UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **Quarterly report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended October 28, 2022

-OR-

☐ **Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from to _________ to _________.

Commission File Number: 001-09769

Lands' End, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**36-2512786**
(State or Other Jurisdiction of Incorporation of Organization)	**(I.R.S. Employer Identification No.)**
1 Lands' End Lane Dodgeville, Wisconsin	**53595**
(Address of Principal Executive Offices)	**(Zip Code)**

(608) 935-9341
(Registrant's Telephone Number Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	LE	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☒ NO ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). YES ☒ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES ☐ NO ☒

As of November 28, 2022, the registrant had 33,002,242 shares of common stock, $0.01 par value, outstanding.

LANDS' END, INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE PERIOD ENDED OCTOBER 28, 2022
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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

LANDS' END, INC.
Condensed Consolidated Statements of Operations
(Unaudited)

(in thousands, except per share data)	13 Weeks Ended October 28, 2022	13 Weeks Ended October 29, 2021	39 Weeks Ended October 28, 2022	39 Weeks Ended October 29, 2021
Net revenue	$ 370,983	$ 375,843	$ 1,025,826	$ 1,081,249
Cost of sales (excluding depreciation and amortization)	222,573	209,028	604,204	588,908
Gross profit	148,410	166,815	421,622	492,341
Selling and administrative	132,807	137,408	377,074	399,579
Depreciation and amortization	9,761	9,788	29,228	29,483
Other operating expense, net	3,096	140	3,135	583
Operating income	2,746	19,479	12,185	62,696
Interest expense	10,825	8,334	27,807	26,231
Other expense (income), net	230	(171)	(97)	(461)
(Loss) income before income taxes	(8,309)	11,316	(15,525)	36,926
Income tax (benefit) expense	(3,627)	3,917	(6,293)	10,667
NET (LOSS) INCOME	$ (4,682)	$ 7,399	$ (9,232)	$ 26,259
NET (LOSS) INCOME PER COMMON SHARE				
Basic:	$ (0.14)	$ 0.22	$ (0.28)	$ 0.80
Diluted:	$ (0.14)	$ 0.22	$ (0.28)	$ 0.78
Basic weighted average common shares outstanding	33,064	32,981	33,196	32,910
Diluted weighted average common shares outstanding	33,064	33,698	33,196	33,708

See accompanying Notes to Condensed Consolidated Financial Statements.

LANDS' END, INC.
Condensed Consolidated Statements of Comprehensive Operations
(Unaudited)

(in thousands)	13 Weeks Ended October 28, 2022	13 Weeks Ended October 29, 2021	39 Weeks Ended October 28, 2022	39 Weeks Ended October 29, 2021
NET (LOSS) INCOME	$ (4,682)	$ 7,399	$ (9,232)	$ 26,259
Other comprehensive (loss) income, net of tax				
Foreign currency translation adjustments	(1,947)	(670)	(5,884)	(395)
COMPREHENSIVE (LOSS) INCOME	$ (6,629)	$ 6,729	$ (15,116)	$ 25,864

See accompanying Notes to Condensed Consolidated Financial Statements.

LANDS' END, INC.
Condensed Consolidated Balance Sheets
(Unaudited)

(in thousands, except per share data)	October 28, 2022	October 29, 2021	January 28, 2022
ASSETS			
Current assets			
Cash and cash equivalents	$ 28,829	$ 37,926	$ 34,301
Restricted cash	1,833	1,983	1,834
Accounts receivable, net	49,409	44,078	49,668
Inventories, net	564,856	479,793	384,241
Prepaid expenses and other current assets	47,205	41,418	36,905
Total current assets	692,132	605,198	506,949
Property and equipment, net	121,907	133,572	129,791
Operating lease right-of-use asset	31,441	32,782	31,492
Goodwill	106,700	106,700	106,700
Intangible asset	257,000	257,000	257,000
Other assets	3,786	4,512	4,702
TOTAL ASSETS	$ 1,212,966	$ 1,139,764	$ 1,036,634
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Current portion of long-term debt	$ 13,750	$ 13,750	$ 13,750
Accounts payable	228,863	184,569	145,802
Lease liability – current	5,808	5,609	5,617
Other current liabilities	111,872	142,828	146,263
Total current liabilities	360,293	346,756	311,432
Long-term borrowings under ABL Facility	160,000	70,000	—
Long-term debt, net	226,227	237,245	234,474
Lease liability – long-term	32,033	34,092	32,731
Deferred tax liabilities	45,087	47,325	46,191
Other liabilities	3,758	5,834	5,110
TOTAL LIABILITIES	827,398	741,252	629,938
Commitments and contingencies			
STOCKHOLDERS' EQUITY			
Common stock, par value $0.01 authorized: 480,000 shares; issued and outstanding: 33,001, 32,983 and 32,985, respectively	330	330	330
Additional paid-in capital	369,198	372,313	374,413
Retained earnings	34,566	37,485	44,595
Accumulated other comprehensive (loss)	(18,526)	(11,616)	(12,642)
TOTAL STOCKHOLDERS' EQUITY	385,568	398,512	406,696
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 1,212,966	$ 1,139,764	$ 1,036,634

See accompanying Notes to Condensed Consolidated Financial Statements.

LANDS' END, INC.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in thousands)	39 Weeks Ended October 28, 2022	39 Weeks Ended October 29, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) income	$ (9,232)	$ 26,259
Adjustments to reconcile net (loss) income to net cash used in operating activities:		
Depreciation and amortization	29,228	29,483
Amortization of debt issuance costs	2,361	2,358
Loss on disposal of property and equipment	39	583
Stock-based compensation	3,537	8,043
Deferred income taxes	460	80
Long-lived asset impairment	120	—
Other	(744)	(1,097)
Change in operating assets and liabilities:		
Accounts receivable, net	(1,246)	(7,219)
Inventories, net	(188,899)	(98,391)
Accounts payable	82,057	51,152
Other operating assets	(10,604)	95
Other operating liabilities	(33,072)	(17,700)
Net cash used in operating activities	(125,995)	(6,354)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales of property and equipment	88	—
Purchases of property and equipment	(20,544)	(18,739)
Net cash used in investing activities	(20,456)	(18,739)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings under ABL Facility	222,000	140,000
Payments of borrowings under ABL Facility	(62,000)	(95,000)
Payments on term loan	(10,313)	(10,313)
Payments for taxes related to net share settlement of equity awards	(4,315)	(5,098)
Purchases and retirement of common stock	(5,234)	—
Payment of debt issuance costs	—	(1,161)
Net cash provided by financing activities	140,138	28,428
Effects of exchange rate changes on cash, cash equivalents and restricted cash	840	780
NET (DECREASE) INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(5,473)	4,115
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD	36,135	35,794
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD	$ 30,662	$ 39,909
SUPPLEMENTAL CASH FLOW DATA		
Unpaid liability to acquire property and equipment	$ 4,922	$ 2,836
Income taxes paid, net of refunds	$ 4,146	$ 23,570
Interest paid	$ 26,170	$ 23,972
Lease liabilities arising from obtaining operating lease right-of-use assets	$ 4,223	$ 1,161

See accompanying Notes to Condensed Consolidated Financial Statements.

LANDS' END, INC.
Condensed Consolidated Statements of Changes in Stockholders' Equity
(Unaudited)

(in thousands)	Common Stock Issued Shares	Common Stock Issued Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss)	Total Stockholders' Equity
Balance at January 28, 2022	32,985	$ 330	$ 374,413	$ 44,595	$ (12,642)	$ 406,696
Net loss	—	—	—	(2,371)	—	(2,371)
Cumulative translation adjustment, net of tax	—	—	—	—	(3,094)	(3,094)
Stock-based compensation expense	—	—	1,484	—	—	1,484
Vesting of restricted shares	660	4	(4)	—	—	—
Common stock withheld related to net share settlement of equity awards	(232)	—	(4,310)	—	—	(4,310)
Balance at April 29, 2022	33,413	$ 334	$ 371,583	$ 42,224	$ (15,736)	$ 398,405
Net loss	—	—	—	(2,179)	—	(2,179)
Cumulative translation adjustment, net of tax	—	—	—	—	(843)	(843)
Stock-based compensation expense	—	—	1,919	—	—	1,919
Vesting of restricted shares	1	—	—	—	—	—
Purchases and retirement of common stock	(212)	(2)	(2,257)	(98)	—	(2,357)
Balance at July 29, 2022	33,202	$ 332	$ 371,245	$ 39,947	$ (16,579)	$ 394,945
Net loss	—	—	—	(4,682)	—	(4,682)
Cumulative translation adjustment, net of tax	—	—	—	—	(1,947)	(1,947)
Stock-based compensation expense	—	—	134	—	—	134
Vesting of restricted shares	4	—	—	—	—	—
Common stock withheld related to net share settlement of equity awards	(1)	—	(5)	—	—	(5)
Purchases and retirement of common stock	(204)	(2)	(2,176)	(699)		(2,877)
Balance at October 28, 2022	33,001	$ 330	$ 369,198	$ 34,566	$ (18,526)	$ 385,568

(in thousands)	Common Stock Issued Shares	Common Stock Issued Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss)	Total Stockholders' Equity
Balance at January 29, 2021	32,614	$ 326	$ 369,372	$ 11,226	$ (11,221)	$ 369,703
Net income	—	—	—	2,639	—	2,639
Cumulative translation adjustment, net of tax	—	—	—	—	311	311
Stock-based compensation expense	—	—	2,513	—	—	2,513
Vesting of restricted shares	553	4	(4)	—	—	—
Common stock withheld related to net share settlement of equity awards	(190)	—	(5,013)	—	—	(5,013)
Balance at April 30, 2021	32,977	$ 330	$ 366,868	$ 13,865	$ (10,910)	$ 370,153
Net income	—	—	—	16,221	—	16,221
Cumulative translation adjustment, net of tax	—	—	—	—	(36)	(36)
Stock-based compensation expense	—	—	3,556	—	—	3,556
Vesting of restricted shares	7	—	—	—	—	—
Common stock withheld related to net share settlement of equity awards	(3)	—	(71)	—	—	(71)
Balance at July 30, 2021	32,981	$ 330	$ 370,353	$ 30,086	$ (10,946)	$ 389,823
Net income	—	—	—	7,399	—	7,399
Cumulative translation adjustment, net of tax	—	—	—	—	(670)	(670)
Stock-based compensation expense	—	—	1,974	—	—	1,974
Vesting of restricted shares	3	—	—	—	—	—
Common stock withheld related to net share settlement of equity awards	(1)	—	(14)	—	—	(14)
Balance at October 29, 2021	32,983	$ 330	$ 372,313	$ 37,485	$ (11,616)	$ 398,512

See accompanying Notes to Condensed Consolidated Financial Statements.

LANDS' END, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. BACKGROUND AND BASIS OF PRESENTATION

Description of Business

Lands' End, Inc. ("Lands' End" or the "Company") is a leading uni-channel retailer of casual clothing, accessories, footwear and home products. Lands' End offers products online at *www.landsend.com*, through Company Operated stores and through third-party distribution channels. Lands' End is a classic American lifestyle brand with a passion for quality, legendary service and real value and seeks to deliver timeless style for women, men, kids and the home. References to *www.landsend.com* do not constitute incorporation by reference of the information at *www.landsend.com*, and such information is not part of this Quarterly Report on Form 10-Q or any other filings with the SEC, unless otherwise explicitly stated.

Terms that are commonly used in the Company's Notes to Condensed Consolidated Financial Statements are defined as follows:

- ABL Facility – Asset-based senior secured credit agreement, providing for a revolving facility, dated as of November 16, 2017, with Wells Fargo Bank, N.A. and certain other lenders, as amended to date
- Adjusted EBITDA – Net income (loss) appearing on the Condensed Consolidated Statements of Operations net of Income tax expense/(benefit), Interest expense, Depreciation and amortization and certain significant items
- ASC – Financial Accounting Standards Board Accounting Standards Codification, which serves as the source for authoritative GAAP, as supplemented by rules and interpretive releases by the SEC which are also sources of authoritative GAAP for SEC registrants
- Company Operated stores – Lands' End retail stores in the Retail distribution channel
- Debt Facilities – Collectively, the Term Loan Facility and ABL Facility
- Deferred Awards – Time vesting stock awards
- EPS – Earnings per share
- FASB – Financial Accounting Standards Board
- First Quarter 2019 – The 13 weeks ended May 3, 2019
- Fiscal 2022 – The 52 weeks ending January 27, 2023
- GAAP – Accounting principles generally accepted in the United States
- LIBOR – London inter-bank offered rate
- Option Awards – Stock option awards
- Performance Awards – Performance-based stock awards
- SEC – United States Securities and Exchange Commission
- Target Shares – Number of restricted stock units awarded to a recipient which reflects the number of shares to be delivered based on achievement of target performance goals
- Term Loan Facility – Term loan credit agreement, dated as of September 9, 2020, among the Company, Fortress Credit Corp., as Administrative Agent and Collateral Agent, and the lenders party thereto
- Third Quarter 2022 – The 13 weeks ended October 28, 2022

Basis of Presentation

The Condensed Consolidated Financial Statements include the accounts of Lands' End, Inc. and its subsidiaries. All intercompany transactions and balances have been eliminated.

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with GAAP for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all material adjustments which are of a normal and recurring nature necessary for a fair presentation of the results for the periods presented have been reflected. Dollar amounts are reported in thousands, except per share data, unless otherwise noted. Interim results are not necessarily indicative of results for a full year. The information included in this Form 10-Q should be read in conjunction with information included in the Lands' End Annual Report on Form 10-K filed with the SEC on March 24, 2022.

NOTE 2. RECENT ACCOUNTING PRONOUNCEMENTS

There were no new accounting standards adopted that had an impact on the Company's financial statements during the 39 weeks ended October 28, 2022.

NOTE 3. EARNINGS (LOSS) PER SHARE

The numerator for both basic and diluted EPS is net income (loss). The denominator for basic EPS is based upon the number of weighted average shares of Lands' End common stock outstanding during the reporting periods. The denominator for diluted EPS is based upon the number of weighted average shares of Lands' End common stock and common stock equivalents outstanding during the reporting periods using the treasury stock method in accordance with GAAP. Potentially dilutive securities for the diluted EPS calculations consist of non-vested equity shares of common stock and in-the-money outstanding options where the current stock price exceeds the option strike price.

The following table summarizes the components of basic and diluted EPS:

	13 Weeks Ended		39 Weeks Ended	
(in thousands, except per share amounts)	**October 28, 2022**	**October 29, 2021**	**October 28, 2022**	**October 29, 2021**
Net (loss) income	$ (4,682)	$ 7,399	$ (9,232)	$ 26,259
Basic weighted average common shares outstanding	33,064	32,981	33,196	32,910
Dilutive effect of stock awards	—	717	—	798
Diluted weighted average common shares outstanding	33,064	33,698	33,196	33,708
Basic (loss) earnings per share	$ (0.14)	$ 0.22	$ (0.28)	$ 0.80
Diluted (loss) earnings per share	$ (0.14)	$ 0.22	$ (0.28)	$ 0.78

Stock awards are considered anti-dilutive based on the application of the treasury stock method or in the event of a net loss. Anti-dilutive shares excluded from the diluted weighted average shares outstanding were 1,098,662 anti-dilutive shares in the 13 weeks ended October 28, 2022, 142 anti-dilutive shares in the 13 weeks ended October 29, 2021, 1,170,934 anti-dilutive shares in the 39 weeks ended October 28, 2022 and 77 anti-dilutive shares in the 39 weeks ended October 29, 2021.

NOTE 4. OTHER COMPREHENSIVE (LOSS) INCOME

Other comprehensive (loss) income encompasses all changes in equity other than those arising from transactions with stockholders and is comprised solely of foreign currency translation adjustments.

	13 Weeks Ended		39 Weeks Ended	
(in thousands)	October 28, 2022	October 29, 2021	October 28, 2022	October 29, 2021
Beginning balance: Accumulated other comprehensive (loss) (net of tax of $4,407, $2,910, $3,361 and $2,987, respectively)	$ (16,579)	$ (10,946)	$ (12,642)	$ (11,221)
Other comprehensive (loss):				
Foreign currency translation adjustments (net of tax of $518, $178, $1,564 and $101, respectively)	(1,947)	(670)	(5,884)	(395)
Ending balance: Accumulated other comprehensive (loss) (net of tax of $4,925, $3,088, $4,925 and $3,088, respectively)	$ (18,526)	$ (11,616)	$ (18,526)	$ (11,616)

No amounts were reclassified out of Accumulated other comprehensive (loss) during any of the periods presented.

NOTE 5. DEBT

ABL Facility

The Company's $275.0 million revolving ABL Facility includes a $70.0 million sublimit for letters of credit and is available for working capital and other general corporate liquidity needs. On July 29, 2021, the Company executed the Third Amendment to the ABL Facility resulting in favorable financial terms and extension of the maturity date of the ABL Facility, as discussed below. The amount available to borrow is the lessor of the $275.0 million facility limit and the Borrowing Base which is calculated from Eligible Inventory, Trade Receivables and Credit Card Receivables, all terms as defined in the ABL Facility.

