

Risk Factors Comparison 2025-04-09 to 2024-04-15 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

Investing in our common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below, as well as our consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K, before making an investment decision. If any of the following risks are realized, our business, financial condition, results of operations and prospects could be materially and adversely affected. In that event, the trading price of our common stock could decline, and you could lose part or all of your investment. Below is a summary of material risks, uncertainties and other factors that could have a material effect on the Company and its operations:

- We have incurred significant net losses since our inception and cannot assure you that we will achieve or maintain profitable operations.
- If we do not obtain adequate capital funding or improve our financial performance, we may not be able to continue as a going concern.
- Widespread outbreak of an illness or any other public health crisis, including the recent coronavirus (COVID-19) global pandemic, could materially and adversely affect, and has materially and adversely affected, our business, financial condition and results of operations.
- If our efforts to locate desirable targets are unsuccessful or if we are unable to acquire desirable companies on commercially reasonable terms, we may not be able to grow the business, and our revenues and operating results will be adversely affected.
- We may not be able to successfully integrate future acquisitions or generate sufficient revenues from future acquisitions, which could cause our business to suffer.
- We may be subject to claims arising from the operations of our various businesses for periods prior to the dates we acquired them.
- Our ability to acquire additional businesses may require issuances of our common stock and / or debt financing that we may be unable to obtain on acceptable terms.
- We have an amount of debt which may be considered significant for a company of our size, which could adversely affect our financial condition and our ability to react to changes in our business.
- We may not be able to generate sufficient cash to service all of our debt or refinance our obligations and may be forced to take other actions to satisfy our obligations under such indebtedness, which may not be successful.
- Our results of operations have been and could be in the future adversely affected as a result of asset impairments.
- If we fail to effectively manage our growth, our business, financial condition and operating results could be harmed.
- If we are unable to anticipate and respond to changing customer preferences and shifts in fashion and industry trends in a timely manner, our business, financial condition and operating results could be harmed.
- Our business depends on our ability to maintain a strong portfolio of brands and engaged customers. We may not be able to maintain and enhance our existing brand portfolio if we receive customer complaints, negative publicity or otherwise fail to live up to consumers' expectations, which could materially adversely affect our business, operating results and growth prospects.
- An economic downturn or economic uncertainty in the United States may adversely affect consumer discretionary spending and demand for our products.
- **Adverse macroeconomic and geopolitical conditions, including trade policies and tariffs, may have a material adverse effect on the Company's business, results of operations and financial condition.**
- We operate in highly competitive markets and the size and resources of some of our competitors may allow them to compete more effectively than we can, resulting in a loss of our market share and a decrease in our net revenue.
- Use of social media and influencers may materially and adversely affect our reputation or subject us to fines or other penalties.
- If we fail to retain existing customers, or fail to maintain average order value levels, we may not be able to maintain our revenue base and margins, which would have a material adverse effect on our business and operating results.
- We purchase inventory in anticipation of sales, and if we are unable to manage our inventory effectively, our operating results could be adversely affected.
- Merchandise returns could harm our business.
- We rely on third-party suppliers and manufacturers to provide raw materials for and to produce our products, and we have limited control over these suppliers and manufacturers and may not be able to obtain quality products on a timely basis or in sufficient quantity.
- Our sales and gross margins may decline as a result of increasing product costs and decreasing selling prices.
- Our operations are currently dependent on a single warehouse and distribution center, and the loss of, or disruption in, the warehouse and distribution center and other factors affecting the distribution of merchandise could have a material adverse effect on our business and operations.
- Our sales and gross margins may decline because as a result of increasing freight costs.
- Increases in labor costs, including wages, could adversely affect our business, financial condition and results of operations.
- Security breaches and other disruptions could compromise our information and expose us to liability, which would cause our business and reputation to suffer.
- Our future success depends on our key executive officers and our ability to attract, retain, and motivate qualified personnel.
- If we cannot successfully protect our intellectual property, our business could suffer.
- If the technology-based systems that give our customers the ability to shop with us online do not function effectively, our operating results could be materially adversely affected.
- Organizations face growing regulatory and compliance requirements.
- Our failure to comply with trade and other regulations could lead to investigations or actions by government regulators and negative publicity.
- Our business is affected by seasonality.
- The price of our common stock has in the past and may in the future fluctuate substantially.
- **If we are not able to comply with the applicable continued listing requirements or standards of the NasdaqCM, Nasdaq could delist our common stock.**
- If we are unable to implement and maintain effective internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports, which could adversely affect the market price of our common stock.
- We are an emerging growth company and a smaller reporting company within the meaning of the Securities Act, and as a result of the reduced disclosure and governance requirements applicable to emerging growth companies and smaller reporting companies, our common stock may be less attractive to investors and may make it more difficult to compare our performance with other public companies.
- Future sales of our common stock, or the perception in the public markets that these sales may occur, may

depress our stock price. ~~•~~ Provisions in our sixth amended and restated certificate of incorporation and bylaws and under Delaware law could discourage a takeover that stockholders may consider favorable. ~~•~~ Our sixth amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for certain stockholder litigation matters, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or stockholders. ~~•~~ We may be required to issue additional shares of our common stock further to agreements whereby we acquired Bailey. Any such additional issuances would result in additional dilution to our stockholders. ~~•~~ We do not expect to pay any dividends in the foreseeable future. ~~•~~ If securities analysts do not publish favorable reports about us or if we, or our industry, are the subject of unfavorable commentary, the price of our common stock could decline.

Risks related to our financial condition and business. We have incurred significant net losses since our inception and cannot assure you that we will achieve or maintain profitable operations. We have incurred significant net losses since inception. Our net loss was approximately \$ ~~13.2 and \$ 10.3~~ ~~2 and \$ 38.0~~ million for the years ended December 31, ~~2024 and 2023~~ ~~and 2022~~, respectively. As of December 31, ~~2023~~ ~~2024~~, we had an accumulated deficit of \$ ~~113.127.9~~ ~~2~~ million. We may continue to incur significant losses in the future for a number of reasons, including unforeseen expenses, difficulties, complications, delays, and other unknown events, as well as the inflationary and potentially recessive economic environment. We anticipate that our operating expenses will increase substantially in the foreseeable future as we undertake the acquisition and integration of different brands, incur expenses associated with maintaining compliance as a public company, and incur increased marketing and sales expenses in an effort to grow our customer base. These increased expenditures may make it more difficult to achieve and maintain profitability. In addition, our efforts to grow our business may be more expensive than we expect, and we may not be able to generate sufficient revenue to offset increased operating expenses. If we are required to reduce our expenses, our growth strategy could be materially affected. We will need to generate and sustain significant revenue levels in future periods in order to become profitable, and, even if we do, we may not be able to maintain or increase our level of profitability. Accordingly, we cannot assure you that we will achieve sustainable operating profits as we continue to expand our product offerings and infrastructure, further develop our marketing efforts, and otherwise implement our growth initiatives. Any failure to achieve and maintain profitability would have a materially adverse effect on our ability to implement our business plan, our results and operations, and our financial condition.

~~If we do not obtain adequate capital funding or improve our financial performance, we may not be able to continue as a going concern. We have historically incurred a net loss in each year since our inception and expect to incur losses in future periods and experienced negative cash flows from operations. The Company as has historically incurred net losses and experienced negative cash flows from operations. As of December 31, 2024, we continue to increase our expenses in order to grow our business. We had a working capital deficit of \$ 17.16.65~~ ~~1~~ million at December 31, 2023. These factors raise ~~However, the Company has successfully obtained substantial doubt about our Company's ability to support our ongoing operations. If With this funding, we believe we are unable to obtain adequate execute our business strategy, invest in growth initiatives, and enhance our financial performance, although additional~~ ~~capital funding, which, we believe, provides the necessary liquidity to support our ongoing operations. If With this funding, we believe we are unable to obtain adequate execute our business strategy, invest in growth initiatives, and enhance our financial performance, although additional~~ funding or if we are unable to grow our revenue substantially to achieve and sustain profitability, we may not be able to continue as a going concern. The report of our independent registered public accounting firm for the year ended December 31, 2023 included herein contains an explanatory paragraph indicating that there is substantial doubt as to our ability to continue as a going concern as a result of recurring losses from operations. If we are unable to raise additional capital when required or on acceptable terms, we will be required ~~in~~ ~~to~~ significantly delay, scale back or restrict our operations or obtain funds by entering into agreements on unattractive terms, which would likely have a material adverse effect on our business, stock price and our relationships with third parties with whom we have business relationships, at least until additional funding is obtained. If we do not have sufficient funds to continue operations, we could be required to seek bankruptcy protection or other ~~the future alternatives that would likely result in our stockholders losing some or all of their investment in us. In addition, our ability to support expansion~~ ~~achieve profitability or to respond to competitive pressures would be significantly limited. The amount and timing of our future funding requirements will depends depend~~ ~~on many various~~ factors, including: • The timing and cost of potential future acquisitions; • Integration of ~~the businesses that we have acquired or may acquire in the future;~~ • ~~The hiring Hiring~~ of additional management and other personnel as we continue to ~~support our grow growth~~; and • ~~Any costs Costs~~ associated with ~~any the~~ build-out and opening of showrooms ~~for certain brands~~, as needed, ~~for certain of our brands~~. We cannot be certain that additional funding will ~~continue to monitor~~ be available on acceptable terms, or ~~our~~ at all ~~financial position and capital needs going forward~~. Additionally, we ~~remain mindful of~~ have in the past and may in the future be restricted or limited by our current outstanding indebtedness on our ability to enter into additional indebtedness and ~~any future debt financing based upon covenants that may restrict our operations, including limitations on our ability to incur liens or additional debt, pay dividends, redeem our or engage in stock, make certain investments and engage in certain merger, consolidation or asset sale transactions. If Widespread outbreak of an illness or any other public health crisis, including the recent coronavirus (COVID-19) global pandemic, could materially and adversely affect, and has materially and adversely affected, our business, financial condition and results of operations. Our business has been, and will continue to be, impacted by the effects of the COVID-19 global pandemic in countries where our suppliers, third-party service providers or consumers are located. These effects include recommendations or mandates from governmental authorities to close businesses, limit travel, avoid large gatherings or to self-quarantine, as well as temporary closures and decreased operations of the facilities of our suppliers, service providers and customers. The impacts on us have included, and in the future could include, but are not limited to: • significant uncertainty and turmoil in global economic and financial market conditions causing, among other things: decreased consumer confidence and decreased consumer spending, now and in the mid and long-term. Specifically, COVID has impacted our business in several ways, including store closings, supply chain disruptions and delivery delays, meaningfully lower net revenue, furloughs and layoffs of 52 employees and increased costs to operate our warehouse to ensure a healthy and~~

