Kohl:

* Omnichannel retailer since 1988, runs 1175 stores, sells national as well as private brands with this splitA close-up of a graph

  AI-generated content may be incorrect.
* 33k full time and 54k part time associates
* Seasonal business with higher sales during back-to-school and holiday seasons
* Business in decline – Comps y-o-y has steadily decreased; while it has risen for most competitors

Peer Group: Walmart, Dollar General, TJX and Ross

A graph of different colored lines

AI-generated content may be incorrect.

* Net Revenue also has been in decline while it has risen for competitors:

A graph with colored lines

AI-generated content may be incorrect.

* Strong point: Better gross margin than all competitors

A graph with different colored lines

AI-generated content may be incorrect.

* But worst net margin:

A graph of colored lines

AI-generated content may be incorrect.

Best gross but worst net margin => expenses significantly higher than competitors

* Free cash flow expected to stagnate; while rising for others

A screen shot of a graph

AI-generated content may be incorrect.

* Net Debt to EBITDA – improving for all names with the ratio decliningA graph on a black background

  AI-generated content may be incorrect.
* Trading at 50% of EV/EBITDA of the next competitorA graph of stock market

  AI-generated content may be incorrect.

Stock Price and Recent News:

A screen shot of a graph

AI-generated content may be incorrect.

5/1 – Fired CEO for cause

5/14 and 5/16 – 2 insiders bought 156k and 441k stocks

5/29 – earnings beat -0.13 vs BEst -0.25

6/9 – announced buy back

6/13 – new CEO tried to quell employee unrest during a call with employee engagement lowest in 15+ years

7/22 – stock soars 38% with intraday peak of double of previous close on becoming latest meme stock; insider sells 26.5k stocks same day

8/26 – co. asking vendors for more time to settle invoices amid turnaround plan

8/27 – earnings beat 0.56 vs 0.3 with forecast of boost in FY operating margin

**Bottomline:** Decline in revenue seems to be the major issue for KSS, but stock has continued to rally on the back of better-than-expected (albeit negative) results

A screen shot of a computer

AI-generated content may be incorrect.

A graph with blue and orange bars

AI-generated content may be incorrect.

Revenue vs Time:

A graph on a computer screen

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