The following table summarizes the Company's maximum borrowing availability under the ABL Facility, before consideration of the Borrowing Base calculation:

	October 28, 2022		October 29, 2021		January 28, 2022	
(in thousands)	Amount	Interest Rate	Amount	Interest Rate	Amount	Interest Rate
ABL Facility limit	$ 275,000		$ 275,000		$ 275,000	
Less: Outstanding borrowings	160,000	4.91%	70,000	1.34%	—	—%
Less: Outstanding letters of credit	11,841		21,400		23,521	
Maximum borrowing availability	$ 103,159		$ 183,600		$ 251,479	

As of October 28, 2022, the amount available to borrow under the ABL Facility, based upon the Borrowing Base calculation, was $103.2 million.

Long-Term Debt

On September 9, 2020, the Company entered into the Term Loan Facility which provided borrowings of $275.0 million. Origination costs, including an Original Issue Discount ("OID") of 3% and $5.1 million in debt origination fees, were paid in connection with entering into the Term Loan Facility. The OID and the debt origination fees are presented as a direct deduction from the carrying value of the Term Loan Facility and are amortized over the term of the loan to Interest expense in the Condensed Consolidated Statements of Operations.

The Company's long-term debt consisted of the following:

	October 28, 2022		October 29, 2021		January 28, 2022	
(in thousands)	Amount	Interest Rate	Amount	Interest Rate	Amount	Interest Rate
Term Loan Facility	$ 247,500	12.87%	$ 261,250	10.75%	$ 257,813	10.75%
Less: Current portion of long-term debt	13,750		13,750		13,750	
Less: Unamortized debt issuance costs	7,523		10,255		9,589	
Long-term debt, net	$ 226,227		$ 237,245		$ 234,474	

Interest; Fees

The Third Amendment to the ABL Facility, effective July 31, 2021, lowered the applicable margin interest rates applicable to the referenced rate, selected at the borrower's election, either (1) adjusted LIBOR or (2) a base rate which is the greater of (a) the federal funds rate plus 0.50%, (b) the one-month LIBOR rate plus 1.00%, or (c) the Wells Fargo "prime rate". For all loans, the borrowing margin is based upon the average daily total loans outstanding for the previous quarter. The applicable borrowing margin for LIBOR loans is (i) less than $95.0 million, 1.25%, (ii) equal to or greater than $95.0 million but less than $180.0 million, 1.50%, and (iii) greater than or equal to $180.0 million, 1.75%. For base rate loans, the applicable borrowing margin is (i) less than $95.0 million, 0.50%, (ii) equal to or greater than $95.0 million but less than $180.0 million, 0.75%, and (iii) greater than or equal to $180.0 million, 1.00%. The Third Amendment to the ABL Facility replaced the 0.75% LIBOR floor with a 0.00% LIBOR floor.

The interest rates per annum applicable to the loans under the Term Loan Facility are based on a fluctuating rate of interest measured by reference to, at the borrower's election, either (1) an adjusted LIBOR rate (with a minimum rate of 1.00%) plus 9.75%, or (2) an alternative base rate (which is the greater of (i) the prime rate published in the Wall Street Journal, (ii) the federal funds rate, which shall be no lower than 0.00% plus ½ of 1.00%, or (iii) the one month LIBOR rate plus 1.00% per annum) plus 8.75%.

The ABL Facility fees include (i) commitment fees of 0.25% based upon the average daily unused commitment (aggregate commitment less loans and letter of credit outstanding) under the ABL Facility for the preceding fiscal quarter and (ii) customary letter of credit fees. As of October 28, 2022, the Company had borrowings of $160.0 million under the ABL Facility.

Customary agency fees are payable in respect of the Debt Facilities.

Maturity; Amortization and Prepayments

The Third Amendment to the ABL Facility extended the maturity from November 16, 2022 to the earlier of (a) July 29, 2026 and (b) June 9, 2025 if, on or prior to such date, the Term Loan Facility has not been refinanced, extended or repaid in full in accordance with the terms thereof and not replaced with other indebtedness.

The Term Loan Facility matures on September 9, 2025 and amortizes at a rate equal to 1.25% per quarter. It is subject to mandatory prepayments in an amount equal to a percentage of the borrower's excess cash flows in each fiscal year, ranging from 0% to 75% depending on the Company's total leverage ratio, and with the proceeds of certain asset sales, casualty events and extraordinary receipts. The loan could not be voluntarily prepaid during the first two years of its term without significant penalties. A prepayment premium of 3% applies to voluntary prepayments and certain mandatory prepayments made after September 9, 2022 and on or prior to September 9, 2023, 1% for such prepayments made after September 9, 2023 and on or prior to September 9, 2024 and no premium on such prepayments thereafter.

Guarantees; Security

All obligations under the Debt Facilities are unconditionally guaranteed by Lands' End, Inc. and, subject to certain exceptions, each of its existing and future direct and indirect subsidiaries. The ABL Facility is secured by a first priority security interest in certain working capital of the borrowers and guarantors consisting primarily of accounts receivable and inventory. The Term Loan Facility is secured by a second priority security interest in the same collateral with certain exceptions.

The Term Loan Facility is secured by a first priority security interest in certain property and assets of the borrowers and guarantors, including certain fixed assets such as real estate, stock of the subsidiaries and intellectual property, in each case, subject to certain exceptions. The ABL Facility is secured by a second priority interest in the same collateral, with certain exceptions.

Representations and Warranties; Covenants

Subject to specified exceptions, the Debt Facilities contain various representations and warranties, and restrictive covenants that, among other things, restrict Lands' End, Inc.'s and its subsidiaries' ability to incur indebtedness (including guarantees), grant liens, make investments, make dividends or distributions with respect to capital stock, make prepayments on other indebtedness, engage in mergers or change the nature of their business.

The Term Loan Facility contains certain financial covenants, including a quarterly maximum total leverage ratio test, a weekly minimum liquidity test and an annual maximum capital expenditure amount.

Under the ABL Facility, if excess availability falls below the greater of 10% of the Loan Cap amount or $15.0 million, the Company will be required to comply with a minimum fixed charge coverage ratio of 1.0 to 1.0.

The Debt Facilities contain certain affirmative covenants, including reporting requirements such as delivery of financial statements, certificates and notices of certain events, maintaining insurance, and providing additional guarantees and collateral in certain circumstances.

As of October 28, 2022, the Company was in compliance with its financial covenants in the Debt Facilities.

Events of Default

The Debt Facilities include customary events of default including non-payment of principal, interest or fees, violation of covenants, inaccuracy of representations or warranties, cross defaults related to certain other material indebtedness, bankruptcy and insolvency events, invalidity or impairment of guarantees or security interests, material judgments, and change of control.

NOTE 6. STOCK-BASED COMPENSATION

The Company expenses the fair value of all stock awards over their respective vesting periods, ensuring that the amount of cumulative stock-based compensation expense recognized at any date is at least equal to the portion of the grant-date fair value of the award that is vested at that date. The Company has elected to adjust stock-based compensation expense for an estimated forfeiture rate for those shares not expected to vest and to recognize stock-based compensation expense on a straight-line basis for awards that only have a service requirement with multiple vest dates.

The Company has granted the following types of stock awards to employees at management levels and above, each of which are granted under the Company's stockholder approved stock plans, other than inducement grants outside of the Company's stockholder approved stock plans in accordance with NASDAQ Listing Rule 5635(c)(4):

- Deferred Awards are in the form of restricted stock units and only require each recipient to complete a service period for the awards to be earned. Deferred Awards generally vest over three years. The fair value of Deferred Awards is based on the closing price of the Company's common stock on the grant date. Stock-based compensation expense is recognized ratably over the service period and is reduced for estimated forfeitures of those awards not expected to vest due to employee turnover.

- Performance Awards are in the form of restricted stock units and have, in addition to a service requirement, performance criteria that must be achieved for the awards to be earned. For Performance Awards granted, the Target Shares earned can range from 50% to 200% once minimum thresholds have been reached and depend on the achievement of Adjusted EBITDA and revenue performance measures for the cumulative period comprised of three-consecutive fiscal years beginning with the fiscal year of the grant date. The applicable percentage of the Target Shares, as determined by performance, vest after the completion of the applicable three-year performance period and upon determination of achievement of the performance measures by the Compensation Committee of the Board of Directors, and unearned Target Shares are forfeited. The fair value of the Performance Awards granted are based on the closing price of the Company's common stock on the grant date. Stock-based compensation expense is recognized ratably over the related service period reduced for estimated forfeitures of those awards not expected to vest due to employee turnover and adjusted based on the Company's estimate of the percentage of the aggregate Target Shares expected to be earned. Typically, the Company accrues for Performance Awards on a 100% payout unless it becomes probable that the outcome will be significantly different, or the performance can be accurately measured. The performance period has been completed for the Performance Awards granted during First Quarter 2019 and, based on the Company's performance relative to the Adjusted EBITDA and revenue performance measures, these awards vested on March 25, 2022 at 118% of Target Shares.

- Option Awards provide the recipient with the option to purchase a set number of shares at a stated exercise price over the term of the contract, which is ten years for all Option Awards currently outstanding. Options are granted with a strike price equal to the stock price on the date of grant and vest ratably over the requisite service period of the award. The fair value of each Option Award is estimated on the grant date using the Black-Scholes option pricing model.

The following table provides a summary of the Company's stock-based compensation expense, which is included in Selling and administrative expense in the Condensed Consolidated Statements of Operations:

	13 Weeks Ended		39 Weeks Ended	
(in thousands)	**October 28, 2022**	**October 29, 2021**	**October 28, 2022**	**October 29, 2021**
Deferred awards	$ 1,503	$ 1,381	$ 4,408	$ 4,226
Performance awards (1)	(1,369)	593	(871)	3,714
Option awards	—	—	—	103
Total stock-based compensation expense	$ 134	$ 1,974	$ 3,537	$ 8,043

(1) Net credit expense for the 13 and 39 weeks ended October 28, 2022 includes a reduction of the accrual for Performance Awards based on actual and projected results relative to performance measures.

Deferred Awards

The following table provides a summary of the Deferred Awards activity for the 39 weeks ended October 28, 2022:

	Deferred Awards	
(in thousands, except per share amounts)	**Number of Shares**	**Weighted Average Grant Date Fair Value per Share**
Unvested deferred awards as of January 28, 2022	913	$ 14.60
Granted	387	20.26
Vested	(392)	14.12
Forfeited or expired	(69)	16.64
Unvested deferred awards as of October 28, 2022	839	$ 17.27

Total unrecognized stock-based compensation expense related to unvested Deferred Awards was approximately $8.7 million as of October 28, 2022, which is expected to be recognized ratably over a weighted average period of 2.0 years. Deferred Awards granted to employees during the 39 weeks ended October 28, 2022 vest ratably over a period of three years.

Performance Awards

The following table provides a summary of the Performance Awards activity for the 39 weeks ended October 28, 2022:

	Performance Awards	
(in thousands, except per share amounts)	**Number of Shares**	**Weighted Average Grant Date Fair Value per Share**
Unvested performance awards as of January 28, 2022	436	$ 21.15
Granted (2)	248	20.65
Vested	(270)	15.73
Forfeited or expired	(38)	24.39
Unvested performance awards as of October 28, 2022	376	$ 24.39

(2) Performance shares granted assume achievement performance at 100% of target.

Total unrecognized stock-based compensation expense related to unvested Performance Awards was approximately $1.1 million as of October 28, 2022, which is expected to be recognized ratably over a weighted average period of 1.4 years. Performance Awards granted to employees during the 39 weeks ended October 28, 2022 vest, if earned, after completion of the applicable three-year performance period.

Option Awards

There were no unvested Option Awards as of October 28, 2022. The Option Awards have a life of ten years and vested ratably over the first four years. As of October 28, 2022, 343,135 shares related to Option Awards were exercisable over a weighted-average remaining contractual term of 4.4 years. No options have been exercised as of October 28, 2022.

NOTE 7. STOCKHOLDERS' EQUITY

Share Repurchase Program

On June 28, 2022, the Company announced that its Board of Directors authorized the Company to repurchase up to $50.0 million of the Company's common stock through February 2, 2024 (the "Share Repurchase Program"). Under the Share Repurchase Program, the Company may repurchase its common stock through open market purchases, in privately negotiated transactions, or by other means in accordance with federal securities laws, including Rule 10b-18 of the Exchange Act. The amount and timing of purchases will be determined by the Company's management depending upon market conditions and other factors and may be made pursuant to a Rule 10b5-1 trading plan. The Share Repurchase Program may be suspended or discontinued at any time. As of October 28, 2022, additional purchases of up to $44.8 million could be made under the Share Repurchase Program.

The following table summarizes the Company's share repurchases through October 28, 2022:

	13 Weeks Ended		39 Weeks Ended	
(Shares and $ in thousands except average per share cost)	October 28, 2022	October 29, 2021	October 28, 2022	October 29, 2021
Number of shares repurchased	204	—	416	—
Total cost	$ 2,873	—	$ 5,226	—
Average per share cost	$ 14.06	—	$ 12.55	—

All shares that were repurchased through the Share Repurchase Program have been retired. In accordance with the FASB ASC 505—Equity, the par value of the shares retired was charged against Common stock and the remaining purchase price was allocated between Additional paid-in capital and Retained earnings. The portion charged against Additional paid-in capital is determined based on the Additional paid-in capital per share amount recorded in the initial issuance of the shares with the remaining to Retained earnings. In addition, the total cost of the broker commissions is charged directly to Retained earnings. For all shares retired during the 13 weeks ended and 39 weeks ended October 28, 2022, $0.7 million and $0.8 million, respectively, was charged to Retained earnings.

NOTE 8. OTHER CURRENT LIABILITIES

Other current liabilities consisted of the following:

(in thousands)	October 28, 2022	October 29, 2021	January 28, 2022
Deferred gift card revenue	$ 31,020	$ 30,473	$ 33,070
Reserve for sales returns and allowances	23,649	24,328	23,421
Accrued employee compensation and benefits	19,147	48,894	58,833
Deferred revenue	13,412	14,537	8,560
Accrued taxes	10,513	12,459	11,999
Accrued closing costs	3,999	—	—
Other	10,132	12,137	10,380
Total other current liabilities	$ 111,872	$ 142,828	$ 146,263

NOTE 9. LANDS' END JAPAN CLOSING

In July 2022, the Board of Directors approved a plan to cease operations of Lands' End Japan KK, a subsidiary of Lands' End, Inc. ("LE Japan") by the end of Fiscal 2022. LE Japan comprises the Japan eCommerce operating segment. For a discussion of this operating segment, see Note 13, *Segment Reporting*. The closing and subsequent disposal of the assets does not represent a strategic shift with a major effect on the consolidated financial condition. Accordingly, the closing of LE Japan was not presented in the Condensed Consolidated Financial Statements as discontinued operations.

In August 2022, the Company notified all employees of the closing and commenced closing activities. Liquidation sales began in the month of September 2022. The Company recorded estimated one-time closing costs for employee severance and benefit costs, early termination and restoration costs of lease facilities and contract cancellation and other costs.

The following table summarizes the estimated closing costs of LE Japan recognized in Other operating expense, net in the Condensed Consolidated Statement of Operations for the 13 weeks and 39 weeks ended October 28, 2022.

	13 Weeks Ended		39 Weeks Ended	
(in thousands)	October 28, 2022	October 29, 2021	October 28, 2022	October 29, 2021
Employee severance and benefit costs	$ 1,693	$ —	$ 1,693	$ —
Early termination and restoration costs of leased facilities	867	—	867	—
Contract cancellation and other costs	416	—	416	—
Total estimated costs	$ 2,976	$ —	$ 2,976	$ —

The following table summarizes accrued closing cost activity related to LE Japan:

(in thousands)	Employee Severance and Benefit Costs	Leased Facilities Costs	Other Closing Costs	Total
Balance as of July 29, 2022	$ —	$ —	$ —	$ —
Estimated costs payable in cash	2,709	872	418	3,999
Cash payments	—	—	—	—
Foreign currency translation	—	—	—	—
Balance as of October 28, 2022	$ 2,709	$ 872	$ 418	$ 3,999

NOTE 10. FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS AND LIABILITIES

Restricted cash is reflected on the Condensed Consolidated Balance Sheets at fair value. The fair value of restricted cash was $1.8 million, $2.0 million, and $1.8 million as of October 28, 2022, October 29, 2021 and January 28, 2022, respectively, based on Level 1 inputs. Restricted cash amounts are valued based upon statements received from financial institutions.

Carrying amounts and fair values of long-term debt, including current portion, in the Condensed Consolidated Balance Sheets are as follows:

	October 28, 2022		October 29, 2021		January 28, 2022	
(in thousands)	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Long-term debt, including current portion	$ 247,500	$ 232,017	$ 261,250	$ 261,396	$ 257,813	$ 256,439

Long-term debt, including current portion, was valued utilizing Level 3 valuation techniques based on a third-party valuation model to complete the analysis on October 28, 2022, October 29, 2021 and January 28, 2022. There were no nonfinancial assets or nonfinancial liabilities recognized at fair value on a nonrecurring basis as of October 28, 2022, October 29, 2021 and January 28, 2022.

NOTE 11. INCOME TAXES

Provision for Income Taxes

At the end of each quarter, the Company estimates its effective income tax rate pursuant to ASC 740. The rate for the period consists of the tax rate expected to be applied for the full year to ordinary income adjusted for any discrete items recorded in the period.