safe work environment. Approximately 220 boutique stores where we sold our products closed temporarily and permanently in 2020 and into 2021, representing a reduction in approximately 40 % of such stores prior to COVID. Additionally, approximately 40 department stores that carried our products have closed as well, representing a reduction of approximately 35 % of such stores prior to COVID. We do not anticipate the department stores will open those stores back up, and we do not anticipate a majority of the closed boutique stores will reopen. We also waited to hire a new Creative Director until the summer, once we knew that stores would open back up at some capacity. This delay in hiring a new designer also impacted the first half of 2021. • inability to access financing in the credit and capital markets at reasonable rates (or at all) in the event we, or our suppliers find it desirable to do so, increased exposure to fluctuations in foreign currency exchange rates relative to the U. S. Dollar, and volatility in the availability and prices for commodities and raw materials we use for our products and in our supply chain. Specifically, the pandemic shut down our supply chain for several months in 2020, and delayed deliveries throughout the year. • inability to meet our consumers' needs for inventory production and fulfillment due to disruptions in our supply chain and increased costs associated with mitigating the effects of the pandemic caused by, among other things: reduction or loss of workforce due to illness, quarantine or other restrictions or facility closures, scarcity of and / or increased prices for raw materials, scrutiny or embargoing of goods produced in infected areas, and increased freight and logistics costs, expenses and times; failure of third parties on which we rely, including our suppliers, customers, distributors, service providers and commercial banks, to meet their obligations to us or to timely meet those obligations, or significant disruptions in their ability to do so, which may be caused by their own financial or operational difficulties, including business failure or insolvency and collectability of existing receivables; and • significant changes in the conditions in markets in which we do business, including quarantines, governmental or regulatory actions, closures or other restrictions that limit or close our operating and manufacturing facilities and restrict our employees' ability to perform necessary business functions, including operations necessary for the design, development, production, distribution, sale, marketing and support of our products. Specifically, we had to furlough and layoff a significant amount of employees to adjust to our lower revenues. Any of these impacts could place limitations on our ability to execute on our business plan and materially and adversely affect our business, financial condition and results of operations. We continue to monitor the situation and may adjust our current policies and procedures as more information and guidance become available regarding the evolving situation. The impact of COVID-19 may also exacerbate other risks discussed in this "Risk Factors" section, any of which could have a material effect on us. This situation is changing rapidly and additional impacts may arise that we are not aware of currently. 16 If our efforts to locate desirable targets are unsuccessful or if we are unable to acquire desirable companies on commercially reasonable terms, we may not be able to grow the business and our revenues and operating results will be adversely affected. One of our principal growth strategies has been and continues to be is to grow our business and increase our revenue through the acquisition of additional businesses within our industry. It may be difficult for us to identify desirable companies to acquire. We may face competition in our pursuit to acquire additional businesses, which could limit the number of available companies for sale and may lead to higher acquisition prices. When we identify desirable companies, their owners may not be willing to sell their companies at all or on terms that we have determined to be commercially reasonable. If our efforts to locate and acquire desirable companies on terms that are acceptable to us are not successful, our revenues and operating results may be adversely affected. We may not be able to successfully integrate future acquisitions or generate sufficient revenues from future acquisitions, which could cause our business to suffer. A significant part of our growth strategy is acquiring additional businesses. If we buy a company or a division of a company in the future, there can be no assurance that we will be able to profitably manage such business or successfully integrate such business without substantial costs, delays or other operational or financial problems. Acquisitions also may require us to spend a substantial portion of our available cash, incur debt or other liabilities, amortize expenses related to intangible assets, incur write-offs of goodwill or other assets or obligate us to issue a substantial number of shares of our capital stock, which would result in dilution for our existing stockholders. There can be no assurance that the businesses we acquire in the future will achieve anticipated revenues or earnings. Additionally: • the key personnel of the acquired business may decide not to work for us; • changes in management at an acquired business may impair its relationships with employees and customers; • we may be unable to maintain uniform standards, controls, procedures and policies among acquired businesses; • we may be unable to successfully implement infrastructure, logistics and systems integration; • we may be held liable for legal claims (including environmental claims) arising out of activities of the acquired businesses prior to our acquisitions, some of which we may not have discovered during our due diligence, and we may not have indemnification claims available to us or we may not be able to realize on any indemnification claims with respect to those legal claims; • we will assume risks associated with deficiencies in the internal controls of acquired businesses; • we may not be able to realize the cost savings or other financial benefits we anticipated; • we may be unable to successfully scale an acquired business; and • our ongoing business may be disrupted or receive insufficient management attention. Some or all of these factors could have a material adverse effect on our business, financial condition and results of operations. Moreover, we may not benefit from our acquisitions as we expect, or in the time frame we expect. In the apparel industry, differing brands are used to reach different market segments and capture new market share. However, not every brand deployment is successful. In addition, integrating an acquired business or technology is risky. We may incur significant costs acquiring, developing, and promoting new brands only to have limited market acceptance and limited resulting sales. If this occurs, our financial results may be negatively impacted and we may determine it is in the best interest of the company to no longer support that brand. If a new brand does not generate sufficient revenues or if we are unable to efficiently manage our expanded operations, our results of operations will be adversely affected. Finally, acquisitions could be viewed negatively by analysts, investors or our customers. 17 In addition, we may not be successful in acquiring businesses and may expend time and expenses in connection with failed acquisitions. In addition to such time and expenses, public announcement of a failed acquisition could also negatively impact the trading price of our common stock. We may be subject to claims arising from the operations of our various businesses for periods prior to the dates we acquired them. We may be subject to claims or

liabilities arising from the ownership or operation of acquired businesses for the periods prior to our acquisition of them, including environmental, warranty, workers' compensation and other employee-related and other liabilities and claims not covered by insurance. These claims or liabilities could be significant. Our ability to seek indemnification from the former owners of our acquired businesses for these claims or liabilities may be limited by various factors, including the specific time, monetary or other limitations contained in the respective acquisition agreements and the financial ability of the former owners to satisfy our indemnification claims. In addition, insurance companies may be unwilling to cover claims that have arisen from acquired businesses or locations, or claims may exceed the coverage limits that our acquired businesses had in effect prior to the date of acquisition. If we are unable to successfully obtain insurance coverage of third-party claims or enforce our indemnification rights against the former owners, or if the former owners are unable to satisfy their obligations for any reason, including because of their current financial position, we could be held liable for the costs or obligations associated with such claims or liabilities, which could adversely affect our financial condition and results of operations. Our ability to acquire additional businesses may require issuances of our common stock and / or debt financing that we may be unable to obtain on acceptable terms. The timing, size and success of our acquisition efforts and the associated capital commitments cannot be readily predicted. We intend to use our common stock, cash, debt and borrowings under our credit facility, if necessary, as consideration for future acquisitions of companies. The issuance of additional common stock in connection with future acquisitions may be dilutive to holders of shares of common stock. In addition, if our common stock does not maintain a sufficient market value or potential acquisition candidates are unwilling to accept common stock as part of the consideration for the sale of their businesses, we may be required to use more of our cash resources, including obtaining additional capital through debt financing. However, there can be no assurance that we will be able to obtain financing if and when it is needed or that it will be available on terms that we deem acceptable. As a result, we may be unable to pursue our acquisition strategy successfully, which may prevent us from achieving our growth objectives. We have an amount of debt which may be considered significant for a company of our size, which could adversely affect our financial condition and our ability to react to changes in our business. As of December 31, ~~2023~~ 2024, we had an aggregate principal amount of debt outstanding of approximately \$ ~~9.6~~ 7.5 million. We believe this is an amount of indebtedness which may be considered significant for a company of our size and current revenue base. Our substantial debt could have important consequences to us. For example, it could: • make it more difficult for us to satisfy our obligations to the holders of our outstanding debt, resulting in possible defaults on and acceleration of such indebtedness; • require us to dedicate a substantial portion of our cash flows from operations to make payments on our debt, which would reduce the availability of our cash flows from operations to fund working capital, capital expenditures or other general corporate purposes; • increase our vulnerability to general adverse economic and industry conditions, including interest rate fluctuations; • place us at a competitive disadvantage to our competitors with proportionately less debt for their size; • limit our ability to refinance our existing indebtedness or borrow additional funds in the future; • limit our flexibility in planning for, or reacting to, changing conditions in our business; ~~and~~ ~~18~~ ~~--~~ ~~and~~ • limit our ability to react to competitive pressures or make it difficult for us to carry out capital spending that is necessary or important to our growth strategy. Any of the foregoing impacts of our substantial indebtedness could have a material adverse effect on our business, financial condition and results of operations. We may not be able to generate sufficient cash to service all of our debt or refinance our obligations and may be forced to take other actions to satisfy our obligations under such indebtedness, which may not be successful. We currently have \$ 3.5 million in notes outstanding pursuant to our Bailey acquisition. We are currently unable to repay or refinance borrowings so any such action by these lenders could force us into bankruptcy or liquidation. In addition, our ability to make scheduled payments on our indebtedness or to refinance our obligations under our debt agreements, will depend on our financial and operating performance, which, in turn, will be subject to prevailing economic and competitive conditions and to the financial and business risk factors we face as described in this section, many of which may be beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness. If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures or planned growth objectives, seek to obtain additional equity capital or restructure our indebtedness. In the future, our cash flows and capital resources may not be sufficient for payments of interest on and principal of our debt, and such alternative measures may not be successful and may not permit us to meet scheduled debt service obligations. In addition, the recent worldwide credit crisis could make it more difficult for us to refinance our indebtedness on favorable terms, or at all. In the absence of such operating results and resources, we may be required to dispose of material assets to meet our debt service obligations. We may not be able to consummate those sales, or, if we do, we will not control the timing of the sales or whether the proceeds that we realize will be adequate to meet debt service obligations when due. Our results of operations have been and could be in the future adversely affected as a result of asset impairments. Our results of operations and financial condition have been and could be in the future adversely affected by impairments to goodwill, other intangible assets, receivables, long-lived assets or investments. For example, when we acquire a business, we record goodwill in an amount equal to the amount we paid for the business minus the fair value of the net tangible assets and other identifiable intangible assets of the acquired business. Goodwill and other intangible assets that have indefinite useful lives cannot be amortized, but instead must be tested at least annually for impairment. As a result of our acquisitions of Sundry, Stateside and Bailey, our goodwill and intangible assets as of December 31, ~~2023~~ 2024 were \$ ~~19.9~~ 0 and \$ ~~21.6~~ 9.1 million, respectively. During the years ended December 31, ~~2023~~ 2024, we recorded impairment expense of \$ 0.0 million and \$ ~~15.1~~ 5.4 million pertaining to the goodwill and intangible assets. Any future impairments, including impairments of goodwill, intangible assets, long-lived assets or investments, could have a material adverse effect on our financial condition and results of operations for the period in which the impairment is recognized. If we fail to effectively manage our growth, our business, financial condition and operating results could be harmed. We have grown and expect to continue to grow rapidly. To effectively manage our growth, we must continue to implement our operational plans and strategies, improve our business

