

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

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended November 2, 2025

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 001-37641

DULUTH HOLDINGS INC.
(Exact name of registrant as specified in its charter)

Wisconsin
(State or other jurisdiction of
incorporation or organization)

201 East Front Street
Mount Horeb, Wisconsin
(Address of principal executive offices)

39-1564801
(I.R.S. Employer
Identification Number)

53572
(Zip Code)

(608) 424-1544
(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
Class B Common Stock, No Par Value	DLTH	NASDAQ Global Select Market

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 the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☐	Accelerated Filer	☐
Non-accelerated Filer	☒	Smaller Reporting Company	☒
		Emerging Growth Company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to section 13(a) of the Exchange Act. ☐

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

The number of shares outstanding of the Registrant’s Class A common stock, no par value, as of December 15, 2025, was 3,364,200.

The number of shares outstanding of the Registrant’s Class B common stock, no par value, as of December 15, 2025, was 33,361,992.

DULUTH HOLDINGS INC.
QUARTERLY REPORT ON FORM 10-Q
FOR QUARTER ENDED November 2, 2025
INDEX

	Page
Part I—Financial Information	
Item 1.	3
Financial Statements	
Condensed Consolidated Balance Sheets as of November 2, 2025 and February 2, 2025 (Unaudited)	4
Condensed Consolidated Statements of Operations for the three and nine months ended November 2, 2025 and October 27, 2024 (Unaudited)	5
Condensed Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended November 2, 2025 and October 27, 2024 (Unaudited)	6
Condensed Consolidated Statement of Shareholders' Equity for the three and nine months ended November 2, 2025 (Unaudited)	7
Condensed Consolidated Statement of Shareholders' Equity for the three and nine months ended October 27, 2024 (Unaudited)	8
Condensed Consolidated Statements of Cash Flows for the nine months ended November 2, 2025 and October 27, 2024 (Unaudited)	9
Notes to Condensed Consolidated Financial Statements (Unaudited)	10
Item 2.	22
Management's Discussion and Analysis of Financial Condition and Results of Operations	
Item 3.	29
Quantitative and Qualitative Disclosures About Market Risk	
Item 4.	29
Controls and Procedures	
Part II—Other Information	
Item 1.	29
Legal Proceedings	
Item 1A.	29
Risk Factors	
Item 2.	29
Unregistered Sales of Equity Securities and Use of Proceeds	
Item 5.	30
Other Information	
Item 6.	31
Exhibits	
Signatures	32

PART I. FINANCIAL INFORMATION**Item 1. Financial Statements**

DULUTH HOLDINGS INC.
Condensed Consolidated Balance Sheets - Assets
(Unaudited)
(Amounts in thousands)

	<u>November 2, 2025</u>	<u>February 2, 2025</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 8,172	\$ 3,335
Receivables	5,301	3,970
Income tax receivable	114	—
Inventory, less reserves of \$4,517 and \$2,135, respectively	192,198	166,545
Prepaid expenses & other current assets	22,961	17,781
Total current assets	228,746	191,631
Property and equipment, net	100,000	111,560
Operating lease right-of-use assets	93,350	102,663
Finance lease right-of-use assets, net	30,423	32,957
Available-for-sale security	4,860	4,491
Other assets, net	10,627	9,140
Total assets	<u>\$ 468,006</u>	<u>\$ 452,442</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

DULUTH HOLDINGS INC.
Condensed Consolidated Balance Sheets – Liabilities and Shareholders' Equity
(Unaudited)
(Amounts in thousands)

	November 2, 2025	February 2, 2025
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$ 80,196	\$ 73,882
Accrued expenses and other current liabilities	32,919	35,684
Income taxes payable	—	65
Current portion of operating lease liabilities	16,328	15,534
Current portion of finance lease liabilities	2,651	2,541
Line of credit	44,584	—
Current maturities of TRI long-term debt	997	931
Total current liabilities	177,675	128,637
Operating lease liabilities, less current maturities	79,502	89,222
Finance lease liabilities, less current maturities	28,621	30,621
TRI long-term debt, less current maturities	23,586	24,283
Deferred tax liabilities	938	—
Total liabilities	310,322	272,763
Shareholders' equity:		
Preferred stock, no par value; 10,000 shares authorized; no shares issued or outstanding as of November 2, 2025 and February 2, 2025	—	—
Common stock (Class A), no par value; 10,000 shares authorized; 3,364 shares issued and outstanding as of November 2, 2025 and February 2, 2025	—	—
Common stock (Class B), no par value; 200,000 shares authorized; 33,800 shares issued and 33,330 shares outstanding as of November 2, 2025 and 32,077 shares issued and 31,813 shares outstanding as of February 2, 2025	—	—
Treasury stock, at cost; 470 and 264 shares as of November 2, 2025 and February 2, 2025, respectively	(2,922)	(2,332)
Capital stock	110,112	108,009
Retained earnings	53,588	77,721
Accumulated other comprehensive loss	(192)	(722)
Total shareholders' equity of Duluth Holdings Inc.	160,586	182,676
Noncontrolling interest	(2,902)	(2,997)
Total shareholders' equity	157,684	179,679
Total liabilities and shareholders' equity	\$ 468,006	\$ 452,442

The accompanying notes are an integral part of these condensed consolidated financial statements.

DULUTH HOLDINGS INC.
Condensed Consolidated Statements of Operations
(Unaudited)
(Amounts in thousands, except per share figures)

	Three Months Ended		Nine Months Ended	
	November 2, 2025	October 27, 2024	November 2, 2025	October 27, 2024
Net sales	\$ 114,871	\$ 127,056	\$ 349,291	\$ 385,359
Cost of goods sold (excluding depreciation and amortization)	53,025	60,645	162,071	183,328
Gross profit	61,846	66,411	187,220	202,031
Selling, general and administrative expenses	70,680	82,311	205,154	226,903
Restructuring expense	—	6,152	850	7,748
Operating loss	(8,834)	(22,052)	(18,784)	(32,620)
Interest expense	1,231	1,251	4,181	3,232
Other (loss) income, net	(2)	6	(245)	167
Loss before income taxes	(10,067)	(23,297)	(23,210)	(35,685)
Income tax expense	—	4,919	828	2,366
Net loss	(10,067)	(28,216)	(24,038)	(38,051)
Less: Net income attributable to noncontrolling interest	34	15	95	34
Net loss attributable to controlling interest	<u>\$ (10,101)</u>	<u>\$ (28,231)</u>	<u>\$ (24,133)</u>	<u>\$ (38,085)</u>
Basic earnings per share (Class A and Class B):				
Weighted average shares of common stock outstanding	34,517	33,448	34,226	33,314
Net loss per share attributable to controlling interest	<u>\$ (0.29)</u>	<u>\$ (0.84)</u>	<u>\$ (0.71)</u>	<u>\$ (1.14)</u>
Diluted earnings per share (Class A and Class B):				
Weighted average shares and equivalents outstanding	34,517	33,448	34,226	33,314
Net loss per share attributable to controlling interest	<u>\$ (0.29)</u>	<u>\$ (0.84)</u>	<u>\$ (0.71)</u>	<u>\$ (1.14)</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

DULUTH HOLDINGS INC.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)
(Amounts in thousands)

	Three Months Ended		Nine Months Ended	
	November 2, 2025	October 27, 2024	November 2, 2025	October 27, 2024
Net loss	\$ (10,067)	\$ (28,216)	\$ (24,038)	\$ (38,051)
Other comprehensive loss				
Securities available-for sale:				
Unrealized security gain arising during the period	80	13	530	1
Income tax expense	—	3	—	—
Other comprehensive income	80	10	530	1
Comprehensive loss	(9,987)	(28,206)	(23,508)	(38,050)
Comprehensive income attributable to noncontrolling interest	34	15	95	34
Comprehensive loss attributable to controlling interest	<u>\$ (10,021)</u>	<u>\$ (28,221)</u>	<u>\$ (23,603)</u>	<u>\$ (38,084)</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

DULUTH HOLDINGS INC.
Condensed Consolidated Statement of Shareholders' Equity
(Unaudited)
(Amounts in thousands)

	Nine Months Ended November 2, 2025						
	Capital stock		Treasury stock	Retained earnings	Accumulated other comprehensive (loss) income	Noncontrolling interest in variable interest entity	Total shareholders' equity
	Shares	Amount					
Balance at February 2, 2025	35,177	\$ 108,009	\$ (2,332)	\$ 77,721	\$ (722)	\$ (2,997)	\$ 179,679
Issuance of common stock	766	66	—	—	—	—	66
Stock-based compensation	—	254	—	—	—	—	254
Restricted stock forfeitures	(567)	—	—	—	—	—	—
Restricted stock surrendered for taxes	(122)	—	(264)	—	—	—	(264)
Other comprehensive income	—	—	—	—	422	—	422
Net (loss) income	—	—	—	(15,293)	—	29	(15,264)
Balance at May 4, 2025	35,254	\$ 108,329	\$ (2,596)	\$ 62,428	\$ (300)	\$ (2,968)	\$ 164,893
Issuance of common stock	2,074	76	—	—	—	—	76
Stock-based compensation	—	1,094	—	—	—	—	1,094
Restricted stock forfeitures	(569)	—	—	—	—	—	—
Restricted stock surrendered for taxes	(83)	—	(326)	—	—	—	(326)
Other comprehensive income	—	—	—	—	28	—	28
Net income	—	—	—	1,261	—	32	1,293
Balance at August 3, 2025	36,676	\$ 109,499	\$ (2,922)	\$ 63,689	\$ (272)	\$ (2,936)	\$ 167,058
Issuance of common stock	50	64	—	—	—	—	64
Stock-based compensation	—	549	—	—	—	—	549
Restricted stock forfeitures	(32)	—	—	—	—	—	—
Restricted stock surrendered for taxes	—	—	—	—	—	—	—
Other comprehensive income	—	—	—	—	80	—	80
Net (loss) income	—	—	—	(10,101)	—	34	(10,067)
Balance at November 2, 2025	36,694	110,112	(2,922)	53,588	(192)	(2,902)	157,684

The accompanying notes are an integral part of these condensed consolidated financial statements.

