46.49% | -187.60% | -187.51% | -28.30% | 5.33% |
| Total debt to tangible net worth | n/a | n/a | n/a | n/a | 0.36 |
| % change | n/a | n/a | n/a | n/a | 25.20% |
| Total assets \$ | \$172,836 | \$167,682 | \$182,741 | \$189,406 | \$200,661 |
| % change | 3.07% | -8.24% | -3.52% | -5.61% | -4.22% |
| Total debt to assets ratio | 0.17 | 0.12 | 0.12 | n/a | 0.02 |
| % change | 43.70% | -2.18% | n/a | n/a | 37.58% |
| Tangible assets \$ | \$172,836 | \$167,682 | \$182,741 | \$189,406 | \$200,661 |
| % change | 3.07% | -8.24% | -3.52% | -5.61% | -4.22% |
| Short-term debt \$ | \$14,645 | \$4,992 | \$16,964 | n/a | \$4,550 |
| % change | 193.37% | -70.57% | n/a | n/a | 31.88% |
| Short-term debt % of total debt | 50.54% | 25.50% | 77.83% | n/a | 100.00% |
| % change | 98.17% | -67.23% | n/a | n/a | 0.00% |
| Short-term debt % of working capital | -33.41% | -13.11% | -46.50% | n/a | -20.59% |
| % change | -154.81% | 71.81% | n/a | n/a | -48.21% |
| Total liabilities \$ | \$206,414 | \$190,604 | \$190,711 | \$180,298 | \$187,958 |
| % change | 8.29% | -0.06% | 5.78% | -4.08% | -4.80% |
| Total liabilities to equity ratio | n/a | n/a | n/a | 19.80 | 14.80 |
| % change | n/a | n/a | n/a | 33.79% | -9.62% |
| Total liabilities to tangible net worth ratio | n/a | n/a | n/a | 19.80 | 14.80 |
| % change | n/a | n/a | n/a | 33.79% | -9.62% |
| Total debt to EBITDA ratio (annualized) | n/a | n/a | n/a | n/a | 0.43 |

Short-term debt stood at very high levels, a condition that often coincides with financing stress

QUARTERLY LIQUIDITY RATIOS AND RATES OF RETURN

Sustained working capital deficit

Meager cash, quick and current ratios

Liquidity Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

| Period Ended | 10/31/2020 | 8/1/2020 | 5/2/2020 | 2/1/2020 | 11/2/2019 |
|-------------------------------|--------------------|-------------------|-------------------|-------------------|--------------------|
| Current assets \$ | \$56,158 | \$45,863 | \$52,817 | \$52,234 | \$57,708 |
| % change | 22.45% | -13.17% | 1.12% | -9.49% | -1.55% |
| % of short-term debt | 383.46% | 918.73% | 311.35% | n/a | 1,268.31% |
| Current liabilities \$ | \$99,997 | \$83,940 | \$89,296 | \$78,676 | \$79,806 |
| % change | 19.13% | -6.00% | 13.50% | -1.42% | -4.37% |
| Working capital \$ | (\$43,839) | (\$38,077) | (\$36,479) | (\$26,442) | (\$22,098) |
| % change | -15.13% | -4.38% | -37.96% | -19.66% | 11.01% |
| % of sales (annualized) | -15.06% | -16.28% | -22.73% | -7.50% | -5.87% |
| Cash \$ | \$1,202 | \$2,771 | \$183 | \$3,198 | \$2,150 |
| % change | -56.62% | 1,414.21% | -94.28% | 48.74% | -4.10% |
| % of short-term debt | 8.21% | 55.51% | 1.08% | n/a | 47.25% |
| Cash ratio | 0.01 | 0.03 | 0.00 | 0.04 | 0.03 |
| % change | -63.64% | 1,550.00% | -95.07% | 50.93% | 0.00% |
| Quick assets \$ | \$4,411 | \$5,374 | \$1,802 | \$6,173 | \$6,792 |
| % change | -17.92% | 198.22% | -70.81% | -9.11% | 18.89% |
| % of short-term debt | 30.12% | 107.65% | 10.62% | n/a | 149.27% |
| Quick ratio | 0.04 | 0.06 | 0.02 | 0.08 | 0.09 |
| % change | -31.09% | 216.83% | -74.27% | -7.76% | 24.23% |
| Current ratio | 0.56 | 0.55 | 0.59 | 0.66 | 0.72 |
| % change | 2.78% | -7.62% | -10.91% | -8.19% | 2.95% |
| Source: | 10-Q 12/14/2020 | 10-Q 9/14/2020 | 10-Q 6/15/2020 | 10-K 3/16/2020 | 10-Q 12/11/2019 |

COVID-19 pandemic crushed returns

Rate of Return - Sequential Quarters

(Thousands of U.S. Dollars)

| Period Ended | 13 weeks 10/31/2020 | 13 weeks 8/1/2020 | 13 weeks 5/2/2020 | 13 weeks 2/1/2020 | 13 weeks 11/2/2019 |
|--------------------------------------|------------------------|----------------------|----------------------|----------------------|-----------------------|
| Return on equity | n/a | n/a | -189.26% | -40.05% | 4.04% |
| % change | n/a | n/a | -372.52% | -1,091.89% | 112.14% |
| Return on net tangible equity | n/a | n/a | -189.26% | -40.05% | 4.04% |
| % change | n/a | n/a | -372.52% | -1,091.89% | 112.14% |
| Return on total assets | -6.35% | -8.61% | -9.26% | -2.61% | 0.24% |
| % change | 26.31% | 7.01% | -255.11% | -1,198.44% | 108.53% |
| Return on tangible assets | -6.35% | -8.61% | -9.26% | -2.61% | 0.24% |
| % change | 26.31% | 7.01% | -255.11% | -1,198.44% | 108.53% |
| Source: | 10-Q 12/14/2020 | 10-Q 9/14/2020 | 10-Q 6/15/2020 | 10-K 3/16/2020 | 10-Q 12/11/2019 |