processes, improve and expand our infrastructure of people and information systems, and expand, train and manage our employee base. Since our inception and as a result of our acquisitions, we have rapidly increased our employee headcount across our organization to support the growth of our business. To support continued growth, we must effectively integrate, develop and motivate a large number of new employees while maintaining our corporate culture. We face significant competition for personnel. To attract top talent, we have had to offer, and expect to continue to offer, competitive compensation and benefits packages before we can validate the productivity of new employees. We may also need to increase our employee compensation levels to remain competitive in attracting and retaining talented employees. The risks associated with a rapidly growing workforce will be particularly acute as we choose to expand into new merchandise categories and internationally. Additionally, we may not be able to hire new employees quickly enough to meet our needs. If we fail to effectively manage our hiring needs or successfully integrate new hires, our efficiency, our ability to meet forecasts and our employee morale, productivity and retention could suffer, which may have an adverse effect on our business, financial condition and operating results. ~~19~~**We** are also required to manage numerous relationships with various vendors and other third parties. Further growth of our operations, vendor base, fulfillment center, information technology systems or internal controls and procedures may not be adequate to support our operations. If we are unable to manage the growth of our organization effectively, our business, financial condition and operating results may be adversely affected. If we are unable to anticipate and respond to changing customer preferences and shifts in fashion and industry trends in a timely manner, our business, financial condition and operating results could be harmed. Our success largely depends on our ability to consistently gauge tastes and trends and provide a diverse and balanced assortment of merchandise that satisfies customer demands in a timely manner. Our ability to accurately forecast demand for our products could be affected by many factors, including an increase or decrease in demand for our products or for products of our competitors, our failure to accurately forecast acceptance of new products, product introductions by competitors, unanticipated changes in general market conditions, and weakening of economic conditions or consumer confidence in future economic conditions. We typically enter into agreements to manufacture and purchase our merchandise in advance of the applicable selling season and our failure to anticipate, identify or react appropriately, or in a timely manner to changes in customer preferences, tastes and trends or economic conditions could lead to, among other things, missed opportunities, excess inventory or inventory shortages, markdowns and write-offs, all of which could negatively impact our profitability and have a material adverse effect on our business, financial condition and operating results. Failure to respond to changing customer preferences and fashion trends could also negatively impact the image of our brands with our customers and result in diminished brand loyalty. Our business depends on our ability to maintain a strong portfolio of brands and engaged customers. We may not be able to maintain and enhance our existing brand portfolio if we receive customer complaints, negative publicity or otherwise fail to live up to consumers' expectations, which could materially adversely affect our business, operating results and growth prospects. Our ability to acquire or offer new brands and maintain and enhance the appeal of our existing brands is critical to expanding our base of customers. A significant portion of our customers' experience depends on third parties outside of our control, including vendors, suppliers and logistics providers such as FedEx, UPS and the U. S. Postal Service. If these third parties do not meet our or our customers' expectations, including timely delivery of our products, or if they increase their rates, our business may suffer irreparable damage or our costs may increase. Also, if we fail to promote and maintain our brands, or if we incur excessive expenses in this effort, our business, operating results and financial condition may be materially adversely affected. We anticipate that as our market becomes increasingly competitive, our ability to acquire or offer new brands and to maintain and enhance our existing brands may become increasingly difficult and expensive and will depend largely on our ability to provide high quality products to our customers and a reliable, trustworthy and profitable sales channel to our vendors, which we may not do successfully. Customer complaints or negative publicity about our sites, products, product delivery times, customer data handling and security practices or customer support, especially on blogs, social media websites and our sites, could rapidly and severely diminish consumer use of our sites and consumer and supplier confidence in us and result in harm to our brands. An economic downturn or economic uncertainty in the United States may adversely affect consumer discretionary spending and demand for our products. Our operating results are affected by the relative condition of the United States economy, as many of our products may be considered discretionary items for consumers. Our customers may reduce their spending and purchases due to job loss or fear of job loss, foreclosures, bankruptcies, higher consumer debt and interest rates, reduced access to credit, falling home prices, increased taxes, and / or lower consumer confidence. Consumer demand for our products may not reach our targets, or may decline, when there is an economic downturn or economic uncertainty. Current, recent past, and future conditions may also adversely affect our pricing and liquidation strategy; promotional activities, product liquidation, and decreased demand for consumer products could affect profitability and margins. Any of the foregoing factors could have a material adverse effect on our business, results of operations, and financial condition. Additionally, many of the effects and consequences of U. S. and global financial and economic conditions could potentially have a material adverse effect on our liquidity and capital resources, including the ability to raise additional capital, if needed, or could otherwise negatively affect our business and financial results. For example, global economic conditions may also adversely affect our suppliers' access to capital and liquidity with which to maintain their inventory, production levels, and product quality and to operate their ~~20~~**businesses**--- **businesses**, all of which could adversely affect our supply chain. Market instability could make it more difficult for us and our suppliers to accurately forecast future product demand trends, which could cause us to carry too much or too little merchandise in various product categories. **Adverse macroeconomic and geopolitical conditions, including trade policies and tariffs, may have a material adverse effect on the Company's business, results of operations and financial condition. Challenging macroeconomic conditions, including as a result of geopolitical events, changes to international trade policies, public health crises, disruptions in global supply chains, and changes in inflation and interest rates, may negatively impact our costs from our suppliers and consumer demand for our products, as well as sales cycles, and in turn may materially affect the Company's business, results of operations and**

financial condition. Such economic factors and uncertainties are beyond the Company's control and the Company has no comparative advantage in forecasting their effects. The U. S. has established free trade laws and regulations that set certain duties and tariffs for qualifying imports and exports, subject to compliance with the applicable classification and other requirements. Changes in laws or policies governing the terms of foreign trade, and in particular increased trade restrictions, tariffs or taxes on imports from countries where our supplies may be sourced could have a material adverse effect on our business and financial results. In recent years, the U. S. and Chinese governments have imposed a series of significant incremental retaliatory tariffs to certain imported products. Further, the U. S. administration recently has begun to enact additional or enhanced tariffs in various jurisdictions relevant to our business. Implementation of tariffs or other restrictive trade measures by the United States and potentially reciprocally by other countries subject to such tariffs remains highly uncertain. If the actual and potential tariffs and reciprocal tariffs are implemented as currently proposed, our results of operations could be materially negatively impacted, both directly and indirectly through negative effects to our supply chain, as a result of increased costs, decreased demand and other adverse economic impacts, and we may not be able to successfully mitigate or offset such impacts. Depending upon their implementation and duration, as well as our ability to mitigate their impact, these tariffs and any other future regulatory actions implemented on a broader range of products or raw materials could materially affect our business, including in the form of increased cost of goods sold, decreased margins, increased pricing for customers, reduced sales and disruption in our supply chain. Furthermore, additional trade restrictions could be adopted with little to no advance notice, and we may not be able to effectively mitigate the adverse impacts from such measures, which could further increase the cost of our products, disrupt our supply chain and impair our ability to effectively operate and compete in the countries where we do business. The Company is closely monitoring this evolving situation but there can be no assurance that the Company will be able to mitigate the impacts of any trade measures, which could be material to the Company's business operations or harm the Company's competitive position.