DULUTH HOLDINGS INC.
Condensed Consolidated Statement of Shareholders' Equity
(Unaudited)
(Amounts in thousands)

	Nine Months Ended October 27, 2024						
	Capital stock		Treasury stock	Retained earnings	Accumulated other comprehensive loss	Noncontrolling interest in variable interest entity	Total shareholders' equity
	Shares	Amount					
Balance at January 28, 2024	34,387	\$ 103,579	\$ (1,738)	\$ 121,392	\$ (427)	\$ (3,056)	\$ 219,750
Issuance of common stock	782	110	—	—	—	—	110
Stock-based compensation	—	1,372	—	—	—	—	1,372
Restricted stock forfeitures	(15)	—	—	—	—	—	—
Restricted stock surrendered for taxes	(80)	—	(383)	—	—	—	(383)
Other comprehensive income	—	—	—	—	(105)	—	(105)
Net (loss) income	—	—	—	(7,873)	—	8	(7,865)
Balance at April 28, 2024	35,074	\$ 105,061	\$ (2,121)	\$ 113,519	\$ (532)	\$ (3,048)	\$ 212,879
Issuance of common stock	202	97	—	—	—	—	97
Stock-based compensation	—	1,011	—	—	—	—	1,011
Restricted stock forfeitures	(168)	—	—	—	—	—	—
Restricted stock surrendered for taxes	(29)	—	(122)	—	—	—	(122)
Other comprehensive income	—	—	—	—	96	—	96
Net loss (income)	—	—	—	(1,981)	—	11	(1,970)
Balance at July 28, 2024	35,079	\$ 106,169	\$ (2,243)	\$ 111,538	\$ (436)	\$ (3,037)	\$ 211,991
Issuance of common stock	171	86	—	—	—	—	86
Stock-based compensation	—	969	—	—	—	—	969
Restricted stock forfeitures	(57)	—	—	—	—	—	—
Restricted stock surrendered for taxes	(22)	—	(88)	—	—	—	(88)
Other comprehensive loss	—	—	—	—	10	—	10
Net (loss) income	—	—	—	(28,231)	—	15	(28,216)
Balance at October 27, 2024	35,171	107,224	(2,331)	83,307	(426)	(3,022)	184,752

The accompanying notes are an integral part of these condensed consolidated financial statements.

DULUTH HOLDINGS INC.
Condensed Consolidated Statements of Cash Flows
(Unaudited)
(Amounts in thousands)

	Nine Months Ended	
	November 2, 2025	October 27, 2024
Cash flows from operating activities:		
Net loss	\$ (24,038)	\$ (38,051)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	19,528	24,730
Stock based compensation	1,897	3,352
Deferred income taxes	938	1,133
Loss on disposal of property and equipment	719	102
Changes in operating assets and liabilities:		
Receivables	(1,331)	1,559
Income taxes receivable	(114)	479
Inventory	(25,653)	(105,673)
Prepaid expense & other current assets	(1,360)	(585)
Software hosting implementation costs, net	(5,262)	(4,485)
Trade accounts payable	6,098	53,160
Income taxes payable	(65)	—
Accrued expenses and deferred rent obligations	(2,731)	3,215
Other assets	(128)	(3)
Noncash lease impacts	387	2,942
Net cash used in operating activities	(31,115)	(58,125)
Cash flows from investing activities:		
Purchases of property and equipment	(5,834)	(5,813)
Principal receipts from available-for-sale security	162	147
Net cash used in investing activities	(5,672)	(5,666)
Cash flows from financing activities:		
Proceeds from line of credit	138,685	44,000
Payments on line of credit	(94,100)	—
Payments on TRI long term debt	(685)	(623)
Payments on finance lease obligations	(1,890)	(2,109)
Payments of tax withholding on vested restricted shares	(590)	(593)
Other	204	294
Net cash provided by financing activities	41,624	40,969
Increase (decrease) in cash and cash equivalents	4,837	(22,822)
Cash and cash equivalents at beginning of period	3,335	32,157
Cash and cash equivalents at end of period	\$ 8,172	\$ 9,335
Supplemental disclosure of cash flow information:		
Interest paid	\$ 4,181	\$ 3,232
Income taxes paid	\$ —	\$ 125
Supplemental disclosure of non-cash information:		
Unpaid liability to acquire property and equipment	\$ 1,468	\$ 2,173

The accompanying notes are an integral part of these condensed consolidated financial statements.

DULUTH HOLDINGS INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION

A. Nature of Operations

Duluth Holdings Inc. (“Duluth Trading” or the “Company”), a Wisconsin corporation, is a lifestyle brand of men’s and women’s casual wear, workwear and accessories sold primarily through the Company’s own omnichannel platform. The Company’s products are marketed under the Duluth Trading name, with the majority of products being exclusively developed and sold as Duluth Trading branded merchandise.

The Company identifies its operating segments according to how its business activities are managed and evaluated. The Company continues to report one reportable external segment, consistent with the Company’s omnichannel business approach. The Company’s revenues generated outside the United States were insignificant.

The Company has two classes of authorized common stock: Class A common stock and Class B common stock. The rights of holders of Class A common stock and Class B common stock are identical, except for voting and conversion rights. Each share of Class A common stock is entitled to ten votes per share and is convertible at any time into one share of Class B common stock. Each share of Class B common stock is entitled to one vote per share. The Company’s Class B common stock trades on the NASDAQ Global Select Market under the symbol “DLTH.”

B. Basis of Presentation

The condensed consolidated financial statements are prepared in accordance with U.S. Generally Accepted Accounting Principles (“U.S. GAAP”). The Company consolidates TRI Holdings, LLC (“TRI”) as a variable interest entity (see Note 6 “Variable Interest Entity” for further information). All significant intercompany balances and transactions have been eliminated in consolidation.

The Company’s fiscal year ends on the Sunday nearest to January 31 of the following year. Fiscal 2025 is a 52-week period and ends on February 1, 2026. Fiscal 2024 was a 53-week period and ended on February 2, 2025. The three and nine months of fiscal 2025 and fiscal 2024 represent the Company’s 13-week and 39-week periods ended November 2, 2025 and October 27, 2024, respectively.

The accompanying condensed consolidated financial statements as of and for the three and nine months ended November 2, 2025 and October 27, 2024 have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”) and, in the opinion of the Company, include all adjustments (which are normal and recurring in nature) necessary to present fairly the financial position, results of operations and cash flows of the Company for the interim periods presented. Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such SEC rules and regulations as of and for the three and nine months ended November 2, 2025 and October 27, 2024. These interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes included in the Company’s annual report on Form 10-K for the fiscal year ended February 2, 2025.

C. Inventory

Inventory consists of finished goods stated at the lower of cost or net realizable value, with cost determined using the first-in, first-out valuation method. The Company records an inventory reserve for the anticipated loss associated with selling inventories below cost. Inventory reserve for excess and obsolete items was \$4.5 million and \$2.1 million as of November 2, 2025 and February 2, 2025, respectively.

DULUTH HOLDINGS INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

D. Prepaid Expenses and Other Assets

Prepaid expenses and other assets consist of the following:

<i>(in thousands)</i>	<u>November 2, 2025</u>	<u>February 2, 2025</u>
Prepaid expenses & other current assets		
Pending returns inventory, net	\$ 1,685	\$ 2,301
Current software hosting implementation costs, net	4,470	3,749
Other prepaid expenses	16,806	11,731
Prepaid expenses & other current assets	<u>\$ 22,961</u>	<u>\$ 17,781</u>
Other assets, net		
Intangible assets, net	\$ 401	\$ 414
Non-current software hosting implementation costs	8,940	7,498
Other assets, net	1,286	1,228
Other assets, net	<u>\$ 10,627</u>	<u>\$ 9,140</u>

E. Seasonality of Business

The Company's business is affected by the pattern of seasonality common to most apparel businesses. Historically, the Company has recognized a significant portion of its revenue and operating profit in the fourth fiscal quarter of each year due to increased sales during the holiday season.

F. Cash and Cash Equivalents

The Company considers short-term investments with original maturities of three months or less when purchased to be cash equivalents. Amounts receivable from credit card issuers are typically converted to cash within 2 to 4 days of the original sales transaction and are considered to be cash equivalents.

