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

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**FORM 10-Q**

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**Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended May 1, 2026

-OR-

**Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission File Number: 001-09769

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**Lands' End, Inc.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**36-2512786**  
(I.R.S. Employer  
Identification No.)

**5 Lands' End Lane**  
**Dodgeville, Wisconsin**  
(Address of principal executive offices)

**53595**  
(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	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 June 7, 2026, the registrant had 30,740,867 shares of common stock, \$0.01 par value, outstanding.

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LANDS' END, INC.  
QUARTERLY REPORT ON FORM 10-Q  
FOR THE PERIOD ENDED MAY 1, 2026

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## PART I. FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

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

<i>(in thousands, except per share data)</i>	13 Weeks Ended	
	May 1, 2026	May 2, 2025
Net revenue	\$ 238,916	\$ 261,208
Cost of sales (exclusive of depreciation and amortization)	127,404	128,482
<b>Gross profit</b>	<b>111,512</b>	<b>132,726</b>
Selling and administrative	126,452	123,462
Depreciation and amortization	6,100	8,291
Other operating expense, net	23,068	3,343
Operating loss	(44,108)	(2,370)
Interest expense	5,514	9,265
Gain on WHP Transaction	(491,622)	—
Loss on extinguishment of debt	9,172	—
Other expense (income), net	136	(11)
Income (loss) before income taxes	432,692	(11,624)
Income tax expense (benefit)	101,999	(3,362)
<b>NET INCOME (LOSS)</b>	<b>\$ 330,693</b>	<b>\$ (8,262)</b>
<b>Earnings (loss) per common share</b>		
Basic	\$ 10.74	\$ (0.27)
Diluted	\$ 10.56	\$ (0.27)
<b>Weighted average common shares outstanding</b>		
Basic	30,778	30,867
Diluted	31,324	30,867

See accompanying Notes to Condensed Consolidated Financial Statements.

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

<i>(in thousands)</i>	<b>13 Weeks Ended</b>	
	<b>May 1, 2026</b>	<b>May 2, 2025</b>
<b>NET INCOME (LOSS)</b>	\$ 330,693	\$ (8,262)
Other comprehensive income (loss), net of tax		
Foreign currency translation adjustments	(52)	1,498
<b>COMPREHENSIVE INCOME (LOSS)</b>	<u>\$ 330,641</u>	<u>\$ (6,764)</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

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

<i>(in thousands, except per share data)</i>	May 1, 2026	May 2, 2025	January 30, 2026
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 23,122	\$ 18,139	\$ 17,694
Restricted cash	458	2,178	589
Accounts receivable, net	33,788	36,023	41,265
Inventories	299,923	262,372	268,803
Prepaid expenses	34,257	38,237	27,856
Other current assets	1,200	8,180	4,798
<b>Total current assets</b>	<b>392,748</b>	<b>365,129</b>	<b>361,005</b>
Property and equipment, net	120,581	116,010	115,701
Operating lease right-of-use asset	14,815	19,450	15,680
Equity method investment	375,758	—	—
Intangible asset	—	257,000	—
Asset held for sale	—	—	257,000
Other assets	1,798	2,906	1,680
<b>TOTAL ASSETS</b>	<b>\$ 905,700</b>	<b>\$ 760,495</b>	<b>\$ 751,066</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
Current liabilities			
Current portion of long-term debt	\$ —	\$ 13,000	\$ 13,000
Accounts payable	119,288	95,077	115,436
Lease liability – current	4,456	4,462	4,434
Accrued expenses and other current liabilities	125,545	83,963	91,068
<b>Total current liabilities</b>	<b>249,289</b>	<b>196,502</b>	<b>223,938</b>
Long-term borrowings under ABL Facility	30,000	40,000	—
Long-term debt, net	—	222,219	214,211
Lease liability – long-term	13,158	18,935	14,264
Deferred tax liabilities	109,275	50,532	52,392
Other liabilities	2,857	2,167	1,966
<b>TOTAL LIABILITIES</b>	<b>404,579</b>	<b>530,355</b>	<b>506,771</b>
<b>STOCKHOLDERS' EQUITY</b>			
Common stock, par value \$0.01 authorized: 480,000 shares; issued and outstanding: 30,827, 30,635 and 30,575, respectively	309	307	306
Additional paid-in capital	349,927	347,624	349,429
Retained Earnings (accumulated deficit)	167,527	(102,620)	(88,850)
Accumulated other comprehensive loss	(16,642)	(15,171)	(16,590)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>501,121</b>	<b>230,140</b>	<b>244,295</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 905,700</b>	<b>\$ 760,495</b>	<b>\$ 751,066</b>

See accompanying Notes to Condensed Consolidated Financial Statements.

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

<i>(in thousands)</i>	13 Weeks Ended	
	May 1, 2026	May 2, 2025
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (loss)	\$ 330,693	\$ (8,262)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	6,100	8,291
Amortization of debt issuance costs	301	686
(Gain) loss on disposal of property and equipment	(25)	11
Gain on WHP Transaction	(491,622)	—
Loss on extinguishment of debt	9,172	—
Stock-based compensation	3,241	920
Deferred income taxes	57,073	(1,119)
Other	(219)	(214)
Change in operating assets and liabilities:		
Accounts receivable, net	7,372	12,283
Inventories	(31,493)	4,114
Accounts payable	3,155	(16,396)
Other operating assets	(1,566)	(7,247)
Other operating liabilities	33,638	(15,530)
Net cash used in operating activities	(74,180)	(22,463)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sales of property and equipment	39	—
Proceeds from WHP Transaction	300,000	—
Cash contribution to JV	(1,250)	—
Purchases of property and equipment	(10,219)	(8,286)
Net cash provided by (used in) investing activities	288,570	(8,286)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings under ABL Facility	89,000	60,000
Payments of borrowings under ABL Facility	(59,000)	(20,000)
Payments on term loan	(234,000)	(3,250)
Payments on debt extinguishment	(2,437)	—
Payments of debt issuance costs	—	(1,103)
Proceeds from exercise of stock options	908	—
Payments for taxes related to net share settlement of equity awards	(3,378)	(450)
Purchases and retirement of common stock, including excise tax paid	(275)	(2,777)
Net cash (used in) provided by financing activities	(209,182)	32,420
Effects of exchange rate changes on cash, cash equivalents and restricted cash	89	(166)
<b>NET INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	5,297	1,505
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD</b>	18,283	18,812
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD</b>	\$ 23,580	\$ 20,317
<b>SUPPLEMENTAL CASH FLOW DATA</b>		
Unpaid liability to acquire property and equipment	\$ 3,653	\$ 1,691
Income taxes refunded	(626)	(600)
Interest paid	6,247	8,670
Operating lease right-of-use-assets (reversal) obtained in exchange for lease liabilities	(15)	95

See accompanying Notes to Condensed Consolidated Financial Statements

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

<i>(in thousands)</i>	Common Stock Issued		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
<b>Balance at January 30, 2026</b>	30,575	\$ 306	\$ 349,429	\$ (88,850)	\$ (16,590)	\$ 244,295
Net income	—	—	—	330,693	—	330,693
Deemed distribution to shareholders	—	—	—	(74,311)	—	(74,311)
Cumulative translation adjustment, net of tax	—	—	—	—	(52)	(52)
Stock-based compensation expense	—	—	3,241	—	—	3,241
Exercise of stock options	84	—	908	—	—	908
Vesting of restricted shares	430	3	(3)	—	—	—
Common stock withheld related to net share settlement of equity awards	(236)	—	(3,378)	—	—	(3,378)
Purchases and retirement of common stock	(26)	—	(270)	(5)	—	(275)
<b>Balance at May 1, 2026</b>	30,827	\$ 309	\$ 349,927	\$ 167,527	\$ (16,642)	\$ 501,121

<i>(in thousands)</i>	Common Stock Issued		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
<b>Balance at January 31, 2025</b>	30,843	\$ 309	\$ 349,940	\$ (94,358)	\$ (16,669)	\$ 239,222
Net loss	—	—	—	(8,262)	—	(8,262)
Cumulative translation adjustment, net of tax	—	—	—	—	1,498	1,498
Stock-based compensation expense	—	—	920	—	—	920
Vesting of restricted shares	125	1	(1)	—	—	—
Common stock withheld related to net share settlement of equity awards	(42)	—	(450)	—	—	(450)
Purchases and retirement of common stock, including excise taxes	(291)	(3)	(2,785)	—	—	(2,788)
<b>Balance at May 2, 2025</b>	30,635	\$ 307	\$ 347,624	\$ (102,620)	\$ (15,171)	\$ 230,140

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 digital retailer of solution-based apparel, swimwear, outerwear, accessories, footwear, home products and uniforms. Lands' End offers products online at *www.landsend.com*, through third-party distribution channels, and its own Company Operated stores. Lands' End also offers products to businesses and schools, for their employees and students, through the Outfitters distribution channel. Lands' End is a classic American lifestyle brand that creates solutions for life's every journey. 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
- 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
- FASB – Financial Accounting Standards Board
- First Quarter 2026 – The 13 weeks ended May 1, 2026
- First Quarter 2025 – The 13 weeks ended May 2, 2025
- Fiscal 2026 – The 52 weeks ending January 29, 2027
- Fiscal 2025 – The 52 weeks ended January 30, 2026
- Fiscal 2024 – The 52 weeks ended January 31, 2025
- GAAP – Accounting principles generally accepted in the United States
- JV – Joint venture with WHP Global in which the Company owns 50% of the joint venture entity, LE Topco, LLC
- Option Awards – Stock option awards
- Performance Awards – Performance-based stock awards
- SEC – United States Securities and Exchange Commission
- SOFR – Secured Overnight Funding Rate
- 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 December 29, 2023, among the Company, Blue Torch Capital, as Administrative Agent and Collateral Agent, and the lenders party thereto
- WHP Global – WH Topco, L.P. (d/b/a WHP Global)
- WHP Transaction – The transaction which, (i) the Company contributed all of its intellectual property and related assets associated with the “Lands’ End” brand, including all of the license agreements entered into in connection with Lands’ End’s licensing business (the “Contributed Assets”) to LE Topco, LLC (the “JV”) a newly formed Delaware limited liability company and wholly owned subsidiary and (ii) immediately thereafter, the Company sold a 50% controlling ownership stake in the JV to WHP Global

## Basis of Presentation

The Condensed Consolidated Financial Statements include the accounts of Lands’ End, Inc. and its subsidiaries. The Company holds a 50% interest in the JV, which it accounts for under the equity method. 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 26, 2026.

### Macroeconomic Challenges

Macroeconomic issues which impact consumer discretionary spending, such as realized inflation-based price increases and high interest rates have continued to have an impact on the Company’s business. Apparel purchases historically have been influenced by domestic and global economic conditions, which may negatively impact customer demand and may require higher levels of promotion in order to attract and retain customers. Macroeconomic challenges may lead to increased cost of raw materials, packaging materials, labor, energy, fuel, debt and other inputs necessary for the production and distribution of the Company’s products. Moreover, uncertainty with respect to trade policy and tariffs, including increased tariffs applicable to countries where the Company’s vendors manufacture Lands’ End product, may result in an increase in the cost of the Company’s products.

In addition, conflict-related disruptions in global energy markets and shipping lanes in early 2026 have contributed to heightened volatility in crude oil and refined-product prices and interruptions to certain maritime routes, which may result in higher freight and delivery costs, carrier surcharges, longer transit times, and inventory delays.

### Restructuring and Other Costs

The Company has incurred restructuring and other charges related to cost optimization of business operations and exploring strategic alternatives. During First Quarter 2026 and First Quarter 2025, the Company incurred ongoing costs related to exploring strategic alternatives for the Company to maximize shareholder value and has included those costs as part of restructuring and other. This process culminated in the WHP Transaction. Additionally, during First Quarter 2025, the Company reduced approximately 6% of its corporate office positions and incurred restructuring charges, primarily severance and benefit and other related costs. The reductions in the corporate office positions were made to better align with the evolving needs of the business and to invest in key growth areas.

The following table summarizes the restructuring and other costs recognized in Other operating expense, net in the Condensed Consolidated Statement of Operations for the 13 weeks ended May 1, 2026 and May 2, 2025:

<i>(in thousands)</i>	13 Weeks Ended	
	May 1, 2026	May 2, 2025
Employee severance and benefit costs	\$ 562	\$ 2,647
Strategic alternatives and other costs	22,728	685
Total restructuring and other	\$ 23,290	\$ 3,332

Included in Accrued expenses and other current liabilities in the Condensed Consolidated Balance Sheets are approximately \$2.1 million of Strategic alternatives and other costs and \$0.7 million of Employee severance and benefit costs as of May 1, 2026 and approximately \$1.8 million of Employee severance and benefit costs and \$0.7 million of Strategic alternatives and other costs as of May 2, 2025.