We operate in highly competitive markets and the size and resources of some of our competitors may allow them to compete more effectively than we can, resulting in a loss of our market share and a decrease in our net revenue. The markets in which we compete are highly competitive. Competition may result in pricing pressures, reduced profit margins or lost market share, or a failure to grow or maintain our market share, any of which could substantially harm our business and results of operations. We compete directly against wholesalers and direct retailers of apparel, including large, diversified apparel companies with substantial market share and strong worldwide brand recognition. Many of our competitors, including Vince, James Perse, Rag & Bone, Madewell, AG, FRAME, All Saints, Zegna and Ralph Lauren, have significant competitive advantages, including longer operating histories, larger and broader customer bases, more established relationships with a broader set of suppliers, greater brand recognition and greater financial, research and development, marketing, distribution, and other resources than we do. As a result, these competitors may be better equipped than we are to influence consumer preferences or otherwise increase their market share by: • quickly adapting to changes in customer requirements or consumer preferences; • discounting excess inventory that has been written down or written off; • devoting resources to the marketing and sale of their products, including significant advertising campaigns, media placement, partnerships and product endorsement; and • engaging in lengthy and costly intellectual property and other disputes. Our inability to compete successfully against our competitors and maintain our gross margin could have a material adverse effect on our business, financial condition and results of operations. Use of social media and influencers may materially and adversely affect our reputation or subject us to fines or other penalties. We use third-party social media platforms as, among other things, marketing tools. We also maintain relationships with many social media influencers and engage in sponsorship initiatives. As existing e-commerce and social media platforms continue to rapidly evolve and new platforms develop, we must continue to maintain a presence on these platforms and establish presences on new or emerging popular social media platforms. If we are unable to cost-effectively use social media platforms as marketing tools or if the social media platforms we use change their policies or algorithms, we may not be able to fully optimize such platforms, and our ability to maintain and acquire customers and our financial condition may suffer. Furthermore, as laws and regulations and public opinion rapidly evolve to govern the use of these platforms and devices, the failure by us, our employees, our network of social media influencers, our sponsors or third parties acting at our direction to abide by applicable laws and regulations in the use of these platforms and devices or otherwise could subject us to regulatory investigations, class action lawsuits, liability, fines or other penalties and have a material adverse effect on our business, financial condition and operating results. In addition, an increase in the use of social media for product promotion and marketing may cause an increase in the burden on us to monitor compliance of such materials, and increase the risk that such materials could contain problematic product or marketing claims in violation of applicable regulations. For example, in some cases, the FTC has sought enforcement action where an endorsement has failed to clearly and conspicuously disclose a financial relationship or material connection between an influencer and an advertiser. We do not prescribe what our influencers post, and if we were held responsible for the content of their posts or their actions, we could be fined or forced to alter our practices, which could have an adverse impact on our business.

21 Negative -- **Negative** commentary regarding us, our products or influencers and other third parties who are affiliated with us may also be posted on social media platforms and may be adverse to our reputation or business. Influencers with whom we maintain relationships could engage in behavior or use their platforms to communicate directly with our customers in a manner that reflects poorly on our brand and may be attributed to us or otherwise adversely affect us. It is not possible to prevent such behavior, and the precautions we take to detect this activity may not be effective in all cases. Our target consumers often value readily available information and often act on such information without further investigation and without regard to its accuracy. The harm may be immediate, without affording us an opportunity for redress or correction. If we fail to retain existing customers, or fail to maintain average order value levels, we may not be able to maintain our revenue base and margins, which would have a material adverse effect on our business and operating results. A significant portion of our net sales are generated from sales to existing customers. If existing customers no

longer find our offerings appealing, or if we are unable to timely update our offerings to meet current trends and customer demands, our existing customers may make fewer or smaller purchases in the future. A decrease in the number of our customers who make repeat purchases or a decrease in their spending on the merchandise we offer could negatively impact our operating results. Further, we believe that our future success will depend in part on our ability to increase sales to our existing customers over time, and if we are unable to do so, our business may suffer. If we fail to generate repeat purchases or maintain high levels of customer engagement and average order value, our growth prospects, operating results and financial condition could be materially adversely affected. We purchase inventory in anticipation of sales, and if we are unable to manage our inventory effectively, our operating results could be adversely affected. Our business requires us to manage a large volume of inventory effectively. We regularly add new apparel, accessories and beauty styles to our sites, and we depend on our forecasts of demand for and popularity of various products to make purchase decisions and to manage our inventory of stock-keeping units, or SKUs. Demand for products, however, can change significantly between the time inventory is ordered and the date of sale. Demand may be affected by seasonality, new product launches, rapid changes in product cycles and pricing, product defects, promotions, changes in consumer spending patterns, changes in consumer tastes with respect to our products and other factors, and our consumers may not purchase products in the quantities that we expect. It may be difficult to accurately forecast demand and determine appropriate levels of product. We generally do not have the right to return unsold products to our suppliers. If we fail to manage our inventory effectively or negotiate favorable credit terms with third-party suppliers, we may be subject to a heightened risk of inventory obsolescence, a decline in inventory values, and significant inventory write-downs or write-offs. In addition, if we are required to lower sale prices in order to reduce inventory level or to pay higher prices to our suppliers, our profit margins might be negatively affected. Any failure to manage owned brand expansion or accurately forecast demand for owned brands could adversely affect growth, margins and inventory levels. In addition, our ability to meet customer demand has been and may be in the future negatively impacted by disruptions in the supply chain from a number of factors, including, for example, the COVID-19 coronavirus outbreak in China. The COVID-19 coronavirus has impacted our supply chain and may delay or prevent the manufacturing or transport of product. Any of the above may materially and adversely affect our business, financial condition and operating results. Merchandise returns could harm our business. We allow our customers to return products, subject to our return policy. If the rate of merchandise returns increases significantly or if merchandise return economics become less efficient, our business, financial condition and operating results could be harmed. Further, we modify our policies relating to returns from time to time, which may result in customer dissatisfaction or an increase in the number of product returns. From time to time our products are damaged in transit, which can increase return rates and harm our brands. We rely on third-party suppliers and manufacturers to provide raw materials for and to produce our products, and we have limited control over these suppliers and manufacturers and may not be able to obtain quality products on a timely basis or in sufficient quantity. We rely on third-party suppliers primarily located outside of the United States to provide raw materials for our products. In addition, we do not own or operate any manufacturing facilities and rely solely on unaffiliated manufacturers primarily located outside the United States to manufacture our products. Increases in the costs of labor and other costs of doing business in these countries could significantly ~~increase~~ **increase** our costs to produce our products and could have a negative impact on our operations, net revenue, and earnings. In addition, certain of our manufacturers are subject to government regulations related to wage rates, and therefore the labor costs to produce our products may fluctuate. Factors that could negatively affect our business include a potential significant revaluation of the currencies used in these countries, which may result in an increase in the cost of producing products, labor shortages and stoppages and increases in labor costs, and difficulties in moving products manufactured out of the countries in which they are manufactured and through the ports in North America, whether due to port congestion, labor disputes, product regulations and / or inspections or other factors, and natural disasters or health pandemics. A labor strike or other transportation disruption affecting these ports could significantly disrupt our business. In addition, the imposition of trade sanctions or other regulations against products imported by us from, or the loss of “normal trade relations” status with any country in which our products are manufactured, could significantly increase our cost of products and harm our business. We may also experience increased costs in raw goods, transportation and labor. Additionally, we are also subject to global supply chain disruptions, which may include longer lead times for raw fabrics, inbound shipping and longer production times. Supply chain issues have specifically impacted the following for our brands: • Increased costs in raw materials from fabric prices, which have increased 10 % to 100 % depending on the fabric, the time of year, and the origin of the fabric, as well as where the fabric is being shipped; • Increased cost per kilo to ship via sea or air, which has increased from 25 % to 300 % depending on the time of year and from the country we are shipping from; • Increased transit time via sea or air, which have increased by two weeks to two months; and • Increased labor costs for producing the finished goods, which have increased 5 % to 25 % depending on the country and the labor skill required to produce the goods. The operations of our suppliers can be subject to additional risks beyond our control, including shipping delays, labor disputes, trade restrictions, tariffs and embargos, or any other change in local conditions. We may experience a significant disruption in the supply of fabrics or raw materials from current sources or, in the event of a disruption, we may be unable to locate alternative materials suppliers of comparable quality at an acceptable price, or at all. We do not have any long-term supply contracts in place with any of our suppliers and we compete with other companies, including many of our competitors, for fabrics, raw materials, production and import quota capacity. We have occasionally received, and may in the future receive, shipments of products that fail to comply with our specifications or that fail to conform to our quality control standards. We have also received, and may in the future receive, products that are otherwise unacceptable to us or our customers. Under these circumstances, we may incur substantial expense to remedy the problems and may be required to obtain replacement products. If we fail to remedy any such problem in a timely manner, we risk the loss of net revenue resulting from the inability to sell those products and related increased administrative and shipping costs. Additionally, if the unacceptability of our products is not discovered until after such products are purchased by our customers, our customers could lose confidence in our products or we could face a product recall.