The Company recorded a tax benefit at an overall effective tax rate of 43.7% for the 13 weeks ended October 28, 2022, and a tax expense at an overall effective tax rate of 34.6% for the 13 weeks ended October 29, 2021. The Company recorded a tax benefit at an overall rate of 40.5% for the 39 weeks ended October 28, 2022, and tax expense at an overall effective tax rate of 28.9% for the 39 weeks ended October 29, 2021. The overall effective tax rates for the 13 weeks and 39 weeks ended October 28, 2022, are higher primarily due to a pretax loss in 2022 compared to a pretax income in 2021 and the tax benefits recorded as a result of LE Japan closing costs in the Third Quarter 2022.

On August 16, 2022, the Inflation Reduction Act ("IRA") was signed into law. Provisions of the IRA include a 15% corporate minimum tax and a 1% excise tax ("Stock Buyback Tax") on the repurchase of corporate stock amongst others. The Company is assessing the impacts, if any, the IRA will have on its Share Repurchase Program and its consolidated financial statements.

NOTE 12. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company is party to various claims, legal proceedings and investigations arising in the ordinary course of business. Some of these actions involve complex factual and legal issues and are subject to uncertainties. At this time, the Company is not able to either predict the outcome of these legal proceedings or reasonably estimate a potential range of loss with respect to the proceedings. While it is not feasible to predict the outcome of such pending claims, proceedings and investigations with certainty, management is of the opinion that their ultimate resolution should not have a material adverse effect on results of operations, cash flows or financial position taken as a whole.

As disclosed in the Company's Annual Report on Form 10-K for the year ended January 28, 2022, the Company is the defendant in three separate lawsuits, each of which allege adverse health events and personal property damage as a result of wearing uniforms manufactured by Lands' End: (1) *Gilbert et al. v. Lands' End, Inc*., United States District Court for the Western District of Wisconsin, Civil Action No. 3:19-cv-00823-JDP, complaint filed October 3, 2019; (2) *Andrews et al. v. Lands' End, Inc.*, United States District Court for the Western District of Wisconsin, Civil Action No. 3:19-cv-01066-JDP, complaint filed on December 31, 2019, on behalf of 521 named plaintiffs, later amended to include 1,089 named plaintiffs; and (3) *Davis et al. v. Lands' End, Inc. and Lands' End Business Outfitters, Inc.*, United States District Court for the Western District of Wisconsin, Case No. 3:20-cv-00195, complaint filed on March 4, 2020. Plaintiffs in *Gilbert, Andrews*, and *Davis* seek nationwide class certification on behalf of similarly situated Delta employees.

By order dated April 20, 2020, the Court consolidated the *Gilbert* and *Andrews* cases (the "Consolidated Wisconsin Action") and stayed the *Davis* case.

Plaintiffs in the Consolidated Wisconsin Action and *Davis* each assert that the damages sustained by the members of the proposed class exceed $5,000,000. Plaintiffs in each case seek damages for personal injuries, pain and suffering, severe emotional distress, financial or economic loss, including medical services and expenses, lost income and other compensable injuries. Plaintiffs in the Consolidated Wisconsin Action seek class certification with respect to performance of the uniforms and warranty claims and maintain individual claims for personal injury by numerous named plaintiffs.

On August 18, 2021, the Court ruled on several pending motions in the Consolidated Wisconsin Action. The Court denied Plaintiffs' motion for class certification with respect to performance of the uniforms and warranty claims. The Court denied Plaintiffs' motion for partial summary judgment regarding crocking claims and granted Lands' End's motion for partial summary judgment related to certain warranty claims. In addition, giving effect to both the addition and voluntary dismissal of individual plaintiffs over the course of the litigation, the number of individual plaintiffs had been reduced from 1,089 to 603 as of August 18, 2021. On September 1, 2021, Plaintiffs filed a Rule 23(f) petition, seeking interlocutory review of the Court's decision denying class certification. On September 22, 2021, the U.S. Court of Appeals for the Seventh Circuit denied plaintiffs' petition.

On July 8, 2022, the Court issued an Opinion and Order (the "July 8 Opinion"), ruling in the Company's favor on several additional pending motions. The Court granted the Company's motion to exclude Plaintiffs' expert opinions because the opinions were not based on reliably applied and scientifically valid methods. Accordingly, because Plaintiffs failed to submit evidence sufficient to show that the uniforms were defective or that a defect in the uniforms caused Plaintiffs' alleged health problems, the Court granted the Company's motion for summary judgement on Plaintiffs' personal injury claims.

After giving effect to the July 8 Opinion, the remaining claims under the Consolidated Wisconsin Action relate to claims for property damage and breach of warranty. Lands' End continues to vigorously defend these lawsuits and believes they are without merit.

NOTE 13. SEGMENT REPORTING

The Company's operating segments consist of: U.S. eCommerce, Europe eCommerce, Japan eCommerce, Outfitters, Third Party and Retail. The Company determined that each of the operating segments have similar economic and other qualitative characteristics, thus the results of the operating segments are aggregated into one reportable external segment.

Lands' End identifies five separate distribution channels for revenue reporting purposes:

- *U.S. eCommerce* offers products through the Company's eCommerce website.
- *International* offers products primarily to consumers located in Europe and Japan through eCommerce international websites and third-party affiliates. See Note 9, *Lands' End Japan Closing*.
- *Outfitters* sells uniform and logo apparel to businesses and their employees, as well as to student households through school relationships, located primarily in the U.S.
- *Third Party* sells the same products as U.S. eCommerce but direct to consumers through third-party marketplace websites and through domestic wholesale customers.
- *Retail* sells products through Company Operated stores.

Net revenue is presented by distribution channel in the following table:

	13 Weeks Ended		39 Weeks Ended	
(in thousands)	**October 28, 2022**	**October 29, 2021**	**October 28, 2022**	**October 29, 2021**
Net revenue:				
U.S. eCommerce	$ 211,217	$ 213,999	$ 589,398	$ 655,190
International	37,969	47,219	118,520	151,482
Outfitters	80,768	86,069	205,399	192,382
Third Party	30,883	19,308	79,815	50,210
Retail	10,146	9,248	32,694	31,985
Total Net revenue	$ 370,983	$ 375,843	$ 1,025,826	$ 1,081,249

NOTE 14. REVENUE

Revenue includes sales of merchandise and delivery revenue related to merchandise sold. Substantially all of the Company's revenue is recognized when control of product passes to customers, which for the U.S. eCommerce, International, Outfitters and Third Party distribution channels is when the merchandise is received by the customer and for the Retail distribution channel is at the time of sale in the store. The Company recognizes revenue, including shipping and handling fees billed to customers, in the amount expected to be received when control of the Company's products transfers to customers, and is presented net of various forms of promotions, which range from contractually-fixed percentage price reductions to sales returns, discounts, and other incentives that may vary in amount. Variable amounts are estimated based on an analysis of historical experience and adjusted as better estimates become available.

The Company's revenue is disaggregated by distribution channel and geographic location. Revenue by distribution channel is presented in Note 13, *Segment Reporting*. Revenue by geographic location was:

	13 Weeks Ended		39 Weeks Ended	
(in thousands)	**October 28, 2022**	**October 29, 2021**	**October 28, 2022**	**October 29, 2021**
Net revenue:				
United States	$ 327,780	$ 322,773	$ 893,205	$ 914,069
Europe	28,946	39,277	94,386	124,183
Asia	9,620	8,663	26,059	29,212
Other	4,637	5,130	12,176	13,785
Total Net revenue	$ 370,983	$ 375,843	$ 1,025,826	$ 1,081,249

Contract Liabilities

Contract liabilities consist of payments received in advance of the transfer of control to the customer. As products are delivered and control transfers, the Company recognizes the deferred revenue in Net revenue in the Condensed Consolidated Statements of Operations. The following table summarizes the deferred revenue associated with payments received in advance of the transfer of control to the customer, which is reported in Other current liabilities in the Condensed Consolidated Balance Sheets, as well as amounts recognized through Net revenue for each period presented. The majority of deferred revenue as of October 28, 2022 is expected to be recognized in Net revenue in the fiscal quarter ending January 27, 2023, as products are delivered to customers.

	13 Weeks Ended		39 Weeks Ended	
(in thousands)	**October 28, 2022**	**October 29, 2021**	**October 28, 2022**	**October 29, 2021**
Deferred revenue beginning of period	$ 9,757	$ 18,355	$ 8,560	$ 17,187
Deferred revenue recognized in period	(9,543)	(18,141)	(8,346)	(16,973)
Revenue deferred in period	13,198	14,323	13,198	14,323
Deferred revenue end of period	$ 13,412	$ 14,537	$ 13,412	$ 14,537

Revenue from gift cards is recognized when (i) the gift card is redeemed by the customer for merchandise, or (ii) as gift card breakage, an estimate of gift cards which will not be redeemed where the Company does not have a legal obligation to remit the value of the unredeemed gift cards to the relevant jurisdictions. Gift card breakage is recorded within Net revenue in the Condensed Consolidated Statements of Operations. Prior to their redemption, gift cards are recorded as a liability and included within Other current liabilities in the Condensed Consolidated Balance Sheets. The liability is estimated based on expected breakage that considers historical patterns of redemption. The following table provides the reconciliation of the contract liability related to gift cards:

	13 Weeks Ended		39 Weeks Ended	
(in thousands)	**October 28, 2022**	**October 29, 2021**	**October 28, 2022**	**October 29, 2021**
Balance as of beginning of period	$ 31,444	$ 28,341	$ 33,070	$ 26,798
Gift cards issued	15,075	13,196	46,745	33,377
Gift cards redeemed	(15,033)	(10,934)	(47,746)	(29,334)
Gift card breakage	(466)	(130)	(1,049)	(368)
Balance as of end of period	$ 31,020	$ 30,473	$ 31,020	$ 30,473

Refund Liabilities

Refund liabilities, primarily associated with product sales returns and retrospective volume rebates, represent variable consideration and are estimated and recorded as a reduction to Net revenue based on historical experience. As of October 28, 2022, October 29, 2021 and January 28, 2022, $23.6 million, $24.3 million and $23.4 million, respectively, of refund liabilities, primarily associated with product returns, were reported in Other current liabilities in the Condensed Consolidated Balance Sheets. An asset for product returns is recorded in Prepaid expenses and other current assets in the Condensed Consolidated Balance Sheets.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with the Condensed Consolidated Financial Statements and accompanying notes included elsewhere in this Quarterly Report on Form 10-Q. This Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements. The matters discussed in these forward-looking statements are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from those made, projected or implied in the forward-looking statements. See "Cautionary Statement Concerning Forward-Looking Statements" below, "Item 1A. Risk Factors" in our Annual Report filed on Form 10-K for the year ended January 28, 2022 and "Part II, Item 1A Risk Factors" of this Quarterly Report on Form 10-Q, for a discussion of the uncertainties, risks and assumptions associated with these statements.

As used in this Quarterly Report on Form 10-Q, references to the "Company", "Lands' End", "we", "us", "our" and similar terms refer to Lands' End, Inc. and its subsidiaries. Our fiscal year ends on the Friday preceding the Saturday closest to January 31. Other terms that are commonly used in this Quarterly Report on Form 10-Q are defined as follows:

- *ABL Facility – Asset-based senior secured credit agreement, providing for a revolving facility, dated as of November 16, 2017, with Wells Fargo Bank, N.A. and certain other lenders, as amended to date*
- *Adjusted EBITDA – Net income (loss) appearing on the Consolidated Statements of Operations net of Income tax expense, Interest expense, Depreciation and amortization and certain significant items*
- *Company Operated stores – Lands' End retail stores in the Retail distribution channel*
- *COVID – Coronavirus disease 2019 (COVID-19) caused by severe respiratory syndrome coronavirus 2 (SARS-CoV-2)*
- *Debt Facilities – Collectively, the Term Loan Facility and ABL Facility*
- *First Quarter 2020 – The 13 weeks ended May 1, 2020*
- *Fiscal 2022 – The 52 weeks ending January 27, 2023*
- *Fiscal 2021 – The 52 weeks ended January 28, 2022*
- *Fiscal 2020 – The 52 weeks ended January 29, 2021*
- *GAAP – Accounting principles generally accepted in the United States*
- *LIBOR – London inter-bank offered rate*
- *SEC – United States Securities and Exchange Commission*
- *Second Quarter 2022 – The 13 weeks ended July 29, 2022*
- *Term Loan Facility – Term loan credit agreement, dated as of September 9, 2020, among the Company, Fortress Credit Corp., as Administrative Agent and Collateral Agent, and the lenders party thereto*
- *Third Quarter 2022 – The 13 weeks ended October 28, 2022*
- *Third Quarter 2021 – The 13 weeks ended October 29, 2021*
- *Year-to-Date 2022 – The 39 weeks ended October 28, 2022*
- *Year-to-Date 2021 – The 39 weeks ended October 29, 2021*

Executive Overview

Description of the Company

Lands' End is a leading uni-channel retailer of casual clothing, accessories, footwear and home products. Operating out of America's heartland, we believe our vision and values make a strong connection with our core customers. We offer products online at *www.landsend.com*, through our own Company Operated stores and through third-party distribution channels. We are a classic American lifestyle brand with a passion for quality, legendary service and real value. We seek to deliver timeless style for women, men, kids and the home.

Lands' End was founded in 1963 by Gary Comer and his partners to sell sailboat hardware and equipment by catalog. While our product focus has shifted significantly over the years, we have continued to adhere to our founder's motto as one of our guiding principles: "Take care of the customer, take care of the employee and the rest will take care of itself."

We seek to provide a common customer experience regardless of whether our customers are interacting with us on our company websites, at our Company Operated stores or through third-party distribution channels.

We have one external reportable segment and identify our operating segments according to how our business activities are managed and evaluated. Our operating segments consist of: U.S. eCommerce, Europe eCommerce, Japan eCommerce, Outfitters, Third Party and Retail. We have determined that each of our operating segments share similar economic and other qualitative characteristics, and therefore the results of our operating segments are aggregated into one external reportable segment.

Distribution Channels

We identify five separate distribution channels for revenue reporting purposes:

- *U.S. eCommerce* offers products through our eCommerce website.
- *International* offers products primarily to consumers located in Europe and Japan through our eCommerce international websites and third-party affiliates. See Note 9, *Lands' End Japan Closing*.
- *Outfitters* sells uniform and logo apparel to businesses and their employees, as well as to school households through school relationships, located primarily in the U.S.
- *Third Party* sells the same products as U.S. eCommerce but direct to consumers through third-party marketplace websites and through domestic wholesale customers.
- *Retail* sells products through our Company Operated stores.

Macroeconomic Challenges

Macroeconomic issues, such as recent inflationary pressures, have had an impact on our business. Since apparel purchases are discretionary expenditures that historically have been influenced by domestic and global economic conditions, higher prices of consumer goods due to inflation may result in less discretionary spending for consumers which may negatively impact customer demand and require higher levels of promotion in order to attract and retain customers. These macroeconomic challenges have led to increased cost of raw materials, packaging materials, labor, energy, fuel and other inputs necessary for the production and distribution of our products and have impacted our gross margin. We expect the effects of inflationary pressures and increased costs to continue to impact our gross margin through the remainder of Fiscal 2022.

Basis of Presentation

The Condensed Consolidated Financial Statements have been prepared in accordance with GAAP and include the accounts of Lands' End, Inc. and its subsidiaries. All intercompany transactions and balances have been eliminated.

Seasonality

We experience seasonal fluctuations in our Net revenue and operating results and historically have realized a significant portion of our net revenue and earnings for the year during our fourth fiscal quarter. We generated 33.9% and 37.7% of our net revenue in the fourth quarter of Fiscal 2021 and Fiscal 2020 respectively. The Fiscal 2021 percentage decrease of net revenue in the fourth quarter was primarily attributed to the global supply chain challenges. Thus, lower than expected fourth quarter net revenue has had and may continue to have an adverse impact on our annual operating results.

Working capital requirements typically increase during the second and third quarters of the fiscal year as inventory builds to support peak shipping/selling periods and, accordingly, typically decrease during the fourth quarter of the fiscal year as inventory is shipped/sold. Cash provided by operating activities is typically higher in the fourth quarter of the fiscal year due to reduced working capital requirements during that period.

Results of Operations

The following table sets forth, for the periods indicated, selected income statement data, both in dollars and as a percentage of Net revenue:

	13 Weeks Ended			
(in thousands)	October 28, 2022		October 29, 2021	
Net revenue	$ 370,983	100.0%	$ 375,843	100.0%
Cost of sales (excluding depreciation and amortization)	222,573	60.0%	209,028	55.6%
Gross profit	148,410	40.0%	166,815	44.4%
Selling and administrative	132,807	35.8%	137,408	36.6%
Depreciation and amortization	9,761	2.6%	9,788	2.6%
Other operating expense, net	3,096	0.8%	140	0.0%
Operating income	2,746	0.7%	19,479	5.2%
Interest expense	10,825	2.9%	8,334	2.2%
Other expense (income), net	230	0.1%	(171)	(0.0)%
(Loss) income before income taxes	(8,309)	(2.2)%	11,316	3.0%
Income tax (benefit) expense	(3,627)	(1.0)%	3,917	1.0%
NET (LOSS) INCOME	$ (4,682)	(1.3)%	$ 7,399	2.0%

	39 Weeks Ended			
(in thousands)	October 28, 2022		October 29, 2021	
Net revenue	$ 1,025,826	100.0%	$ 1,081,249	100.0%
Cost of sales (excluding depreciation and amortization)	604,204	58.9%	588,908	54.5%
Gross profit	421,622	41.1%	492,341	45.5%
Selling and administrative	377,074	36.8%	399,579	36.9%
Depreciation and amortization	29,228	2.8%	29,483	2.7%
Other operating expense, net	3,135	0.3%	583	0.1%
Operating income	12,185	1.2%	62,696	5.8%
Interest expense	27,807	2.7%	26,231	2.4%
Other (income), net	(97)	(0.0)%	(461)	(0.0)%
(Loss) income before income taxes	(15,525)	(1.5)%	36,926	3.4%
Income tax (benefit) expense	(6,293)	(0.6)%	10,667	1.0%
NET (LOSS) INCOME	$ (9,232)	(0.9)%	$ 26,259	2.4%

Depreciation and amortization are not included in our cost of sales because we are a reseller of inventory and do not believe that including depreciation and amortization is meaningful. As a result, our gross margins may not be comparable to other entities that include depreciation and amortization related to the sale of their product in their gross margin measure.