## **NOTE 2. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED**

In September 2025, the FASB issued Accounting Standards Update (“ASU”) 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which modernizes the accounting for internal-use software to current development practices, clarifies when to begin capitalizing costs and enhances disclosure requirements. This update is effective for interim and annual periods beginning after December 15, 2027, with early adoption permitted. The Company is currently assessing the impact of ASU 2025-06 on the Company’s Condensed Consolidated Financial Statements.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which provides targeted relief for entities estimating expected credit losses on short-term receivables and contract assets under Topic 606. The guidance allows entities to bypass the requirement to incorporate macroeconomic data into their forecasts when such data is not expected to materially affect the estimate. ASU 2025-05 is effective for the annual periods beginning after December 15, 2025. The Company is currently assessing the impact of ASU 2025-05 on the Company’s Condensed Consolidated Financial Statements.

In November 2024, the FASB issued ASU 2024-03 *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* (“ASU 2024-03”). Under ASU 2024-03, a public entity is required to disclose information about purchases of inventory, employee compensation, depreciation, intangible asset amortization and depletion for each income statement line item that contains those expenses. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. ASU 2024-03 allows for early adoption and requires either prospective adoption to financial statements issued for reporting periods after the effective date of ASU 2024-03 or retrospectively to any or all prior periods presented in the financial statements. The Company is currently assessing the impact of ASU 2024-03 on the Company’s Condensed Consolidated Financial Statement disclosures.

## **NOTE 3. EARNINGS (LOSS) PER SHARE**

The numerator for both basic and diluted earnings (loss) per share is net income (loss) attributable to the Company. The denominator for basic earnings (loss) per share is based upon the number of weighted average shares of the Company’s common stock outstanding during the reporting periods. The denominator for diluted earnings (loss) per share is based upon the number of weighted average shares of the Company’s common stock and common stock equivalents outstanding during the reporting periods using the treasury stock method in accordance with *ASC 260, Earnings Per Share*. Potentially dilutive securities for the diluted earnings (loss) per share 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 earnings (loss) per share:

<i>(in thousands, except per share amounts)</i>	<b>13 Weeks Ended</b>	
	<b>May 1, 2026</b>	<b>May 2, 2025</b>
Net income (loss)	\$ 330,693	\$ (8,262)
Basic weighted average common shares outstanding	30,778	30,867
Dilutive impact of stock awards	546	—
Diluted weighted average common shares outstanding	<u>31,324</u>	<u>30,867</u>
<b>Earnings (loss) per share</b>		
Basic	\$ 10.74	\$ (0.27)
Diluted	\$ 10.56	\$ (0.27)
Anti-dilutive shares excluded from diluted earnings (loss) per common share calculation	58	746

Stock awards are considered anti-dilutive based on the application of the treasury stock method or in the event of a net loss.

#### **NOTE 4. OTHER COMPREHENSIVE LOSS**

Other comprehensive income (loss) encompasses all changes in equity other than those arising from transactions with stockholders and is comprised solely of foreign currency translation adjustments. The Company's foreign subsidiaries use their foreign currency as their functional currency. Functional currency assets and liabilities are translated into U.S. Dollars using exchange rates in effect at the balance sheet date, and revenues and expenses are translated at average exchange rates during the period. Resulting translation gains and losses are reported in other comprehensive income (loss), until the substantial liquidation of a subsidiary, at which time accumulated translation gains or losses are reclassified into net income (loss).

<i>(in thousands)</i>	<b>13 Weeks Ended</b>	
	<b>May 1, 2026</b>	<b>May 2, 2025</b>
Beginning balance: Accumulated other comprehensive loss (net of tax of \$4,234 and \$4,234, respectively)	\$ (16,590)	\$ (16,669)
Other comprehensive (loss) income:		
Foreign currency translation adjustments (net of tax of \$189 and \$(202), respectively)	(52)	1,498
Ending balance: Accumulated other comprehensive loss (net of tax of \$4,423 and \$4,032, respectively)	<u>\$ (16,642)</u>	<u>\$ (15,171)</u>

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

#### **NOTE 5. EQUITY METHOD INVESTMENT**

The Company accounts for investments through which it exercises significant influence but does not have control over the investee under the equity method. Under the equity method, the Company recorded its investment in the investee on the balance sheet initially at cost, and subsequently adjusts the carrying amount based on its share of the investee's net income or loss. Distributions received from the investee are recognized as a reduction of the carrying amount of the investment. The Company's share of equity (income)/losses and other adjustments associated with these equity investments are included in Other operating expense, net in the Condensed Consolidated Statements of Operations, and classified as a component of operating loss since the equity method investee's operations are considered integral to the Company's business. The carrying value for the Company's equity investment is reported in Equity method investment on the Condensed Consolidated Balance Sheets.

The following table is a summary of the Company's Equity method investment:

<i>(in thousands)</i>	<b>May 1, 2026</b>		
	<b>% of Ownership</b>	<b>Balance Sheet Location</b>	<b>Balance</b>
LE Topco, LLC	50.00%	Equity Method Investment	\$ 375,758

### **Equity Method Investment with WHP Global**

On January 26, 2026, the Company entered into a Membership Interest Purchase Agreement (“MIPA”) with WH Topco, L.P., a Delaware limited partnership doing business as WHP Global. On April 1, 2026 the MIPA and related transactions were closed and funded (the “Closing”), pursuant to which, (i) the Company contributed all of its intellectual property and related assets associated with the “Lands’ End” brand, including all of the license agreements entered into in connection with Lands’ End’s licensing business (the “Contributed Assets”) to LE Topco, LLC (the “JV”) a newly formed Delaware limited liability company and wholly owned subsidiary and (ii) immediately thereafter, the Company sold a 50% controlling ownership stake in the JV to WHP Global for an aggregate purchase price of \$300 million in cash, and contributed initial cash of \$1.25 million to the JV.

In addition, WHP Global completed a tender offer for \$100 million of Lands’ End shares at a price of \$45.00 per share. As a result of the tender offer, WHP Global owns approximately 7.2% of Lands’ End outstanding shares of common stock and is now considered a related party.

At the Closing, the Company entered into a License Agreement, pursuant to which the JV granted a license to the Company to design, manufacture, sell and promote certain categories of products (including the types of products that the Company designed, manufactured and sold as of the date of the License Agreement) in certain channels and in certain jurisdictions, including the United States, Canada, the United Kingdom, Germany, Austria and France. The License Agreement is royalty-bearing and subject to a guaranteed minimum royalty (“GMR”) of \$50,000,000 per year (calculated pro rata based on an amount of \$50,000,000 for a twelve (12) month period for the first contract year) through the end of the contract year 11, will increase one percent per year for contract years 12-21, and will be \$55,231,106 for each contract year thereafter, with different royalty rates due depending on the channel under which products are sold. The initial term of the License Agreement is 10 years following the conclusion of the first contract year, and the License Agreement automatically renews for up to 12 successive renewal terms of 7 years each, unless the Company provides notice of non-renewal at least 24 months prior to the end of the initial or applicable renewal term. The License Agreement is only terminable by the JV if the Company breaches its obligation to make its required guaranteed minimum payments, or to make undisputed royalty payments, in each case subject to an opportunity to cure such non-payment within a certain period of time. Additionally, pursuant to the WHP Transaction, in certain WHP Global monetization events, such as a qualifying public listing or majority sale, Lands’ End may have the right or obligation to exchange its interest in the JV for equity in WHP Global, at the same valuation multiple as the WHP Global monetization event.

Under the derecognition guidance from ASC 810, the Company derecognized the intellectual property assets at their carrying amount upon their contribution to the JV. In exchange for the Company’s contribution of its intellectual property assets to the JV, WHP Global invested \$300.0 million for a 50% stake in the JV. Separately, and as a closing condition, WHP Global completed a tender offer for \$100 million of Lands’ End issued shares at a price of \$45.00 per share. For accounting purposes, the difference between the purchase price paid by WHP Global in the tender offer and the trading price of the Company’s common stock on the day of the closing of the transaction in the amount of \$74.3 million was treated as additional consideration for the sale of the 50% stake in the JV and a corresponding deemed distribution to shareholders. The Company did not receive or distribute this cash consideration.

The Company determined that the cash invested, along with the difference between the Company’s closing price of the common stock on the day of the closing of the transaction implied a fair value of the JV of \$748.6 million. The carrying amount of the intellectual property assets was \$257.0 million, previously classified as Asset Held for Sale as of January 30, 2026, resulting in a gain of \$491.6 million included in Gain on WHP Transaction on the Condensed Consolidated Statements of Operations.

### **Summary Financial Information for Equity Method Investment**

Summarized financial information related to the Company’s equity method investment in the JV is reflected below:

<i>(in thousands)</i>	<b>13 Weeks Ended May 1, 2026 <sup>(1)</sup></b>	
Revenue	\$	4,227
Gross profit		4,227
Operating expenses		440
Intangible asset amortization		3,393
Total operating expenses		3,833
Net earnings	\$	394
Earnings attributable to the equity method investment	\$	197

<sup>(1)</sup> Represents the period from the closing date of April 1, 2026 to May 1, 2026.

<i>(in thousands)</i>	<b>May 1, 2026</b>	
Current assets	\$	6,232
Non-current assets		745,229
Total assets	\$	751,461
Current liabilities		420
Total liabilities	\$	420

**NOTE 6. DEBT**

**ABL Facility**

The Company's \$225.0 million committed revolving ABL Facility, as amended to date, includes a \$35.0 million sublimit for letters of credit and is available for working capital and other general corporate liquidity needs. The amount available to borrow is the lesser of (1) the Aggregate Commitments of \$225.0 million or (2) the Borrowing Base or Loan Cap which is calculated from Eligible Inventory, Trade Receivables and Credit Card Receivables, all foregoing capitalized terms not defined herein are as defined in the ABL Facility.

The following table summarizes the Company's ABL Facility borrowing availability:

<i>(in thousands)</i>	<u>May 1, 2026</u>		<u>May 2, 2025</u>		<u>January 30, 2026</u>	
	<b>Amount</b>	<b>Interest Rate</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Amount</b>	<b>Interest Rate</b>
ABL Facility limit	\$ 225,000		\$ 225,000		\$ 225,000	
Borrowing Base	145,791		137,871		133,624	
Outstanding borrowings	30,000	5.16%	40,000	6.09%	—	
Outstanding letters of credit	11,544		11,030		10,978	
ABL Facility utilization at end of period	41,544		51,030		10,978	
ABL Facility borrowing availability	<u>\$ 104,247</u>		<u>\$ 86,841</u>		<u>\$ 122,646</u>	

Effective with the Fifth Amendment to the ABL Facility, dated March 28, 2025 (the "Fifth Amendment"), a 0.10% adjustment to the SOFR benchmark interest rate was eliminated and the benchmark rates under the ABL Credit Agreement are, at the election of the Company, either: (1) Term SOFR (which is a forward looking term rate based on the secured overnight financing rate), or (2) a Base Rate (which is the greatest of (a) 0% per annum, (b) the federal funds rate plus 0.50%, (c) the one-month Term SOFR rate plus 1.00%, or (d) the Wells Fargo "prime rate"). The borrowing margin for SOFR Rate loans is (i) where the average daily total outstanding for the previous quarter is less than \$95.0 million, 1.50%, and (ii) where the average daily total outstanding for the previous quarter is equal to or greater than \$95.0 million, 1.75%. For Base Rate loans, the borrowing margin is (i) where the average daily total outstanding for the previous quarter is less than \$95.0 million, 0.75%, and (ii) where the average daily total outstanding for the previous quarter is equal to or greater than \$95.0 million, 1.00% ("Applicable Borrowing Margin"). The Applicable Borrowing Margin for all loans is based upon the average daily total loans outstanding for the previous quarter. The Fifth Amendment reduced aggregate commitments from \$275

million to \$225 million, and reduced the letter of credit sublimit from \$70 million to \$35 million, in line with the Company's lower inventory levels and expected letter of credit capacity, and had no material interest rate impact.

The ABL Facility fees include (i) commitment fees of 0.20% or 0.30% 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, (ii) customary letter of credit fees and (iii) customary annual agent fees. The Fifth Amendment extended the maturity date of the ABL Facility to March 28, 2030. Under applicable accounting guidance, certain unamortized debt issuance costs originating from the ABL Facility are deferred and amortized over the extended term of the ABL Facility, and certain unamortized debt issuance costs have been written off. As of May 1, 2026, the Company had \$30.0 million of borrowings outstanding under the ABL Facility.

### Long-Term Debt

On April 1, 2026, the Company fully repaid the outstanding principal balance of \$234.0 million under its Term Loan Facility, together with \$0.9 million of accrued and unpaid interest, using proceeds from the WHP Transaction and the Term Loan Facility terminated, including related guarantees. In connection with the repayment, the Company incurred a 1% prepayment premium of \$2.3 million and wrote off the remaining unamortized deferred financing costs of \$6.9 million. These items resulted in a \$9.2 million loss on extinguishment of debt, which is reflected in the Condensed Consolidated Statement of Operations.

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

	May 1, 2026		May 2, 2025		January 30, 2026	
	Amount	Interest Rate	Amount	Interest Rate	Amount	Interest Rate
<i>(in thousands)</i>						
Term Loan Facility	\$ —	—	\$ 243,750	12.41%	\$ 234,000	12.04%
Less: Current portion of long-term debt	—		13,000		13,000	
Less: Unamortized debt issuance costs	—		8,531		6,789	
Long-term debt, net	\$ —		\$ 222,219		\$ 214,211	

### Debt Facilities

#### Guarantees; Security

All obligations under the Company's ABL Facility 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 assets of the borrowers and guarantors, primarily consisting of inventory and accounts receivable, subject to customary exceptions.