G. Significant Accounting Policies

There have been no significant changes to the Company's significant accounting policies as described in the Company's Annual Report on Form 10-K for the year ended February 2, 2025.

2. LEASES

Based on the criteria set forth in ASC Topic 842, *Leases* ("ASC 842"), the Company recognizes right-of-use (ROU) assets and lease liabilities related to leases on the Company's consolidated balance sheets. The Company determines if an arrangement is, or contains, a lease at inception. ROU assets represent the right to use an underlying asset for the lease term and lease liabilities reflect the obligation to make lease payments arising from the lease. At any given time during the lease term, the lease liability represents the present value of the remaining lease payments and the ROU asset is measured at the amount of the lease liability, adjusted for pre-paid rent, unamortized initial direct costs and the remaining balance of lease incentives received. Both the lease ROU asset and liability are reduced to zero at the end of the lease.

The Company leases retail space under non-cancelable lease agreements, which expire on various dates through 2036. Substantially all of these arrangements are store leases. Store leases generally have initial lease terms ranging from five years to fifteen years with renewal options and rent escalation provisions. At the commencement of a lease, the Company includes only the initial lease term as the option to extend is not reasonably certain. The Company does not record leases with a lease term of 12 months or less on the Company's consolidated balance sheets.

When calculating the lease liability on a discounted basis, the Company applies its estimated discount. The Company bases this discount on a collateralized interest rate as well as publicly available data for instruments with similar characteristics.

In addition to rent payments, leases for retail space contain payments for real estate taxes, insurance costs, common area maintenance, and utilities that are not fixed. The Company accounts for these costs as variable payments and does not include such costs as a lease component.

DULUTH HOLDINGS INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

The expense components of the Company's leases reflected on the Company's consolidated statement of operations were as follows:

	Consolidated Statement of Operations	Three Months Ended		Nine Months Ended	
		November 2, 2025	October 27, 2024	November 2, 2025	October 27, 2024
<i>(in thousands)</i>					
Finance lease expenses					
Amortization of right-of-use assets	Selling, general and administrative expenses	\$ 722	\$ 722	\$ 2,167	\$ 2,374
Interest on lease liabilities	Interest expense	354	382	1,084	1,189
Total finance lease expense		\$ 1,076	\$ 1,104	\$ 3,251	\$ 3,563
Operating lease expense					
Amortization of build-to-suit leases capital contribution	Selling, general and administrative expenses	321	321	963	963
Variable lease expense	Selling, general and administrative expenses	2,833	3,091	8,489	9,052
Total lease expense		\$ 9,107	\$ 11,437	\$ 27,386	\$ 31,094

Other information related to leases were as follows:

	Nine Months Ended	
	November 2, 2025	October 27, 2024
<i>(in thousands)</i>		
Cash paid for amounts included in the measurement of lease liabilities:		
Financing cash flows from finance leases	\$ 1,890	\$ 2,109
Operating cash flows from finance leases	\$ 1,084	\$ 1,189
Operating cash flows from operating leases	\$ 14,894	\$ 16,092
Right-of-use assets obtained in exchange for lease liabilities:		
Operating leases	\$ 2,689	\$ —
Weighted-average remaining lease term (in years):		
Finance leases	9	10
Operating leases	6	7
Weighted-average discount rate:		
Finance leases	4.5%	4.5%
Operating leases	4.4%	4.2%

Future minimum lease payments under the non-cancellable leases are as follows as of November 2, 2025:

Fiscal year	Finance	Operating
<i>(in thousands)</i>		
2025 (remainder of fiscal year)	\$ 998	\$ 5,060
2026	3,993	20,076
2027	3,993	18,773
2028	4,017	16,866
2029	4,217	14,346
Thereafter	20,997	34,081
Total future minimum lease payments	\$ 38,215	\$ 109,202
Less – Discount	(6,943)	(13,372)
Lease liability	\$ 31,272	\$ 95,830

DULUTH HOLDINGS INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

3. DEBT AND CREDIT AGREEMENT

Debt consists of the following:

<i>(in thousands)</i>	November 2, 2025	February 2, 2025
TRI Senior Secured Note	\$ 21,083	\$ 21,714
TRI Note	3,500	3,500
	\$ 24,583	\$ 25,214
Less: current maturities	997	931
TRI long-term debt	\$ 23,586	\$ 24,283
Duluth Line of credit	\$ 44,584	\$ —
Less: current maturities	44,584	—
Duluth long-term debt	\$ —	\$ —

TRI Holdings, LLC

TRI entered into a senior secured note (“TRI Senior Secured Note”) with an original balance of \$26.7 million. The TRI Senior Secured Note is scheduled to mature on October 15, 2038 and requires installment payments with an interest rate of 4.95%. See Note 6 “Variable Interest Entities” for further information.

TRI entered into a promissory note (“TRI Note”) with an original balance of \$3.5 million. The TRI Note is scheduled to mature in November 2038 and requires annual interest payments at a rate of 3.05%, with a final balloon payment due in November 2038.

While the above notes are consolidated in accordance with ASC Topic 810, *Consolidation*, the Company is not the guarantor nor obligor of these notes.

Credit Agreement

On May 14, 2021, the Company entered into a credit agreement (the “Credit Agreement”), which was treated as a modification for accounting purposes. The Credit Agreement originally matured on May 14, 2026 and provided for borrowings of up to \$150.0 million that were available under a revolving senior credit facility, with a \$5.0 million sublimit for issuance of standby letters of credit, as well as a \$10.0 million sublimit for swing line loans. At the Company’s option, the interest rate applicable to the revolving senior credit facility was a floating rate equal to: (i) the Bloomberg Short-Term Bank Yield Index rate (“BSBY”) plus the applicable rate of 1.25% to 2.00% determined based on the Company’s rent adjusted leverage ratio, or (ii) the base rate plus the applicable rate of 0.25% to 1.00% based on the Company’s rent adjusted leverage ratio. The Credit Agreement was secured by essentially all Company assets and required the Company to maintain compliance with certain financial and non-financial covenants, including a maximum rent adjusted leverage ratio and a minimum fixed charge coverage ratio as defined in the Credit Agreement.

On July 8, 2022, the Company entered into the First Amendment to the Credit Agreement (the “First Amendment”), which was treated as a modification for accounting purposes. The First Amendment amended the Credit Agreement in order to (i) increase the revolving commitment from \$150.0 million to \$200.0 million; (ii) extend the maturity date from May 14, 2026 to July 8, 2027; (iii) amend the pricing index to replace BSBY with the Term Secured Overnight Financing Rate; and (iv) reduce the commitment fee in some instances.

On January 31, 2025 the Company entered into the Second Amendment to the Credit Agreement (the “Second Amendment”). The Second Amendment amended the Credit Agreement, in part, to (i) decrease the revolving commitment from \$200 million to \$100 million; (ii) revise the definition of “Applicable Rate” to provide for pricing terms in the event of a Rent Adjusted Leverage Ratio greater than or equal to 3.50:1.0; (iii) limit the exceptions to the prohibition on restricted payments to (a) making dividends or distributions by any subsidiary to the Company, and (b) the acquisition of equity interests in satisfaction of tax withholding obligations associated with restricted stock or awards under employee incentive plans; and (iv) provide that the Maximum Rent Adjusted Leverage Ratio and the Minimum Fixed Charge Coverage Ratio will be measured commencing on the fiscal quarter ending May 2, 2021 and measured quarterly thereafter as of the last day of each fiscal quarter of the Company (other than for the fiscal quarter ending February 2, 2025). The reduction in the revolving commitment was intended to rightsize the credit facility with the Company’s cash needs to fund seasonal inventory builds and

DULUTH HOLDINGS INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

capital expenditure expectations and resulted in fee savings. The Credit Agreement was extinguished on April 28, 2025, resulting in a write down of \$0.2 million of debt issuance costs related to the terminated line of credit.

On April 28, 2025, the Company entered into a new credit agreement (the “New Credit Agreement”) among the Company, certain financial institutions as Lenders thereto, and BMO Bank N.A., as Administrative Agent, a Swing Line Lender and a Letter of Credit Issuer. The Credit Agreement provides for borrowings of up to \$100.0 million in aggregate principal amount that are available under an asset-based revolving senior credit facility (the “Revolver”) with a \$10.0 million sublimit for the issuance of standby letters of credit.

Under the New Credit Agreement, (i) each Secured Overnight Financing Rate (“SOFR”) loan will bear interest on the outstanding principal amount at a rate per annum equal to adjusted term SOFR plus 150 basis points; (ii) each base rate loan will bear interest on the outstanding principal amount from the applicable borrowing date at a rate per annum equal to the Base Rate (as defined in the New Credit Agreement) plus 50 basis points; (iii) each swing line loan will bear interest on the outstanding principal amount from the applicable borrowing date at a rate per annum equal to the base rate plus the applicable margin; and (iv) each other obligation will bear interest on the unpaid amount at a rate per annum equal to the base rate plus the applicable margin.