Net Income (Loss) and Adjusted EBITDA

We recorded a Net loss of $4.7 million in Third Quarter 2022 compared to Net income of $7.4 million in Third Quarter 2021. In addition to our Net income (loss) determined in accordance with GAAP, for purposes of evaluating operating performance, we use an Adjusted EBITDA measurement. Adjusted EBITDA is computed as Net income (loss) appearing on the Condensed Consolidated Statements of Operations net of Income tax expense/(benefit), Interest expense, Depreciation and amortization and certain significant items as set forth below. Our management uses Adjusted EBITDA to evaluate the operating performance of our business for comparable periods and as a basis for an executive compensation metric. The methods we use to calculate our non-GAAP financial measures may differ significantly from methods other companies use to compute similar measures. As a result, any non-GAAP financial measures presented herein may not be comparable to similar measures provided by other companies. Adjusted EBITDA should not be used by investors or other third parties as the sole basis for formulating investment decisions as it excludes a number of important cash and non-cash recurring items.

While Adjusted EBITDA is a non-GAAP measurement, management believes that it is an important indicator of operating performance, and is useful to investors, because:

- EBITDA excludes the effects of financings, investing activities and tax structure by eliminating the effects of interest, depreciation and income tax.

- Other significant items, while periodically affecting our results, may vary significantly from period to period and have a disproportionate effect in a given period, which affects comparability of results. We have adjusted our results for these items to make our statements more comparable and therefore more useful to investors as the items are not representative of our ongoing operations.

  - LE Japan closing costs – estimated one-time closing costs and the net operating loss related to the liquidation of product during September and October 2022 in the 13 and 39 weeks ended October 28, 2022.

  - Long-lived assets impairment – charge associated with the non-cash write down of certain long-lived assets in the 13 weeks and 39 weeks ended October 28, 2022.

  - Loss on disposal of property and equipment – charge associated with the loss on disposal of property and equipment for the 13 weeks ended October 29, 2021 and 39 weeks ended October 28, 2022 and October 29, 2021.

  - Other – amortization of transaction related costs associated with Third Party distribution channel for the 13 and 39 weeks ended October 28, 2022 and October 29, 2021.

The following table sets forth, for the periods indicated, selected income statement data, both in dollars and as a percentage of Net revenue:

	13 Weeks Ended			
(in thousands)	October 28, 2022		October 29, 2021	
Net (loss) income	$ (4,682)	(1.3)%	$ 7,399	2.0%
Income tax (benefit) expense	(3,627)	(1.0)%	3,917	1.0%
Other expense (income), net	230	0.1%	(171)	(0.0)%
Interest expense	10,825	2.9%	8,334	2.2%
Operating income	2,746	0.7%	19,479	5.2%
Depreciation and amortization	9,761	2.6%	9,788	2.6%
LE Japan closing costs	3,858	1.0%	—	—%
Long-lived asset impairment	120	0.0%	—	—%
Loss on disposal of property and equipment	—	—%	140	0.0%
Other	178	0.0%	344	0.1%
Adjusted EBITDA	$ 16,663	4.5%	$ 29,751	7.9%

	39 Weeks Ended			
(in thousands)	October 28, 2022		October 29, 2021	
Net (loss) income	$ (9,232)	(0.9)%	$ 26,259	2.5%
Income tax (benefit) expense	(6,293)	(0.6)%	10,667	0.9%
Other (income), net	(97)	(0.0)%	(461)	(0.0)%
Interest expense	27,807	2.7%	26,231	2.4%
Operating income	12,185	1.2%	62,696	5.8%
Depreciation and amortization	29,228	2.8%	29,483	2.7%
LE Japan closing costs	3,858	0.4%	—	—%
Long-lived asset impairment	120	0.0%	—	—%
Loss on disposal of property and equipment	39	0.0%	583	0.1%
Other	866	0.1%	844	0.1%
Adjusted EBITDA	$ 46,296	4.5%	$ 93,606	8.7%

In assessing the operational performance of our business, we consider a variety of financial measures. We operate in five separate distribution channels for revenue reporting purposes: U.S. eCommerce, International, Outfitters, Third Party and Retail. A key measure in the evaluation of our business is revenue performance by distribution channel. We also consider Gross margin and Selling and administrative expenses in evaluating the performance of our business.

We use Net revenue to evaluate revenue performance for the U.S. eCommerce, International, Outfitters and Third Party distribution channels. For our Retail distribution channel, we use Same Store Sales as a key measure in evaluating performance. A store is included in Same Store Sales calculations when it has been open for at least 14 months. Online sales and sales generated through our in-store web portal are considered revenue in our U.S. eCommerce and International distribution channels and are excluded from Same Store Sales. From First Quarter 2020 through Third Quarter 2021, due to the COVID pandemic, we temporarily ceased using Same Store Sales as a key measure in evaluating performance as we did not believe there was meaningful comparability during those periods.

Discussion and Analysis

Third Quarter 2022 compared with Third Quarter 2021

Net Revenue

Net revenue was $371.0 million for Third Quarter 2022, a decrease of $4.8 million or 1.3%, from $375.8 million during the Third Quarter 2021.

U.S. eCommerce Net revenue was $211.2 million for Third Quarter 2022, a decrease of $2.8 million or 1.3%, from $214.0 million during the Third Quarter 2021. The decrease in revenue was driven by lower consumer demand resulting from macroeconomic challenges impacting discretionary spending.

International eCommerce Net revenue was $38.0 million for Third Quarter 2022, a decrease of $9.2 million or 19.6%, from $47.2 million during the Third Quarter 2021. The decrease in revenue was driven by lower consumer demand resulting from macroeconomic challenges impacting discretionary spending and foreign currency translation exposure.

Outfitters Net revenue was $80.8 million for Third Quarter 2022, a decrease of $5.3 million or 6.2%, from $86.1 million during the Third Quarter 2021. Compared to Third Quarter 2021, the decrease was primarily driven by the normalization of purchases in travel related national accounts.

Third Party Net revenue was $30.9 million for Third Quarter 2022, an increase of $11.6 million or 59.9%, from $19.3 million during the Third Quarter 2021. The increase was primarily attributed to growth in the Kohl’s sales through online marketplace, and growth in other new and existing online marketplaces.

Retail Net revenue was $10.1 million for Third Quarter 2022, an increase of $0.9 million or 9.7%, from $9.2 million during the Third Quarter 2021. Our U.S. Company Operated stores experienced an increase of 13.0% in Same Store Sales was driven by an increase in traffic as consumers returned to in-store shopping as compared to the Third Quarter 2021. On October 28, 2022 there were 29 U.S. Company Operated stores compared to 30 U.S. Company Operated stores on October 29, 2021.

Gross Profit

Gross profit was $148.4 million for Third Quarter 2022, a decrease of $18.4 million or 11.0% from $166.8 million during the Third Quarter of 2021. Gross margin decreased approximately 440 basis points to 40.0% in Third Quarter 2022, compared with 44.4% in Third Quarter 2021. The Gross margin decline was attributable to an incremental $6.8 million of transportation costs as a result of global supply chain challenges, increased industry-wide promotional activity, as well as margin mix from growth in our Third Party business.

Selling and Administrative Expenses

Selling and administrative expenses decreased $4.6 million to $132.8 million or 35.8% of total Net revenue in Third Quarter 2022 compared with $137.4 million or 36.6% of Net revenue in Third Quarter 2021. The approximately 80 basis point decrease was driven by continued expense controls across the entire business.

Depreciation and Amortization

Depreciation and amortization expense remained unchanged at $9.8 million in Third Quarter 2022 and Third Quarter 2021, respectively.

Other Operating Expense

Other operating expense, net was $3.1 million in Third Quarter 2022 compared to $0.1 million in Third Quarter 2021. The $3.0 million increase was due to the estimated one-time closing costs recorded for LE Japan. The estimated one-time LE Japan closing costs includes $1.7 million for employee severance and benefit costs, $0.9 million for early termination and restoration costs of leased office and warehouse facilities and $0.4 million for contract cancellation and other costs.

Operating Income

Operating income was $2.7 million in Third Quarter 2022 compared to $19.5 million in Third Quarter 2021. The $16.8 million decrease was driven by the decrease in Gross profit slightly offset by lower selling and administrative expenses and the $3.0 million estimated one-time closing costs recorded for LE Japan.

Interest Expense

Interest expense was $10.8 million in Third Quarter 2022 compared to $8.3 million in Third Quarter 2021. The $2.5 million increase was driven by higher applicable interest rates under the Debt Facilities and higher outstanding balances under the revolving ABL Facility.

Other Expense (Income)

Other expense was $0.2 million in Third Quarter 2022 compared to Other income of $0.2 million in Third Quarter 2021.

Income Tax (Benefit) Expense

We recorded an income tax benefit at an overall effective tax rate of 43.7% for Third Quarter 2022 and income tax expense at an overall effective tax rate of 34.6% for Third Quarter 2021. The tax rate for the Third Quarter 2022 is higher primarily due to a pretax loss in 2022 compared to a pretax income in 2021 and the tax benefits recorded as a result of LE Japan closing costs in the Third Quarter 2022.

Net Income (Loss)

As a result of the above factors, Net loss was $4.7 million and diluted loss per share was $0.14 in Third Quarter 2022 compared with Net income of $7.4 million and diluted earnings per share of $0.22 in Third Quarter 2021.

Adjusted EBITDA

As a result of the above factors, Adjusted EBITDA was $16.7 million in Third Quarter 2022 compared to $29.8 million in Third Quarter 2021.

Year-to-Date 2022 compared with Year-to-Date 2021

Net Revenue

Net revenue was $1.0 billion for Year-to-Date 2022, a decrease of $55.4 million or 5.1%, from $1.1 billion during the Year-to-Date 2021.

U.S. eCommerce Net revenue was $589.4 million for Year-to-Date 2022, a decrease of $65.7 million or 10.0%, from $655.1 million during the Year-to-Date 2021. The decrease in revenue was caused by lower consumer demand as a result of delayed receipts of key products due to global supply chain challenges and macroeconomic headwinds impacting discretionary spending.

International eCommerce Net revenue was $118.5 million for Year-to-Date 2022, a decrease of $33.0 million or 21.8%, from $151.5 million during the Year-to-Date 2021. The decrease in revenue was caused by lower consumer demand as a result of delayed receipts of key products due to global supply chain challenges and macroeconomic headwinds impacting discretionary spending, as well as foreign currency translation exposure.

Outfitters Net revenue was $205.4 million for Year-to-Date 2022, an increase of $13.0 million or 6.8%, from $192.4 million during the Year-to-Date 2021. Compared to the Year-to-Date 2021, the increase was primarily attributed to stronger demand within school uniform households and small and mid-sized business customers.

Third Party Net revenue was $79.8 million for Year-to-Date 2022, an increase of $29.6 million or 59.0%, from $50.2 million during the Year-to-Date 2021. The increase was driven by growth in the Kohl's online marketplace, expanding the number of the Kohl's stores in the Third Quarter 2021, and growth in new and existing online marketplaces.

Retail Net revenue was $32.7 million for Year-to-Date 2022, an increase of $0.7 million or 2.2%, from $32.0 million during the Year-to-Date 2021. Our U.S. Company Operated stores experienced an increase of 4.3% in Same Store Sales as compared to the Year-to-Date 2021. On October 28, 2022 there were 29 U.S. Company Operated stores compared to 30 U.S. Company Operated stores on October 29, 2021.

Gross Profit

Gross profit was $421.6 million for Year-to-Date 2022, a decrease of $70.7 million or 14.4% from $492.3 million during Year-to-Date 2021. Gross margin decreased to 41.1% in Year-to-Date 2022, compared with 45.5% in Year-to-Date 2021. Compared to Year-to-Date 2021, gross margin decreased due to an incremental $32.9 million of transportation costs due to global supply chain challenges, in addition to increased industry wide promotional activity, and margin mix from growth in our Third Party business.

Selling and Administrative Expenses

Selling and administrative expenses decreased $22.5 million to $377.1 million or 36.8% of total Net revenue in Year-to-Date 2022 compared with $399.6 million or 37.0% of Net revenue in Year-to-Date 2021. The approximately 20 basis point decrease was a result of continued expense controls and lower digital marketing spend slightly offset by deleverage from lower net revenue.

Depreciation and Amortization

Depreciation and amortization expense was $29.2 million in Year-to-Date 2022, a decrease of $0.3 million or 1.0%, compared with $29.5 million in Year-to-Date 2021.

Other Operating Expense

Other operating expense, net was $3.1 million in Year-to-Date compared to $0.6 million in Year-to-Date 2021. The $2.5 million increase was primarily due to $3.0 million of estimated one-time closing costs recorded for LE Japan offset by reduction in loss on disposal of property and equipment. The estimated one-time LE Japan closing costs includes $1.7 million for employee severance and benefit costs, $0.9 million for early termination and restoration costs of leased office and warehouse facilities and $0.4 million for contract cancellation and other costs.

Operating Income (Loss)

Operating income was $12.2 million in Year-to-Date 2022 compared to Operating income of $62.7 million in Year-to-Date 2021. The $50.5 million decrease was caused by the decrease in Gross profit slightly offset by lower selling and administrative expenses and the $3.0 million one-time closing costs recorded for LE Japan.

Interest Expense

Interest expense was $27.8 million in Year-to-Date 2022 compared to $26.2 million in Year-to-Date 2021. The $1.6 million increase was primarily attributed higher outstanding balances and higher applicable interest rates on the revolving ABL Facility.

Other Income

Other income was $0.1 million in Year-to-Date 2022 compared to $0.5 million in Year-to-Date 2021.

Income Tax (Benefit) Expense

We recorded an income tax benefit at an overall effective tax rate of 40.5% for Year-to-Date 2022 and an income tax expense of 28.9% for Year-to-Date 2021. The Year-to-Date 2022 rate is higher than Year-to-Date 2021 primarily due to a pretax loss in 2022 compared to a pretax income in 2021 and the tax benefits recorded as a result of LE Japan closing costs in the Third Quarter 2022.

Net Income (Loss)

As a result of the above factors, Net loss was $9.2 million and diluted loss per share was $0.28 in Year-to-Date 2022 compared with Net income of $26.3 million and diluted earnings per share of $0.78 in Year-to-Date 2021.

Adjusted EBITDA

As a result of the above factors, Adjusted EBITDA was $46.3 million in Year-to-Date 2022 compared to $93.6 million in Year-to-Date 2021.

Liquidity and Capital Resources

Our primary need for liquidity is to fund working capital requirements of our business, capital expenditures, debt service and for general corporate purposes. Our cash and cash equivalents and the ABL Facility serve as sources of liquidity for short-term working capital needs and general corporate purposes. The ABL Facility had a balance outstanding of $160.0 million on October 28, 2022, other than letters of credit. Cash generated from our net revenue and profitability, and to a lesser extent our changes in working capital, are driven by the seasonality of our business, with a significant amount of net revenue and operating cash flows generally occurring in the fourth fiscal quarter of each year. We expect that our cash on hand and cash flows from operations, along with revolving on the ABL Facility, will be adequate to meet our capital requirements and operational needs for at least the next 12 months.

Description of Material Indebtedness

Debt Arrangements

Our $275.0 million revolving ABL Facility includes a $70.0 million sublimit for letters of credit and is available for working capital and other general corporate liquidity needs. On July 29, 2021, we executed the Third Amendment to the ABL Facility resulting in favorable financial terms and extension of the maturity date of the ABL Facility, as discussed below. The amount available to borrow is the lessor of the $275.0 million facility limit and the Borrowing Base which is calculated from Eligible Inventory, Trade Receivables and Credit Card Receivables, all terms defined in the agreement. The balance outstanding on October 28, 2022 and October 29, 2021 was $160.0 million and $70.0 million, respectively. The balance of outstanding letters of credit was $11.8 million and $21.4 million on October 28, 2022 and October 29, 2021, respectively.

On September 9, 2020, we entered into the Term Loan Facility which provided borrowings of $275.0 million. Origination costs, including an Original Issue Discount (OID) of 3% and $5.1 million in debt origination fees were paid upon entering into the Term Loan Facility.

Interest; Fees

The Third Amendment to the ABL Facility, effective July 31, 2021, lowered the applicable margin interest rates applicable to the referenced rate, selected at the borrower’s election, either (1) adjusted LIBOR or (2) a base rate which is the greater of (a) the federal funds rate plus 0.50%, (b) the one-month LIBOR rate plus 1.00%, or (c) the Wells Fargo “prime rate”. For all loans, the borrowing margin is based upon the average daily total loans outstanding for the previous quarter. The applicable borrowing margin for LIBOR loans is (i) less than $95.0 million, 1.25%, (ii) equal to or greater than $95.0 million but less than $180.0 million, 1.50%, and (iii) greater than or equal to $180.0 million, 1.75%. For base rate loans, the applicable borrowing margin is (i) less than $95.0 million, 0.50%, (ii) equal to or greater than $95.0 million but less than $180.0 million, 0.75%, and (iii) greater than or equal to $180.0 million, 1.00%. The Third Amendment to the ABL Facility replaced the 0.75% LIBOR floor with a 0.0% LIBOR floor.