Prior to its repayment on April 1, 2026, the Company's Term Loan Facility was secured by a second-priority security interest in such working capital assets and a first-priority security interest in certain other assets, including specified fixed assets. Upon repayment in full of the Term Loan Facility on April 1, 2026, all outstanding borrowings under the facility were extinguished and all related liens and guarantees were released.

#### Representations and Warranties; Covenants

Subject to specified exceptions, the ABL Facility contains customary representations and warranties and restrictive covenants that, among other things, limit Lands' End, Inc. and its subsidiaries' ability to incur indebtedness (including guarantees), grant liens, make investments, pay dividends or other distributions, prepay certain indebtedness, and engage in mergers or changes in the nature of their business.

Prior to its repayment on April 1, 2026, the Company's Term Loan Facility contained financial covenants, including a quarterly maximum total leverage ratio and a monthly minimum liquidity requirement. Upon repayment in full of the Term Loan Facility on April 1, 2026, these covenants ceased to apply.

Under the ABL Facility, if excess availability falls below the greater of 10% of the Loan Cap amount or \$12.0 million, the Company is required to comply with a minimum fixed charge coverage ratio of 1.0 to 1.0.

The ABL Facility also contains customary affirmative covenants, including reporting requirements such as delivery of periodic financial statements, compliance certificates and notices of certain events, as well as requirements to maintain insurance and, in certain circumstances, provide additional guarantees and collateral.

As of May 1, 2026, the Company was in compliance with all applicable covenants under the ABL Facility.

### *Events of Default*

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

### **NOTE 7. STOCK-BASED COMPENSATION**

The Company expenses the fair value of all stock awards over their requisite service period, 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, financial performance criteria, event criteria and/or stock performance criteria that must be achieved for the awards to be earned. For Performance Awards with financial performance criteria, the Target Shares earned can range from 50% to 200% (such result, the "Earned Shares") once minimum thresholds have been reached and depend on the achievement of certain financial measures for the cumulative period comprised of three-consecutive fiscal years beginning with the fiscal year of the grant date. Performance Awards are also subject to limitations under the Company's stockholder approved stock plans. The applicable percentage of the Target Shares, as determined by the applicable performance measure, 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. Unearned Target Shares are forfeited.

For the Performance Awards granted in Fiscal 2025 and Fiscal 2024 with stock performance criteria, the Target Shares earned can range from 0% to 100% based on the Company's highest average per share common stock closing price, measured over any 20 consecutive trading-day period from and after the date of grant and during the three-consecutive fiscal years beginning with the fiscal year of the grant date.

During First Quarter of 2026, the Company modified the Performance Awards granted in Fiscal 2025 with event criteria. The Company modified these awards such that 50% of the Performance Awards would vest upon the closing of the WHP Transaction, with an additional 25% vesting upon the one year anniversary of the closing of the event, and the final 25% upon December 31, 2027. The fair value for the Performance Awards granted in 2025 with event criteria is based on the common stock closing price on the date of modification.

The grant date fair value of the Performance Awards granted in Fiscal 2026 and Fiscal 2025 with financial performance criteria are based on the closing price of the Company's common stock on the grant date. The grant date fair value of the Performance Awards granted in Fiscal 2025 with event criteria are based on the closing price of the Company's common stock on the modification date. The grant date fair value for the Performance Awards granted in Fiscal 2025 and Fiscal 2024 with stock performance criteria are based on the Monte Carlo simulation model.

- Stock-based compensation expense, including awards with market conditions, 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. The Company accrues for Performance Awards on the basis of a 100% payout unless it becomes probable that the outcome will be significantly different, or the performance can be accurately measured.
- 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 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 and Other operating expense, net in the Condensed Consolidated Statements of Operations:

<i>(in thousands)</i>	<b>13 Weeks Ended</b>	
	<b>May 1, 2026</b>	<b>May 2, 2025</b>
Deferred awards	\$ 704	\$ 818
Performance awards <sup>(1)</sup>	2,537	(2)
Option awards	—	104
Total stock-based compensation expense	<u>\$ 3,241</u>	<u>\$ 920</u>

<sup>(1)</sup> Net credit expense for the 13 weeks ended May 2, 2025 includes a reduction of the accrual for Performance Awards based on actual and projected results relative to performance measures.

Stock-based compensation expense during the 13 weeks ended May 1, 2026 included \$2.9 million of Performance Awards granted in 2025 with event criteria recorded in Other operating expense, net and \$0.3 million recorded in Selling and administrative expense in the Condensed Consolidated Statements of Operations. During the 13 weeks ended May 2, 2025, all stock-based compensation expense was recorded in Selling and administrative expense in the Condensed Consolidated Statements of Operations.

### Deferred Awards

The following table provides a summary of the Deferred Awards activity for the 13 weeks ended May 1, 2026:

<i>(in thousands, except per share amounts)</i>	<b>Deferred Awards</b>	
	<b>Number of Shares</b>	<b>Weighted Average Grant Date Fair Value per Share</b>
Unvested Deferred Awards as of January 30, 2026	659	\$ 10.51
Granted	313	12.09
Vested	(127)	11.25
Forfeited or expired	(38)	10.31
Unvested Deferred Awards as of May 1, 2026	<u>807</u>	<u>\$ 10.98</u>

Total unrecognized stock-based compensation expense related to unvested Deferred Awards was approximately \$6.1 million as of May 1, 2026, which is expected to be recognized ratably over a weighted average period of 2.3 years. The total fair value of Deferred Awards vested during the 13 weeks ended May 1, 2026 and May 2, 2025 was \$1.4 million and \$2.0 million, respectively.

### Performance Awards

The following table provides a summary of the Performance Awards activity for the 13 weeks ended May 1, 2026:

<i>(in thousands, except per share amounts)</i>	<b>Performance Awards</b>	
	<b>Number of Shares</b>	<b>Weighted Average Grant Date Fair Value per Share</b>
Unvested Performance Awards as of January 30, 2026	1,249	\$ 10.23
Granted	185	12.09
Vested	(306)	13.29
Forfeited or expired	(61)	10.17
Unvested Performance Awards as of May 1, 2026	<u>1,067</u>	<u>\$ 12.05</u>

Total unrecognized stock-based compensation expense related to unvested Performance Awards was approximately \$7.3 million as of May 1, 2026 which is expected to be recognized ratably over a weighted average period of 2.2 years. The total fair value of Performance Awards vested during the 13 weeks ended May 1, 2026 was \$4.1 million. The fair value of the Performance Awards granted in Fiscal 2025 with event criteria was estimated at \$16.24 per share based on the common stock closing price on the date of modification. The fair value of the 133,984 Performance Awards with stock performance criteria granted during the 13 weeks ended May 2, 2025 was estimated at \$7.81 per share on the grant date using a Monte Carlo simulation.

## Option Awards

The following table provides a summary of the Option Awards activity for the 13 weeks ended May 1, 2026:

	Option Awards	
	Number of Shares	Weighted Average Grant Date Fair Value per Share
<i>(in thousands, except per share amounts)</i>		
Option Awards outstanding as of January 30, 2026	133	\$ 14.93
Granted	—	—
Exercised	(84)	10.81
Forfeited	—	—
Expired	—	—
Option Awards outstanding as of May 1, 2026	49	\$ 22.00

The following table provides a summary of information about the Option Awards vested as well as Option Awards exercisable, as of May 1, 2026:

	Option Awards	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Aggregate Intrinsic Value
<i>(in thousands, except contractual life and exercise price amounts)</i>				
Option Awards vested	49	1.02	\$ 22.00	\$ -
Option Awards exercisable	49	1.02	\$ 22.00	\$ -

There is no unrecognized stock-based compensation expense related to Option Awards as of May 1, 2026.

## NOTE 8. STOCKHOLDERS' EQUITY

### Share Repurchase Program

On April 1, 2026, the Company announced that its Board of Directors authorized the Company to repurchase up to \$100 million of the Company's common stock through March 31, 2029 (the "2026 Share Repurchase Program"). Under the 2026 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 were 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. As of May 1, 2026, additional purchases of up to \$99.7 million could be made under the 2026 Share Repurchase Program.

On March 15, 2024, the Company announced that its Board of Directors authorized the Company to repurchase up to \$25.0 million of the Company's common stock through March 31, 2026 (the "2024 Share Repurchase Program"). Under the 2024 Share Repurchase Program, the Company repurchased 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 were determined by the Company's management depending upon market conditions and other factors and were also made from time to time pursuant to Rule 10b5-1 trading plans. The 2024 Share Repurchase Program expired on March 31, 2026.

The following table summarizes the Company's share repurchases for the 13 weeks ended May 1, 2026 (under the 2026 Share Repurchase Program) and May 2, 2025 (under the 2024 Share Repurchase Program):

	13 Weeks Ended	
	May 1, 2026	May 2, 2025
<i>(Shares and \$ in thousands except average per share cost)</i>		
Number of shares repurchased	26	291
Total cost	\$ 275	\$ 2,771
Average per share cost <sup>(1)</sup>	\$ 10.71	\$ 9.54

<sup>(1)</sup> Average price paid per share excludes broker commissions and excise taxes.

The Company retired all shares that were repurchased through the 2026 Share Repurchase Program and 2024 Share Repurchase Program during the 13 weeks ended May 1, 2026 and May 2, 2025, respectively. In accordance with FASB ASC 505—Equity, the par value of the shares retired was charged against Common stock and the remaining purchase price, including any broker commissions and excise taxes paid, was either (i) allocated between Additional paid-in capital and Retained earnings, or (ii) charged directly against Additional paid-in capital. To the extent the shares are repurchased at a price less than that of initial issuance, or to the extent the Company does not have sufficient reserves in Retained earnings at the time of repurchase, the excess of the purchase price over par value is accounted for entirely as a deduction from Additional paid-in capital.

#### NOTE 9. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consisted of the following:

<i>(in thousands)</i>	<u>May 1, 2026</u>	<u>May 2, 2025</u>	<u>January 30, 2026</u>
Accrued income taxes	\$ 41,311	\$ —	\$ —
Deferred gift card revenue	30,807	33,364	31,350
Accrued employee compensation and benefits	14,071	16,659	28,706
Reserve for sales returns and allowances	11,635	13,333	14,096
Deferred revenue	10,216	5,049	3,019
Accrued property, sales and other taxes	4,360	6,600	5,319
Accrued interest	499	2,421	1,705
Other	12,646	6,537	6,873
Total Accrued expenses and other current liabilities	<u>\$ 125,545</u>	<u>\$ 83,963</u>	<u>\$ 91,068</u>

#### NOTE 10. FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS AND LIABILITIES

Cash and cash equivalents and restricted cash is reflected on the Condensed Consolidated Balance Sheets at fair value based on Level 1 inputs. Cash and cash equivalents and restricted cash amounts are valued based upon statements received from financial institutions. The fair value of restricted cash was \$0.5 million, \$2.2 million and \$0.6 million as of May 1, 2026, May 2, 2025 and January 30, 2026, respectively.

Carrying amounts and fair values of long-term debt, including current portion were as follows:

<i>(in thousands)</i>	<u>May 1, 2026</u>		<u>May 2, 2025</u>		<u>January 30, 2026</u>	
	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
Long-term debt, including current portion	\$ —	\$ -	\$ 243,750	\$ 239,442	\$ 234,000	\$ 235,780

The Company had no outstanding long-term debt as of May 1, 2026.

Prior to its repayment on April 1, 2026, the fair value of the Term Loan Facility was classified as a Level 3 measurement within the fair value hierarchy. The Company estimated fair value using a combination of valuation techniques, including a Black-Derman-Toy model and observable and unobservable market inputs, reflecting the instrument's contractual terms, including its optional redemption features. There were no nonfinancial assets or nonfinancial liabilities recognized at fair value on a nonrecurring basis as of May 1, 2026, May 2, 2025 and January 30, 2026.

#### 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 tax expense at an overall effective tax rate of 23.6% for the 13 weeks ended May 1, 2026 and a tax benefit of 28.9% for the 13 weeks ended May 2, 2025. The overall effective tax rate for the 13 weeks ended May 1, 2026, varies from the U.S. statutory rate of 21% as a result of state taxes and non-deductible expenses. The overall effective tax rate for the 13 weeks ended May 2, 2025, varies from the U.S. statutory rate of 21% as a result of state taxes and non-deductible expenses.

On April 1, 2026, the Company finalized a joint venture transaction with WHP Global that included sale of 50% interest in its intellectual property. The Company recorded tax expense of \$122.2 million as a result of the transaction.

## 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 positions taken as a whole.

## NOTE 13. SEGMENT REPORTING

The Company identifies operating segments according to how business activities are managed and evaluated. The Company's operating segments consisted of: U.S. eCommerce, Europe eCommerce, Outfitters, Third Party, Licensing and Retail.