In such an event our brand reputation may be negatively impacted which could negatively impact our results of operations. These and other factors beyond our control could result in our third- party suppliers and manufacturers being unable to fill our orders in a timely manner. If we experience significant increased demand, or we lose or need to replace an existing third- party supplier and manufacturer as a result of adverse economic conditions or other reasons, we may not be able to secure additional manufacturing capacity when required or on terms that are acceptable to us, or at all, or manufacturers may not be able to allocate sufficient capacity to us in order to meet our requirements. In addition, even if we are able to find new third- party suppliers or manufacturers, we may encounter delays in production and added costs as a result of the time it takes to train our manufacturers on our methods, products and quality control standards. Moreover, it is possible that we will experience defects, errors, or other problems with their work that will materially affect our operations and we may have little or no recourse to recover damages for these losses. Any delays, interruption or increased costs in the supply of fabric or manufacture of our products could have an adverse effect on our ability to meet retail customer and consumer demand for our products and result in lower net revenues and net income both in the short and long term. In addition to the foregoing, one of our subsidiary' s depends on two primary suppliers located in China and Turkey for the substantial portion of raw materials used in its products and the manufacture of these products, which makes it vulnerable to a disruption in the supply of its products. As a result, termination of these supply arrangements, an adverse change in the financial condition of these ~~23suppliers~~ **suppliers** or an adverse change in their ability to manufacture and / or deliver desired products on a timely basis each could have a material adverse effect on our business, financial condition and results of operations. Our sales and gross margins may decline as a result of increasing product costs and decreasing selling prices. The fabrics used in our products include synthetic fabrics whose raw materials include petroleum- based products, as well as natural fibers such as cotton. Significant price fluctuations or shortages in petroleum or other raw materials can materially adversely affect our cost of net revenues. In addition, the United States and the countries in which our products are produced or sold internationally have imposed and may impose additional quotas, duties, tariffs, or other restrictions or regulations, or may adversely adjust prevailing quota, duty or tariff levels. Countries impose, modify and remove tariffs and other trade restrictions in response to a diverse array of factors, including global and national economic and political conditions, which make it impossible for us to predict future developments regarding tariffs and other trade restrictions. Trade restrictions, including tariffs, quotas, embargoes, safeguards, and customs restrictions, could increase the cost or reduce the supply of products available to us or may require us to modify our supply chain organization or other current business practices, any of which could harm our business, financial condition and results of operations. Our operations are currently dependent on a single warehouse and distribution center, and the loss of, or disruption in, the warehouse and distribution center and other factors affecting the distribution of merchandise could have a material adverse effect on our business and operations. Our warehouse and fulfillment / distribution functions are currently primarily handled from a single facility in Vernon, California. Our current fulfillment / distribution operations are dependent on the continued use of this facility. Any significant interruption in the operation of the warehouse and fulfillment / distribution center due to COVID- 19 restrictions, natural disasters, accidents, system issues or failures, or other unforeseen causes that materially impair our ability to access or use our facility, could delay or impair the ability to distribute merchandise and fulfill online orders, which could cause sales to decline. We also depend upon third- party carriers for shipment of a significant amount of merchandise directly to our customers. An interruption in service by these third- party carriers for any reason could cause temporary disruptions in business, a loss of sales and profits, and other material adverse effects. Our sales and gross margins may decline as a result of increasing freight costs. Freight costs are impacted by changes in fuel prices through surcharges, among other factors. Fuel prices and surcharges affect freight costs both on inbound freight from suppliers to the distribution center as well as outbound freight from the distribution center to stores / shops, supplier returns and third- party liquidators, and shipments of product to customers. The cost of transporting our products for distribution and sale is also subject to fluctuation due in large part to the price of oil. Because most of our products are manufactured abroad, our products must be transported by third parties over large geographical distances and an increase in the price of oil can significantly increase costs. Manufacturing delays or unexpected transportation delays can also cause us to rely more heavily on airfreight to achieve timely delivery to our customers, which significantly increases freight costs. Increases in fuel prices, surcharges, and other potential factors may increase freight costs. Any of these fluctuations may increase our cost of products and have an adverse effect on our margins, results of operations and financial condition. Increases in labor costs, including wages, could adversely affect our business, financial condition and results of operations. Labor is a significant portion of our cost structure and is subject to many external factors, including unemployment levels, prevailing wage rates, minimum wage laws, potential collective bargaining arrangements, health insurance costs and other insurance costs and changes in employment and labor legislation or other workplace regulation. From time to time, legislative proposals are made to increase the federal minimum wage in the United States, as well as the minimum wage in California and a number of other states and municipalities, and to reform entitlement programs, such as health insurance and paid leave programs. As minimum wage rates increase or related laws and regulations change, we may need to increase not only the wage rates of our minimum wage employees, but also the wages paid to our other hourly or salaried employees. Any increase in the cost of our labor could have an adverse effect on our business, financial condition and results of operations or if we fail to pay such higher wages we could suffer increased employee turnover. Increases in labor costs could force us to increase prices, which could adversely impact our sales. If competitive pressures or other ~~24factors~~ **factors** prevent us from offsetting increased labor costs by increases in prices, our profitability may decline and could have a material adverse effect on our business, financial condition and results of operations. Security breaches and other disruptions could compromise our information and expose us to liability, which would cause our business and reputation to suffer. In the ordinary course of our business, we collect and store sensitive data, including intellectual property, our proprietary business information, and financial and other personally identifiable information of our customers and employees. The secure processing, maintenance, and transmission of this information is critical to our operations and business strategy. Despite our security measures, our information technology and infrastructure may be vulnerable to attacks

by hackers or breached due to employee error, malfeasance, or other disruptions. Any such breach could compromise our networks and the information stored there could be accessed, publicly disclosed, lost, or stolen. Advanced attacks are multi-staged, unfold over time, and utilize a range of attack vectors with military- grade cyber weapons and proven techniques, such as spear phishing and social engineering, leaving organizations and users at high risk of being compromised. The vast majority of data breaches, whether conducted by a cyber attacker from inside or outside of the organization, involve the misappropriation of digital identities and user credentials. These credentials are used to gain legitimate access to sensitive systems and high- value personal and corporate data. Many large, well- known organizations have been subject to cyber- attacks that exploited the identity vector, demonstrating that even organizations with significant resources and security expertise have challenges securing their identities. Any such access, disclosure, or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, a disruption of our operations, damage to our reputation, or a loss of confidence in our business, any of which could adversely affect our business, revenues, and competitive position. Our future success depends on our key executive officers and our ability to attract, retain, and motivate qualified personnel. Our future success largely depends upon the continued services of our executive officers and management team, especially our Chief Executive Officer and President, Mr. John “ Hil ” Davis. If one or more of our executive officers are unable or unwilling to continue in their present positions, we may not be able to replace them readily, if at all. Additionally, we may incur additional expenses to recruit and retain new executive officers. If any of our executive officers joins a competitor or forms a competing company, we may lose some or all of our customers. Finally, we do not maintain “ key person ” life insurance on any of our executive officers. Because of these factors, the loss of the services of any of these key persons could adversely affect our business, financial condition, and results of operations, and thereby an investment in our stock. In addition, our continuing ability to attract and retain highly qualified personnel, especially employees with experience in the fashion and fitness industries, will also be critical to our success because we will need to hire and retain additional personnel as our business grows. There can be no assurance that we will be able to attract or retain highly qualified personnel. We face significant competition for skilled personnel in our industries. This competition may make it more difficult and expensive to attract, hire, and retain qualified managers and employees. Because of these factors, we may not be able to effectively manage or grow our business, which could adversely affect our financial condition or business. As a result, the value of your investment could be significantly reduced or completely lost. If we cannot successfully protect our intellectual property, our business could suffer. We rely on a combination of intellectual property rights, contractual protections and other practices to protect our brand, proprietary information, technologies and processes. We primarily rely on copyright and trade secret laws to protect our proprietary technologies and processes, including the algorithms we use throughout our business. Others may independently develop the same or similar technologies and processes, or may improperly acquire and use information about our technologies and processes, which may allow them to provide a service similar to ours, which could harm our competitive position. Our principal trademark assets include the registered trademarks “ DSTLD ”, “ Bailey 44 ”, “ **AVO ACE STUDIOS** ”, “ STATESIDE ” and “ SUNDRY ” and our logos and taglines. Our trademarks are valuable assets that support our brand and consumers’ perception of our services and merchandise. We also hold the rights to the “ www. digitalbrandsgroup. co ”, www. dstld. com, “ www. bailey44. com ”, ~~and www. harperandjones. com.~~ Internet domain name and various related domain names, which are subject to Internet regulatory bodies and trademark and other related laws of each applicable jurisdiction. If we are unable to protect our trademarks or domain names, our brand recognition and reputation would suffer, we would incur significant expense establishing new brands and our operating results would be adversely impacted. Further, to the extent we pursue patent protection for our innovations, patents we may apply for may not issue, and patents that do issue or that we acquire may not provide us with any competitive advantages or may be challenged by third parties. There can be no assurance that any ~~25 patents~~ **patents** we obtain will adequately protect our inventions or survive a legal challenge, as the legal standards relating to the validity, enforceability and scope of protection of patent and other intellectual property rights are uncertain. We may be required to spend significant resources to monitor and protect our intellectual property rights, and the efforts we take to protect our proprietary rights may not be sufficient. If the technology- based systems that give our customers the ability to shop with us online do not function effectively, our operating results could be materially adversely affected. A substantial number of our customers currently shop with us through our e- commerce website and mobile application. Increasingly, customers are using tablets and smart phones to shop online with us and with our competitors and to do comparison shopping. Any failure on our part to provide an attractive, effective, reliable, user- friendly e- commerce platform that offers a wide assortment of merchandise with rapid delivery options and that continually meet the changing expectations of online shoppers could place us at a competitive disadvantage, result in the loss of sales, harm our reputation with customers, and could have a material adverse impact on our business and results of operations. Organizations face growing regulatory and compliance requirements. New and evolving regulations and compliance standards for cyber security, data protection, privacy, and internal IT controls are often created in response to the tide of cyber- attacks and will increasingly impact organizations. Existing regulatory standards require that organizations implement internal controls for user access to applications and data. In addition, data breaches are driving a new wave of regulation with stricter enforcement and higher penalties. Regulatory and policy- driven obligations require expensive and time- consuming compliance measures. The fear of non- compliance failed audits, and material findings has pushed organizations to spend more to ensure they are in compliance, often resulting in costly, one- off implementations to mitigate potential fines or reputational damage. Any substantial costs associated with failing to meet regulatory requirements, combined with the risk of fallout from security breaches, could have a material adverse effect on our business and brand. Our failure to comply with trade and other regulations could lead to investigations or actions by government regulators and negative publicity. The labeling, distribution, importation, marketing and sale of our products are subject to extensive regulation by various federal agencies, including the Federal Trade Commission, Consumer Product Safety Commission and state attorneys general in the U. S., as well as by various other federal, state, provincial, local and international regulatory authorities in the locations in which our products are distributed or sold. If

we fail to comply with those regulations, we could become subject to significant penalties or claims or be required to recall products, which could negatively impact our results of operations and disrupt our ability to conduct our business, as well as damage our brand image with consumers. In addition, the adoption of new regulations or changes in the interpretation of existing regulations may result in significant unanticipated compliance costs or discontinuation of product sales and may impair the marketing of our products, resulting in significant loss of net revenues. Any international operations are also subject to compliance with the U. S. Foreign Corrupt Practices Act, or FCPA, and other anti- bribery laws applicable to our operations. Although we have policies and procedures to address compliance with the FCPA and similar laws, there can be no assurance that all of our employees, agents and other partners will not take actions in violations of our policies. Any such violation could subject us to sanctions or other penalties that could negatively affect our reputation, business and operating results. Our business is affected by seasonality. Our business is affected by the general seasonal trends common to the retail apparel industry. This seasonality may adversely affect our business and cause our results of operations to fluctuate, and, as a result, we believe that comparisons of our operating results between different quarters within a single fiscal year are not necessarily meaningful and that results of operations in any period should not be considered indicative of the results to be expected for any future period.