The Company is also permitted to voluntarily prepay the New Credit Agreement in whole or in part at any time, where borrowings bearing interest based on the base rate may be prepaid at any time without penalty and borrowings bearing interest based on SOFR may be prepaid, subject to payment of usual and customary breakage and redeployment costs. The revolver will mature on April 28, 2030. Pursuant to the New Credit Agreement, the Company may request an increase in the revolving credit commitments in the aggregate amount of up to \$25 million during the term of the New Credit Agreement and with the consent of the Administrative Agent, subject to credit approval of the Lenders and the satisfaction of certain conditions. The New Credit Agreement contains customary events of default and financial, affirmative and negative covenants and is secured by a first-priority perfected security interest in substantially all of the tangible and intangible assets of the Company.

The new \$100.0 million Revolver replaces the prior revolving credit facility at a lower interest rate and extends the availability of funds to April 28, 2030. The Company believes the New Credit Agreement will provide the Company with flexibility and liquidity to finance seasonal inventory builds.

On July 16, 2025, the Company entered into the First Amendment to the New Credit Agreement, pursuant to which all revolving credit loans advanced or prepaid pursuant to such Sweep to Loan Arrangement shall bear interest based on the Base Rate.

On October 1, 2025, the Company entered into the Second Amendment to the New Credit Agreement, which, among other things, (i) temporarily increases the aggregate revolving credit commitment under the Credit Agreement from \$100 million to \$125 million, as allowed by the existing New Credit Agreement, beginning on October 1, 2025 until March 31, 2026, as of which date the revolving credit commitment will return to \$100 million and (ii) permits the Company to request a second increase in the revolving credit commitment of \$25 million during the term of the New Credit Agreement after March 31, 2026 with the consent of the Administrative Agent, subject to credit approval of the Lenders and satisfaction of certain conditions.

4. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consist of the following:

<i>(in thousands)</i>	November 2, 2025	February 2, 2025
Salaries and benefits	\$ 3,998	\$ 3,897
Deferred revenue	7,576	9,783
Freight	3,497	2,495
Product returns	4,065	4,568
Unpaid purchases of property & equipment	942	1,264
Accrued advertising	982	929
Other	11,859	12,748
Total accrued expenses and other current liabilities	<u>\$ 32,919</u>	<u>\$ 35,684</u>

DULUTH HOLDINGS INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

5. FAIR VALUE

ASC Topic 820, *Fair Value Measurements and Disclosures* (“ASC 820”), defines fair value as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date (i.e., an exit price). The exit price is based on the amount that the holder of the asset or liability would receive or need to pay in an actual transaction (or in a hypothetical transaction if an actual transaction does not exist) at the measurement date. ASC 820 describes a fair value hierarchy based on three levels of inputs that may be used to measure fair value, of which the first two are considered observable and the last unobservable, as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Company’s assets and liabilities measured at fair value are categorized as Level 3 instruments. The fair value of the Company’s available-for-sale security was valued based on a discounted cash flow method (Level 3), which incorporates the U.S. Treasury yield curve, credit information and an estimate of future cash flows. During the nine months ended November 2, 2025, certain changes in the inputs did impact the fair value of the available-for-sale security. The calculated fair value is based on estimates that are subjective in nature and involve uncertainties and matters of significant judgement and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The amortized cost and fair value of the Company’s available-for-sale security and the corresponding amount of gross unrealized gains and losses recognized in accumulated other comprehensive income are as follows:

		November 2, 2025			
		Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
<i>(in thousands)</i>					
Level 3 security:					
Corporate trust		\$ 5,195	\$ —	\$ (335)	\$ 4,860
		February 2, 2025			
		Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
<i>(in thousands)</i>					
Level 3 security:					
Corporate trust		\$ 5,356	\$ —	\$ (865)	\$ 4,491

The Company does not intend to sell the available-for-sale-security in the near term and does not believe that it will be required to sell the security. The Company reviews its securities on a quarterly basis to monitor its exposure to other-than-temporary impairment.

No other-than-temporary impairment was recorded in the unaudited condensed consolidated statements of operations for the three months ended November 2, 2025 or October 27, 2024.

DULUTH HOLDINGS INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

The following table presents future principal receipts related to the Company's available-for-sale security by contractual maturity as of November 2, 2025.

<i>(in thousands)</i>	Amortized Cost	Estimated Fair Value
Within one year	\$ 235	\$ 209
After one year through five years	1,531	1,402
After five years through ten years	2,266	2,137
After ten years	1,163	1,112
Total	<u>\$ 5,195</u>	<u>\$ 4,860</u>

The carrying values and fair values of other financial instruments in the Consolidated Balance Sheets are as follows:

<i>(in thousands)</i>	November 2, 2025		February 2, 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
TRI Long-term debt, including short-term portion	\$ 24,583	\$ 23,370	\$ 25,214	\$ 21,225

The above long-term debt, including short-term portion is attributable to the consolidation of TRI in accordance with ASC Topic 810, *Consolidation*. The fair value was also based on a discounted cash flow method (Level 3) based on credit information and an estimate of future cash flows.

6. VARIABLE INTEREST ENTITY

Based upon the criteria set forth in ASC 810, *Consolidation*, the Company consolidates variable interest entities ("VIEs") in which it has a controlling financial interest and is therefore deemed the primary beneficiary. A controlling financial interest will have both of the following characteristics: (a) the power to direct the VIE activities that most significantly impact economic performance; and (b) the obligation to absorb the VIE losses and the right to receive benefits that are significant to the VIE. The Company has determined that it was the primary beneficiary of one VIE as of November 2, 2025 and February 2, 2025.

The Company leases the Company's headquarters in Mt. Horeb, Wisconsin from TRI. In conjunction with the lease, the Company invested \$6.3 million in a trust that loaned funds to TRI for the construction of the Company's headquarters. TRI is a Wisconsin limited liability company whose primary purpose and activity is to own this real property. The Company considers itself the primary beneficiary for TRI as the Company has both the power to direct the activities that most significantly impact the entity's economic performance and is expected to receive benefits that are significant to TRI. As the Company is the primary beneficiary, it consolidates TRI and the lease is eliminated in consolidation. The Company does not consolidate the trust as the Company is not the primary beneficiary.

The condensed consolidated balance sheets include the following amounts as a result of the consolidation of TRI as of November 2, 2025 and February 2, 2025:

<i>(in thousands)</i>	November 2, 2025	February 2, 2025
Cash	\$ 23	\$ 11
Property and equipment, net	21,857	22,321
Total assets	<u>\$ 21,880</u>	<u>\$ 22,332</u>
Other current liabilities	\$ 199	\$ 115
Current maturities of long-term debt	997	931
TRI long-term debt	23,586	24,283
Noncontrolling interest in VIE	(2,902)	(2,997)
Total liabilities and shareholders' equity	<u>\$ 21,880</u>	<u>\$ 22,332</u>

7. LOSS PER SHARE

DULUTH HOLDINGS INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Earnings per share is computed under the provisions of ASC 260, *Earnings Per Share*. Basic earnings per share is based on the weighted average number of common shares outstanding for the period. Diluted earnings per share is based on the weighted average number of common shares plus the effect of dilutive potential common shares outstanding during the period using the treasury stock method. Dilutive potential common shares include outstanding restricted stock and are considered only for dilutive earnings per share unless considered anti-dilutive. The reconciliation of the numerator and denominator of the basic and diluted earnings per share calculation is as follows:

	Three Months Ended		Nine Months Ended	
	November 2, 2025	October 27, 2024	November 2, 2025	October 27, 2024
<i>(in thousands, except per share data)</i>				
Numerator - net income (loss) attributable to controlling interest	\$ (10,101)	\$ (28,231)	\$ (24,133)	\$ (38,085)
Denominator - weighted average shares (Class A and Class B)				
Basic	34,517	33,448	34,226	33,314
Dilutive shares	—	—	—	—
Diluted	34,517	33,448	34,226	33,314
Earnings (loss) per share (Class A and Class B)				
Basic	\$ (0.29)	\$ (0.84)	\$ (0.71)	\$ (1.14)
Diluted	\$ (0.29)	\$ (0.84)	\$ (0.71)	\$ (1.14)

The computation of diluted loss per share excluded 0.9 million and (0.3) million of unvested restricted stock for the three months ended November 2, 2025 and October 27, 2024, respectively, because their inclusion would be anti-dilutive due to a net loss.

The computation of diluted loss per share excluded 0.4 million and 0.0 million of unvested restricted stock for the nine months ended November 2, 2025 and October 27, 2024, because their inclusion would be anti-dilutive due to a net loss.

8. STOCK-BASED COMPENSATION

The Company accounts for its stock-based compensation plan in accordance with ASC 718, *Stock Compensation*, which requires the Company to measure all share-based payments at grant date fair value and recognize the cost over the requisite service period of the award.

Total stock compensation expense associated with restricted stock recognized by the Company was \$0.5 million and \$1.9 million for the three and nine months ended November 2, 2025 respectively. The Company's total stock compensation expense is included in selling, general and administrative expenses on the Condensed Consolidated Statements of Operations.