- *U.S. eCommerce* offers products through the Company's eCommerce website.
- *Europe eCommerce* offers products primarily direct to consumers located in Europe through eCommerce international websites as well as third-party marketplace websites.
- *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 products direct to consumers through third-party marketplace websites.
- *Licensing* earned royalties on the use of the Lands' End trademark and any fulfillment fees for fulfillment services provided by the Company through the closing of the WHP Transaction. Effective April 1, 2026, the licensing segment earns fulfillment fees for fulfillment services provided by the Company.
- *Retail* sells products through the Company Operated stores, located in the U.S.

The internal reporting of these operating segments is based, in part, on the reporting and review process used by the Company's chief operating decision maker ("CODM"), its Chief Executive Officer. The CODM assesses segment performance based on variable profit, which is defined as net revenue minus cost of sales and variable selling expenses. The Company's CODM monitors actual segment variable profit results relative to operating plan and forecast to assess the performance of the business and allocate resources. The CODM does not utilize segment asset information to evaluate performance and make resource allocation decisions, and thus such disclosures are not provided. Variable profit is a non-GAAP financial measure, which management believes provides useful information to investors and to the CODM in order to assess segment performance. A reconciliation of variable profit to consolidated income (loss) before income taxes is set forth below.

The Company determined the U.S. eCommerce, Outfitters and Third Party operating segments share similar economic and other qualitative characteristics, and therefore the results of these operating segments are aggregated into the U.S. Digital segment. The Europe eCommerce, Licensing and Retail operating segments are not quantitatively significant to be separately reported.

The Company has determined its significant segment expense categories based on amounts regularly provided to the Company's CODM to evaluate segment profitability and drive strategic decision making. The following presents U.S. Digital segment sales and expenses:

<i>(in thousands)</i>	13 Weeks Ended May 1, 2026		13 Weeks Ended May 2, 2025	
	Segment	Total	Segment	Total
Net revenue	\$ 205,123	\$ 205,123	\$ 227,752	\$ 227,752
All other net revenue <sup>(1)</sup>		33,793		33,456
Total consolidated net revenue		<u>\$ 238,916</u>		<u>\$ 261,208</u>
Product cost of goods sold	76,527		83,601	
Shipping cost of goods sold	30,514		26,916	
Other cost of goods sold <sup>(2)</sup>	4,207		2,273	
Marketing costs	39,502		39,933	
Variable personnel costs	14,093		15,570	
Other segment expenses <sup>(3)</sup>	6,207		6,565	
Segment variable profit	<u>\$ 34,073</u>		<u>\$ 52,894</u>	

<sup>(1)</sup> All other net revenue is from Europe eCommerce, Licensing and Retail that does not meet the quantitative thresholds

<sup>(2)</sup> Other cost of goods sold includes royalty expense, donations and other miscellaneous cost of goods sold

<sup>(3)</sup> Other segment expenses include credit card fees, customer service, webhosting, supplies and other miscellaneous expenses

The reconciliation between segment variable profit to consolidated income (loss) before income taxes is as follows:

<i>(in thousands)</i>	13 Weeks Ended May 1, 2026	13 Weeks Ended May 2, 2025
Segment variable profit	\$ 34,073	\$ 52,894
All other variable profit <sup>(1)</sup>	4,978	5,844
Depreciation expense	(6,100)	(8,291)
Unallocated corporate expenses <sup>(2)</sup>	(77,059)	(52,817)
Gain on WHP Transaction	491,622	—
Loss on extinguishment of debt	(9,172)	—
Interest expense	(5,514)	(9,265)
Other income (loss), net	(136)	11
Income (loss) before income taxes	<u>\$ 432,692</u>	<u>\$ (11,624)</u>

<sup>(1)</sup> All other variable profit is from Europe eCommerce, Licensing and Retail that does not meet the quantitative thresholds

<sup>(2)</sup> Unallocated corporate expenses include fixed personnel costs, strategic alternative costs, incentive compensation, office occupancy, information technology and professional fees

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

<i>(in thousands)</i>	13 Weeks Ended May 1, 2026	% of Net Revenue	13 Weeks Ended May 2, 2025	% of Net Revenue
Net revenue:				
U.S. eCommerce	\$ 153,338	64.2%	\$ 170,747	65.4%
Outfitters	38,494	16.1%	42,923	16.4%
Third Party	13,291	5.6%	14,082	5.4%
Total U.S. Digital Segment Revenue	<u>205,123</u>		<u>227,752</u>	
Europe eCommerce	20,527	8.5%	17,851	6.8%
Licensing and Retail	13,266	5.6%	15,605	6.0%
Total Net revenue	<u>\$ 238,916</u>		<u>\$ 261,208</u>	

**NOTE 14. REVENUE**
**Net Revenue**
***Product Sales***

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, Europe eCommerce, 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:

<i>(in thousands)</i>	<b>13 Weeks Ended</b>	
	<b>May 1, 2026</b>	<b>May 2, 2025</b>
Net revenue:		
United States	\$ 216,055	\$ 241,063
Europe	21,026	18,319
Other	1,835	1,826
Total Net revenue	<u>\$ 238,916</u>	<u>\$ 261,208</u>

***Licensing Agreements***

The Company generates revenue from fulfillment services performed on behalf of third-parties for product sold on the Company's website and fulfilled from the Company's distribution center. Revenue is recognized over time as fulfillment services are rendered and is included in Net revenue and reported in the Licensing distribution channel. In certain agreements, the Company agreed to provide marketing activities. The Company receives reimbursement for such services at cost. The amount of these reimbursements are recorded as a reduction of Selling and administrative expenses in the Condensed Consolidated Statements of Operations. The amount of these reimbursements was \$2.1 million for the 13 weeks ended May 1, 2026 and \$1.6 million for the 13 weeks ended May 2, 2025.

Prior to the closing of the WHP Transaction, the Company also generated royalty revenue from licensing the right to use its trademarks to third parties and reported such revenue in the Licensing distribution channel. The license agreements required the licensees to pay the Company a trademark royalty based on net sales as defined in the license agreements. The Company recognized sales-based royalty revenue (i) when a contractually guaranteed minimum is not expected to be met, the minimum is recognized as revenue on a straight-line basis over the contractual period, or (ii) when the contractually guaranteed minimum is expected to be met, revenue is recognized when the related sales of the licensed product occurs.

***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, reported in Accrued expenses and other current liabilities in the Condensed Consolidated Balance Sheets, and amounts recognized through Net revenue for each period presented. The majority of deferred revenue as of May 1, 2026 is expected to be recognized in Net revenue in the fiscal quarter ending July 31, 2026, as products are delivered to customers.

<i>(in thousands)</i>	<b>13 Weeks Ended</b>	
	<b>May 1, 2026</b>	<b>May 2, 2025</b>
Deferred revenue beginning of period	\$ 3,019	\$ 6,584
Deferred revenue recognized in period	(2,806)	(6,370)
Revenue deferred in period	10,003	4,835
Deferred revenue end of period	<u>\$ 10,216</u>	<u>\$ 5,049</u>

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 Accrued expenses and 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:

<i>(in thousands)</i>	13 Weeks Ended	
	May 1, 2026	May 2, 2025
Balance as of beginning of period	\$ 31,350	\$ 34,746
Gift cards issued	13,817	14,612
Gift cards redeemed	(11,180)	(15,310)
Gift card breakage	(3,180)	(684)
Balance as of end of period	<u>\$ 30,807</u>	<u>\$ 33,364</u>

### 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. Refund liabilities, primarily associated with estimated product returns, were \$11.6 million, \$13.3 million and \$14.1 million as of May 1, 2026, May 2, 2025 and January 30, 2026, respectively, and reported in Accrued expenses and other current liabilities 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 Regarding Forward-Looking Information" below, "Item 1A. Risk Factors" in our Annual Report filed on Form 10-K for the year ended January 30, 2026 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 Condensed Consolidated Statements of Operations net of Income tax expense/(benefit), Interest expense, Depreciation and amortization and other significant items
- *Adjusted net income (loss)* – Net income (loss) appearing on the Condensed Consolidated Statements of Operations excluding significant non-recurring or non-operational items. Adjusted net income (loss) is also presented on a diluted per share basis
- *Company Operated stores* – Lands' End retail stores in the Retail distribution channel
- *Debt Facilities* – Collectively, the Term Loan Facility and ABL Facility
- *First Quarter 2026* – The 13 weeks ended May 1, 2026
- *First Quarter 2025* – The 13 weeks ended May 2, 2025
- *Fiscal 2036* – The 52 weeks ending January 30, 2036
- *Fiscal 2026* – The 52 weeks ending January 29, 2027
- *Fiscal 2025* – The 52 weeks ended January 30, 2026
- *Fiscal 2024* – The 52 weeks ended January 31, 2025
- *GAAP* – Accounting principles generally accepted in the United States
- *JV* – Joint venture with WHP Global in which the Company owns 50% of the joint venture entity, LE Topco, LLC
- *SOFR* – Secured Overnight Funding Rate
- *Term Loan Facility* – Term loan credit agreement, dated as of December 29, 2023, among the Company, Blue Torch Capital, as Administrative Agent and Collateral Agent, and the lenders party thereto
- *WHP Global* – WH Topco, L.P. (d/b/a WHP Global)
- *WHP Transaction* – The transaction which, (i) the Company contributed all of its intellectual property and related assets associated with the "Lands' End" brand, including all of the license agreements entered into in connection with Lands' End's licensing business (the "Contributed Assets") to LE Topco, LLC (the "JV") a newly formed Delaware limited liability company and wholly owned subsidiary and (ii) immediately thereafter, the Company sold a 50% controlling ownership stake in the JV to WHP Global

- *Year-to-Date 2026 – The 13 weeks ended May 1, 2026*
- *Year-to-Date 2025 – The 13 weeks ended May 2, 2025*

## Executive Overview

### *Description of the Company*

Lands' End is a leading digital retailer of solution-based apparel, swimwear, outerwear, accessories, footwear, home products and uniforms. We offer products online at [www.landsend.com](http://www.landsend.com), through third-party distribution channels and our own Company Operated stores. We also offer products to businesses and schools, for their employees and students, through the Outfitters distribution channel. We are a classic American lifestyle brand that creates solutions for life's every journey.

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 identify our operating segments according to how our business activities are managed and evaluated. Our operating segments consist of: U.S. eCommerce, Europe eCommerce, Outfitters, Third Party, Licensing and Retail.

We have determined that the U.S. eCommerce, Outfitters and Third Party operating segments share similar economic and other qualitative characteristics, and therefore, the results of these operating segments are aggregated into the U.S. Digital segment. The Europe eCommerce, Licensing and Retail operating segments are not quantitatively significant to be separately reported. See Note 13, *Segment Reporting*.

### *Distribution Channels*

We identify six separate distribution channels for revenue reporting purposes:

- *U.S. eCommerce* offers products through our eCommerce website.
- *Europe eCommerce* offers products primarily direct to consumers located in Europe through eCommerce international websites as well as third-party marketplace websites.
- *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 products direct to consumers through third-party marketplace websites.
- *Licensing* earned royalties on the use of our trademark and any fulfillment fees for fulfillment services provided by us through the closing of the WHP Transaction. Effective April 1, 2026, the licensing segment earns fulfillment fees for fulfillment services provided by us.
- *Retail* sells products through the Company Operated stores, located in the U.S.

## WHP Transaction

On January 26, 2026, we entered into a Membership Interest Purchase Agreement ("MIPA") with WH Topco, L.P., a Delaware limited partnership doing business as WHP Global. On April 1, 2026 the MIPA and related transactions were closed and funded (the "Closing"), pursuant to which, (i) we contributed all of our intellectual property and related assets associated with the "Lands' End" brand, including all of the license agreements entered into in connection with our licensing business (the "Contributed Assets") to LE Topco, LLC (the "JV") a newly formed Delaware limited liability company and wholly owned subsidiary and (ii) immediately thereafter, we sold a 50% controlling ownership stake in the JV to WHP Global for an aggregate purchase price of \$300 million in cash, and contributed initial cash of \$1.25 million to the JV.

In addition, on April 1, 2026, WHP Global completed a tender offer for \$100 million of our shares at a price of \$45.00 per share. As a result of the tender offer, WHP Global owns approximately 7.2% of our outstanding shares of common stock and is now considered a related party.

At the Closing, we entered into a License Agreement, pursuant to which the JV granted a license to us to design, manufacture, sell and promote certain categories of products (including the types of products that we designed, manufactured and sold as of the date of the License Agreement) in certain channels and in certain jurisdictions, including the United States, Canada, the United Kingdom, Germany, Austria and France. The License Agreement is royalty-bearing and subject to a guaranteed minimum royalty (“GMR”) of \$50,000,000 per year (calculated pro rata based on an amount of \$50,000,000 for a twelve (12) month period for the first contract year) through the end of the contract year 11, will increase one percent per year for contract years 12-21, and will be \$55,231,106 for each contract year thereafter, with different royalty rates due depending on the channel under which products are sold. The initial term of the License Agreement is 10 years following the conclusion of the first contract year, and the License Agreement automatically renews for up to 12 successive renewal terms of 7 years each, unless we provide notice of non-renewal at least 24 months prior to the end of the initial or applicable renewal term. The License Agreement is only terminable by the JV if we breach our obligation to make its required guaranteed minimum payments, or to make undisputed royalty payments, in each case subject to an opportunity to cure such non-payment within a certain period of time. Additionally, in certain WHP Global monetization events, such as a qualifying public listing or majority sale, we may have the right or obligation to exchange our interest in the JV for equity in WHP Global, at the same valuation multiple as the WHP Global monetization event.