Risks Related to our Common Stock The **Stock The** price of our common stock has in the past and may in the future fluctuate substantially. The market price of our common stock has in the past and could in the future be extremely volatile. From May 2021 to March 31, ~~2023~~ **2025**, the high and low prices of our common stock as quoted on the ~~NasdaqCM~~ **Nasdaq Capital Market (through December 17, 2024) and the OTC Pink (beginning on December 18, 2024)** was \$ ~~22-746~~ **.000-250** and \$ ~~2-1.30-03~~, respectively (as appropriately adjusted for the ~~1-for-100 and 1-for-25 reverse~~ **Reverse stock splits** ~~Splits~~ effectuated by the Company in November 2022 and August 2023, respectively). The future market price of our common stock may be significantly affected by factors, such as: • market conditions affecting the apparel industries; • quarterly variations in our results of operations; • changes in government regulations; • the announcement of acquisitions by us or our competitors; • changes in general economic and political conditions; • volatility in the financial markets; • results of our operations and the operations of others in our industry; • changes in interest rates; • threatened or actual litigation and government investigations; • the addition or departure of key personnel; • actions taken by our stockholders, including the sale or disposition of their shares of our common stock; and • differences between our actual financial and operating results and those expected by investors and analysts and changes in analysts' recommendations or projections. These and other factors may lower the market price of our common stock, regardless of our actual operating performance. As a result, our common stock may trade at prices significantly below the public offering price. Furthermore, in recent years the stock market has experienced significant price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies. The changes frequently appear to occur without regard to the operating performance of the affected companies. Hence, the price of our common stock could fluctuate based upon factors that have little or nothing to do with us, and these fluctuations could materially reduce the price of our common stock and materially affect the value of your investment. In the past, securities class action litigation often has been instituted against companies following periods of volatility in the market price of their securities. This type of litigation, if directed at us, could result in substantial costs and a diversion of management' s attention and resources ~~If we are not able to comply with the applicable continued listing requirements or standards of the NasdaqCM, Nasdaq could delist our common stock. Our common stock is listed on the NasdaqCM. In order to maintain that listing, we must satisfy minimum financial and other continued listing requirements and standards, including those regarding director independence and independent committee requirements,~~ ²⁷minimum stockholders' equity, minimum share price, and certain corporate governance requirements. There can be no assurances that we will be able to comply with the applicable listing standards. On May 31, 2022, we received a letter from the Listing Qualifications Staff (the "Staff") of Nasdaq indicating that the bid price of our common stock had closed below \$ 1.00 per share for 30 consecutive business days and, as a result, we are not in compliance with Nasdaq Listing Rule 5550 (a) (2), which sets forth the minimum bid price requirement for continued listing on the NasdaqCM (the " Minimum Bid Requirement "). Nasdaq' s notice had no immediate effect on the listing of common stock on Nasdaq. Pursuant to Nasdaq Listing Rule 5810 (c) (3) (A), we were afforded a 180- calendar day grace period, through November 28, 2022, to regain compliance with the bid price requirement. Compliance can be achieved by evidencing a closing bid price of at least \$ 1.00 per share for a minimum of ten consecutive business days (but generally not more than 20 consecutive business days) during the 180- calendar day grace period. If we do not regain compliance with the bid price requirement by November 28, 2022, we may be eligible for an additional 180- calendar day compliance period so long as it satisfies the criteria for initial listing on the NasdaqCM and the continued listing requirement for market value of publicly held shares and we provide written notice to Nasdaq of its intention to cure the deficiency during the second compliance period by effecting a reverse stock split, if necessary. In the event we are not eligible for the second grace period, the Nasdaq staff will provide written notice that our Common Stock is subject to delisting; however, we may request a hearing before the Nasdaq Hearings Panel (the " Panel "), which request, if timely made, would stay any further suspension or delisting action by the Staff pending the conclusion of the hearing process and expiration of any extension that may be granted by the Panel. On January 19, 2022, we received a letter from the Listing Qualifications Department of the Nasdaq notifying us that our common stock Market Value of Listed Securities (" MVLS ") had been below the minimum \$ 35, 000, 000 required for continued inclusion as set forth in Nasdaq Listing Rule 5550 (b) (2) (" MVLS Requirement "). The letter also states that we would be provided 180 calendar days, or until July 18, 2022, to regain compliance with the MVLS Requirement (" Compliance Period "). If we did not regain compliance within the Compliance Period, we would receive a written notification from Nasdaq that our securities are subject to delisting. At that time, we may appeal the delisting determination to a Hearings Panel. On July 21, 2022, we received a letter from Nasdaq stating that the Company has not regained compliance with the MVLS Standard, since our common stock was below the \$ 35 million minimum MVLS requirement for continued listing on the NasdaqCM under Nasdaq Listing Rule 5550 (b) (2) (the " MLVS Rule ") and had not been at least \$ 35 million for a minimum of 10 consecutive

business days at any time during the 180-day grace period granted to us. Pursuant to the Letter, unless we requested a hearing to appeal this determination by 4:00 p. m. Eastern Time on July 28, 2022, our Common Stock would be delisted from The NasdaqCM, trading of our Common Stock would be suspended at the opening of business on August 1, 2022, and a Form 25-NSE will be filed with the Securities and Exchange Commission, which will remove the our securities from listing and registration on Nasdaq. On July 27, 2022, the Company requested a hearing before the Nasdaq Hearings Panel (the "Panel") to appeal the Letter on July 21, 2022. The request for a hearing was granted and held on September 8, 2022. On September 21, 2022, the Nasdaq Listing Qualifications Panel (the "Hearings Panel") granted the Company an extension until January 17, 2023, to demonstrate compliance with Listing Rule 5550(b)(1) to allow continued listing requirement of The NasdaqCM, conditioned upon achievement of certain milestones included in a plan of compliance which the Company previously submitted to the Hearings Panel. On November 29, 2023, Nasdaq formally notified the Company that it had regained compliance with the Bid-Price Rule. On November 3, 2022, Digital Brands Group, Inc. (the "Company") received notice from the Listing Qualifications Staff (the "Staff") of The Nasdaq Stock Market LLC ("Nasdaq") that the Company's bid price had closed below \$ 0.10 per share for the preceding ten consecutive trading days, in contravention of Nasdaq Listing Rule 5810(3)(A)(iii) and, as a result, the Nasdaq Hearings Panel (the "Panel") would consider the deficiency as an additional basis for delisting. Effective as of 5 pm EST on November 3, 2022, the Company implemented a reverse stock split at a ratio of 1-for-100 shares, which the Company believes will remedy both the \$ 0.10 threshold price deficiency and the \$ 1.00 bid price deficiency cited by the Staff. In order to evidence compliance with Nasdaq's bid price criteria, the Company must evidence a closing bid price of at least \$ 1.00 per share for a minimum of 10 (though generally not more than 20) consecutive business days. As of the close of business on November 11, 2022, the Company had evidenced a closing bid price in excess of \$ 1.00 per share for six consecutive business days. On January 17, 2023, Digital Brands Group, Inc. (the "Company") was notified by the Nasdaq Hearings Panel (the "Panel") that the Company has evidenced compliance with all applicable requirements for continued listing on The NasdaqCM, including the \$ 2.5 million stockholders' equity requirement set forth in Nasdaq Listing Rule 5550(b). The Company remained subject to a "Panel Monitor," as that term is defined by Nasdaq Listing Rule 5815(d)(4)(A), through January 17, 2024. There can be no assurance that we will be successful in its efforts to maintain the Nasdaq listing. If our Common Stock and warrants cease to be listed for trading on the NasdaqCM, we would expect that our Common Stock and warrants would be traded on one of the three-tiered marketplaces of the OTC Markets Group. If Nasdaq were to delist our common stock and warrants, it would be more difficult for our stockholders to dispose of our common stock or warrants and more difficult to obtain accurate price quotations on our common stock or warrants. Our ability to issue additional securities for financing or other purposes, or otherwise to arrange for any financing we may need in the future, may also be materially and adversely affected if our common stock or warrants are not listed on a national securities exchange. If we are unable to implement and maintain effective internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports, which could adversely affect the market price of our common stock. We are not currently required to comply with Section 404 of the Sarbanes-Oxley Act of 2002, as amended (the "Sarbanes-Oxley Act"), and are therefore not required to make an assessment of the effectiveness of our internal control over financial reporting for that purpose. We have identified material weaknesses in our internal control over financial reporting. These material weaknesses relate to the fact that we do not maintain a comprehensive policies and procedures manual designed to establish internal controls over financial reporting to reduce the risk of publishing materially misstated financial statements, as well as define responsibilities and segregate incompatible duties to reduce the risk of unauthorized transactions. We are in the process of taking steps intended to remedy these material weaknesses, and we will not be able to fully address these material weaknesses until these steps have been completed. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Controls and Procedures" for information regarding our remediation efforts. As a public company, we are required to maintain internal control over financial reporting and to report any material weaknesses in such internal controls. A material weakness is defined in the standards established by the Public Company Accounting Oversight Board (United States) as a deficiency, or an acquisition of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. We intend to begin the process of designing, implementing and testing the internal control over financial reporting required to comply with this obligation, which process is time consuming, costly and complex. If we fail to increase and maintain the number and expertise of our staff for our accounting and finance functions and to improve and maintain internal control over financial reporting adequate to meet the demands that will be placed upon us as a public company, including the requirements of the Sarbanes-Oxley Act, we may be unable to report our financial results accurately and prevent fraud. In addition, we cannot be certain that any such steps we undertake will successfully remediate the material weaknesses or that other material weaknesses and control deficiencies will not be discovered in the future. If our remediation efforts are not successful or other material weaknesses or control deficiencies occur in the future, we may be unable to report our financial results accurately or on a timely basis, which could cause our reported financial results to be materially misstated and result in the loss of investor confidence or delisting and cause our stock price to decline. As a result of such failures, we could also become subject to investigations by Nasdaq, the SEC, or other regulatory authorities, and become subject to litigation from investors and stockholders, any of which could harm our reputation and financial condition and divert financial and management resources. Even if we are able to report our consolidated financial statements accurately and timely, if we do not make all the necessary improvements to address the material weaknesses, continued disclosure of our material weaknesses will be required in future filings with the SEC, which could reduce investor confidence in our reported results and our cause our stock price to decline. 29 We are an emerging growth company and a smaller reporting company within the meaning of the Securities Act, and as a result of the reduced disclosure and governance requirements applicable to emerging growth companies and smaller reporting companies, our common stock may be less attractive to investors and may make it more difficult to compare our