The interest rates per annum applicable to the loans under the Term Loan Facility are based on a fluctuating rate of interest measured by reference to, at the borrower’s election, either (1) an adjusted LIBOR (with a minimum rate of 1.00%) plus 9.75% or (2) an alternative base rate (which is the greater of (i) the prime rate published in the Wall Street Journal, (ii) the federal funds rate, which shall be no lower than 0.00% plus ½ of 1.00%, or (iii) the one month LIBOR rate plus 1.00% per annum) plus 8.75%.

The ABL Facility fees include (i) commitment fees of 0.25% based upon the average daily unused commitment (aggregate commitment less loans and letter of credit outstanding) under the ABL Facility for the preceding fiscal quarter and (ii) customary letter of credit fees. As of October 28, 2022, we had borrowings of $160.0 million under the ABL Facility.

Customary agency fees are payable in respect of the Debt Facilities.

Maturity; Amortization and Prepayments

The Third Amendment to the ABL Facility extended the maturity from November 16, 2022 to the earlier of (a) July 29, 2026 and (b) June 9, 2025 if, on or prior to such date, the Term Loan Facility has not been refinanced, extended or repaid in full in accordance with the terms thereof and not replaced with other indebtedness.

The Term Loan Facility matures on September 9, 2025 and amortizes at a rate equal to 1.25% per quarter. It is subject to mandatory prepayments in an amount equal to a percentage of the borrower's excess cash flows in each fiscal year, ranging from 0% to 75% depending on our total leverage ratio, and with the proceeds of certain asset sales, casualty events and extraordinary receipts. The loan could not be voluntarily prepaid during the first two years of its term without significant penalties. A prepayment premium of 3% applies to voluntary prepayments and certain mandatory prepayments made after September 9, 2022 and on or prior to September 9, 2023, 1% for such prepayments made after September 9, 2023 and on or prior to September 9, 2024, and no premium on such prepayments thereafter.

Guarantees; Security

All obligations under the Debt Facilities are unconditionally guaranteed by Lands' End, Inc. and, subject to certain exceptions, each of its existing and future direct and indirect subsidiaries. The ABL Facility is secured by a first priority security interest in certain working capital of the borrowers and guarantors consisting primarily of accounts receivable and inventory. The Term Loan Facility is secured by a second priority security interest in the same collateral, with certain exceptions.

The Term Loan Facility is secured by a first priority security interest in certain property and assets of the borrowers and guarantors, including certain fixed assets such as real estate, stock of the subsidiaries and intellectual property, in each case, subject to certain exceptions. The ABL Facility is secured by a second priority interest in the same collateral, with certain exceptions.

Representations and Warranties; Covenants

Subject to specified exceptions, the Debt Facilities contain various representations and warranties and restrictive covenants that, among other things, restrict Lands' End, Inc.'s and its subsidiaries' ability to incur indebtedness (including guarantees), grant liens, make investments, make dividends or distributions with respect to capital stock, make prepayments on other indebtedness, engage in mergers or change the nature of their business.

The Term Loan Facility contains certain financial covenants, including a quarterly maximum total leverage ratio test, a weekly minimum liquidity test and an annual maximum capital expenditure amount.

Under the ABL Facility, if excess availability falls below the greater of 10% of the Loan Cap amount or $15.0 million, we will be required to comply with a minimum fixed charge coverage ratio of 1.0 to 1.0.

The Debt Facilities contain certain affirmative covenants, including reporting requirements such as delivery of financial statements, certificates and notices of certain events, maintaining insurance and providing additional guarantees and collateral in certain circumstances.

As of October 28, 2022, we were in compliance with our financial covenants in the Debt Facilities.

Events of Default

The Debt Facilities include customary events of default including non-payment of principal, interest or fees, violation of covenants, inaccuracy of representations or warranties, cross defaults related to certain other material indebtedness, bankruptcy and insolvency events, invalidity or impairment of guarantees or security interests, material judgments, and change of control.

Cash Flows from Operating Activities

Net cash used in operating activities was $126.0 million during Year-to-Date 2022 compared to net cash used in operating activities of $6.4 million during Year-to-Date 2021. The $119.6 million increase in cash used in operating activities was primarily caused by a decrease in net income and an increase year over year in inventories. Inventory increased $85.1 million compared to Third Quarter 2021 primarily due to an increase of earlier receipts of fall and holiday inventory as well as carried over basics inventory from prior seasons.

Cash Flows from Investing Activities

Net cash used in investing activities was $20.5 million and $18.7 million during Year-to-Date 2022 and Year-to-Date 2021, respectively. Cash used in investing activities for both periods was primarily used for investments to update our digital information technology infrastructure.

For Fiscal 2022, we plan to invest approximately $42.0 million in capital expenditures for strategic investments and infrastructure, primarily in technology and general corporate needs.

Cash Flows from Financing Activities

Net cash provided by financing activities was $140.1 million during Year-to-Date 2022, compared with net cash provided by financing activities of $28.4 million during Year-to-Date 2021. The increase in net cash provided by financing activities is primarily due to increased borrowings under the ABL Facility to cover higher than normal inventory levels due to earlier receipts of fall and holiday inventory compared to prior years as well as carried over basics inventory from prior seasons.

Contractual Obligations and Off-Balance-Sheet Arrangements

There have been no material changes to our contractual obligations and off-balance-sheet arrangements as discussed in our Annual Report on Form 10-K for the fiscal year ended January 28, 2022.

Financial Instruments with Off-Balance-Sheet Risk

The $275.0 million ABL Facility includes a $70.0 million sublimit for letters of credit and the Third Amendment to the ABL Facility extended the maturity from November 16, 2022 to the earlier of (a) July 29, 2026 and (b) June 9, 2025 if, on or prior to such date, the Term Loan Facility has not been refinanced, extended or repaid in full in accordance with the terms thereof and not replaced with other indebtedness. The ABL Facility is available for working capital and other general corporate liquidity needs. The balance outstanding on October 28, 2022 and October 29, 2021 was $160.0 million and $70.0 million, respectively. The balance of outstanding letters of credit was $11.8 million and $21.4 million on October 28, 2022 and October 29, 2021, respectively.

Application of Critical Accounting Policies and Estimates

We believe that the assumptions and estimates associated with revenue, inventory valuation, goodwill and intangible asset impairment assessments and income taxes have the greatest potential impact on our financial statements. Therefore, we consider these to be our critical accounting policies and estimates.

For a complete discussion of our critical accounting policies, please refer to our Annual Report on Form 10-K for the year ended January 28, 2022. There have been no significant changes in our critical accounting policies or their application since January 28, 2022. During Second Quarter 2022, we implemented our accounting policy for repurchases of common stock.

Repurchases of Common Stock

Shares of the Company's common stock are repurchased by the Company through open market transactions. In the Third Quarter 2022, all purchases of common stock under the Share Repurchase Program have been at prices that exceeded the par value of the repurchased common stock, and the amounts of the purchase prices that exceeded par value were allocated between Additional paid-in capital and Retained earnings. The portion charged against Additional paid-in capital is determined based on the Additional paid-in capital per share amount recorded in the initial issuance of the shares with the remaining to Retained earnings. The total cost of the broker commissions is charged directly to Retained earnings. The Company plans to periodically retire all shares repurchased under the Share Repurchase Program. All shares repurchased prior to the end of Third Quarter 2022 have been retired.

Recent Accounting Pronouncements

We have considered all recent accounting pronouncements and have concluded that there are no recent accounting pronouncements that may have a material impact on our Condensed Consolidated Financial Statements and disclosures.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This document contains forward-looking statements. Forward-looking statements reflect our current views with respect to, among other things, future events and performance. These statements may discuss, among other things, our net sales, gross margin, operating expenses, operating income, net income, adjusted EBITDA, cash flow, financial condition, financings, impairments, expenditures, growth, strategies, plans, achievements, dividends, capital structure, organizational structure, future store openings, market opportunities and general market and industry conditions. We generally identify forward-looking statements by words such as “anticipate,” “estimate,” “expect,” “intend,” “project,” “plan,” “predict,” “believe,” “seek,” “continue,” “outlook,” “may,” “might,” “will,” “should,” “can have,” “likely,” “targeting” or the negative version of these words or comparable words. Forward-looking statements are based on beliefs and assumptions made by management using currently available information. These statements are only predictions and are not guarantees of future performance, actions or events. Forward-looking statements are subject to risks and uncertainties. If one or more of these risks or uncertainties materialize, or if management’s underlying beliefs and assumptions prove to be incorrect, actual results may differ materially from those contemplated by a forward-looking statement. These risks and uncertainties include those risks, uncertainties and factors discussed in the “Risk Factors” section of our Annual Report on Form 10-K for the fiscal year ended January 28, 2022 and “Part II, Item 1A Risk Factors” of this Quarterly Report on Form 10-Q. Forward-looking statements speak only as of the date on which they are made. We expressly disclaim any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable securities laws and regulations.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The market risk inherent in our financial instruments represents the potential loss arising from adverse changes in currency rates. A significant portion of our business is transacted in U.S. dollars, and is expected to continue to be transacted in U.S. dollars or U.S. dollar-based currencies. As of October 28, 2022, we had $5.5 million of cash denominated in foreign currencies, principally in British pound sterling, Euro and Japanese yen. We do not utilize financial instruments for trading purposes or hedging and have not used any derivative financial instruments. We do not consider our foreign earnings to be permanently reinvested.

We are subject to interest rate risk with the Term Loan Facility and the ABL Facility, as both require the Company to pay interest on outstanding borrowings at variable rates. Each one percentage point change in interest rates (above the 1.00% LIBOR floor) associated with the Term Loan Facility would result in a $3.5 million change in our annual cash interest expenses. Assuming our ABL Facility was fully drawn to a principal amount equal to $275.0 million, each one percentage point change in interest rates would result in a $2.8 million change in our annual cash interest expense.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and our President and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Exchange Act, as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on their evaluation for the period covered by this Quarterly Report on Form 10-Q, our Chief Executive Officer and our President and Chief Financial Officer have concluded that, as of October 28, 2022, the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended) are effective.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal controls over financial reporting identified in connection with the evaluation required by Rules 13a-15 under the Exchange Act during the most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is party to various claims, legal proceedings and investigations arising in the ordinary course of business. Some of these actions involve complex factual and legal issues and are subject to uncertainties. At this time, the Company is not able to either predict the outcome of these legal proceedings or reasonably estimate a potential range of loss with respect to the proceedings. While it is not feasible to predict the outcome of pending claims, proceedings and investigations with certainty, management is of the opinion that their ultimate resolution should not have a material adverse effect on our results of operations, cash flows or financial position taken as a whole.

For a description of our legal proceedings, see Note 12, *Commitments and Contingencies* in Notes to Condensed Consolidated Financial Statements of this Quarterly Report on Form 10-Q, which description of legal proceedings is incorporated by reference herein.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors disclosed in the Company's Annual Report on Form 10-K for the year ended January 28, 2022, filed with the SEC on March 24, 2022.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

The following table presents a month-to-month summary of information with respect to purchases of common stock made during the Third Quarter 2022 pursuant to the Share Repurchase Program announced on June 28, 2022:

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share (2)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (3)	Approximate Dollar Value (in thousands) of Shares that May Yet Be Purchased Under the Plans or Programs
July 30 - August 26	98,495	$ 15.93	98,495	$ 46,078
August 27 - September 30	105,775	12.33	105,775	44,774
October 1 - October 28	—	—	—	44,774
Total	204,270	$ 14.06	204,270	$ 44,774

(1) All shares of common stock were retired following purchase.

(2) Average price paid per share excludes broker commissions.

(3) On June 28, 2022, the Company announced that its Board of Directors authorized the Company to repurchase up to $50.0 million of the Company's common stock through February 2, 2024 (the "Share Repurchase Program"). The Share Repurchase Program may be suspended or discontinued at any time.

ITEM 6. EXHIBITS

The following documents are filed as exhibits to this report:

Exhibit Number	Exhibit Description
3.1	Amended and Restated Certificate of Incorporation of Lands' End, Inc. (incorporated by reference to Exhibit 3.1 of the Annual Report on Form 10-K filed by Lands' End, Inc. on March 24, 2022 (File No. 001-09769)).
3.2	Amended and Restated Bylaws of Lands' End, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed by Lands' End, Inc. on April 8, 2014 (File No. 001-09769)).
10.1	Letter from Lands' End, Inc. to Andrew J. McLean relating to employment, dated September 6, 2022.*‡
10.2	Executive Severance Agreement by and between Lands' End, Inc. and Andrew J. McLean, dated September 6, 2022.*‡
10.3	Letter from Lands' End, Inc. to Jerome S. Griffith relating to transition from role as Chief Executive Officer, dated September 9, 2022.*‡
10.4	Sign-On Nonqualified Stock Option Agreement dated November 1, 2022, by and between Lands' End, Inc. and Andrew J. McLean (incorporated by reference to Exhibit 99.2 to the Form S-8 filed by Lands' End, Inc. on November 4, 2022 (File No. 333-268170)).‡
10.5	Sign-On Restricted Stock Unit Agreement dated November 1, 2022, by and between Lands' End, Inc. and Andrew J. McLean (incorporated by reference to Exhibit 99.3 to the Form S-8 filed by Lands' End, Inc. on November 4, 2022 (File No. 333-268170)).‡
31.1	Certification of Principal Executive Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.*
31.2	Certification of Principal Financial Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.*
32.1	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	Inline XBRL Taxonomy Extension Definition Document*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document*
104	Cover Page Interactive Data File (Embedded within the Inline XBRL document and included in Exhibit 101)*

* Filed herewith.
** Furnished herewith.
‡ Indicates management contract or compensatory plan or arrangement.

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 thereunto duly authorized.

Lands' End, Inc.

(Registrant)

By:	/s/ James Gooch
Name:	James Gooch
Title:	President and Chief Financial Officer (Principal Financial Officer)

Date: December 1, 2022

September 6, 2022

Andrew McLean
VIA EMAIL

Dear Andrew,

We are pleased to extend to you our offer to join Lands' End, Inc. ("*Lands' End*"), contingent on our mutual execution of this letter agreement and your Executive Severance Agreement with Lands' End in the form attached as Exhibit A hereto (the "*Executive Severance Agreement*"), and your commencement of employment on November 1, 2022 (your "*Start Date*"). Capitalized terms used in this letter agreement but not otherwise defined will have the meaning set forth in the Executive Severance Agreement.

Upon your Start Date, you will initially serve as Lands' End's its Chief Executive Officer-Designate, reporting directly to the Board of Directors of Lands' End (the "*Board*"), with such duties, responsibilities and authorities as the Board may determine; provided, that by no later than the Lands' End 2023 annual stockholders' meeting, you will be appointed Lands' End's Chief Executive Officer, with all of the duties, responsibilities and authority of the chief executive officer of a publicly traded company of similar size, including all employees reporting to you or your designee. You will be appointed to the Board effective on your Start Date and will be nominated for re-election to the Board each time your term as director is scheduled to expire.

The key elements of your compensation package following the Start Date are as follows:

- Annual base salary at a rate of $1,050,000 (as increased from time to time, "*Base Salary*") payable in accordance with the normal payroll practices of Lands' End. Your Base Salary shall be subject to review by the Compensation Committee of the Board (the "*Committee*") for increase, but not decrease.

- Participation in the Lands' End Annual Incentive Plan with an annual incentive target opportunity of 100% of your Base Salary; provided, that for the Lands' End fiscal year ending January 27, 2023, you will be entitled to an annual incentive amount equal the product of (x) the annual incentive you would have earned for such full fiscal year based on Lands' End's achievement of existing annual incentive performance metrics if you had been employed with Lands' End the entire fiscal year and (y) a fraction equal the number of days during such fiscal year that you were employed with Lands' End, divided by 365 days. Any annual incentive bonus payable under the Annual Incentive Plan with respect to a fiscal year will be paid by April 15 of the following fiscal year, provided that you are actively employed at the payment date or your employment with Lands' End terminates at or after the end of the given fiscal year but prior to payment of the annual incentive bonus following the end of the applicable fiscal year (x) by Lands' End without Cause, (y) by you for Good Reason or (z) as a result of your death or Disability.

- On your Start Date, you will receive a lump sum payment equal to $600,000, in order to make you whole for the portion of the annual bonus you would have otherwise received from your prior employer for the current fiscal year, which bonus you are forfeiting upon your resignation from such prior employment. Notwithstanding the foregoing, if, prior to March 31, 2023, you resign your employment other than for Good Reason or the Company terminates your employment for Cause, you shall be required to repay this amount in full.