We determined that the cash invested, along with the difference between our closing price of the common stock on the day of the closing of the transaction implied a fair value of the JV of \$748.6 million. The carrying amount of the intellectual property assets was \$257.0 million, previously classified as Asset Held for Sale as of January 30, 2026, resulting in a gain of \$491.6 million included in Gain on WHP Transaction on the Condensed Consolidated Statements of Operations.

### ***Macroeconomic Challenges***

Macroeconomic issues which impact consumer discretionary spending, such as realized inflation-based price increases and high interest rates have continued to have an impact on our business. Apparel purchases historically have been influenced by domestic and global economic conditions, which may negatively impact customer demand and may require higher levels of promotion in order to attract and retain customers. Macroeconomic challenges may lead to increased cost of raw materials, packaging materials, labor, energy, fuel, debt and other inputs necessary for the production and distribution of our products. Moreover, uncertainty with respect to trade policy and tariffs, including increased tariffs applicable to countries where our vendors manufacture Lands’ End product, may result in an increase in the cost of our products.

In addition, conflict-related disruptions in global energy markets and shipping lanes in early 2026 have contributed to heightened volatility in crude oil and refined-product prices and interruptions to certain maritime routes, which may result in higher freight and delivery costs, carrier surcharges, longer transit times, and inventory delays.

### ***Restructuring and Other Costs***

We have incurred restructuring and other charges related to cost optimization of business operations and exploring strategic alternatives. During First Quarter 2026 and First Quarter 2025, we incurred ongoing costs related to exploring strategic alternatives to maximize shareholder value and we included those costs as part of restructuring and other. This process culminated in the WHP Transaction. Additionally, during First Quarter 2025, we reduced approximately 6% of corporate office positions and incurred restructuring charges, primarily severance and benefit and other related costs. The reductions in the corporate office positions were made to better align with the evolving needs of the business and to invest in key growth areas.

We incurred \$23.3 million and \$3.3 million of restructuring and other costs during the First Quarter 2026 and First Quarter 2025, respectively.

As of May 1, 2026, approximately \$2.8 million of restructuring and other costs incurred had yet to be paid and are included in Accrued expenses and other current liabilities in the Condensed Consolidated Balance Sheets.

### ***Basis of Presentation***

The Condensed Consolidated Financial Statements include the accounts of Lands’ End, Inc. and its subsidiaries. We hold a 50% interest in the JV, which we account for under the equity method. 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 approximately 34.0% of our net revenue in the fourth quarters of Fiscal 2025 and Fiscal 2024.

Working capital requirements typically increase during the second and third quarters of the fiscal year as inventory builds to support peak selling periods and, accordingly, working capital requirements typically decrease during the fourth quarter of the fiscal year as inventory is 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 tables set forth, for the periods indicated, selected income statement data, both in dollars and as a percentage of Net revenue:

<i>(in thousands)</i>	13 Weeks Ended			
	May 1, 2026		May 2, 2025	
Net revenue	\$ 238,916	100.0%	\$ 261,208	100.0%
Cost of sales (exclusive of depreciation and amortization)	127,404	53.3%	128,482	49.2%
Gross profit	111,512	46.7%	132,726	50.8%
Selling and administrative	126,452	52.9%	123,462	47.3%
Depreciation and amortization	6,100	2.6%	8,291	3.2%
Other operating expense, net	23,068	9.7%	3,343	1.3%
Operating loss	(44,108)	(18.5)%	(2,370)	(0.9)%
Interest expense	5,514	2.3%	9,265	3.5%
Gain on WHP Transaction	(491,622)	(205.8)%	—	—%
Loss on extinguishment of debt	9,172	3.8%	—	—%
Other expense (income), net	136	0.1%	(11)	(0.0)%
Income (loss) before income taxes	432,692	181.1%	(11,624)	(4.5)%
Income tax expense (benefit)	101,999	42.7%	(3,362)	(1.3)%
<b>NET INCOME (LOSS)</b>	<b>\$ 330,693</b>	<b>138.4%</b>	<b>\$ (8,262)</b>	<b>(3.2)%</b>

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.

### Definitions, Reconciliations and Uses of Non-GAAP Financial Measures

In addition to our Net income (loss) determined in accordance with GAAP, for purposes of evaluating operating performance, we report the following non-GAAP measures: Adjusted net income (loss) and Adjusted EBITDA. Adjusted net income (loss) is also expressed on a diluted per share basis.

We believe presenting non-GAAP financial measures provides useful information to investors, allowing them to assess how the business performed excluding the effects of significant non-recurring or non-operational amounts. We believe the use of the non-GAAP financial measures facilitates comparing the results being reported against past and future results by eliminating amounts that we believe are not comparable between periods and assists investors in evaluating the effectiveness of our operations and underlying business trends in a manner that is consistent with management's own methods for evaluating business performance.

Our management uses Adjusted net income (loss) and Adjusted EBITDA to evaluate the operating performance of our business for comparable periods and to discuss our business with our Board of Directors, institutional investors and other market participants. Adjusted EBITDA is also used as the basis for a performance measure used in executive incentive compensation.

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 net income (loss) and Adjusted EBITDA should not be used by investors or other third

parties as the sole basis for formulating investment decisions as these measures may exclude a number of important cash and non-cash recurring items.

Adjusted net income (loss) is defined as net income (loss) excluding significant non-recurring or non-operational items as set forth below. Adjusted net income (loss) is also presented on a diluted per share basis. While Adjusted net income (loss) is a non-GAAP measurement, management believes that it is an important indicator of operating performance and useful to investors.

- Other significant non-recurring or non-operational 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 and are described below:
  - Corporate restructuring and other – composed of costs related to the strategic alternative exploration as well as severance and benefit costs for the 13 weeks ended May 1, 2026 and May 2, 2025.
  - Loss on extinguishment of debt – prepayment premium associated with the repayment of the Term Loan Facility before the scheduled maturity date and the write off of related unamortized debt issuance costs of the Term Loan Facility for the 13 weeks ended May 1, 2026.
  - Unmitigated tariff costs – unmitigated incremental product costs, net of the impact of vendor negotiations, incurred pursuant to International Emergency Economic Powers Act (“IEEPA”) tariffs that were subsequently ruled unlawful by the Supreme Court of the United States on February 20, 2026 for the 13 weeks ended May 1, 2026.
  - JV intangible asset amortization – Lands’ End’s proportionate share of intangible asset amortization expense recorded within the JV’s financial results for the 13 weeks ended May 1, 2026.
  - Exit costs – charges associated to exit kids and footwear lines of business including inventory excess and obsolescence reserves, inventory discounts and operational charges recorded in the 13 weeks ended May 2, 2025 in conjunction with our licensing arrangements commencing in Fiscal 2024.
  - Gain on WHP Transaction – Gain recognized in conjunction with the transfer of the Lands’ End intellectual property to the JV, and immediately thereafter, sale of a 50% controlling ownership stake in the JV to WHP Global for the 13 weeks ended May 1, 2026.

The following table sets forth, for the periods indicated, a reconciliation of Net income (loss) to Adjusted net income (loss) and Adjusted diluted earnings (loss) per share:

<b>Unaudited</b>	<b>13 Weeks Ended</b>	
	<b>May 1, 2026</b>	<b>May 2, 2025</b>
<i>(in thousands, except per share amounts)</i>		
Net income (loss)	\$ 330,693	\$ (8,262)
Corporate restructuring and other	23,290	3,332
Loss on extinguishment of debt	9,172	—
Unmitigated tariff costs	6,800	—
JV intangible asset amortization	1,697	—
Exit Costs	—	257
Gain on WHP Transaction	(491,622)	—
Tax effects on adjustments <sup>(1)</sup>	116,460	(746)
<b>ADJUSTED NET LOSS</b>	<b>\$ (3,510)</b>	<b>\$ (5,419)</b>
<b>ADJUSTED DILUTED LOSS PER SHARE</b>	<b>\$ (0.11)</b>	<b>\$ (0.18)</b>
Diluted weighted average common shares outstanding	31,324	30,867

<sup>(1)</sup> The tax impact of adjustments is calculated at the applicable U.S. and non-U.S. Federal and State statutory rates.

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 and are described below:
  - Corporate restructuring and other – composed of costs related to the strategic alternative exploration as well as severance and benefit costs for the 13 weeks ended May 1, 2026 and May 2, 2025.
  - Unmitigated tariff costs – unmitigated incremental product costs, net of the impact of vendor negotiations, incurred pursuant to International Emergency Economic Powers Act (“IEEPA”) tariffs that were subsequently ruled unlawful by the Supreme Court of the United States on February 20, 2026 for the 13 weeks ended May 1, 2026.
  - JV intangible asset amortization – Lands’ End’s proportionate share of intangible asset amortization expense recorded within the JV’s financial results for the 13 weeks ended May 1, 2026.
  - Net gain or loss on disposal of property and equipment – disposal of property and equipment for the 13 weeks ended May 1, 2026 and May 2, 2025.
  - Exit costs - charges associated to exit kids and footwear lines of business including inventory excess and obsolescence reserves, inventory discounts and operational charges recorded in the 13 weeks ended May 2, 2025 in conjunction with our licensing arrangements commencing in Fiscal 2024.

The following table sets forth, for the periods indicated, selected income statement data, both in dollars and as a percentage of Net revenue and a reconciliation of Net income (loss) to Adjusted EBITDA:

<b>Unaudited</b> <i>(in thousands)</i>	<b>13 Weeks Ended</b>			
	<b>May 1, 2026</b>		<b>May 2, 2025</b>	
Net income (loss)	\$ 330,693	138.4%	\$ (8,262)	(3.2)%
Income tax expense (benefit)	101,999	42.7%	(3,362)	(1.3)%
Interest expense	5,514	2.3%	9,265	3.5%
Loss on extinguishment of debt	9,172	3.8%	—	—%
Gain on WHP Transaction	(491,622)	(205.8)%	—	—%
Other (income) expense, net	136	0.1%	(11)	(0.0)%
Operating loss	(44,108)	(18.5)%	(2,370)	(0.9)%
Depreciation and amortization	6,100	2.6%	8,291	3.2%
Corporate restructuring and other	23,290	9.7%	3,332	1.3%
Unmitigated tariff costs	6,800	2.8%	—	—%
JV intangible asset amortization	1,697	0.7%	—	—%
Exit costs	—	—%	257	0.1%
(Gain) loss on disposal of property and equipment	(25)	(0.0)%	11	0.0%
<b>Adjusted EBITDA</b>	<b>\$ (6,246)</b>	<b>(2.6)%</b>	<b>\$ 9,521</b>	<b>3.6%</b>

In assessing the operational performance of our business, we consider a variety of financial measures. We operate in six separate distribution channels for revenue reporting purposes: U.S. eCommerce, Europe eCommerce, Outfitters, Third Party, Licensing and Retail. A key measure in the evaluation of our business is revenue performance by distribution channel as well as consolidated Gross margin. We manage and assess the performance of each of our operating segments using variable profit, which is defined as Net revenue minus cost of sales and variable selling expenses. This segment measure excludes fixed personnel costs, incentive compensation, office occupancy, information technology, professional fees and depreciation and amortization. See Note 13, *Segment Reporting* for more information regarding variable profit, which is a non-GAAP measure, as well as a reconciliation of variable profit to Income (loss) before income taxes.

We use Net revenue to evaluate revenue performance for the U.S. eCommerce, Europe eCommerce, Outfitters, Third Party, Retail and Licensing distribution channels.

## Discussion and Analysis

### First Quarter 2026 compared with First Quarter 2025

#### *Net Revenue*

Net revenue was \$238.9 million for the First Quarter of 2026, a decrease of \$22.3 million or 8.5%, from \$261.2 million during the First Quarter of 2025. The decrease in revenue was driven primarily by the temporary disruption associated with the rollout of the new warehouse management system and the deliberate pacing of shipments as we ramped our distribution centers back to normal capacity. Excluding the impact of the temporary disruption, we estimate we would have delivered low single-digit revenue growth in the quarter.

U.S. Digital Segment Net revenue was \$205.1 million for the First Quarter of 2026, a decrease of \$22.6 million or 9.9% from \$227.7 million in the First Quarter of 2025.

U.S. eCommerce Net revenue was \$153.3 million for the First Quarter of 2026, a decrease of \$17.4 million or 10.2%, from \$170.7 million during the First Quarter of 2025. The decrease was driven by the temporary disruption associated with the rollout of the new warehouse management system and the deliberate pacing of shipments as we ramped our distribution centers back to normal capacity.