A summary of the activity in the Company's unvested restricted stock during the nine months ended November 2, 2025 is as follows:

	Shares	Weighted average fair value per share
Outstanding at February 2, 2025	1,686,267	\$ 6.02
Granted	2,831,452	1.91
Vested	(1,085,194)	4.94
Forfeited	(1,149,784)	3.99
Outstanding at November 2, 2025	2,282,741	\$ 2.47

At November 2, 2025, the Company had unrecognized compensation expense of \$4.0 million related to the restricted stock awards, which is expected to be recognized over a weighted average period of 2.3 years.

DULUTH HOLDINGS INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

9. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

<i>(in thousands)</i>	<u>November 2, 2025</u>	<u>February 2, 2025</u>
Land and land improvements	\$ 4,486	\$ 4,486
Leasehold improvements	59,703	57,732
Buildings	36,307	36,272
Vehicles	84	84
Warehouse equipment	65,621	65,592
Office equipment and furniture	55,597	54,542
Computer equipment	9,614	9,472
Software	38,450	39,952
	<u>269,862</u>	<u>268,132</u>
Accumulated depreciation and amortization	(171,058)	(159,450)
	<u>98,804</u>	<u>108,682</u>
Construction in progress	1,196	2,878
Property and equipment, net	<u>\$ 100,000</u>	<u>\$ 111,560</u>

10. REVENUE

The Company's revenue primarily consists of the sale of apparel, footwear and hard goods. Revenue for merchandise that is shipped to our customers from our distribution centers and stores is recognized upon shipment. Store revenue is recognized at the point of sale, net of returns, and excludes taxes. Shipping and processing revenue generated from customer orders are included as a component of net sales and shipping and processing expense, including handling expense, is included as a component of selling, general and administrative expenses. Sales tax collected from customers and remitted to taxing authorities is excluded from revenue and is included in accrued expenses.

Sales disaggregated based upon sales channel is presented below.

<i>(in thousands)</i>	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>November 2, 2025</u>	<u>October 27, 2024</u>	<u>November 2, 2025</u>	<u>October 27, 2024</u>
Direct-to-consumer	\$ 67,438	\$ 79,833	\$ 209,125	\$ 246,961
Stores	47,433	47,223	140,166	138,398
	<u>\$ 114,871</u>	<u>\$ 127,056</u>	<u>\$ 349,291</u>	<u>\$ 385,359</u>

Contract Assets and Liabilities

The Company's contract assets primarily consist of the right of return for amounts of inventory to be returned that is expected to be resold and is recorded in Prepaid expenses and other current assets on the Company's consolidated balance sheets. The Company's contract liabilities primarily consist of gift card liabilities and are recorded in Accrued expenses and other current liabilities under deferred revenue (see Note 4 "Accrued Expenses and Other Current Liabilities") on the Company's consolidated balance sheets. Upon issuance of a gift card, a liability is established for its cash value. The gift card liability is relieved and revenues on gift cards are recorded at the time of redemption by the customer.

Contract assets and liabilities on the Company's consolidated balance sheets are presented in the following table:

<i>(in thousands)</i>	<u>November 2, 2025</u>	<u>February 2, 2025</u>
Contract assets	\$ 1,685	\$ 2,301
Contract liabilities	\$ 7,576	\$ 9,782

Revenue from gift cards is recognized when the gift card is redeemed by the customer for merchandise or as a gift card breakage, an estimate of gift cards which will not be redeemed. The Company does not record breakage revenue when escheat liability to the relevant jurisdictions exists. Gift card breakage is recorded within Net sales on the Company's consolidated

DULUTH HOLDINGS INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

statement of operations. The following table provides the reconciliation of the contract liability related to gift cards for the nine months ended:

<i>(in thousands)</i>	<u>November 2, 2025</u>	<u>October 27, 2024</u>
Balance as of beginning of period	\$ 9,782	\$ 9,579
Gift cards sold	7,693	7,144
Gift cards redeemed	(9,683)	(9,330)
Gift card breakage	(216)	(238)
Balance as of end of period	<u>\$ 7,576</u>	<u>\$ 7,155</u>

11. INCOME TAXES

The Company's provision for income taxes during the interim reporting periods has historically been calculated by applying an estimate of the annual effective tax rate for the full year to "ordinary" income or loss (pre-tax income or loss excluding unusual or infrequently occurring discrete items) for the reporting period. The effective tax rate related to controlling interest was (3.6%) and (6.6%) for the nine months ended November 2, 2025 and October 27, 2024, respectively. The income from TRI was excluded from the calculation of the Company's effective tax rate, as TRI is a limited liability company and not subject to income tax. The Company maintains a valuation allowance against its deferred tax assets as of the nine months period ended November 2, 2025.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted into law in the United States which permanently extends select expiring provisions of the Tax Cuts and Jobs Act. We have considered the impact of the OBBBA on the Company's annual effective tax rate. The changes did not have a significant impact to the annual effective tax rate. However, the enactment of the OBBBA introduced several significant tax law modifications that, while not affecting the annual effective tax rate, do have other implications for the Company. The OBBBA makes permanent key elements of the 2017 Tax Cuts and Jobs Act, including 100% bonus depreciation, domestic research cost expensing pursuant to IRC 174, and ability to deduct interest expense pursuant to IRC 163(j). The Company is currently evaluating the future impact of OBBBA on its financial position, results of operations and cash flows.

DULUTH HOLDINGS INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

12. SEGMENT REPORTING

As of November 2, 2025 and October 27, 2024, we had one reportable segment. The Company's operating segment is based on how the Chief Operating Decision Maker ("CODM") makes decisions about allocating resources and assessing performance. Our CODM is our Chief Executive Officer and the CODM receives discrete financial information for the Company's gross margin and a summarized comprehensive statement of income monthly that categorizes selling, general and administrative expenses into four line items with remaining expenses and expenditures for long-lived assets being consolidated as an omnichannel business. The following table summarizes the Company's gross margin and selling, general and administrative expenses.

	Three Months Ended		Nine Months Ended	
	November 2, 2025 (13 weeks)	October 27, 2024 (13 weeks)	November 2, 2025 (39 weeks)	October 27, 2024 (39 weeks)
<i>(in thousands)</i>				
Net sales	\$ 114,871	\$ 127,056	\$ 349,291	\$ 385,359
Cost of goods sold	53,025	60,645	162,071	183,328
Gross margin	<u>\$ 61,846</u>	<u>\$ 66,411</u>	<u>\$ 187,220</u>	<u>\$ 202,031</u>
Less:				
Outbound shipping expenses	\$ 6,709	\$ 7,613	\$ 18,871	\$ 23,007
Advertising expenses	13,601	19,417	35,433	43,202
Variable expenses	13,386	13,078	36,172	35,812
Overhead expenses	36,984	42,203	114,678	124,882
Total selling, general and administrative	70,680	82,311	205,154	226,903
Restructuring Expense	—	6,152	850	7,748
Operating loss	(8,834)	(22,052)	(18,784)	(32,620)
Interest expense	1,231	1,251	4,181	3,232
Other (loss) income, net	(2)	6	(245)	167
Loss before income taxes	(10,067)	(23,297)	(23,210)	(35,685)
Income tax expense	—	4,919	828	2,366
Net loss	(10,067)	(28,216)	(24,038)	(38,051)
Less: Net income attributable to noncontrolling interest	34	15	95	34
Net loss attributable to controlling interest	<u>\$ (10,101)</u>	<u>\$ (28,231)</u>	<u>\$ (24,133)</u>	<u>\$ (38,085)</u>

13. RESTRUCTURING

On June 4, 2025, as a result of right-sizing the expense structure of the Company, the Company voluntarily underwent a reduction in force.

On July 12, 2024 (the "Effective Date"), as a result of the phase two analysis of the fulfillment center network, the Company voluntarily entered into a lease amendment for one of its legacy fulfillment center leases in Dubuque, Iowa. The amended lease accelerated the lease expiration date from September 30, 2030 to October 27, 2024. The amended lease required Duluth to pay an aggregate of \$3.7 million (the "Termination Penalty") in consideration of accelerating the lease termination date, which was paid in four equal quarterly installments from October 2024 through August 2025. The Company amortized the loss from the Termination Penalty, as well as the net loss from writing off the right-of-use asset and lease liability over the modified remaining lease term. In addition, the Company accelerated the depreciation of the non-transferrable fixed assets to have no remaining net book value by the modified lease expiration date.

	Three Months Ended		Nine Months Ended	
	November 2, 2025	October 27, 2024	November 2, 2025	October 27, 2024
<i>(in thousands)</i>				
Early contract termination expense	\$ —	\$ 2,759	\$ —	\$ 3,679
Lease remeasurement expense	—	1,596	—	1,889
Accelerated depreciation expense	—	766	—	1,149
Employee termination benefit expense	—	370	850	370
Other restructuring expense	—	661	—	661
Total restructuring expenses	<u>\$ —</u>	<u>\$ 6,152</u>	<u>\$ 850</u>	<u>\$ 7,748</u>

DULUTH HOLDINGS INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

14. RECENT ACCOUNTING PRONOUNCEMENTS

Recent Accounting Pronouncements Not Yet Adopted

Income Taxes – Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU No. 2023-09, “Income Taxes: Improvements to Income Tax Disclosures.” This ASU improves the transparency of income tax disclosures by requiring (i) consistent categories and greater disaggregation of information in the rate reconciliation and (ii) income taxes paid disaggregated by jurisdiction. This new guidance will be effective for annual periods beginning after December 15, 2024, and early adoption is permitted. Management is currently evaluating the effects this guidance will have on its consolidated financial statements.

Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures

In November 2024, the FASB issued ASU No. 2024-03, “Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures.” This ASU requires that each interim and annual reporting period an entity disclose more information about the components of certain expense captions that is currently disclosed in the financial statements. This update is effective for annual reporting periods beginning after December 15, 2027. Early adoption is permitted. Management is currently evaluating the effects this guidance will have on its consolidated financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of the financial condition and results of our operations should be read in conjunction with the financial statements and related notes of Duluth Holdings Inc. included in Item 1 of this Quarterly Report on Form 10-Q and with our audited financial statements and the related notes included in our Annual Report on Form 10-K for the fiscal year ended February 2, 2025 ("2024 Form 10-K").

The Company's fiscal year ends on the Sunday nearest to January 31 of the following year. Fiscal 2025 is a 52-week period and ends on February 1, 2026. Fiscal 2024 was a 53-week period and ended on February 2, 2025. The three months of fiscal 2025 and fiscal 2024 represent our 13-week periods ended November 2, 2025 and October 27, 2024, respectively.

Unless the context indicates otherwise, the terms the "Company," "Duluth," "Duluth Trading," "we," "our," or "us" are used to refer to Duluth Holdings Inc.

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. All statements other than statements of historical or current facts included in this Quarterly Report on Form 10-Q are forward-looking statements. Forward looking statements refer to our current expectations and projections relating to our financial condition, results of operations, plans, objectives, strategies, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "could," "estimate," "expect," "project," "plan," "potential," "intend," "believe," "may," "might," "will," "objective," "should," "would," "can have," "likely," and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. For example, all statements we make relating to our estimated and projected earnings, revenue, costs, expenditures, cash flows, growth rates and financial results, our plans and objectives for future operations, growth initiatives, or strategies are forward-looking statements. All forward-looking statements are subject to risks and uncertainties that could cause performance or actual results to differ materially from those expressed in the forward-looking statements, including the risks and uncertainties described under Part I, Item 1A "Risk Factors," in our 2024 Form 10-K, and other SEC filings, which factors are incorporated by reference herein. These risks and uncertainties include, but are not limited to, the following: the impact of inflation and measures to control inflation on our results of operations; the prolonged effects of economic uncertainties on store and website traffic; the susceptibility of the price and availability of our merchandise to international trade conditions, including tariffs; changes in U.S. and non-U.S. laws affecting the importation and taxation of goods, including imposition of unilateral tariffs on imported goods; our ability to secure the personal and/or financial information of our customers and employees; disruptions to our distribution network, supply chains and operations; failure to effectively manage inventory levels; our ability to maintain and enhance a strong brand and sub-brand image; adapting to declines in consumer confidence, inflation and decreases in consumer spending; disruptions to our e-commerce platform; our ability to meet customer delivery time expectations; our ability to properly allocate inventory throughout our distribution network to fulfill customer demand; our failure to meet our debt covenant ratios; natural disasters, unusually adverse weather conditions, boycotts, prolonged public health crises, epidemics or pandemics and unanticipated events; generating adequate cash from our existing stores and direct sales to support our growth; the impact of changes in corporate tax regulations and sales tax; identifying and responding to new and changing customer preferences; the success of the locations in which our stores are located; effectively relying on sources for merchandise located in foreign markets; transportation delays and interruptions, including port congestion; our inability to timely and effectively obtain shipments of products from our suppliers and deliver merchandise to our customers; the inability to maintain the performance of our maturing store portfolio; our inability to deploy marketing tactics to strengthen brand awareness and attract new customers in a cost effective manner; our ability to successfully open new stores; effectively adapting to new challenges associated with our expansion into new geographic markets; competing effectively in an environment of intense competition or elevated promotions; our ability to adapt to significant changes in sales due to the seasonality of our business; price reductions or inventory shortages resulting from failure to purchase the appropriate amount of inventory in advance of the season in which it will be sold; the potential for further increases in price and lack of availability of raw materials; our dependence on third-party vendors to provide us with sufficient quantities of merchandise at acceptable prices; failure of our vendors and their manufacturing sources to use acceptable labor or other practices; our dependence upon key executive management or our inability to hire or retain the talent required for our business; increases in costs of fuel or other energy, transportation or utility costs and in the costs of labor and employment; failure of our information technology systems to support our current and growing business, before and after our planned upgrades; disruptions in our supply chain and fulfillment centers; our inability to protect our trademarks or other intellectual property rights; infringement on the intellectual property of third parties; acts of war, terrorism or civil unrest; the impact of governmental laws and regulations and the outcomes of legal proceedings; failure to comply with data privacy regulations; our ability to comply with the security standards for the credit card industry; our failure to maintain adequate internal controls over our financial and management systems; acquisition, disposition, and development risks; and other factors that may be disclosed in our SEC filings or otherwise.

Moreover, we operate in an evolving environment, new risk factors and uncertainties emerge from time to time and it is not possible for management to predict all risk factors and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. We qualify all of our forward-looking statements by these cautionary statements.

We undertake no obligation to update or revise these forward-looking statements, except as required under the federal securities laws.

Overview

We are a lifestyle brand of men's and women's casual wear, workwear and accessories sold primarily through our own omnichannel platform. We offer products nationwide through our website and catalog. In 2010, we initiated our omnichannel platform with the opening of our first store. Since then, we have expanded our retail presence, and as of November 2, 2025, we operated 63 retail stores and three outlet stores.

We offer a comprehensive line of innovative, durable and functional products, such as our Longtail T[®] shirts, Buck Naked[™] underwear, Fire Hose[®] work pants, and No-Yank[®] Tank, which reflect our position as the Modern, Self-Reliant American Lifestyle brand. Our brand has a heritage in workwear that transcends tradesmen and appeals to a broad demographic for everyday and on-the-job use.

From our heritage as a catalog for those working in the building trades, Duluth Trading has become a widely recognized brand and proprietary line of innovative and functional apparel and gear. Over the last decade, we have created strong brand awareness, built a loyal customer base and generated sales momentum. We have done so by sticking to our roots of "there's gotta be a better way" and through our relentless focus on providing our customers with quality, functional products.

A summary of our financial results is as follows:

- Net sales decreased by 9.6% over the prior year third quarter to \$114.9 million, and net sales in the first nine months of fiscal 2025 decreased by 9.4% over the first nine months of the prior year to \$349.3 million;
- Net loss of \$10.1 million in fiscal 2025 third quarter compared to the prior year third quarter net loss of \$28.2 million, and net loss in the first nine months of fiscal 2025 of \$24.0 million compared to a net loss in the first nine months of fiscal 2024 of \$38.1 million; and
- Adjusted EBITDA increased to (\$0.7) million in fiscal 2025 third quarter compared to the prior year third quarter Adjusted EBITDA of (\$6.2) million, and Adjusted EBITDA in the first nine months of fiscal 2025 of \$7.5 million compared to \$6.1 million over the first nine months of fiscal 2024.

See the "Reconciliation of Net Income (Loss) to EBITDA and EBITDA to Adjusted EBITDA" section for a reconciliation of our net income (loss) to EBITDA and EBITDA to Adjusted EBITDA, both of which are non-U.S. GAAP financial measures. See also the information under the heading "Adjusted EBITDA" in the section "How We Assess the Performance of Our Business" for our definition of Adjusted EBITDA.

Economic Conditions

The macroeconomic environment is experiencing inflation, tariff and recessionary concerns and general uncertainty regarding the future economic environment and therefore we cannot predict the ultimate impact of these economic conditions on our operational and financial performance. Given the uncertainty, we cannot reasonably estimate store traffic patterns and the prolonged impact on overall consumer demand. However, we expect that our operations will continue to be impacted by these macroeconomic headwinds, including tariffs, which may increase our merchandise costs, affect merchandise availability, and impact our financial performance.

How We Assess the Performance of Our Business

In assessing the performance of our business, we consider a variety of financial and operating measures that affect our operating results.

Net Sales

Net sales reflect our sale of merchandise plus shipping and handling revenue collected from our customers, less returns and discounts. Direct-to-consumer sales are recognized upon shipment of the product and store sales are recognized at the point of sale.

Gross Profit

Gross profit is equal to our net sales less cost of goods sold. Gross profit as a percentage of our net sales is referred to as gross margin. Cost of goods sold includes the direct cost of purchased merchandise; inventory shrinkage; inventory adjustments due to obsolescence, including excess and slow-moving inventory and lower of cost and net realizable reserves; inbound freight; and freight from our distribution centers to our retail stores. The primary drivers of the costs of individual goods are raw material costs. Depreciation and amortization are excluded from gross profit. We expect gross profit to increase to the extent that we successfully grow our net sales. Our gross profit may not be comparable to other retailers, as we do not include distribution network and store occupancy expenses in calculating gross profit, but instead we include them in selling, general and administrative expenses.