performance with other public companies. We are an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 (the “ JOBS Act ”), and we are eligible to take advantage of certain exemptions from various reporting requirements applicable to other public companies that are not emerging growth companies. Those exemptions include, but are not limited to, a requirement to present only two years of audited financial statements, an exemption from the auditor attestation requirement of Section 404 of the Sarbanes- Oxley Act, reduced disclosure about executive compensation arrangements in our periodic reports and proxy statements, and no requirement to seek non- binding advisory votes on executive compensation or golden parachute arrangements. We have elected to adopt these reduced disclosure requirements. We may take advantage of these provisions until we are no longer an emerging growth company. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year following the fifth anniversary of the completion of our initial public offering, (b) in which we have total annual gross revenue of at least \$ 1. 0 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non- affiliates exceeds \$ 700 million as of the prior December 31st, and (2) the date on which we have issued more than \$ 1. 0 billion in non- convertible debt during the prior three- year period. We cannot predict if investors will find our common stock less attractive as a result of our taking advantage of these exemptions. If some investors find our common stock less attractive as a result of our choices, there may be a less active trading market for our common stock and our stock price may be more volatile. Further, Section 102 (b) (1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non- emerging growth companies but any such election to opt out is irrevocable. We have elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used. Additionally, we are a “ smaller reporting company ” as defined in Rule 10 (f) (1) of Regulation S- K. We will remain a smaller reporting company until the last day of the fiscal year in which (1) the market value of our ordinary shares held by non- affiliates exceeds \$ 250 million as of the end of that year’ s second fiscal quarter, or (2) our annual revenues exceeded \$ 100 million during such completed fiscal year and the market value of our ordinary shares held by non- affiliates exceeds \$ 700 million as of the end of that year’ s second fiscal quarter. If we are a smaller reporting company at the time we cease to be an emerging growth company, we may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements in our Annual Report on Form 10- K and, similar to emerging growth companies, reduced disclosure obligations regarding executive compensation. Furthermore, as long as we are neither a “ large, accelerated filer ” nor an “ accelerated filer, ” as a smaller reporting company, we would not be required to comply with the auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act. To the extent we take advantage of such reduced disclosure obligations, it may also make comparison of our financial statements with other public companies difficult or impossible. Future sales of our common stock, or the perception in the public markets that these sales may occur, may depress our stock price. The market price of our common stock could decline significantly as a result of sales of a large number of shares of our common stock in the market after this offering. These sales, or the perception that these sales might occur, could depress the market price of our common stock or make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. ~~30Provisions~~ **Provisions** in our sixth amended and restated certificate of incorporation and bylaws and under Delaware law could discourage a takeover that stockholders may consider favorable. Our sixth amended and restated certificate of incorporation and amended and restated bylaws may discourage, delay or prevent a merger or acquisition that a stockholder may consider favorable because they, among other things: • establish a supermajority voting requirement of at least 66 2/3 % of the outstanding voting stock in order to amend certain provisions in our sixth amended and restated certificate of incorporation, which makes it more difficult for stockholders to eliminate anti- takeover provisions; • eliminate stockholder- initiated action by written consent in lieu of a meeting, which hampers the ability of stockholders to take action during the interim periods between annual meetings of stockholders; and • require the written request of stockholders holding an aggregate of 25 % of shares of our common stock in order for stockholders to call a special meeting, which together with the elimination of stockholder action by written consent described above, makes it very difficult for stockholders to take action during the interim periods between annual meetings of stockholders. As a Delaware corporation, we are also subject to the Delaware anti- takeover provisions contained in Section 203 of the Delaware General Corporation Law. Under Delaware law, a corporation may not engage in a business acquisition with any holder of 15 % or more of its capital stock unless the holder has held the stock for three years or, among other things, the board of directors has approved the transaction. Our board of directors could rely on this provision to prevent or delay an acquisition of us. Our sixth amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for certain stockholder litigation matters, which could limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or stockholders. Our sixth amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if and only if the Court of Chancery of the State of Delaware lacks subject matter jurisdiction, any state court located within the State of Delaware or, if and only if all such state courts lack subject matter jurisdiction, the federal district court for the District of Delaware) shall be the sole and exclusive forum for the following types of actions or proceedings

under Delaware statutory or common law: • any derivative action or proceeding brought on our behalf; • any action asserting a breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders; • any action asserting a claim against us or our directors, officers or other employees arising under the Delaware General Corporation Law, our sixth amended and restated certificate of incorporation or our bylaws; • any action or proceeding to interpret, apply, enforce or determine the validity of our sixth amended and restated certificate of incorporation or our bylaws; • any action or proceeding as to which the Delaware General Corporation Law confers jurisdiction to the Court of Chancery of the State of Delaware; or • any action asserting a claim against us or our directors, officers or other employees that is governed by the “internal affairs doctrine” as that term is defined in Section 115 of the Delaware General Corporation Law. Our sixth amended and restated certificate of incorporation further provides that unless the Company consents in writing to the selection of an alternative forum, the U. S. federal district courts have exclusive jurisdiction of the resolution of any complaint asserting a cause of action arising under the Securities Act. The enforceability of similar exclusive federal forum provisions in other companies’ organizational documents has been challenged in legal proceedings, and while the Delaware Supreme Court has ruled that this type of **exclusive federal forum provision is facially valid under Delaware law, there is uncertainty as to whether other courts would enforce such provisions and that investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. This exclusive forum provision does not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of and to have consented to this exclusive forum provision of our sixth amended and restated certificate of incorporation. This choice of forum provision may limit a stockholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, other employees or stockholders, which may discourage lawsuits with respect to such claims. Alternatively, if a court were to find this choice of forum provision in our sixth amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions. Additional costs associated with resolving an action in other jurisdictions could materially adversely affect our business, financial condition and results of operations. We do not expect to pay any dividends in the foreseeable future. We intend to retain our future earnings, if any, in order to reinvest in the development and growth of our business and, therefore, do not intend to pay dividends on our common stock for the foreseeable future. Any future determination to pay dividends will be at the discretion of our board of directors and will depend on our financial condition, results of operations, capital requirements, the limits imposed by the terms of our credit facility and such other factors as our board of directors deems relevant. Accordingly, investors in our common stock may need to sell their shares to realize a return on their investment in our common stock, and investors may not be able to sell their shares at or above the prices paid for them. If securities analysts do not publish favorable reports about us or if we, or our industry, are the subject of unfavorable commentary, the price of our common stock could decline. The trading price for our common stock will depend in part on the research and reports about us that are published by analysts in the financial industry. Analysts could issue negative commentary about us or our industry, or they could downgrade our common stock. We may also not receive sufficient research coverage or visibility in the market. Any of these factors could result in the decline of the trading price of our common stock, causing investors in our common stock to lose all or a portion of their investment.** **ITEM 1B. UNRESOLVED STAFF COMMENTS**None. **ITEM 1C. CYBERSECURITY**Risk Management and Strategy Our comprehensive risk management strategy for the assessment, identification and management of material risks stemming from cybersecurity threats involves a systematic evaluation of potential threats, vulnerabilities, and their potential impacts on our organization’s operations, data, and systems. Our cybersecurity risk management program is integrated into our overall enterprise risk management program and shares common methodologies, reporting channels, and governance processes that apply across the enterprise risk management program, including legal, compliance, strategic, operational, and financial risk areas. The cybersecurity risk management program includes: • Risk assessments designed to help identify material cybersecurity risks to our critical systems, information, and broader enterprise IT environment; • A team principally responsible for managing (i) cybersecurity risk assessment processes, (ii) security controls, and (iii) response to cybersecurity incidents; • The use of external service providers, where appropriate, to assess, test or otherwise assist with aspects of security controls; • Cybersecurity awareness training for users and senior management, including through the use of third- party providers for regular mandatory training; • A cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents; and • A risk management process for third- party service providers, suppliers and vendors, including a rigorous vetting process and ongoing monitoring mechanisms designed to ensure compliance with cybersecurity standards. As of the date of this Annual Report on Form 10- K, the Company is not aware of any cybersecurity incidents that have had a materially adverse effect on our operations, business, results of operations, or financial condition. Governance Our Board of Directors considers cybersecurity risk as part of its risk oversight function. It has delegated oversight of cybersecurity and other information technology risks to the Audit Committee. The Audit Committee oversees the implementation of the cybersecurity risk management program. The Audit Committee receives periodic reports from management on potential cybersecurity risks and threats and receives presentations on cybersecurity topics from the Company’s Information Systems Manager. The Audit Committee reports to the full Board of Directors regarding its activities, including those related to cybersecurity. The full Board of Directors also receives briefings from management on the cybersecurity risk management program as needed. Management is responsible for assessing and managing our material risks from cybersecurity threats. Management has primary responsibility for our overall cybersecurity risk management program and supervises both the internal cybersecurity personnel and external cybersecurity consultants. The Company’s Information Systems Manager has