- On your Start Date, you will receive a one-time inducement grant of each of restricted stock units covering shares of Lands' End common stock ("*RSUs*") having a grant date fair value of $1.25 million and options to purchase a number of shares of Lands' End common stock having a grant date fair value of $1.25 million (the "*Sign-On Options*", collectively referred to herein with the Sign-On RSUs as the "*Sign-On Awards*"), in each case, pursuant to the form of restricted stock unit award agreement and form of stock option award agreement previously approved by the Committee for the purpose of Sign-On Awards, based on the terms provided under the Lands' End, Inc. 2017 Stock Plan (As Amended and Restated) (the "*2017 Plan*"). Notwithstanding the foregoing, the Sign-On Award agreements will provide that on a termination without Cause or a resignation for Good Reason, any portion of the Sign-On Awards that would have become vested within the 12 months following the date of such separation from service will become immediately vested. The Sign-on Awards will be granted as an inducement award, and as such will be covered by a Registration Statement on Form S-8 prior to issuance.

- Your eligibility to participate in future long-term compensation programs of Lands' End, beginning with the fiscal year beginning January 28, 2023, will be determined at the same time and in the same manner as other senior executive officers of Lands' End; provided, however, that (1) your total target award opportunity with respect to any given long-term compensation program performance cycle will be not less than $2,520,000 and (2) the Compensation Committee of the Board will consult with you regarding the performance metrics to be established for performance awards made in fiscal 2023. Long-term compensation awards will be granted under the 2017 Plan (or a successor plan), in accordance with the terms thereof.

- Your primary workplace location will initially be at Lands' End headquarters in Wisconsin. During the first year after your Start Date, you will obtain a residence in the Dodgeville-Madison, WI corridor for use by you and your spouse on an ongoing basis. In connection with the foregoing, for 180-day period after the Start Date, Lands' End will (a) provide you with temporary corporate housing, and (b) reimburse you for roundtrip airplane tickets between Wisconsin and New York, and/or between Wisconsin and Maine.

- You will be eligible to receive at least four (4) weeks paid vacation, in accordance with Lands' End policy. Added to this, you will qualify for six (6) paid national holidays each year. You also will be eligible for up to four (4) personal days per year, after completing six (6) months of service.

- You will be eligible to participate in all retirement, health and welfare programs of Lands' End on a basis no less favorable than other senior executives of Lands' End, in accordance with the applicable terms, conditions and availability of those programs.

- Lands' End will promptly pay, or reimburse, you for legal fees and expenses incurred by you (not to exceed $35,000) in connection with the negotiation and drafting of this offer letter and related documents. Lands' End will reimburse you for all reasonable business expenses incurred by you in the course of performing your duties with Lands' End, subject to its requirements with respect to reporting and documentation of expenses under its expense reimbursement policy.

- All cash amounts referenced in this letter agreement are, unless otherwise expressly stated, subject to applicable income and employment tax withholding as required under applicable law.

- For the avoidance of doubt, upon any termination of the employment being offered to you under this letter agreement, for any reason, you will also immediately cease to hold (and if necessary, agree to resign from) all other executive and/or director titles and positions that you hold with Lands' End and any of its subsidiaries.

This offer of employment to you by Lands' End is contingent upon you and Lands' End entering into the Executive Severance Agreement. This offer also is contingent upon satisfactory completion of a pre-employment drug test and employment eligibility verification (*i.e.*, Form I-9).

In addition to such indemnification rights as set forth in the Executive Severance Agreement, Lands' End shall provide you with indemnification and advancement of expenses to the fullest extent permitted by applicable law and directors' and officers' liability insurance at the level provided to senior executives and directors of Lands' End. The obligations under the prior sentence shall survive any termination of employment subject to the terms and conditions of the applicable programs and insurance policies, as applicable, in the same manner as such terms and conditions apply to active senior executives and directors of Lands' End at the relevant time(s).

By accepting this offer, you agree to devote all of your professional time and attention to the duties required by your positions with Lands' End while employed and to the best interests of Lands' End, except you may manage your and your family's personal investments, be involved in charitable activities and, subject to the remainder of this paragraph, serve on boards of directors. To that end, you represent and warrant to Lands' End that: (a) you are not subject to any obligation, written or oral, containing any non-competition provision or any other restriction (including, without limitation, any confidentiality provision) that would result in any restriction on your ability to accept and perform this or any other position with Lands' End or any of its affiliates, except for the restrictive covenants with your prior employer, copies of which you have provided to Lands' End; and (b) you are not (i) except for the entities set forth on Appendix I, a member of any board of directors, board of trustees or similar governing body of any for-profit, non-profit or not-for-profit entity or (ii) a party to any agreement, written or oral, with any entity under which you would receive remuneration for your services, except for the boards of directors set forth in Appendix I. You may continue to serve on the boards of directors set forth on Appendix I.

Finally, you agree that you will not disclose or use, in violation of an obligation of confidentiality, any information that you acquired as a result of any previous employment or otherwise, and represent and affirm that your employment with Lands' End will not violate any restrictive covenants by which you are bound under any agreement with any prior employer or other service recipient.

Andrew, we are looking forward to you joining Lands' End. We are excited about the important contributions you will make to the company and look forward to your acceptance of our offer. If you need additional information or clarification, please do not hesitate to call.

This letter, together with the Executive Severance Agreement, sets forth our full understanding with regard to the subject matter hereof. It may not be amended or terminated orally, but only by a writing signed by the party to be charged. This agreement may not be assigned, except in connection with a sale of all or substantially all of the assets of the Company and then only if the assignee assumes the obligations in writing.

This agreement shall be interpreted and construed under the laws of the State of Wisconsin without regard to its conflict of laws provisions.

The offer of employment contained in this letter will expire, if not accepted by you, by September 6, 2022. To accept, please sign below and return this letter, along with your signed Executive Severance Agreement, to my attention.

[END OF DOCUMENT. SIGNATURES ON NEXT PAGE.]

Sincerely,

/s/ Josephine Linden

Josephine Linden
Chair, Board of Directors
Lands' End, Inc.

Enclosure

Accepted and agreed this 6 day of September, 2022:

/s/ Andrew McLean
Andrew McLean

[Signature Page to Andrew McLean Employment Letter Agreement]

Appendix I

Advisory Board – Sarona Asset Management

Windsor, Inc.

EXECUTIVE SEVERANCE AGREEMENT

This Executive Severance Agreement ("*Agreement*") is made effective as of the 6th day of September, 2022 (the "*Effective Date*"), between Lands' End, Inc., a Delaware corporation (together with its successors, assigns and Affiliates, the "*Company*"), and Andrew McLean ("*Executive*").

WHEREAS, in light of the Company's size and its visibility as a publicly traded company that reports its results to the public, the Company has attracted the attention of other companies and businesses seeking to obtain for themselves or their customers some of the Company's business acumen and know-how; and

WHEREAS, the Company and Executive have entered into an employment letter agreement dated September 6, 2022 (the "*Employment Letter*"), pursuant to which the Company has agreed to employ Executive commencing on November 1, 2022 (the "*Start Date*") on the terms and conditions contained in the Employment Letter, which includes Executive entering into this Agreement, and Executive has agreed to accept such employment on such terms and conditions, including those obligations contained in this Agreement; and

WHEREAS, the Company shall, in connection with Executive commencing employment with the Company, share with Executive certain aspects of its business acumen and know-how as well as specific confidential and proprietary information about the products, markets, processes, costs, developments, ideas, and personnel of the Company; and

WHEREAS, the Company shall, in connection with Executive commencing employment with the Company, imbue Executive with certain aspects of the goodwill that the Company has developed with its customers, vendors, representatives and employees; and

WHEREAS, in consideration for Executive commencing employment with the Company and entering into this Agreement, the Company is extending to Executive the opportunity to receive severance benefits under certain circumstances as provided in this Agreement.

NOW, THEREFORE, in consideration of the foregoing, and of the respective covenants and agreements of the parties set forth in this Agreement, the parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following terms have the meanings indicated (but if not otherwise defined herein, capitalized terms as used in this Agreement will have the meanings indicated in the Employment Letter):

a. "*Accrued Accounts*" means (i) unpaid base salary, accrued but unused vacation and expense reimbursements due, which shall be paid promptly after Executive's Separation from Service, amounts due under any benefit or equity plan, grant or program, paid in accordance with the terms of such plan, grant or program, and any unpaid bonus for any prior completed fiscal year paid when the bonus would otherwise be paid for such prior fiscal year (which, for the avoidance of doubt, shall not be paid in duplication of the same or any similar obligations under any other arrangement) and

(ii) to the extent that a Qualifying Termination occurs within the last six calendar months of a given fiscal year, a pro rata bonus that would otherwise be payable under the Company's Annual Incentive Plan for such fiscal year based on actual results from the fiscal year, multiplied by the ratio of the number of days employed during such fiscal year to the number of days in the year, and paid when bonuses are otherwise paid under the Annual Incentive Plan for such fiscal year (but in no event later than April 15 following the end of such fiscal year).

b. "*Affiliate*" means any subsidiary or other entity that, directly or indirectly through one or more intermediaries, is controlled by Lands' End, Inc., whether now existing or hereafter formed or acquired. For purposes hereof, "control" means the power to vote or direct the voting of sufficient securities or other interests to elect one-third of the directors or managers or to control the management of such subsidiary or other entity.

c. "*Annual Bonus*" shall mean (i) the average bonus (annualized for any partial fiscal year) paid (if any) to Executive under the Company's Annual Incentive Plan in the last two consecutive completed fiscal years ending prior to the Date of Termination, provided that, Executive's Target Annual bonus shall be used for either of the fiscal years beginning on January 28, 2023 and February 3, 2024 to the extent the Date of Termination occurs prior to the date that annual bonuses for the applicable fiscal year has been determined (and, if payable, paid) in respect of both years or (ii) if payment under this Agreement is being triggered upon a Change in Control Termination, Annual Bonus shall for this purpose mean the higher of the applicable amount determined under clause (i) of this definition and the Executive's Target Annual Bonus.

d. "*Cause*" means (i) a material breach by Executive (other than a breach resulting from Executive's incapacity due to a condition that with the passing of time would be a Disability) of Executive's duties and responsibilities which breach is demonstrably willful and deliberate on Executive's part, is committed in bad faith or without reasonable belief that such breach is in the best interests of the Company and is not remedied in a reasonable period of time after receipt of written notice from the Board specifying such breach; (ii) the indictment and conviction of, or pleading of guilty or nolo contendere by, Executive to a felony; or (iii) willful misconduct in connection with Executive's employment.

e. "*Change in Control*" shall have the meanings such term in the Company's 2014 stock plan.

f. "*Change in Control Termination*" means a Qualifying Termination occurring either (i) within 180 calendar days prior to a Change in Control, so long as a definitive agreement pursuant to which transactions contemplated thereunder would result in a Change in Control, has been executed by the Company prior to such Date of Termination or (ii) on or within two (2) years after a Change in Control occurs.

g. "*Code*" means the Internal Revenue Code of 1986, as amended.

h. "*Competitive Business*" means any corporation, partnership, association, or other person or entity (including but not limited to Executive) that:

i. is listed on Appendix A or is otherwise included as a member of the Company's peer group as identified in the Company's annual proxy statement (the "*Proxy*") as most recently filed prior to the Date of Termination, each of which Executive acknowledges is a Competitive Business, whether or not it falls within the categories in subsection (h)(ii) immediately below; or

ii. engages in any business which, at any time during the most recent eighteen (18) months of Executive's Company Employment and regardless of the business format (including but not limited to a department store, specialty store, discount store, direct marketing, or electronic commerce): (A) consists of marketing, manufacturing or selling apparel and/or home products that are material products of the Company, at a price point similar to that of the Company and which entity has a combined annual revenue in excess of $250 million that is primarily generated by any combination of the products described above; and (B) the Board of Directors of the Company (the "*Board*") (or a designated committee thereof) reasonably identifies and adds to Appendix A by written notice to Executive at least ninety (90) days prior to the Date of Termination (provided that the Company's filing of the Proxy with the Securities and Exchange Commission shall constitute valid notice to Executive of any such identification or addition regardless of whether such filing occurs at least ninety (90) days prior to the Date of Termination).

iii. Notwithstanding the foregoing, in no event shall "Competitive Business" include (A) any activity in which Executive proposes to engage, to which the Board provides its written consent to Executive, not to be unreasonably withheld; or (B) services by Executive as an advisor to any private equity firm, so long as Executive is providing strategic investment and management advice (including on an acquisition, but excluding for the avoidance of doubt, advising in respect of any company that would otherwise meet the definition of a Competitive Business already in, or once it becomes a part of, the private equity firm portfolio) in the area of apparel and/or home products generally and is not otherwise sharing Confidential Information or providing advice and/or guidance to any entity listed as a Competitive Business as referenced in subparagraphs i. and ii. above.

Notwithstanding anything herein to the contrary, in the event of either (a) a Qualifying Termination by Executive under circumstances described in Section l.l(iii)(A) (definition of Good Reason) below or (b) either event described in Section 19(a) or (b) below, a "Competitive Business" shall not include any of the companies set forth on Appendix B hereto.

i. "*Confidential Information*" means information related to the Company's business, not generally known in the trade or industry, which Executive learns or creates during the period of Executive's Company Employment, which may include but is not limited to product specifications, manufacturing procedures, methods, equipment, compositions, technology, formulas, know-how, research and development programs, sales methods, customer lists, customer usages and requirements, personnel evaluations and compensation data, computer programs and other confidential technical or business information and data that is not otherwise in the public domain.

j. "*Disability*" means disability as defined under the Company's long-term disability plan (regardless of whether Executive is a participant under such plan), including the completion of any time period required for full coverage under such plan.

k. "*Executive's Company Employment*" means the time during which Executive is employed by any entity comprised within the definition of "Company," regardless of any change in the entity actually employing Executive.

l. "*Good Reason*" shall mean, without Executive's prior written consent, (i) a reduction of more than ten percent (10%) from the highest prior level of either the Executive's annual rate of base salary or Target Annual Bonus under the Company's Annual Incentive Plan (and for the avoidance of doubt, any reduction that is equal to or less than such 10% amount may only occur to the extent in connection with a general reduction of annual rate of base salary that applies proportionately to all executive officers); (ii) Executive's mandatory relocation to an office more than fifty (50) miles from the primary location at which Executive was required to perform Executive's duties prior to such relocation; (iii) Executive is either (A) not appointed as Chief Executive Officer of the Company on or before the date of the annual stockholders' meeting of the Company in 2023 or (B) after such time as Executive is appointed as Chief Executive Officer, Executive ceases to be the principal executive officer of the Company; (iv) a material diminution in Executive's duties, responsibilities or authority, or the assignment of duties or responsibilities materially inconsistent with Executive's position (A) during such time as Executive holds the position of Chief Executive Officer- Designate, as such position, and (B) otherwise, as principal executive officer of the Company (which in either such case shall be presumed to occur if Executive ceases to report directly to the Board); (v) any time that ESL Investments, Inc. and its affiliate entities beneficially own more than twenty percent (20%) of the Company's shares entitled to vote for directors, and they, in whole or in part, vote against Executive's reelection to the Board while Executive is serving as the Chief Executive Officer or Chief Executive Officer-Designate of the Company; or (vi) any other action or inaction that constitutes a material breach of the terms of the Employment Letter, including the failure of a successor company to assume or fulfill the obligations under the Employment Letter or this Agreement. In each case, Executive must provide Company with written notice of the facts giving rise to a claim that "Good Reason" exists for purposes of this Agreement, within sixty (60) days of the initial existence of such Good Reason event or, if later, within sixty (60) days on which Executive becomes aware, or should have become aware, of the initial existence of such Good Reason Event, and Company shall have the right to remedy such event within thirty (30) days after receipt of Executive's written notice. "Good Reason" shall cease to exist, and may not form the basis for claiming any compensation or benefits under this Agreement, if any of the following occurs:

i. Executive fails to provide the above-referenced written notice of the Good Reason event within sixty (60) days of its occurrence or, if later, within sixty (60) days on which Executive became aware, or should have become aware, of its occurrence;

ii. Company remedies the Good Reason event within the above-referenced thirty (30) day remediation period; or

iii. Executive fails to resign within fifteen (15) days after the above-referenced thirty (30) day remediation period.

m. "*Qualifying Termination*" means the first to occur of a termination of the Executive's Company Employment by the Company without Cause or by Executive upon his resignation for Good Reason, in any such case in accordance with the applicable procedural provisions set forth in this Agreement.

n. "*Restricted Period*" means, except as otherwise provided in this Agreement: (i) twenty-four (24) months following the Date of Termination that corresponds to any Separation from Service described in Section 2(a) below or (ii) twelve (12) months following the Date of Termination that corresponds to any Separation from Service not described in Section 2(a) below. Notwithstanding any provision of this Agreement to the contrary, on and after the first anniversary of a Qualifying Termination, Executive may elect, by written notice to the Company, to (a) forfeit all rights to the payments and benefits otherwise to be provided under Section 2 of this Agreement between and including the date on which Executive commences engaging in activity that would, but for this provision, constitute a breach of Section 8 of this Agreement (such date to be specified in such notice, the "*Forfeiture Date*")) through the end of the Salary Continuation Period and (b) reimburse the Company, in an amount in cash equal to the prorata portion of the value of the portion of the Sign-On Awards (as such term is defined in the Employment Letter) that became vested in accordance with the terms of the applicable Sign-On Award grant agreements as of Executive's Date of Termination, with such amount equal to the product of (i) the sum of (x) the net after-tax amount on Executive's Date of Termination of the shares of Company common stock delivered to Executive in settlement of the Sign-on RSUs (as such term is defined in the Employment Letter) that became vested in accordance with the terms of the applicable Sign-On RSU grant agreement as of Executive's Date of Termination plus (y) the net after-tax amount that Executive would have realized on the Date of Termination in respect of the Sign-On Options assuming that, as of Executive's Date of Termination, Executive had exercised in full all Sign-On Options (as such term is defined in the Employment Letter) and (ii) a fraction, equal to (x) the number of calendar days remaining between and including the Forfeiture Date through the end of the Salary Continuation Period, divided by (y) the number of days in the Salary Continuation Period, and upon such forfeiture and reimbursement, the restrictions imposed on Executive under Section 8 of this Agreement shall cease to apply to Executive as of the Forfeiture Date. Additionally, upon the occurrence of a Qualifying Termination as a result of Executive's resignation for Good Reason under subclause (iii)(A) of the definition of Good Reason, the restrictions imposed on Executive under Section 8 of this Agreement shall only apply to Executive for twelve (12) months following the Date of Termination.