Outfitters Net revenue was \$38.5 million for the First Quarter of 2026, a decrease of \$4.4 million or 10.3%, from \$42.9 million during the First Quarter of 2025. The decrease was driven by the temporary disruption of the new warehouse management system. Customer orders from the business uniform channel remained strong primarily driven by select enterprise accounts.

Third Party Net revenue was \$13.3 million for the First Quarter of 2026, a decrease of \$0.8 million or 5.7%, from \$14.1 million during the First Quarter of 2025. The decrease was primarily due to prioritizing profitable high-quality sales and brand quality over lower-value promotional volume.

Europe eCommerce Net revenue was \$20.5 million for the First Quarter of 2026, an increase of \$2.6 million or 14.5%, from \$17.9 million during the First Quarter of 2025. The increase was primarily due to strategic shift to a franchise-first assortment simplifying the business and improving inventory efficiency.

#### *Gross Profit*

Gross profit was \$111.5 million for the First Quarter of 2026, a decrease of \$21.2 million or 16.0% from \$132.7 million during the First Quarter of 2025. Gross margin decreased approximately 410 basis points to 46.7% in the First Quarter of 2026, compared with 50.8% in the First Quarter of 2025. The gross margin decrease was primarily driven by the deleverage created by the temporary distribution center disruption, the new royalty structure associated with the JV and continued tariff headwinds.

#### *Selling and Administrative Expenses*

Selling and administrative expenses increased \$3.0 million to \$126.5 million or 53.0% of Net revenue in the First Quarter of 2026 compared with \$123.5 million or 47.3% of Net revenue in the First Quarter of 2025. The approximately 570 basis point increase was driven by deleverage from lower net revenue and investment in digital marketing focused on new customer acquisition.

#### *Depreciation and Amortization*

Depreciation and amortization expense decreased \$2.2 million to \$6.1 million in the First Quarter of 2026 compared with \$8.3 million in the First Quarter of 2025. The decrease in depreciation and amortization is primarily driven by lower software depreciation as a result of major software projects becoming fully depreciated.

#### *Other Operating Expense*

Other operating expense, net was \$23.1 million in the First Quarter of 2026 compared to \$3.3 million in the First Quarter of 2025. The increase was primarily driven by restructuring and other costs incurred. See Note 1, *Background and Basis of Presentation*.

***Operating Loss***

As a result of the above factors, Operating loss was \$44.1 million in the First Quarter of 2026 compared to \$2.4 million in the First Quarter of 2025.

***Interest Expense***

Interest expense was \$5.5 million in the First Quarter of 2026 compared to \$9.3 million in the First Quarter of 2025. The \$3.8 million decrease was primarily driven by lower ABL Facility interest related to lower average outstanding balances and lower applicable interest rates under the Term Loan Facility. As previously announced, we used a portion of the cash proceeds from the WHP Transaction to fully repay the term loan.

***Gain on WHP Transaction***

Gain on transaction with WHP was \$491.6 million in First Quarter of 2026 compared to none in First Quarter of 2025.

***Loss on Extinguishment of Debt***

Loss on extinguishment of debt was \$9.2 million in First Quarter of 2026 compared to none in First Quarter of 2025.

***Other Expense (Income)***

Other expense was insignificant in the First Quarter of 2026 compared to insignificant other income in the First Quarter of 2025.

***Income Tax (Benefit) Expense***

We recorded income tax expense at an overall effective rate of 23.6% for the First Quarter 2026 and a tax benefit of 28.9% for the First Quarter of 2025, respectively. The overall effective tax rate for the 13 weeks ended May 1, 2026, varies from the U.S. federal statutory rate of 21% as a result of state taxes and non-deductible expenses. The overall effective tax rate for the 13 weeks ended May 2, 2025 varies from the U.S. federal statutory rate of 21% as a result of state taxes and non-deductible expenses.

***Net Income (Loss)***

As a result of the above factors, Net income was \$330.7 million and diluted earnings per share was \$10.56 in the First Quarter of 2026 compared with Net loss of \$8.3 million and diluted loss per share was \$0.27 in the First Quarter of 2025.

***Adjusted Net Income (Loss)***

Adjusted net loss was \$3.5 million and Adjusted diluted loss per share was \$0.11 in the First Quarter of 2026 compared to Adjusted net loss of \$5.4 million and Adjusted diluted loss per share of \$0.18 in the First Quarter of 2025.

***Adjusted EBITDA***

Adjusted EBITDA was \$(6.2) million in First Quarter 2026, a decrease of 165%, compared to \$9.5 million in First Quarter 2025.

**U.S. Digital Segment Results of Operations**

***Variable Profit***

U.S. Digital Segment variable profit was \$34.1 million in the First Quarter of 2026, a decrease of \$18.8 million compared to \$52.9 million in the First Quarter of 2025. U.S. Digital Segment variable profit was 16.6% of U.S. Digital Segment revenue in the First Quarter of 2026, which is a decrease of 660 basis points compared to 23.2% of U.S. Digital Segment revenue in the First Quarter of 2025. The decrease in variable profit as a percentage of U.S. Digital Segment revenue was driven by the temporary disruption associated

with the rollout of the new warehouse management system, the new royalty structure associated with the JV and continued tariff headwinds.

Product cost of goods sold was \$76.5 million or 37.3% of U.S. Digital Segment revenue in the First Quarter of 2026 compared to \$83.6 million or 36.7% of U.S. Digital Segment revenue in the First Quarter of 2025. Shipping cost of goods sold was \$30.5 million or 14.9% of U.S. Digital Segment revenue in the First Quarter of 2026 compared to \$26.9 million or 11.8% of U.S. Digital Segment revenue in the First Quarter of 2025. The change in Product and Shipping cost of goods sold as a percentage of U.S. Digital Segment revenue was primarily due to product assortment mix and the temporary disruption associated with the rollout of the new warehouse management system. Marketing expenses were \$39.5 million or 19.3% of U.S. Digital Segment revenue in the First Quarter of 2026 compared to \$39.9 million or 17.5% of U.S. Digital Segment revenue in the First Quarter of 2025. The increase in Marketing expenses as a percentage of U.S. Digital Segment revenue was primarily due to the temporary disruption associated with the rollout of the new warehouse management system.

## **Liquidity and Capital Resources**

### ***Liquidity***

Our primary need for liquidity is to fund working capital requirements of our business, which are inventory purchases, payments on debt, capital expenditures 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 \$30.0 million on May 1, 2026, 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.

### ***ABL Facility***

Our \$225.0 million committed revolving ABL Facility, as amended to date, includes a \$35.0 million sublimit for letters of credit and is available for working capital and other general corporate liquidity needs. The amount available to borrow is the lesser of (1) the Aggregate Commitments of \$225.0 million or (2) the Borrowing Base or Loan Cap which is calculated from Eligible Inventory, Trade Receivables and Credit Card Receivables, all foregoing capitalized terms not defined herein are as defined in the ABL Facility. The balance outstanding on May 1, 2026 and May 2, 2025 was \$30.0 million and \$40.0 million, respectively. The balance of outstanding letters of credit was \$11.5 million and \$11.0 million on May 1, 2026 and May 2, 2025, respectively. The borrowing availability under the ABL Facility was \$104.2 million and \$86.8 million as of May 1, 2026 and May 2, 2025, respectively.

Effective with the Fifth Amendment to the ABL Facility, dated March 28, 2025 (the "Fifth Amendment"), a 0.10% adjustment to the SOFR benchmark interest rate was eliminated and the benchmark rates under the ABL Credit Agreement are, at our election, either: (1) Term SOFR (which is a forward looking term rate based on the secured overnight financing rate), or (2) a Base Rate (which is the greatest of (a) 0% per annum, (b) the federal funds rate plus 0.50%, (c) the one-month Term SOFR rate plus 1.00%, or (d) the Wells Fargo "prime rate"). The borrowing margin for SOFR Rate loans is (i) where the average daily total outstanding for the previous quarter is less than \$95.0 million, 1.50%, and (ii) where the average daily total outstanding for the previous quarter is equal to or greater than \$95.0 million, 1.75%. For Base Rate loans, the borrowing margin is (i) where the average daily total outstanding for the previous quarter is less than \$95.0 million, 0.75%, and (ii) where the average daily total outstanding for the previous quarter is equal to or greater than \$95.0 million, 1.00% ("Applicable Borrowing Margin"). The Applicable Borrowing Margin for all loans is based upon the average daily total loans outstanding for the previous quarter. The Fifth Amendment had no material interest rate impact.

The ABL Facility fees include (i) commitment fees of 0.20% or 0.30% 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, (ii) customary letter of credit fees and (iii) customary annual agent fees. The Fifth Amendment extended the maturity date of the ABL Facility to March 28, 2030. Under applicable accounting guidance, certain unamortized debt issuance costs originating from the ABL Facility are deferred and amortized over the extended term of the ABL Facility, and certain unamortized debt issuance costs have been written off. As of May 1, 2026, we had \$30.0 million borrowings outstanding under the ABL Facility.

### ***Long-Term Debt***

On April 1, 2026, we fully repaid the outstanding principal balance of \$234.0 million under our Term Loan Facility, together with \$0.9 million of accrued and unpaid interest, using proceeds from the WHP Transaction. In connection with the repayment, we incurred a 1% prepayment premium of \$2.3 million and wrote off the remaining unamortized deferred financing costs of \$6.9 million.

These items resulted in a \$9.2 million loss on extinguishment of debt, which is reflected in the condensed consolidated statement of operations.

### ***Debt Facilities***

#### *Guarantees; Security*

All obligations under our ABL Facility 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 assets of the borrowers and guarantors, primarily consisting of inventory and accounts receivable, subject to customary exceptions.

Prior to our repayment on April 1, 2026, our Term Loan Facility was secured by a second-priority security interest in such working capital assets and a first-priority security interest in certain other assets, including specified fixed assets. Upon repayment in full of the Term Loan Facility on April 1, 2026, all outstanding borrowings under the facility were extinguished and all related liens and guarantees were released.

#### *Representations and Warranties; Covenants*

Subject to specified exceptions, the ABL Facility contains customary representations and warranties and restrictive covenants that, among other things, limit Lands' End, Inc. and its subsidiaries' ability to incur indebtedness (including guarantees), grant liens, make investments, pay dividends or other distributions, prepay certain indebtedness, and engage in mergers or changes in the nature of their business.

Prior to its repayment on April 1, 2026, our Term Loan Facility contained financial covenants, including a quarterly maximum total leverage ratio and a monthly minimum liquidity requirement. Upon repayment in full of the Term Loan Facility on April 1, 2026, these covenants ceased to apply.

Under the ABL Facility, if excess availability falls below the greater of 10% of the Loan Cap amount or \$12.0 million, we are required to comply with a minimum fixed charge coverage ratio of 1.0 to 1.0.

The ABL Facility also contains customary affirmative covenants, including reporting requirements such as delivery of periodic financial statements, compliance certificates and notices of certain events, as well as requirements to maintain insurance and, in certain circumstances, provide additional guarantees and collateral.

As of May 1, 2026, the Company was in compliance with all applicable covenants under the ABL Facility.

#### *Events of Default*

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

### **Cash Flows and Capital Expenditures**

#### ***Cash Flows from Operating Activities***

Net cash used in operating activities was \$74.2 million during Year-to-Date 2026 compared to Net cash used in operating activities of \$22.5 million during Year-to-Date 2025. The increase in net cash used in operating activities was primarily due to the impact of the closing of the JV transaction as well as increased inventory related to the temporary distribution center disruption.

#### ***Cash Flows from Investing Activities***

Net cash provided by investing activities was \$288.6 million Year-to-Date 2026 compared to Net cash used in investing activities of \$8.3 million during Year-to-Date 2025. The increase in net cash provided by investing activities was primarily due to the proceeds from the closing of the JV transaction.

For Fiscal 2026, we plan to invest approximately \$40.0 million in capital expenditures for strategic investments and infrastructure, primarily in technology and general corporate needs.

### ***Cash Flows from Financing Activities***

Net cash used in financing activities was \$209.2 million during Year-to-Date 2026, compared to Net cash provided by financing activities of \$32.4 million during Year-to-Date 2025. The increase in net cash used in financing activities is primarily due to using the majority of the \$300 million in cash proceeds from the JV transaction to fully repay the term loan.

### **Contractual Obligations and Off-Balance-Sheet Arrangements**

During the First Quarter of 2026, the Company repaid in full the outstanding balance of the Term Loan Facility. Additionally, the Company has guaranteed minimum royalty ("GMR") payment obligations of \$50.0 million per year through Fiscal 2036. Except for this repayment and the GMR obligations, there have been no other 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 30, 2026.

### **Financial Instruments with Off-Balance-Sheet Risk**

The ABL Facility is available for working capital and other general corporate liquidity needs. The balance outstanding on May 1, 2026 and May 2, 2025 was \$30.0 million and \$40.0 million, respectively. The balance of outstanding letters of credit was \$11.5 million and \$11.0 million on May 1, 2026 and May 2, 2025, respectively.

### **Application of Critical Accounting Policies and Estimates**

We believe that the assumptions and estimates associated with revenue, inventory valuation, indefinite-lived 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 30, 2026. There have been no significant changes in our critical accounting policies or their application since January 30, 2026.