Selling, General and Administrative Expenses

Selling, general and administrative expenses include all operating costs not included in cost of goods sold. These expenses include all payroll and payroll-related expenses and occupancy expenses related to our stores and to our operations at our headquarters, including utilities, depreciation and amortization and distribution network expenses. They also include marketing expense, which primarily includes digital and television advertising, catalog production, mailing and print advertising costs, as well as all logistics costs associated with shipping product to our customers, consulting and software expenses and professional services fees. Selling, general and administrative expenses as a percentage of net sales is usually higher in lower-volume quarters and lower in higher-volume quarters because a portion of the costs are relatively fixed.

Adjusted EBITDA

We believe Adjusted EBITDA is a useful measure of operating performance, as it provides a clearer picture of operating results by excluding the effects of financing and investing activities by eliminating the effects of interest and depreciation costs and eliminating expenses that are not reflective of underlying business performance. We use Adjusted EBITDA to facilitate a comparison of our operating performance on a consistent basis from period-to-period and to provide for a more complete understanding of factors and trends affecting our business.

We define Adjusted EBITDA as consolidated net income before depreciation and amortization, interest expense and provision for income taxes adjusted for the impact of certain items, including non-cash, restructuring expenses and other items we do not consider representative of our ongoing operating performance. We believe Adjusted EBITDA is less susceptible to variances in actual performance resulting from depreciation, amortization and other items. We also use Adjusted EBITDA as one of the key financial metrics in determining bonus compensation for our employees. This non-GAAP measure may not be comparable to similarly titled measures used by other companies.

Results of Operations

The following table summarizes our unaudited consolidated results of operations for the periods indicated, both in dollars and as a percentage of net sales.

	Three Months Ended		Nine Months Ended	
	November 2, 2025	October 27, 2024	November 2, 2025	October 27, 2024
<i>(in thousands)</i>				
Net sales	\$ 114,871	\$ 127,056	\$ 349,291	\$ 385,359
Cost of goods sold (excluding depreciation and amortization)	53,025	60,645	162,071	183,328
Gross profit	61,846	66,411	187,220	202,031
Selling, general and administrative expenses	70,680	82,311	205,154	226,903
Restructuring expense	—	6,152	850	7,748
Operating loss	(8,834)	(22,052)	(18,784)	(32,620)
Interest expense	1,231	1,251	4,181	3,232
Other (loss) income, net	(2)	6	(245)	167
Loss before income taxes	(10,067)	(23,297)	(23,210)	(35,685)
Income tax expense	—	4,919	828	2,366
Net loss	(10,067)	(28,216)	(24,038)	(38,051)
Less: Net income attributable to noncontrolling interest	34	15	95	34
Net loss attributable to controlling interest	<u>\$ (10,101)</u>	<u>\$ (28,231)</u>	<u>\$ (24,133)</u>	<u>\$ (38,085)</u>
Percentage of Net sales:				
Net sales	100.0 %	100.0 %	100.0 %	100.0 %
Cost of goods sold (excluding depreciation and amortization)	46.2 %	47.7 %	46.4 %	47.6 %
Gross margin	53.8 %	52.3 %	53.6 %	52.4 %
Selling, general and administrative expenses	61.5 %	64.8 %	58.7 %	58.9 %
Restructuring expense	- %	4.8 %	0.2 %	2.0 %
Operating loss	(7.7) %	(17.4) %	(5.4) %	(8.5) %
Interest expense	1.1 %	1.0 %	1.2 %	0.8 %
Other (loss) income, net	— %	— %	(0.1) %	— %
Loss before income taxes	(8.8) %	(18.3) %	(6.6) %	(9.3) %
Income tax expense	- %	3.9 %	0.2 %	0.6 %
Net loss	(8.8) %	(22.2) %	(6.9) %	(9.9) %
Less: Net income attributable to noncontrolling interest	— %	— %	— %	— %
Net loss attributable to controlling interest	<u>(8.8) %</u>	<u>(22.2) %</u>	<u>(6.9) %</u>	<u>(9.9) %</u>

Three Months Ended November 2, 2025, Compared to Three Months Ended October 27, 2024

Net Sales

Net sales decreased \$12.2 million, or 9.6%, to \$114.9 million in the three months ended November 2, 2025 compared to \$127.1 million in the three months ended October 27, 2024. The decrease in net sales was primarily driven by declines in web traffic due to reduced promotional activity.

Gross Profit

Gross profit decreased \$4.6 million, or 6.9%, to \$61.8 million in the three months ended November 2, 2025 compared to \$66.4 million in the three months ended October 27, 2024. The decrease in gross profit was partially driven by the \$3 million impact of tariffs. As a percentage of net sales, gross margin increased to 53.8% in the three months ended November 2, 2025, compared to 52.3% of net sales in the three months ended October 27, 2024. The increase in gross margin rate was primarily driven by an increase in average unit retail sales from reduced promotional activity coupled with an improvement in product costs from our direct to factory sourcing initiative.

Selling, General and Administrative Expenses

Selling, general and administrative expenses decreased \$11.6 million, or 14.1%, to \$70.1 million in the three months ended November 2, 2025 compared to \$82.3 million in the three months ended October 27, 2024. Selling, general and administrative expenses as a percentage of net sales decreased to 61.5% in the three months ended November 2, 2025, compared to 64.8% in the three months ended October 27, 2024.

The decrease in selling, general and administrative expense as a percentage of net sales was mainly driven by leverage on outbound shipping costs due to higher average order values coupled with a reduction in personnel and depreciation expenses.

Income Taxes

Income tax expense was \$0.0 million in the three months ended November 2, 2025, compared to income tax expense of \$4.9 million in the three months ended October 27, 2024. The change was primarily driven by the valuation allowance established in the third quarter of 2024.

Net Loss Attributable to Controlling Interest

Net loss attributable to controlling interest was \$10.1 million, in the three months ended November 2, 2025 compared to net loss of \$28.2 million in the three months ended October 27, 2024.

Nine Months Ended November 2, 2025, Compared to Nine Months Ended October 27, 2024***Net Sales***

Net sales decreased \$36.1 million, or 9.4%, to \$349.3 million in the nine months ended November 2, 2025 compared to \$385.4 million in the nine months ended October 27, 2024. The decrease in net sales was primarily driven by decline in web traffic due to reduced promotional activity.

Gross Profit

Gross profit decreased \$14.8 million, or 7.3%, to \$187.2 million in the nine months ended November 2, 2025 compared to \$202.0 million in the nine months ended October 27, 2024. As a percentage of net sales, gross margin increased to 53.6% of net sales in the nine months ended November 2, 2025, compared to 52.4% of net sales in the nine months ended October 27, 2024. The increase in gross margin rate was primarily driven by an increase in average unit retail sales from reduced promotional activity coupled with an improvement in product costs from our direct to factory sourcing initiative.

Selling, General and Administrative Expenses

Selling, general and administrative expenses decreased \$21.7 million, or 9.6%, to \$205.1 million in the nine months ended November 2, 2025 compared to \$226.9 million in the nine months ended October 27, 2024. Selling, general and administrative expenses as a percentage of net sales decreased to 58.7% in the nine months ended November 2, 2025, compared to 58.9% in the nine months ended October 27, 2024.

The decrease in selling, general and administrative expense as a percentage of net sales was mainly driven by leverage on outbound shipping costs due to higher average order values coupled with a reduction in personnel and depreciation expenses.

Income Taxes

Income tax expense was \$0.8 million in the nine months ended November 2, 2025, compared to income tax expense of \$2.4 million in the nine months ended October 27, 2024. The provision for third quarter of fiscal 2024 and fiscal 2025 reflected a valuation allowance which was established against the net amount of deferred tax assets as well as a pre-tax loss in the previous fiscal year.

Net Loss Attributable to Controlling Interest

Net loss attributable to controlling interest was \$24.1 million, in the nine months ended November 2, 2025 compared to net loss of \$38.1 million in the nine months ended October 27, 2024.

Reconciliation of Net Loss to EBITDA and EBITDA to Adjusted EBITDA

The following table presents reconciliations of net loss to EBITDA and EBITDA to Adjusted EBITDA, both of which are non-U.S. GAAP financial measures, for the periods indicated below. See the above section titled “How We Assess the Performance of Our Business,” for our definition of Adjusted EBITDA.

	Three Months Ended		Nine Months Ended	
	November 2, 2025	October 27, 2024	November 2, 2025	October 27, 2024
<i>(in thousands)</i>				
Net loss	\$ (10,067)	\$ (28,216)	\$ (24,038)	\$ (38,051)
Depreciation and amortization	6,234	7,284	19,528	23,581
Amortization of internal-use software hosting subscription implementation costs	1,252	1,394	3,492	3,856
Interest expense	1,231	1,251	4,181	3,232
Income tax expense	—	4,919	828	2,366
EBITDA	\$ (1,350)	\$ (13,368)	\$ 3,991	\$ (5,016)
Long-term incentive expense	612	969	2,078	3,352
Impairment expense	—	—	549	—
Restructuring expense	—	6,152	850	7,748
Adjusted EBITDA	\$ (738)	\$ (6,247)	\$ 7,468	\$ 6,084

As a result of the factors discussed above in the “Results of Operations” section, Adjusted EBITDA increased \$5.5 million to (\$0.7) million in the three months ended November 2, 2025 compared to (\$6.2) million in the three months ended October 27, 2024. As a percentage of net sales, Adjusted EBITDA increased to (0.6%) of net sales in the three months November 2, 2025 compared to (4.9%) of net sales in the three months ended October 27, 2024.