o. "*Salary Continuation*" means the sum of monthly base salary, based on Executive's highest monthly base salary rate prior to the date Executive's Company Employment terminates ("*Date of Termination*") and one-twelfth of Executive's Annual Bonus, with such sum to be payable monthly for a period of twenty-four (24) months following the Date of Termination ("*Salary Continuation Period*"), provided that, if the event giving rise to payment of Salary Continuation is a Change in Control Termination, such period shall be thirty (30) months.

p. "*Section 409A Threshold*" means an amount equal to the sum of the following amounts: (x) two times the lesser of (1) Executive's base salary for services provided to the Company as an employee for the calendar year preceding the calendar year in which Executive has a Separation from Service; and (2) the maximum amount that may be taken into account under a qualified plan in accordance with Code Section 401(a)(17) for the calendar year in which the Executive has a Separation from Service, and (y) the amount of Executive's Salary Continuation that does not otherwise provide for a deferral of compensation by application of Treasury Regulation Section 1.409A-1(b)(4). In all events, this amount shall be limited to the amounts specified under Treasury Regulation Sections 1.409A-1(b)(9)(iii)(A) and 1.409A-1(b)(9)(iii)(B) and the amount of any payments of Salary Continuation described in Treasury Regulation Section 1.409A-1(b)(4)(i) or any successors thereto.

q. "*Separation from Service*" means a "separation from service" with the Company within the meaning of Code Section 409A (and regulations issued thereunder). Notwithstanding anything herein to the contrary, the fact that Executive is treated as having incurred a Separation from Service under Code Section 409A and the terms of this Agreement shall not be determinative, or in any way affect the analysis, of whether Executive has retired, terminated employment, separated from service, incurred a severance from employment or become entitled to a distribution, under the terms of any qualified retirement plan (including pension plans and 401(k) savings plans) maintained by the Company.

r. "*Specified Employee*" means a "specified employee" under Code Section 409A (and regulations issued thereunder).

s. *"Trade Secret"* means information, including a formula, pattern, compilation, program, device, method, technique or process, that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and that is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.Employment.

2. <u>Severance</u>.

a. Upon the occurrence of a Qualifying Termination, Executive shall be entitled to the following:

i. Salary Continuation during the Salary Continuation Period.

ii. Continuation of health, dental and vision coverage for Executive, his spouse and his dependents, as applicable, at the applicable active employee rate (which shall be withheld, as applicable, from payments of Executive's Salary Continuation) until the end of the pay period that includes the last day of the Salary Continuation Period, on the same terms as they were provided immediately prior to the Date of Termination (the "*Continuation Benefits*"). Any such coverage provided during the Salary Continuation Period shall not run concurrently with the applicable continuation period in accordance with the provisions of the Consolidated Omnibus Budget Reconciliation Act ("*COBRA*"). If Executive becomes eligible to participate in another medical or dental benefit plan or arrangement through another employer during such period, the Company shall no longer pay for continuation coverage benefits and Executive shall be required to pay the full COBRA premium. Executive is required to notify the Company within thirty (30) days of obtaining other medical or dental benefits coverage. Any coverage provided under this Section 2(a)(ii) shall be subject to such amendments (including termination) of the coverage available to active participants as the Company shall make from time to time at its sole discretion, including but not limited to changes in covered expenses, employee contributions for premiums, and co-payment obligations, and shall be, to the fullest extent permitted by law, secondary to any other coverage Executive may obtain from subsequent employment. If the Company's health plans are self-funded within the meaning of Code Section 105(h), the premiums paid by the Company for coverage shall be treated as taxable income to Executive.

iii. Reasonable outplacement services considering Executive's position, mutually agreed upon by the Company and Executive from those vendors used by Company as of the Date of Termination, for a period of up to twelve (12) months or until subsequent employment is obtained, whichever occurs first.

iv. <u>Accrued Amounts</u>. Executive shall not be entitled to continuation of compensation or benefits (except for any rights under Section 12) if Executive's employment terminates for any other reason, including due to death or Disability, except as may be provided under any other agreement or benefit plan applicable to Executive at the time of the termination of Executive's employment and except for Accrued Benefits (provided that upon a resignation without Good Reason or Termination for Cause, the pro rata annual bonus otherwise payable in respect of the year in which the Date of Termination occurs shall not be paid). Executive shall also not be entitled to Salary Continuation, the Continuation Benefits nor the outplacement services pursuant to clause iii. above, after Executive materially violates the terms of this Agreement, including the material requirements under Section 8, unless such violation is effectively curable and Executive cures such violation within ten (10) business days after written notice of such violation by the Company. Except as provided in this Section 2, all other compensation and benefits shall terminate as of the Date of Termination, provided, for the avoidance of doubt, that Executive shall continue to receive the benefits set forth in Section 12.

b. Subject to subsection (c), Company shall pay Executive's Salary Continuation due under Section 2(a)(i) in substantially equal installments on each regular salary payroll date for the Salary Continuation Period, except as otherwise provided in this Agreement. Salary Continuation payments shall be subject to withholdings for federal and state income taxes, FICA, Medicare and other legally required or authorized deductions. For the avoidance of doubt, Executive shall not be obligated to seek affirmatively or accept an employment, contractor, consulting or other arrangement to mitigate Salary Continuation and any other amounts received for such activities shall not reduce the amounts due hereunder. Further, to the extent Executive does not execute and timely submit the General Release and Waiver (in accordance with Section 7) by the deadline specified therein, or revokes such General Release and Waiver, Salary Continuation payments Continuation Benefits shall terminate and forever lapse, and Executive shall be required immediately to reimburse the Company for any portion of the Salary Continuation and health benefits premiums paid during the Salary Continuation Period. For clarity, the Salary Continuation and Continuation Benefits shall, subject to paragraph c below, start immediately upon the Date of Termination and not be delayed until such General Release and Waiver is executed and not revoked. To the extent such Salary Continuation was paid in a calendar year prior to the calendar year in which such reimbursement is received by the Company, the reimbursement shall be in the gross amount of such Salary Continuation on a pre-tax-withholding basis. To the extent such Salary Continuation was paid in the same calendar year as the reimbursement is received by the Company, the reimbursement shall be in the net amount of such Salary Continuation on an after-tax-withholding basis. In the event such reimbursement is required with respect to Salary Continuation payments that are reported on a Form W-2 for Executive, Executive shall be solely responsible for claiming any related tax deduction, and the Company shall not be required to issue a corrected Form W-2 except as required by law.

c. If at the time of Separation from Service, the Executive is a Specified Employee, payment of any nonqualified deferred compensation due during such six (6) month period shall be deferred until the earlier of six (6) months and one (1) day after the Executive's Separation from Service or the Executive's death and then paid in a lump sum; provided that, if the Executive's Separation from Service qualifies under Code 409A for the application of the Section 409A Threshold, such Section 409A Threshold shall be applied, after application of any short term deferral period that applies to payments, such that full payment of the nonqualified deferred compensation shall be made until the Section 409A Threshold is reached and then any remaining payments during such six (6) months period shall be deferred until the end of the period or Executive's earlier death.

d. If the Termination is a Change in Control Termination and occurs prior to the Change in Control, any increased Annual Bonus amount that becomes due as a result of the Change in Control from the period prior to the Change in Control shall be paid in a lump sum upon the Change in Control, but if, and only if, the Change in Control is covered by Treasury Reg. 1-409A-3(i)(v); if such Change in Control is not covered by Treasury Reg. 1-409A-3(i)(v), then such amounts shall be paid in equal installments over the remainder of the Salary Continuation Period.

e. If any of the payments or benefits received or to be received by Executive (whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement, or otherwise) constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for this paragraph, be subject to the excise tax imposed under Section 4999 of the Code (the "*Excise Tax*"), then such payments shall be reduced by the minimum possible amounts until no amount payable to Executive will be subject to the Excise Tax; *provided*, *however*, that no such reduction shall be made if the net after-tax payment (after taking into account federal, state, local or other income, employment and excise taxes) to which Executive would otherwise be entitled without such reduction would be greater than the net after-tax payment (after taking into account federal, state, local or other income, employment and excise taxes) to Executive resulting from the receipt of such payments with such reduction. In applying any such reduction, the Executive shall be entitled to elect the order of reduction to the extent such right would not be a violation of Code Sections 280G, 409A or 4999. If it is a violation or the Executive does not elect, to the extent any such payments may be subject to Code Section 409A, the reduction shall be applied to in the following order (i) any payments of Salary Continuation starting with the last payment due, (ii) vesting of compensatory awards of shares (or in the absence of shares, restricted stock units) to the extent Treas. Reg 1.280G-Q and A24(c) does not apply in reverse order, (iii) vesting of compensatory awards of shares (or in the absence of shares, restricted stock units) to the extent such Section does not apply in reverse order, (iv) compensatory stock options on the sum basis and sum order as (n) and (m) and then (v) any remaining payments on a pro rata basis in proportion to the amount of such payments that are considered "contingent on a change in ownership or control" within the meaning of Section 280G of the Code. All calculations and determinations under this subsection (e) shall be made by an independent accounting firm or independent tax counsel appointed by the Company whose determinations shall be conclusive and binding on the Company and the Executive for all purposes and who (x) shall provide an opinion to the Company (in respect of which the Company shall use its reasonable best efforts to also require such firm or counsel to provide an opinion to Executive) that can be relied on for filing tax returns and (y) shall provide copies of all such calculations, as well as a copy of a formal valuation of any non-competition provision that impacts the foregoing calculations. All fees and expenses of the accounting firm or tax counsel shall be borne solely by the Company and shall be paid by the Company.

3. Confidentiality. Subject to Section 11(b) below, in addition to all duties of loyalty imposed on Executive by law or otherwise, during the term of Executive's Company Employment and for two years following the termination of such employment for any reason, other than in the reasonable and good faith performance of his duties to the Company, Executive

shall maintain Confidential Information in confidence and secrecy and shall not disclose Confidential Information or use it for the benefit of any person or organization (including Executive) other than the Company without the prior written consent of an authorized officer of the Company (except for disclosures to persons acting on the Company's behalf with a need to know such information).

4. Non-Disclosure of Trade Secrets. Subject to Section 11(b) below, during Executive's Company Employment, except in the reasonable and good faith performance of his duties to the Company, Executive shall preserve and protect Trade Secrets of the Company from unauthorized use or disclosure; and after termination of such employment, Executive shall not use or disclose any Trade Secret of the Company for so long as that Trade Secret remains a Trade Secret.

5. Third-Party Confidentiality. Executive shall not disclose to the Company, use on its behalf, or otherwise induce the Company to use any secret or confidential information belonging to persons or entities not affiliated with the Company, which may include a former employer of Executive, if Executive then has an obligation or duty to any person or entity (other than the Company) to not disclose such information to other persons or entities, including the Company. Executive acknowledges that the Company has disclosed that the Company is now, and may be in the future, subject to duties to third parties to maintain information in confidence and secrecy. By executing this Agreement, Executive consents to be bound by any such duty owed by the Company to any third party of which he is informed.

6. Work Product. Executive acknowledges that all ideas, inventions, innovations, improvements, developments, methods, designs, analyses, reports, databases, and any other similar or related information (whether patentable or not) which relate to the actual or anticipated business, research and development, or existing or known future products or services of the Company which are or were conceived, developed or created by Executive (alone or jointly with others) during Executive's Company Employment (the "*Work Product*") is and shall remain the exclusive property of the Company. Executive acknowledges and agrees that all copyrightable Work Product was created in Executive's capacity as an employee of Lands' End and within the scope of Executive's Company Employment, and thus constitutes a "work made for hire" under the Copyright Act of 1976, as amended. Executive hereby assigns to the Company all right, title and interest in and to all Work Product, and agrees to perform all actions reasonably requested by the Company to establish, confirm or protect the Company's ownership thereof (including, without limitation, executing assignments, powers of attorney and other instruments).

7. General Release and Waiver. Upon or following Executive's Date of Termination potentially entitling Executive to Salary Continuation and other benefits under Section 2 above, Executive will execute a binding general release and waiver of claims in a form substantially similar to the attached Appendix C. If the General Release and Waiver is not signed within the time it requires or is signed but subsequently revoked, Executive will not continue to receive any Salary Continuation otherwise payable, and shall reimburse any Salary Continuation previously paid.

8. Noncompetition. During Executive's Company Employment and thereafter for the applicable Restricted Period, Executive shall not, directly or indirectly, participate in, consult with, be employed by, or assist with the organization, planning, financing, management, operation or control of any Competitive Business, provided the foregoing shall not limit Executive from being involved in the noncompetitive portion of a Competitive Business.

9. Nonsolicitation. During Executive's Company Employment and for eighteen (18) months following the termination of such employment for any reason, Executive shall not, directly or indirectly, either by himself or by providing substantial assistance to others (i) solicit any employee of the Company to terminate employment with the Company, or (ii) employ or seek to employ, or cause or assist any other person, company, entity or business to employ or seek to employ, any individual who was both an employee of the Company as of Executive's Date of Termination and has been an employee of the Company in the six (6) months prior to the event. The foregoing shall not be violated by general advertising not targeted at employees of the Company or serving as a reference upon request to an entity with which Executive is not associated.

10. Future Employment. During Executive's Company Employment and thereafter for the applicable Restricted Period, before accepting any employment with any Competitive Business (whether or not Executive believes such employment is prohibited by Section 8), Executive shall disclose to the Company the identity of any such Competitive Business and a complete description of the duties involved in such prospective employment, including a full description of any business, territory or market segment to which Executive will be assigned. Further, during Executive's Company Employment and for eighteen (18) months following the termination of such employment for any reason, Executive agrees that, before accepting any future employment, Executive will provide a copy of this Agreement to any prospective employer of Executive, and Executive hereby authorizes the Company to do likewise, whether before or after the outset of the future employment.

11. Nondisparagement; Cooperation.

a. During Executive's Company Employment and for two (2) years following the termination of such employment for any reason, Executive (i) will not criticize or disparage the Company or its directors, officers, employees or products, and (ii) will reasonably cooperate with the Company in all investigations, potential litigation or litigation in which the Company is involved or may become involved with respect to matters that relate to Executive's Company Employment (other than any such investigations, potential litigation or litigation between Company and Executive); *provided*, *that*, with regard to Executive's duties under clause (ii), Executive shall be reimbursed for reasonable travel and out-of-pocket expenses related thereto, but shall otherwise not be entitled to any additional compensation. During Executive's Company employment and for two (2) years following the termination of such employment, the Company's executive officers and its directors shall not, directly or indirectly, except the directors and/or executive officers amongst themselves while Executive is employed in their reasonable and good faith performance of their duties to the Company, criticize or disparage Executive.

b. Notwithstanding the foregoing, nothing in this Section 11 or any other provision of this Agreement shall prevent Executive or the officers and directors from (i) making any truthful statement to the extent, but only to the extent (A) necessary with respect to any litigation, arbitration or mediation involving this Agreement or the Employment Letter, including, but not limited to, the enforcement of this Agreement or the Employment Letter, in the forum in which such litigation, arbitration or mediation properly takes place or (B) required by law, legal process or by any court, arbitrator, mediator or administrative or legislative body (including any committee thereof) with apparent jurisdiction, (ii) making normal competitive statements any time after the expiration of the applicable Restricted Period, (iii) rebut false or misleading statements made by others and/or (iv) making any statements in the reasonable and good faith performance of duties to the Company while Executive is employed by the Company.