### **Recent Accounting Pronouncements**

See Part I, Item 1, Note 2, *Recently Issued Accounting Pronouncements Not Yet Adopted*, of the Condensed Consolidated Financial Statements (unaudited) included in this Quarterly Report on Form 10-Q for information regarding recent accounting pronouncements.

## 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 variable profit, net sales, gross margin, operating expenses, operating income, net income, adjusted 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, the impact and potential benefits of the WHP Transaction 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. Also, from time to time we may discuss or present hypothetical or illustrative valuations of our interest in the JV in the event of certain circumstances occurring. There can be no assurance that such valuations will be realized or such events will occur. 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 30, 2026 and “Part II, Item 1A Risk Factors” of this Quarterly Report on Form 10-Q for the quarter ended May 1, 2026. 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**

#### **Foreign Currency Exchange Risk**

The Company's international subsidiaries operate with functional currencies other than the U.S. dollar. Since the Company's Condensed Consolidated Financial Statements are presented in U.S. dollars, the Company must translate all components of these financial statements from the functional currencies into U.S. dollars at exchange rates in effect during or at the end of the reporting period. Net revenue generated from the Europe eCommerce distribution channel represented approximately 9% of our total Net revenue during the Year-to-Date 2026. The fluctuation in the value of the U.S. dollar against other currencies affects the reported amounts of net revenue, expenses, assets and liabilities. Assuming a 10% change in foreign currency exchange rates, our Net revenue for Year-to-Date 2026 would have increased or decreased by approximately \$2.1 million. Translation gains or losses, which are recorded in other comprehensive income or loss, result from translation of the assets and liabilities of our international subsidiaries into U.S. dollars. Foreign currency translation losses, net, for Year-to-Date 2026 totaled approximately \$0.1 million related to our international subsidiaries in United Kingdom and Germany. Additionally, the Company has foreign currency denominated intercompany receivables and payables that when settled result in a transaction gain or loss. A 10% change in foreign currency exchanges rates would not result in a significant transaction gain or loss in earnings. The Company does not utilize financial instruments for trading purposes or hedging and has not used any derivative financial instruments to limit foreign currency exchange rate exposures. The Company does not consider our foreign earnings to be permanently reinvested.

As of May 1, 2026, the Company had \$7.0 million of cash and cash equivalents denominated in foreign currency, principally in euro, British pound sterling and Hong Kong dollar.

#### **Interest Rate Risk**

The Company is subject to interest rate risk with the ABL Facility, as it requires the Company to pay interest on outstanding borrowings at variable rates. Assuming our ABL Facility was fully drawn to a principal amount equal to \$225.0 million, each one percentage point change in interest rates would result in a \$2.3 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 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 Chief Financial Officer have concluded that, as of May 1, 2026, 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**

During the fiscal quarter ended May 1, 2026, the Company implemented a new warehouse management system ("WMS") as part of its ongoing supply chain modernization initiative. In connection with this implementation, the Company modified certain internal controls over financial reporting related to inventory management, including controls over inventory receiving, tracking and physical counts. The Company designed and implemented new controls associated with the WMS and updated existing controls and procedures to reflect the changed processes. Additionally, the Company designed and implemented new controls over the accounting for equity method investments, including controls over the review and recording of the Company's proportionate share of investee earnings or losses, the review and recording of the Company's royalty payable and receivable and monitoring of investment carrying values. Other than the WMS controls modifications and the new equity method investment controls, 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 ended May 1, 2026 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.

Lands' End 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 in the Consolidated Wisconsin Action (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 judgment on Plaintiffs' personal injury claims.

After giving effect to the July 8 Opinion, the remaining claims under the Consolidated Wisconsin Action related to claims for property damage and breach of warranty. Following these rulings and an order of the court dated December 1, 2022, 277 named Plaintiffs remained in the case who claim they have suffered personal property damage as a result of dye transferring to personal items, with aggregate claims of approximately \$110,000 in damages. The Court set a deadline for the parties to voluntarily resolve these remaining outstanding claims, and on July 19, 2023 the parties reported to the Court that they had reached a settlement in principle of the matter, and subsequently entered into a Confidential Settlement, fully resolving the outstanding property damage claims, which were the only remaining claims in the action.

Following the entry of the Final Order by the Court on October 12, 2023, Plaintiffs filed an appeal to the Seventh Circuit. On November 13, 2023, the Court of Appeals for the Seventh Circuit issued an Order suspending the briefing schedule pending a remand to the district court for the limited purpose of issuing a revised final judgement order. On February 15, 2024, the Court of Appeals for the Seventh District remanded the case to the District Court for entry of a final judgement. On February 20, 2024, the District Court entered final judgement in favor of Lands' End.

On October 23, 2025, the Court of Appeals affirmed the decision of the District Court to grant Lands' End Summary Judgement on all claims and the District Court's decision not to certify the class. On November 20, 2025, Plaintiffs filed a Petition for Rehearing, citing alleged errors in the Court of Appeals ruling. On January 9, 2026, the Seventh Circuit denied Plaintiff's petition. On June 5, 2026,

Plaintiffs filed a petition for a writ of certiorari with the U.S. Supreme Court seeking review of the Seventh Circuit's decision. Lands' End continues its vigorous defense of this case and believes the claims are without merit.

## **ITEM 1A. RISK FACTORS**

The following risk factors supplement and, to the extent inconsistent therewith, supersede the risk factors previously disclosed in the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 2026, filed with the SEC on March 26, 2026. Except as set forth below, there have been no material changes to the Company's risk factors as previously disclosed.

### **We have incurred and could continue to incur non-cash charges due to impairment of intangible assets and long-lived assets.**

As of January 30, 2026, our intangible asset consisted of our trade name, which has since been contributed to a 50/50 joint venture. The trade name is subject to testing for impairment annually or more frequently if events or changes in circumstances indicate that the asset might be impaired, with such testing occurring at the joint venture level. Although impairment testing is conducted within the joint venture, any impairment charge would impact the carrying value of our investment in the joint venture and could result in a corresponding impairment of our equity interest. Any event that impacts our reputation could result in impairment charges for our trade name at the joint venture level, which could adversely affect the value of our investment.

Long-lived assets, primarily property and equipment, are also subject to testing for impairment if events or changes in circumstances indicate that the asset might be impaired. A significant amount of judgment is involved in our impairment assessment. If actual results fall short of our estimates and assumptions used in estimating revenue growth, future cash flows and asset fair values, we could incur further impairment charges for intangible assets or long-lived assets, which could have an adverse effect on our results of operations.

### **The failure to maintain our license agreement relating to the Lands' End brand could have a material adverse impact on our business.**

Upon the closing of the WHP Transaction, we entered into a license agreement (as amended from time to time, the "License Agreement") with the JV, pursuant to which we received a license to continue to operate our existing business in the territories where we primarily operate, subject to the terms of the License Agreement. Under the License Agreement, we are obligated to pay to the JV minimum royalties of \$50,000,000 per year (calculated pro rata based on an amount of \$50,000,000 for a twelve (12) month period for the first contract year) through the end of the contract year 11, will increase one percent per year for contract years 12-21, and will be \$55,231,106 for each contract year thereafter. The license rights are limited to specific territories, as well as exclusive within specified trade channels with respect to certain core products and non-exclusive with respect to other categories of licensed products. The initial term of the License Agreement is 10 years following the conclusion of the first contract year, and the License Agreement automatically renews for up to 12 successive renewal terms of 7 years each, unless we provide notice of non-renewal at least 24 months prior to the end of the initial or applicable renewal term.

Currently, it is anticipated that our revenues will be generated solely from sales of products pursuant to the License Agreement. We are required under the License Agreement to make royalty payments based on our sales. These payments will be no less than the minimum payments required. These minimum payment obligations may adversely affect our liquidity and results of operations, particularly during periods of reduced sales or adverse market conditions, where the minimum payments may exceed the actual amounts we would otherwise owe to the JV. If we do not satisfy our financial obligations under the License Agreement, the JV has the right to terminate the license, subject to specified cure periods. Termination of the License Agreement would result in termination of substantially all rights necessary to operate our business using the "Lands' End" brand, would significantly impair our ability to operate our business as currently conducted and could have a material adverse effect on our results of operations.

### **If we are unable to protect or preserve the image of our brands, our reputation and our intellectual property rights, our business may be adversely affected.**

Following the closing of the WHP Transaction, our intellectual property, including our trade name, is held by the JV, and the JV is responsible for maintaining and protecting it. While the JV bears responsibility for the management of these assets, we remain exposed to risks associated with the brand's reputation and the JV's ability to preserve and protect it.

Efforts by the JV to pursue licensing and wholesale relationships with third parties increases the risk of brand damage. If third parties do not adhere to certain brand standards, or if there is a failure to maintain the image of the brand due to actions by other licensees, merchandise and service quality issues, adverse publicity, governmental investigations or litigation, or other reasons, the Lands' End brand and reputation could be damaged, which could adversely affect our business and the value of our investment in the JV.

Third parties may sue us or the JV for alleged infringement of their proprietary rights. The party claiming infringement might have greater resources than we or the JV do to pursue its claims, and we or the JV could be forced to incur substantial costs and devote

significant management resources to defend against such litigation. If the party claiming infringement were to prevail, we or the JV could be forced to discontinue the use of the related trademark or design, pay significant damages, or enter into expensive royalty or other arrangements with the prevailing party, assuming these royalty or other arrangements are economically feasible, which they may not be.

**Failure to realize the benefits of the WHP Transaction could result in adverse effects on our business.**

On January 26, 2026, we announced the WHP Transaction, pursuant to which, among other things, we agreed to contribute all of our intellectual property and related assets associated with the "Lands' End" brand, including all of the license agreements entered into in connection with our licensing business, to a wholly owned entity and to sell a 50% interest in that entity to WHP Global for \$300 million in cash. The WHP Transaction closed in the first quarter of 2026. The success of this transaction is dependent upon, among other things, our ability to realize the full extent of the expected benefits of the transaction, including if we exchange our JV interest for an interest in WHP Global, which may occur under certain circumstances. Risks associated with the transaction include:

- unexpected costs, charges or expenses resulting from the transaction;
- risks related to the disruption of management time from ongoing business operations due to the transaction;
- uncertainty of the expected financial performance of the JV following completion of the transaction;
- risks related to our ability to realize the anticipated benefits of the transaction;
- the ability of the JV to implement its business strategy;
- risks relating to the occurrence of an exchange event, which is out of our control, to realize value from our exchange rights, and the possibility that such exchange event may never occur, or if it does occur, the possibility that it occurs on unfavorable terms, including economic terms;
- the possibility that any exchange event could be structured in a manner and on terms and conditions that are disadvantageous to us and our stockholders;
- the possibility that one or more of the agreements governing the WHP Transaction may contain provisions that are difficult to enforce and the possibility of legal disputes with WHP Global and its affiliates that could delay realization of the full benefits of the transaction;
- the possibility that the contribution of our intellectual property into the JV may not achieve the anticipated results, particularly such intellectual property is not monetized effectively;
- the risk that WHP Global's past performance may not be representative of future results; and
- the risk that litigation in connection with the transaction or other litigation, settlements or investigations may result in significant costs of defense, indemnification and liability.

**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 First Quarter 2026 pursuant to the 2026 Share Repurchase Program announced on April 1, 2026:

<b>Period</b>	<b>Total Number of Shares Purchased <sup>(1)</sup></b>	<b>Average Price Paid per Share <sup>(2)</sup></b>	<b>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(3)</sup></b>	<b>Approximate Dollar Value (in thousands) of Shares that May Yet Be Purchased Under the Plans or Programs <sup>(3)</sup></b>
January 31 - February 27	—	\$ —	—	\$ —
February 28 - April 3	—	\$ —	—	\$ 100,000
April 4 - May 1	25,640	\$ 10.71	25,640	\$ 99,725
Total	<u>25,640</u>	\$ 10.71	<u>25,640</u>	

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

2. Average price paid per share excludes broker commissions and taxes.

3. On April 1, 2026, the Company announced that its Board of Directors authorized the Company to repurchase up to \$100.0 million of the Company's common stock through March 31, 2029 (the "2026 Share Repurchase Program"). The 2026 Share Repurchase Program may be suspended or discontinued at any time.