As a result of the factors discussed above in the “Results of Operations” section, Adjusted EBITDA increased \$1.4 million to \$7.5 million in the nine months ended November 2, 2025 compared to \$6.1 million in the nine months ended October 27, 2024. As a percentage of net sales, Adjusted EBITDA increased to 2.1% of net sales in the nine months ended November 2, 2025 compared to 1.6% of net sales in the nine months ended October 27, 2024.

Liquidity and Capital Resources

General

Our business relies on cash from operating activities and a credit facility as our primary sources of liquidity. Our primary cash needs have been for inventory, marketing and advertising, payroll, store leases, and capital expenditures associated with infrastructure and information technology. The most significant components of our working capital are cash, inventory, accounts payable and other current liabilities. At November 2, 2025, our net working capital was \$51.1 million, including \$8.2 million of cash and cash equivalents.

We expect to spend approximately \$17.0 million in fiscal 2025 on capital expenditures, inclusive of software hosting implementation costs, primarily due to investments in two new stores and information technology. Due to the seasonality of our business, the fourth quarter typically has the most significant impact on our amount of cash from operating activities. We also use cash in our investing activities for capital expenditures throughout all four quarters of our fiscal year.

We believe that our cash flow from operating activities and the availability of cash under our credit facility will be sufficient to cover working capital requirements and anticipated capital expenditures for the foreseeable future.

Cash Flow Analysis

A summary of operating, investing and financing activities is shown in the following table.

	Nine Months Ended	
	November 2, 2025	October 27, 2024
<i>(in thousands)</i>		
Net cash used in operating activities	\$ (31,115)	\$ (58,125)
Net cash used in investing activities	(5,672)	(5,666)
Net cash provided by financing activities	41,624	40,969
Increase (decrease) in cash and cash equivalents	\$ 4,837	\$ (22,822)

Net Cash Used in Operating Activities

Operating activities consist primarily of net loss adjusted for non-cash items that include depreciation and amortization, stock-based compensation and the effect of changes in operating assets and liabilities.

For the nine months ended November 2, 2025, net cash used in operating activities was \$31.1 million, which primarily consisted of cash used in operating assets and liabilities of \$30.2 million and a \$24.0 million net loss for the nine months ended November 2, 2025 partially offset by depreciation of \$19.5 million. The cash used in operating assets and liabilities of \$30.2 million was primarily due to a \$25.7 million decrease in inventory.

For the nine months ended October 27, 2024, net cash used in operating activities was \$58.1 million, which primarily consisted of cash used in operating assets and liabilities of \$49.4 million and a \$38.1 million net loss for the nine months ended October 27, 2024 partially offset by depreciation of \$24.7 million. The cash used in operating assets and liabilities of \$49.4 million was primarily due to a \$105.7 million increase in inventory, partially offset by a \$53.2 million increase in trade accounts payable.

Net Cash Used in Investing Activities

Investing activities consist primarily of capital expenditures related to investments in infrastructure, retail stores and information technology.

For the nine months ended November 2, 2025 and October 27, 2024, net cash used in investing activities was \$5.7 million.

Net Cash Provided by Financing Activities

Financing activities consist primarily of borrowings and payments related to our revolving line of credit as well as payments on finance lease obligations.

For the nine months ended November 2, 2025, net cash provided by financing activities was \$41.6 million compared to net cash provided by financing activities of \$41.0 million for nine months ended October 27, 2024.

Contractual Obligations

There have been no significant changes to our contractual obligations as described in our Annual Report on Form 10-K for the fiscal year ended February 2, 2025.

Off-Balance Sheet Arrangements

We are not a party to any material off-balance sheet arrangements.

Critical Accounting Policies and Critical Accounting Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses, as well as the related disclosures of contingent assets and liabilities at the date of the financial statements. We evaluate our accounting policies, estimates, and judgments on an on-going basis. We base our estimates and judgments on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions and conditions and such differences could be material to the consolidated financial statements.

As of the date of this filing, there were no significant changes to any of the critical accounting policies and estimates described in our 2024 Form 10-K.

Recent Accounting Pronouncements

See Note 14 “Recent Accounting Pronouncements,” of Notes to Condensed Consolidated Financial Statements included in Part 1, Item 1, of this quarterly report on Form 10-Q for information regarding recent accounting pronouncements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no significant changes in the market risks described in our 2024 Form 10-K. See Note 3 “Debt and Credit Agreement,” of Notes to Condensed Consolidated Financial Statements included in Part 1, Item 1, of this quarterly report on Form 10-Q, for disclosure on our interest rate related to borrowings under our credit agreement.

Item 4. Controls and Procedures***Evaluation of Disclosure Controls and Procedures***

Section 13a-15(b) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), requires management of an issuer subject to the Exchange Act to evaluate, with the participation of the issuer’s principal executive and principal financial officers, or persons performing similar functions, the effectiveness of the issuer’s disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act), as of the end of each fiscal quarter. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of such date, our disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(d) and 15d-15(d) under the Exchange Act) that occurred during the period covered by this Quarterly Report on Form 10-Q 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**

From time to time, we are subject to certain legal proceedings and claims in the ordinary course of business. We are not presently party to any legal proceedings the resolution of which we believe would have a material adverse effect on our business, financial condition, operating results or cash flows. We establish reserves for specific legal matters when we determine that the likelihood of an unfavorable outcome is probable and the loss is reasonably estimable.

Item 1A. Risk Factors

We operate in a rapidly changing environment that involves a number of risks that may have a material adverse effect on our business, financial condition and results of operations. For a detailed discussion of the risks that affect our business, please refer to the section entitled “Risk Factors” in our 2024 Form 10-K, or other SEC filings. There have been no material changes to our risk factors as previously disclosed in our fiscal 2024 Annual Report on Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

We did not sell any equity securities during the quarter ended November 2, 2025, which were not registered under the Securities Act.

The following table contains information regarding shares acquired by us during the quarter, which consisted solely of shares acquired from employees in lieu of amounts required to satisfy minimum tax withholding requirements upon the vesting of the employees’ restricted stock during the three months ended November 2, 2025.

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet to be purchased under the plans or programs
August 3, 2025 - August 31, 2025	—	\$ —	—	\$ —
September 1, 2025 - October 5, 2025	122	3.79	—	—
October 6, 2025 - November 2, 2025	—	—	—	—
Total	122	\$ —	—	\$ —

Item 5. Other Information

During the three months ended November 2, 2025, no director or Section 16 officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

EXHIBIT INDEX

Exhibit No.

10.1	<u>Amendment No. 2 to Credit Agreement, dated as of October 1, 2025, among Duluth Holdings Inc., certain financial institutions as Lenders thereto, and BMO Bank N.A., as Administrative Agent, incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated October 1, 2025.</u>
31.1	<u>Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities and Exchange Act, as amended.*</u>
31.2	<u>Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities and Exchange Act of 1934, as amended.*</u>
32.1	<u>Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*</u>
32.2	<u>Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*</u>
101.INS	XBRL Instance Document**
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents**
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended November 2, 2025 has been formatted in Inline XBRL (Inline Extensible Business Reporting Language and contained in Exhibits 101).

+ Indicates a management contract or compensation plan or arrangement

* Filed herewith

** In accordance with Regulation S-T, the XBRL-related information in Exhibit 101 to this Quarterly Report on Form 10-Q shall be deemed to be "furnished" and not "filed."

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.

Date: December 17, 2025

DULUTH HOLDINGS INC.
(Registrant)

/s/ Heena Agrawal

Heena Agrawal

Senior Vice President, Chief Financial Officer

(On behalf of the Registrant and as Principal Financial Officer and Interim Principal Accounting Officer)

CERTIFICATIONS

I, Stephanie Pugliese, Chief Executive Officer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Duluth Holdings Inc. (the “registrant”);
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(s) 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(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: December 17, 2025

/s/ Stephanie Pugliese
Stephanie Pugliese
Chief Executive officer

CERTIFICATIONS

I, Heena Agrawal, Chief Financial Officer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Duluth Holdings Inc. (the “registrant”);
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(s) 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 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(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: December 17, 2025

/s/ Heena Agrawal

Heena Agrawal

Chief Financial Officer

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Duluth Holdings Inc. (the “Company”) for the quarterly period ended November 2, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Stephanie Pugliese, as Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”); 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/ Stephanie Pugliese

Name: **Stephanie Pugliese**
Title: **Chief Executive Officer**
Date: **December 17, 2025**

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under that section. This certification shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Duluth Holdings Inc. (the “Company”) for the quarterly period ended November 2, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Heena Agrawal, as Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”); 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/ Heena Agrawal

Name: **Heena Agrawal**
Title: **Chief Financial Officer**
Date: **December 17, 2025**

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under that section. This certification shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.