YEAR OVER YEAR STATEMENT OF CASH FLOWS

Net losses and negative operating cash flow

Despite debt issuance, cash balances still collapsed

Statement of Cash Flows - Year-over-Year - Standardized - Year

(Thousands of U.S. Dollars)

| Period Ended | 39 weeks 10/31/2020 | 39 weeks 11/2/2019 | 39 weeks 11/3/2018 | 39 weeks 10/28/2017 | 39 weeks 10/29/2016 |
|--|------------------------|-----------------------|-----------------------|------------------------|------------------------|
| Cash Flows from Operating Activities: | | | | | |
| Net income | (\$43,140) | (\$11,606) | (\$21,562) | (\$13,199) | (\$559) |
| Depreciation/depletion | 5,769 | 6,578 | 7,796 | 9,242 | 9,116 |
| Deferred taxes | n/a | n/a | 0 | 25 | 18 |
| Non-cash Items | 16,224 | 20,247 | 3,080 | 203 | (629) |
| Changes in working capital | (8,477) | (26,122) | (7,205) | (8,938) | (8,710) |
| Total cash from operating activities | (29,624) | (10,903) | (17,891) | (12,667) | (764) |
| Cash Flows from Investing Activities: | | | | | |
| Capital expenditures | (933) | (1,632) | (2,744) | (4,447) | (8,770) |
| Other investing cash flow items, total | n/a | 0 | 13,329 | 0 | 3,916 |
| Total cash from investing activities | (933) | (1,632) | 10,585 | (4,447) | (4,854) |
| Cash Flows from Financing Activities: | | | | | |
| Financing cash flow items | (417) | (6) | (262) | (25) | (23) |
| Issuance/retirement of stock, net | 0 | (98) | n/a | 0 | 17 |
| Issuance/retirement of debt, net | 28,978 | 4,550 | 0 | n/a | n/a |
| Total cash from financing activities | 28,561 | 4,446 | (262) | (25) | (6) |
| Net change in cash | (1,996) | (8,089) | (7,568) | (17,139) | (5,624) |
| Net cash-beginning balance | 3,198 | 10,239 | 23,077 | 35,006 | 31,506 |
| Net cash-ending balance | \$1,202 | \$2,150 | \$15,509 | \$17,867 | \$25,882 |
| Supplemental Disclosures: | | | | | |
| Cash interest paid | \$883 | \$405 | \$141 | \$107 | \$143 |
| Cash taxes paid, supplemental | \$64 | \$263 | \$130 | (\$263) | \$102 |
| Source: | 10-Q 12/14/2020 | 10-Q 12/11/2019 | 10-Q 12/6/2018 | 10-Q 11/30/2017 | 10-Q 12/2/2016 |

NEWS ALERTS: A TIMELINE OF CONCERNING NEWS ITEMS

| | | |
|--|---------------------------|---|
| <p>Christopher & Banks announced that it would temporarily close all of its retail locations due to the outbreak of the COVID-19 pandemic, sales of which comprised approximately three-fourths of annualized revenue and would have a significant adverse impact on operating performance.</p> | | |
| 03/19/2020 | Business Wire | Christopher & Banks Corporation Provides Business Update on COVID-19 |
| <p>The company reported Q1 2020 fiscal results, which showed that its adjusted EBITDA loss was approximately \$14.6 million, much larger than the \$2.9 million loss in the comparable quarterly period of 2019. Cash and cash equivalents collapsed to only \$0.2 million with only \$4.1 million available on the credit facility at the end of the period, which resulted in a very weak liquidity base.</p> | | |
| 06/12/2020 | Business Wire | Christopher & Banks Corporation Reports First Quarter Fiscal 2020 Financial Results |
| <p>The company's FRISK® score was downgraded to a "1," which indicated a probability of bankruptcy between 10% and 50% within the next 12 months. Approximately 65% of all companies that file for bankruptcy trend within the highest risk categories of "1" and "2".</p> | | |
| 09/09/2020 | CRMZ News Service | Christopher & Banks Corporation: FRISK® score downgraded to 1 |
| <p>Christopher & Banks reported Q3 2020 earnings results that showed a significant decline in year-over-year net sales and gross margins, which resulted in large operating losses and cash outflows. Its working capital deficit widened to nearly \$44 million, and quick assets in particular were well beneath total outstanding payables, accrued expenses, and other current obligations.</p> | | |
| 12/01/2020 | Business Wire | Christopher & Banks Corporation Reports Third Quarter Fiscal 2020 Financial Results |
| <p>Christopher & Banks voluntarily filed for bankruptcy protection, while indicating that it may close all stores as no investors or buyers expressed strong interest in those assets. However, the ecommerce business was put up for sale given the prospects of potential suitors. Unsecured creditors that were subject to financial risk included merchandise suppliers, landlords, and freight vendors. Accounts payable outstanding was in excess of \$35 million in the final quarter that preceded the court filing.</p> | | |
| 01/14/2021 | Dow Jones & Company, Inc. | Christopher & Banks Files For Chapter 11 Protection |

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