12. Indemnification Rights.

a. After termination of Executive's employment, the Company shall continue to maintain a directors and officers liability insurance policy covering Executive to the extent the Company provides such coverage for its executive officers and directors and shall continue to cover Executive under any indemnification agreement, by-laws or other existing indemnification rights while liability continues to exist after the Date of Termination.

b. In addition to any indemnification provided pursuant to Section 12(a), the Company shall indemnify Executive against expenses, losses, liabilities, judgments, fines, penalties and amounts paid in settlement (including all interest, taxes, assessments and other charges in connection therewith) incurred by Executive or on Executive's behalf in connection with any threatened, pending or completed action, suit or proceeding, including without limitation a claim, injunctive relief, demand, discovery request, formal or informal investigation, inquiry, administrative hearing, arbitration or other form of alternative dispute resolution (collectively, a "Proceeding"), resulting from or relating to Executive's prospective or actual commencement of employment as an officer, director or employee of the Company, and/or ongoing service in either of the executive positions identified in this Agreement, including an appeal from any of the foregoing (collectively, "Losses"). Notwithstanding any provision in this Agreement, the Company is not obligated under this Agreement to make any indemnification payment to Indemnitee in connection with any Losses: (i) in connection with, resulting from, relating to or arising from Executive's gross negligence, willful misconduct, bad faith or fraud; (ii) for which payment has actually been made to or on behalf of Executive under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision; (iii) in connection with, resulting from, relating to or arising from any Proceeding for (A) an accounting of profits made from the purchase and sale (or sale and purchase) by Executive of securities of the Company within the meaning of Section 15(b) of the Securities Exchange Act of 1938 or similar provisions of state statutory law or common law, (B) any reimbursement of the Company by Executive of any bonus or other incentive-based or equity-based compensation or of any profits realized by Executive from the sale of securities of the

Company, as required in each case under the Securities Exchange Act of 1934 (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), or the payment to the Company of profits arising from the purchase and sale by Executive of securities in violation of Section 306 of the Sarbanes-Oxley Act) or (C) any reimbursement of the Company by Executive of any compensation pursuant to any compensation recoupment or clawback policy adopted by the Board or a committee thereof; or (iv) initiated by Executive, including any Proceeding (or any part of any Proceeding) initiated by Executive against the Company or its directors, officers, employees or other indemnitees, unless (A) the Proceeding or part of any Proceeding is to enforce Executive's rights to indemnification or advancement, of Losses, including a Proceeding (or any part of any Proceeding), (B) the Board authorized the Proceeding (or any part of any Proceeding) or (C) the Company provides the indemnification, in its reasonable discretion, pursuant to the powers vested in the Company under applicable law.

13. Notices. All notices, request, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given (or received, as applicable) upon the calendar date when delivered by hand or when mailed by United States certified or registered mail with postage prepaid addressed as follows:

a. If to Executive, to such person or address which Executive has furnished to the Company in writing pursuant to the above.

b. If to the Company, to the attention of the Company's General Counsel at the address set forth on the signature page of this Agreement or to such other person or address as the Company shall furnish to Executive in writing pursuant to the above.

14. Enforceability. Executive recognizes that irreparable injury may result to the Company, its business and property, and the potential value thereof in the event of a sale or other transfer, if Executive breaches any of the restrictions imposed on Executive by this Agreement, and Executive agrees that if Executive shall engage in any act in violation of such provisions, then the Company shall be entitled, in addition to such other remedies and damages as may be available, to an injunction prohibiting Executive from engaging in any such act.

15. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon and enforceable by Lands' End, Inc., its successors, pending assigns and Affiliates, all of which (other than Lands' End, Inc.) are intended third-party beneficiaries of this Agreement. Executive hereby consents to the assignment of this Agreement to any person or entity, which is a successor to all or substantially all of the Lands' End business provided such entity assumes the obligation hereunder in writing.

16. Validity. Any invalidity or unenforceability of any provision of this Agreement is not intended to affect the validity or enforceability of any other provision of this Agreement, which the parties intend to be severable and divisible, and to remain in full force and effect to the greatest extent permissible under applicable law.

17. Choice of Law; Jurisdiction. Except to the extent superseded or preempted by federal U.S. law, the rights and obligations of the parties and the terms of this Agreement shall be governed by and construed in accordance with the domestic laws of the State of Wisconsin, but without regard to the State of Wisconsin's conflict of laws rules. The parties further agree that the state and federal courts in Madison, Wisconsin, shall have exclusive jurisdiction over any claim which in any way arises out of Executive's employment with the Company, including but not limited to any claim seeking to enforce the provisions of this Agreement.

18. Section 409A Compliance. To the extent that a payment or benefit under this Agreement is subject to Code Section 409A, it is intended that this Agreement as applied to that payment or benefit comply with or be exempt from the requirements of Code Section 409A, and the Agreement shall be administered and interpreted consistent with this intent. Notwithstanding any provision of this Agreement to the contrary, for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment that are considered deferred compensation under Section 409A, references to Executive's "termination of employment" (and corollary terms) with the Company shall be construed to refer to Executive's "separation from service" (within the meaning of Treas. Reg. Section 1.409A-1(h)) with the Company. Whenever payments under this Agreement are to be made in installments, each such installment shall be deemed to be a separate payment for purposes of Section 409A. With respect to any reimbursement or in-kind benefit arrangements of the Company that constitute deferred compensation for purposes of Section 409A, except as otherwise permitted by Section 409A, the following conditions shall be applicable: (i) the amount eligible for reimbursement, or in-kind benefits provided, under any such arrangement in one calendar year may not affect the amount eligible for reimbursement, or in-kind benefits to be provided, under such arrangement in any other calendar year, (ii) any reimbursement must be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, and (iii) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

19. Effectiveness. The parties to this Agreement each acknowledge and agree that Executive's employment shall not commence, and Executive shall not be subject to or eligible for payments and benefits under this Agreement, in each case until Executive commences Executive's Company Employment on the Start Date (or such earlier or later date as may be agreed to by Executive and the Company). Notwithstanding the foregoing, in the event that, after the Effective Date but prior to the Start Date, (a) the Company terminates the Employment Letter and this Agreement and rescinds the offer to Executive to commence employment with the Company on the Start Date (under circumstances other than those which, if Executive were employed with the Company at such time, would constitute Cause), then Executive shall be entitled to receive the Salary Continuation in accordance with the terms of Section 2.a.i. above, with the Salary Continuation Period to commence on the next regularly scheduled payroll date occurring after the Company has provided written notice to Executive of its termination of the Employment Letter and this Agreement, or (b) Executive terminates the Employment Letter and this Agreement, Executive shall first be required to provide sixty (60) days advance written notice to the Company of such termination, in which case Executive acknowledges and agrees that Executive, for good and valuable consideration, shall be bound by the restrictive covenants set forth in Sections 3 through 9 of this Agreement, as if Executive had

resigned without Good Reason on the date of such written notice, except that the Restricted Period shall only run for twelve (12) months and Executive would be prohibited from providing services to Executive's current employer during such twelve (12) month Restricted Period as a result of the circumstances described in subclause (b) of this Section 19. Further, notwithstanding anything to the contrary in this Section 19, Executive shall remain entitled to the benefits set forth in Section 12 whether or not Executive commences employment on the Start Date.

20. Miscellaneous. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. This Agreement may be modified only by a written agreement signed by Executive and a duly authorized officer or director of the Company.

[END OF DOCUMENT. SIGNATURES ON NEXT PAGE.]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year first above written.

EXECUTIVE

/s/ Andrew McLean
Andrew McLean

LANDS' END, INC.

By: /s/ Josephine Linden
Name: Josephine Linden
Its: Chair, Board of Directors

5 Lands' End Lane
Dodgeville, WI 53595

Appendix A

Amazon.com
Ann Taylor
Ascena Retail Group, Inc.
Bonobos
Brooks Brothers
Chico's
Eddie Bauer
The Gap Company
J. C. Penney Company Inc.
J. Crew
Jos. A. Bank
Kate Spade
Kohl’s
L Brands
L.L. Bean
Macy’s
Next Retail
Polo Ralph Lauren
Talbots
Target
Tommy Hilfiger
VF Corp
Vineyard Vines

Appendix B

Amazon.com
American Eagle Outfitters
J. Crew
Next Retail
Polo Ralph Lauren
Target

Appendix C

NOTICE: YOU MAY CONSIDER THIS GENERAL RELEASE AND WAIVER FOR UP TO TWENTY-ONE (21) DAYS. YOU MAY NOT SIGN IT UNTIL ON OR AFTER YOUR LAST DAY OF WORK. IF YOU DECIDE TO SIGN IT, YOU MUST DELIVER A SIGNED COPY TO LANDS' END, INC. BY NO LATER THAN THE TWENTY-SECOND (22ND) DAY AFTER YOUR LAST DAY OF WORK TO THE GENERAL COUNSEL, LANDS' END, INC., 5 LANDS' END LANE, DODGEVILLE, WISCONSIN 53595. YOU MAY REVOKE THE GENERAL RELEASE AND WAIVER WITHIN SEVEN (7) DAYS AFTER SIGNING. ANY REVOCATION WITHIN THIS PERIOD MUST BE IMMEDIATELY SUBMITTED IN WRITING TO THE GENERAL COUNSEL AT THE ADDRESS SET FORTH ABOVE. YOU MAY WISH TO CONSULT WITH AN ATTORNEY BEFORE SIGNING THIS DOCUMENT.

GENERAL RELEASE AND WAIVER

In consideration of the severance benefits that are described in the attached Executive Severance Agreement that I previously entered into with Lands' End, Inc., dated September 6, 2022 (the "Severance Agreement"), I, for myself, my heirs, administrators, representatives, executors, successors and assigns, do hereby release Lands' End, Inc., its current and former agents, subsidiaries, affiliates, related organizations, employees, officers, directors, shareholders, attorneys, successors, and assigns (collectively, "Lands' End") from any and all claims of any kind whatsoever, whether known or unknown, arising out of, or connected with, my employment with Lands' End and the termination of my employment. Without limiting the general application of the foregoing, this General Release & Waiver releases, to the fullest extent permitted under law, all contract, tort, defamation, and personal injury claims; all claims based on any legal restriction upon Lands' End's right to terminate my employment at will; Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000e et seq.; the Age Discrimination in Employment Act, 29 U.S.C. §§ 621 et seq.; the Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq.; the Rehabilitation Act of 1973, 29 U.S.C. §§ 701 et seq.; the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq. ("ERISA"); 29 U.S.C. § 1985; the Civil Rights Reconstruction Era Acts, 42 U.S.C. §§ 1981-1988; the National Labor Relations Act, 29 U.S.C. §§ 151 et seq.; the Family & Medical Leave Act, 29 U.S.C. §§ 2601 et seq.; the Immigration & Nationality Act, 8 U.S.C. §§ 1101 et seq.; Executive Order 11246 and all regulations thereunder; the Wisconsin Fair Employment Act, Wis. Stat. §§ 111.31-111.395; the Wisconsin Family & Medical Leave Act, Wis. Stat. § 103.10; the Wisconsin Worker's Compensation Act, Wis. Stat. Ch. 102; and any and all other state, federal or local laws of any kind, whether administrative, regulatory, statutory or decisional.

This General Release & Waiver does not apply to any claims that may arise after the date I sign this General Release & Waiver. Also excluded from this General Release & Waiver are any claims that cannot be waived by law, including but not limited to (1) my right to file a charge with or participate in an investigation conducted by the Equal Employment Opportunity Commission and (2) my rights or claims to benefits accrued under benefit plans maintained by Lands' End and governed by ERISA. I do, however, waive any right to any monetary or other relief flowing from any agency or third-party claims or charges, including any charge I might file with any federal, state or local agency. I warrant and represent that I have not filed any complaint, charge, or lawsuit against Lands' End with any governmental agency or with any court. The release does not cover any rights to indemnification or rights to directors and officers liability insurance coverage, including under Section 12 of the Severance Agreement.

I also waive any right to become, and promise not to consent to become a participant, member, or named representative of any class in any case in which claims are asserted against Lands' End that are related in any way to my employment or termination of employment at Lands' End, and that involve events that have occurred as of the date I sign this General Release and Waiver. If I, without my consent, am made a member of a class in any proceeding, I will opt out of the class at the first opportunity afforded to me after learning of my inclusion. In this regard, I agree that I will execute, without objection or delay, an "opt-out" form presented to me either by the court in which such proceeding is pending, by class counsel or by counsel for Lands' End.

I have read this General Release and Waiver and understand all of its terms.

I have signed it voluntarily with full knowledge of its legal significance.

I have had the opportunity to seek, and I have been advised in writing of my right to seek, legal counsel prior to signing this General Release & Waiver.

I was given at least twenty-one (21) days to consider signing this General Release & Waiver. I agree that any modification of this General Release & Waiver Agreement will not restart the twenty-one (21) day consideration period.

I understand that if I sign the General Release & Waiver, I can change my mind and revoke it within seven (7) days after signing it by notifying the General Counsel of Lands' End in writing at Lands' End, Inc., 5 Lands' End Lane, Dodgeville, Wisconsin 53595. I understand the General Release & Waiver will not be effective until after the seven (7) day revocation period has expired.

I understand that the delivery of the consideration herein stated does not constitute an admission of liability by Lands' End and that Lands' End expressly denies any wrongdoing or liability.

Date:	Signed by:
	Witness by:

EXHIBIT 10.3

September 9, 2022

Jerome Griffith
VIA EMAIL

Dear Jerome,

This letter will serve to memorialize the terms of your transition from your role as Chief Executive Officer of Lands' End, Inc. ("Lands' End" or the "Company"), as follows:

1) You and Lands' End agree that you will retire as Chief Executive Officer on January 27, 2023, the conclusion of the Company's current fiscal year, unless your employment is earlier terminated pursuant to the terms of your Executive Severance Agreement dated December 19, 2016 (the "ESA"). Capitalized terms used in this letter but not otherwise defined will have the meaning set forth in the ESA. As a reminder, you will continue to be subject to the restrictive covenants set forth in such agreement while employed and for the post-employment periods specified therein.

2) Effective January 28, 2023, you will be employed by the Company in the role of Executive Vice Chair until the Company's 2023 Annual Meeting of Stockholders (which is expected to be held in May 2023), and thereafter continue to serve as an employee with the title of Senior Advisor until January 27, 2024. In the foregoing capacities, you will provide such services, in such locations, and hold such duties, responsibilities and authorities, in each case as the Chief Executive Officer of Lands' End may direct. You will receive an annual base salary of $700,000 for the period January 28, 2023 through the first to occur of (a) January 27, 2024 and (b) if applicable, your employment with the Company is terminated for Cause. As an employee, you will remain entitled to all benefits available to active Lands' End employees.

3) You will be nominated for re-election to the Board at the Company's 2023 Annual Meeting of Stockholders. Your currently fully vested option to purchase 294,118 shares of Company common stock at $18.10 exercise price that was granted March 6, 2017, shall remain exercisable in accordance with its terms until the ninetieth (90th) day following the later of (a) the end of your employment with the Company or (b) you ceasing to serve on the Board of Directors of the Company (but in no event after its expiration date).

4) As of January 27, 2023, you will cease to be considered an Executive Officer of Lands' End, for purposes of Rule 3b-7 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and an "officer" of Lands' End for purpose of Section 16 of the Exchange Act; however, you will remain subject to Section 16 for so long as you are a member of the Board of Directors.

5) In light of your expected reduced requirement to be in Wisconsin to perform your duties, Lands' End will reimburse you for reasonable moving expenses to relocate your household goods and vehicles from Wisconsin to New York, with such

reimbursements otherwise subject to the Lands' End relocation policy as applicable to senior executives of the Company. In addition, until May 31, 2023, Lands' End will reimburse you for roundtrip airplane tickets for you between Wisconsin and New York, with such reimbursements otherwise subject to the Lands' End business travel expense policy as applicable to senior executives of the Company.

6) By signing this letter where indicated below, you are acknowledging and agreeing that: (a) the changes to your employment and compensation terms as set forth herein and effective as of January 28, 2023, shall not constitute "Good Reason" for purposes of the ESA (and any equity award agreement, if applicable); (b) effective as of January 28, 2023, the definition of "Good Reason" is hereby amended by (1) deleting in their entirety clauses (iii), (v) and (vi) thereof and (2) revising clause (iv) to read as follows: "(iv) the assignment of duties or responsibilities materially inconsistent with Executive's position as Executive Vice Chair (which shall be presumed to occur if Executive ceases to report directly to the Chief Executive Officer of the Company)."; and (c) effective as of the date of January 28, 2023, upon a Qualifying Termination that occurs on or after such date, (1) except for the Accrued Amounts payable under the ESA and continued payment of the base salary amount provided under paragraph 1 above, you will not be entitled to any other payments or benefits in respect of such termination under the ESA or otherwise and (2) the election (and consequences thereof) provided in the second sentence of the definition of "Restricted Period" shall cease to be available.

Jerome, the Board is very pleased with Lands' End's progress during your tenure as our Chief Executive Officer and you have our sincere thanks.

[END OF DOCUMENT. SIGNATURES ON NEXT PAGE.]

Sincerely,

/s/ Josephine Linden

Josephine Linden
Chair, Board of Directors
Lands' End, Inc.

Accepted and agreed this 9th day of September, 2022:

/s/ Jerome Griffith
Jerome Griffith

[Signature Page to Griffith Transition Letter Agreement]

EXHIBIT 31.1

CERTIFICATIONS

I, Jerome Griffith, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Lands' End, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 1, 2022

/s/ Jerome Griffith

Jerome Griffith
Chief Executive Officer
(Principal Executive Officer)

Lands' End, Inc.

CERTIFICATIONS

I, James Gooch, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Lands' End, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 1, 2022

/s/ James Gooch

James Gooch
President and Chief Financial Officer
(Principal Financial Officer)

Lands' End, Inc.

EXHIBIT 32.1

CERTIFICATION

Pursuant to 18 U.S.C. 1350 as adopted by Section 906 of the Sarbanes-Oxley Act of 2002

Each of the undersigned, Jerome Griffith, Chief Executive Officer of Lands' End, Inc. (the "Company") and James Gooch, President and Chief Financial Officer of the Company, has executed this certification in connection with the filing with the Securities and Exchange Commission of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended October 28, 2022 (the "Report").

Each of the undersigned hereby certifies that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 1, 2022

/s/ Jerome Griffith

Jerome Griffith
Chief Executive Officer
(Principal Executive Officer)

Date: December 1, 2022

/s/ James Gooch

James Gooch
President and Chief Financial Officer
(Principal Financial Officer)