**ITEM 5. OTHER INFORMATION****Rule 10b5-1 Trading Plans**

During the fiscal quarter ended May 1, 2026, none of the Company's directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

**ITEM 6. EXHIBITS**

The following documents are filed as exhibits to this report:

<b><u>Exhibit Number</u></b>	<b><u>Exhibit Description</u></b>
<a href="#">3.1</a>	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)).
<a href="#">3.2</a>	Second 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 September 23, 2024 (File No. 001-09769)).
<a href="#">10.1</a>	Amended and Restated Limited Liability Company Agreement, dated as of April 1, 2026, by and among Lands' End, Inc., Lands' End Direct Merchants, Inc., WHP Topco, L.P., LEWHP, LLC and LE Topco, LLC (incorporated herein by reference to Exhibit 2.2 to the Company's Current Report on Form 8-K filed April 1, 2026 (File No. 001-09769)).†
<a href="#">10.2</a>	License Agreement, dated as of April 1, 2026, by and among Lands' End, Inc., Lands' End Direct Merchants, Inc. and LE Topco, LLC (incorporated herein by reference to Exhibit 2.3 to the Company's Current Report on Form 8-K filed April 1, 2026 (File No. 001-09769)).†
<a href="#">10.3</a>	Voting and Support Agreement, dated as of April 1, 2026, by and among Lands' End, Inc., Edward S. Lampert and related funds (incorporated herein by reference to Exhibit 2.4 to the Company's Current Report on Form 8-K filed April 1, 2026 (File No. 001-09769)).†
<a href="#">10.4</a>	Voting and Support Agreement, dated as of April 1, 2026, by and among Lands' End, Inc. and LEWHP, LLC (incorporated herein by reference to Exhibit 2.5 to the Company's Current Report on Form 8-K filed April 1, 2026 (File No. 001-09769)).†
<a href="#">10.5</a>	Letter agreement by and between Lands' End, Inc. and Andrew J. McLean, dated March 13, 2026.*
<a href="#">10.6</a>	Letter agreement by and between Lands' End, Inc. and Bernard McCracken, dated March 13, 2026.*
<a href="#">10.7</a>	Letter agreement by and between Lands' End, Inc. and Peter L. Gray, dated March 13, 2026.*
<a href="#">31.1</a>	Certification of Principal Executive Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.*
<a href="#">31.2</a>	Certification of Principal Financial Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.*
<a href="#">32.1</a>	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.

† Schedules, exhibits and similar attachments have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company will furnish supplementally copies of any such attachments to the Securities and Exchange Commission upon request, provided, however, that the Company may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any attachments so furnished.

**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/ Bernard McCracken  
Name: Bernard McCracken  
Title: Chief Financial Officer and Treasurer  
(Principal Financial Officer and Principal  
Accounting Officer)

Date: June 9, 2026

# LANDS' END

March 13, 2026

Andrew J. McLean  
c/o Lands' End, Inc.  
5 Lands' End Lane  
Dodgeville, WI 53595

Re: Success Bonus

Dear Andrew:

As you know, in March 2025 Lands' End, Inc. (the "**Company**") announced that it was exploring strategic alternatives, including a sale, merger or similar transaction involving the Company, to maximize shareholder value. That process culminated with the announcement on January 26, 2026 of the transaction with WHP Global (the "**Transaction**").

In recognition of your efforts toward completing the Transaction, and because retention of key employees of the Company is an essential consideration for us following this process, we are providing you with the opportunity to earn the payments described in this letter (this "**Letter**"), in the total amount of **\$2,200,000**.

Reference is hereby made to the Membership Interest Purchase Agreement, dated as of January 26, 2026, by and among, Lands' End, Inc., a Delaware corporation, Lands' End Direct Merchants, Inc., a Delaware corporation, LEWHP, LLC, a Delaware limited liability company, WH Borrower, LLC, a Delaware limited liability company, and WH Topco, L.P., a Delaware limited partnership (the "**MIPA**").

On the Closing Date and conditioned upon the Closing occurring (each such term as defined in the MIPA), you shall receive a cash payment of **\$1,100,000** less applicable tax withholdings. Thereafter, on the first anniversary of the Closing you will receive an additional cash payment of **\$550,000** less applicable tax withholdings and on December 31, 2027 you will receive an additional cash payment of **\$550,000** less applicable withholding taxes (each such date, along with the Closing Date, a "**Payment Date**"). Each payment hereunder is subject to your continued employment with the Company or its affiliates through the applicable Payment Date. Notwithstanding the foregoing, subject to the Closing occurring, in the event that, prior to a Payment Date, your employment is terminated by the Company without Cause or by you for Good Reason, each as defined in the Executive Severance Agreement between you and the Company, dated September 6, 2022 (the "**Executive Severance Agreement**"), you shall be paid any previously unpaid amounts hereunder on the later of (i) 30 days following the date of such termination of employment and (ii) the Closing Date, subject to your execution and the effectiveness of a general release of claims in favor of the Company and its affiliates, in the form set forth in your Executive Severance Agreement. If, however, at any time prior to a Payment Date, your employment terminates for any other reason, you shall not be entitled to any further payments hereunder. This Letter is a separate, stand-alone agreement to your Executive Severance Agreement which remains in full force and effect.

This Letter shall be binding upon any successor of the Company or its businesses (whether direct or indirect, by purchase, merger, consolidation or otherwise), in the same manner and to the same extent that the Company would be obligated hereunder if no succession had taken place. The term "**Company**," as used in this Letter, shall mean the Company as defined above and any successor or assignee to the business or assets which by reason hereof becomes bound by this Letter.

This Letter shall be governed by, and construed in accordance with, the laws of the State of Delaware without reference to its conflict of law rules. All benefits hereunder are subject to withholding for applicable income and payroll taxes or otherwise as required by law.

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We look forward to a very promising future. In order to be eligible to receive these benefits, it is important that you sign this Letter and return it to Kelly Ritchie, Chief Human Resources Officer, as soon as practicable.

Sincerely,

Lands' End, Inc.

/s/ Josephine Linden  
By: Josephine Linden  
Title: Board Chair

Accepted and Acknowledged as of  
this 18<sup>th</sup> day of March, 2026:

/s/ Andrew J. McLean  
Andrew J. McLean

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# LANDS' END

March 13, 2026

Bernard McCracken  
c/o Lands' End, Inc.  
5 Lands' End Lane  
Dodgeville, WI 53595

Re: Success Bonus

Dear Bernie:

As you know, in March 2025 Lands' End, Inc. (the "**Company**") announced that it was exploring strategic alternatives, including a sale, merger or similar transaction involving the Company, to maximize shareholder value. That process culminated with the announcement on January 26, 2026 of the transaction with WHP Global (the "**Transaction**").

In recognition of your efforts toward completing the Transaction, and because retention of key employees of the Company is an essential consideration for us following this process, we are providing you with the opportunity to earn the payments described in this letter (this "**Letter**"), in the total amount of **\$787,500**.

Reference is hereby made to the Membership Interest Purchase Agreement, dated as of January 26, 2026, by and among, Lands' End, Inc., a Delaware corporation, Lands' End Direct Merchants, Inc., a Delaware corporation, LEWHP, LLC, a Delaware limited liability company, WH Borrower, LLC, a Delaware limited liability company, and WH Topco, L.P., a Delaware limited partnership (the "**MIPA**").

On the Closing Date and conditioned upon the Closing occurring (each such term as defined in the MIPA), you shall receive a cash payment of **\$393,750** less applicable tax withholdings. Thereafter, on the first anniversary of the Closing you will receive an additional cash payment of **\$196,875** less applicable tax withholdings and on December 31, 2027 you will receive an additional cash payment of **\$196,875** less applicable withholding taxes (each such date, along with the Closing Date, a "**Payment Date**"). Each payment hereunder is subject to your continued employment with the Company or its affiliates through the applicable Payment Date. Notwithstanding the foregoing, subject to the Closing occurring, in the event that, prior to a Payment Date, your employment is terminated by the Company without Cause or by you for Good Reason, each as defined in the Amended and Restated Executive Severance Agreement between you and the Company, dated March 11, 2025 (the "**Executive Severance Agreement**"), you shall be paid any previously unpaid amounts hereunder on the later of (i) 30 days following the date of such termination of employment and (ii) the Closing Date, subject to your execution and the effectiveness of a general release of claims in favor of the Company and its affiliates, in the form set forth in your Executive Severance Agreement. If, however, at any time prior to a Payment Date, your employment terminates for any other reason, you shall not be entitled to any further payments hereunder. This Letter is a separate, stand-alone agreement to your Executive Severance Agreement which remains in full force and effect.

This Letter shall be binding upon any successor of the Company or its businesses (whether direct or indirect, by purchase, merger, consolidation or otherwise), in the same manner and to the same extent that the Company would be obligated hereunder if no succession had taken place. The term "**Company**," as used in this Letter, shall mean the Company as defined above and any successor or assignee to the business or assets which by reason hereof becomes bound by this Letter.

This Letter shall be governed by, and construed in accordance with, the laws of the State of Delaware without reference to its conflict of law rules. All benefits hereunder are subject to withholding for applicable income and payroll taxes or otherwise as required by law.

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We look forward to a very promising future. In order to be eligible to receive these benefits, it is important that you sign this Letter and return it to Kelly Ritchie, Chief Human Resources Officer, as soon as practicable.

Sincerely,

Lands' End, Inc.

/s/ Josephine Linden  
By: Josephine Linden  
Title: Board Chair

Accepted and Acknowledged as of  
this \_\_\_ day of March, 2026:

/s/ Bernard McCracken  
Bernard McCracken

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# LANDS' END

March 13, 2026

Peter L. Gray  
c/o Lands' End, Inc.  
5 Lands' End Lane  
Dodgeville, WI 53595

Re: Success Bonus

Dear Peter:

As you know, in March 2025 Lands' End, Inc. (the "**Company**") announced that it was exploring strategic alternatives, including a sale, merger or similar transaction involving the Company, to maximize shareholder value. That process culminated with the announcement on January 26, 2026 of the transaction with WHP Global (the "**Transaction**").

In recognition of your efforts toward completing the Transaction, and because retention of key employees of the Company is an essential consideration for us following this process, we are providing you with the opportunity to earn the payments described in this letter (this "**Letter**"), in the total amount of **\$1,042,875**.

Reference is hereby made to the Membership Interest Purchase Agreement, dated as of January 26, 2026, by and among, Lands' End, Inc., a Delaware corporation, Lands' End Direct Merchants, Inc., a Delaware corporation, LEWHP, LLC, a Delaware limited liability company, WH Borrower, LLC, a Delaware limited liability company, and WH Topco, L.P., a Delaware limited partnership (the "**MIPA**").

On the Closing Date and conditioned upon the Closing occurring (each such term as defined in the MIPA), you shall receive a cash payment of **\$521,437.50** less applicable tax withholdings. Thereafter, on the first anniversary of the Closing you will receive an additional cash payment of **\$260,718.75** less applicable tax withholdings and on December 31, 2027 you will receive an additional cash payment of **\$260,718.75** less applicable withholding taxes (each such date, along with the Closing Date, a "**Payment Date**"). Each payment hereunder is subject to your continued employment with the Company or its affiliates through the applicable Payment Date. Notwithstanding the foregoing, subject to the Closing occurring, in the event that, prior to a Payment Date, your employment is terminated by the Company without Cause or by you for Good Reason, each as defined in the Executive Severance Agreement between you and the Company, dated April 21, 2017 (as amended to date) (the "**Executive Severance Agreement**"), you shall be paid any previously unpaid amounts hereunder on the later of (i) 30 days following the date of such termination of employment and (ii) the Closing Date, subject to your execution and the effectiveness of a general release of claims in favor of the Company and its affiliates, in the form set forth in your Executive Severance Agreement. If, however, at any time prior to a Payment Date, your employment terminates for any other reason, you shall not be entitled to any further payments hereunder. This Letter is a separate, stand-alone agreement to your Executive Severance Agreement which remains in full force and effect.

This Letter shall be binding upon any successor of the Company or its businesses (whether direct or indirect, by purchase, merger, consolidation or otherwise), in the same manner and to the same extent that the Company would be obligated hereunder if no succession had taken place. The term "**Company**," as used in this Letter, shall mean the Company as defined above and any successor or assignee to the business or assets which by reason hereof becomes bound by this Letter.

This Letter shall be governed by, and construed in accordance with, the laws of the State of Delaware without reference to its conflict of law rules. All benefits hereunder are subject to withholding for applicable income and payroll taxes or otherwise as required by law.

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We look forward to a very promising future. In order to be eligible to receive these benefits, it is important that you sign this Letter and return it to Kelly Ritchie, Chief Human Resources Officer, as soon as practicable.

Sincerely,

Lands' End, Inc.

/s/ Josephine Linden  
By: Josephine Linden  
Title: Board Chair

Accepted and Acknowledged as of  
this 19<sup>th</sup> day of March, 2026:

/s/ Peter L. Gray  
Peter L. Gray

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## CERTIFICATIONS

I, Andrew J. McLean, 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: June 9, 2026

/s/ Andrew J. McLean

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Andrew J. McLean

Chief Executive Officer

(Principal Executive Officer)

Lands' End, Inc.

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## CERTIFICATIONS

I, Bernard McCracken, 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: June 9, 2026

/s/ Bernard McCracken

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Bernard McCracken

Chief Financial Officer and Treasurer

(Principal Financial Officer)

Lands' End, Inc.

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**CERTIFICATION**

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

Each of the undersigned, Andrew J. McLean, Chief Executive Officer of Lands' End, Inc. (the "Company") and Bernard McCracken, Chief Financial Officer and Treasurer 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 May 1, 2026 (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.

/s/ Andrew J. McLean

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Andrew J. McLean  
Chief Executive Officer  
(Principal Executive Officer)  
Date: June 9, 2026

/s/ Bernard McCracken

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Bernard McCracken  
Chief Financial Officer and Treasurer  
(Principal Financial Officer)  
Date: June 9, 2026

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