many years of experience leading cybersecurity oversight and has extensive experience with information technology, including security, auditing, compliance, systems, and programming. The management team supervises efforts to prevent, detect, mitigate, and remediate cybersecurity risks and incidents through various means, which may include briefings from internal security personnel, threat intelligence and other information obtained from governmental, public or private sources, including external consultants; and alerts and reports produced by security tools deployed in the IT environment. Our cybersecurity incident response plan governs our assessment and response upon the occurrence of a material cybersecurity incident, including the process for informing senior management and our Board of Directors.

ITEM 2. PROPERTIESWe currently have month to month rented properties approximately 44, 206 square feet of office and showroom spaces in California. We believe that our existing facilities will be sufficient for our needs for the foreseeable future. The following table sets forth information with respect to our facilities: Square Footage Location Type (approximate) Vernon, California Corporate Warehouse and Distribution Center 42, 206

ITEM 3. LEGAL PROCEEDINGSWe are currently involved in, and may in the future be involved in, legal proceedings, claims, and government investigations in the ordinary course of business. These include proceedings, claims, and investigations relating to, among other things, regulatory matters, commercial matters, intellectual property, competition, tax, employment, pricing, discrimination, consumer rights, personal injury, and property rights. These matters also include the following: • On March 21, 2023, a vendor filed a lawsuit against Digital Brands Group related to trade payables totaling approximately \$ 43, 501. Such amounts include interest due, and are included in accounts payable, net of payments made to date, in the accompanying consolidated balance sheets. The Company does not believe it is probable that the losses in excess of such trade payables will be incurred. • On November 16, 2023, a vendor filed a lawsuit against Digital Brands Group related to trade payables totaling approximately \$ 345, 384, which represents past due fees and late fees. Such amounts are included in the accompanying balance sheets. The Company does not believe it is probable that losses in excess of such pay trade payables will be incurred. • On December 21, 2023, a former employee from over two years ago filed a wrongful termination lawsuit against the Company. The Company is disputing this claim and has been awarded arbitration for this matter. • On March 20, 2024, a former employee from over two years ago filed a wrongful termination lawsuit against the Company. The Company is disputing this claim. This person was not a Company employee at any time and was temporary worker we used from a third party placement agency. • On April 17, 2024, a former employee filed a wrongful termination lawsuit against the Company. The Company is disputing this claim and has been awarded arbitration for this matter. This employee was part of the marketing team. The marketing team was let go and the Company moved to a third- party outsourced marketing solution. • A vendor filed a lawsuit against Bailey 44 related to a retail store lease in the amount of \$ 1. 5 million. The Company is disputing the claim for damages and the matter is ongoing. The vendor has recently updated the claim to now be \$ 450, 968 after signing a long-term lease with another brand for this location. The Company is disputing this new amount after review of the lease. • On November 15, 2023, a vendor filed a lawsuit against Digital Brands Group related to trade payables totaling approximately \$ 582, 208, which represents “ double damages. ” The amount due to the vendor is \$ 292, 604. Such amounts are included in the accompanying balance sheets. The Company does not believe it is probable that losses in excess of such pay trade payables will be incurred. The matter was settled for \$ 400, 000 and is currently on a monthly payment plan. All claims above, to the extent management believes it will be liable, have been included in accounts payable and accrued expenses and other liabilities in the accompanying consolidated balance sheet as of December 31 , 2024. Depending on the nature of the proceeding, claim, or investigation, we may be subject to monetary damage awards, fines, penalties, or injunctive orders. Furthermore, the outcome of these matters could materially adversely affect our business, results of operations, and financial condition. The outcomes of legal proceedings, claims, and government investigations are inherently unpredictable and subject to significant judgment to determine the likelihood and amount of loss related to such matters. While it is not possible to determine the outcomes, we believe based on our current knowledge that the resolution of all such pending matters will not, either individually or in the aggregate, have a material adverse effect on our business, results of operations, cash flows, or financial condition.

ITEM 4. MINE SAFETY DISCLOSURESNot applicable. **PART II ITEM 5. MARKET FOR REGISTRANT’ S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**Market Information

Our Common Stock is quoted on The OTC Pink Marketplace under the symbol “ DBGI ”. Prior to December 18, 2024, the Company’ s common stock was listed on the Nasdaq Capital Market. The following table sets forth the high and low sale prices for our common stock as reported by The Nasdaq Stock Market (through December 17, 2024) and OTC Markets (beginning on December 18, 2024). The OTC Markets is a computer network that provides information on current “ bids ” and “ asks, ” as well as volume information. These quotations reflect inter- dealer prices, without retail mark- up, mark- down or commission and may not necessarily represent actual transactions. Dollar amounts included in the table have been adjusted to reflect the Reverse Stock Splits. Low High Fiscal 2023 First Quarter (January 1, 2023- March 31, 2023) \$ 1, 387. 50 \$ 5, 337. 50 Second Quarter (April 1, 2023- June 30, 2023) \$ 725. 00 \$ 1, 950. 00 Third Quarter (July 1, 2023- September 30, 2023) \$ 367. 00 \$ 1, 237. 50 Fourth Quarter (October 1, 2023- December 31, 2023) \$ 139. 50 \$ 424. 50 Fiscal 2024 First Quarter (January 1, 2024- March 31, 2024) \$ 115. 00 \$ 640. 00 Second Quarter (April 1, 2024- June 30, 2024) \$ 65. 50 \$ 242. 50 Third Quarter (July 1, 2024- September 30, 2024) \$ 15. 00 \$ 105. 50 Fourth Quarter (October 1, 2024- December 31, 2024) \$ 1. 03 \$ 30. 34 Fiscal 2025 First Quarter (January 1, 2025- March 31, 2025) \$ 1. 25 \$ 10. 19 On April 8, 2025, the last reported sale price of our common stock was \$ 9. 39 per share. There is no established public trading market for the Units, the Warrants or the Pre- Funded Warrants. We do not intend to apply for listing of the Units, the Warrants or the Pre- Funded Warrants on any securities exchange or recognized trading system. Holders On April 9, 2025, there were 62 stockholders of record. Dividends We have never declared or

paid cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. In addition, the terms of any future debt agreements may preclude us from paying dividends. As a result, capital appreciation, if any, of our shares of common stock will be your sole source of gain for the foreseeable future. Recent Sales of Unregistered Securities In February 2024, the Company issued an aggregate of 1,059 shares of common stock to a marketing vendor for services. The fair value of \$ 173,290 or \$ 163.50 per share as determined by the agreements, was included in sales and marketing expenses in the consolidated statements of operations. In February 2024, the Company issued an aggregate of 311 shares of common stock to a vendor as conversion of accounts payable for a total value of \$ 50,975. In March 2024, 3,042 shares of Series C Convertible Preferred Stock converted into 3,840 shares of common stock. On May 3, 2024, the Company entered into that certain inducement offer to exercise common stock purchase warrants with the Investor (the "Inducement Agreement"), pursuant to which (i) the Company agreed to lower the exercise price of the Existing Warrants to \$ 156.50 per share and (ii) the Investor agreed to exercise the Existing Warrants into 20,555 shares of common stock (the "Exercise Shares") by payment of the aggregate exercise price of \$ 3,216,857. The closing occurred on May 7, 2024. The Company has issued all of the 20,555 shares of common stock underlying the Existing Warrants. The Company received the entire gross proceeds of \$ 3,216,857 in May 2024, which represents the exercise of the entire 20,555 warrants at the \$ 156.50 exercise price. The Company received net proceeds of \$ 2,877,475 after placement agent fees and expenses. In addition, pursuant to the Inducement Agreement, the Company issued to the Investor a Series A-1 common share purchase warrant to purchase up to 20,555 shares of Common Stock ("Series A-1 Warrant") and Series B-1 common share purchase warrant to purchase up to 20,555 shares of Common Stock ("Series B-1 Warrant", and collectively with the Series A-1 Warrant, the "Warrants") on May 7, 2024, each at an initial exercise price equal to \$ 144 per share of Common Stock. The Series A-1 Warrant are exercisable immediately upon issuance and expires five and one-half (5.5) years following the issuance date and the Series B-1 Warrant are exercisable immediately upon issuance and expires fifteen (15) months following the issuance date. In connection with the Inducement Agreement, we entered into an engagement agreement with H. C. Wainwright & Co., LLC ("Wainwright"), pursuant to which we have, among other things, issued to Wainwright's designees warrants to purchase up to 1,541 shares of Common Stock (the "Wainwright Warrants"). The terms of the Wainwright Warrants are substantially the same as the terms of the Series A-1 Warrant except that they have an exercise price of \$ 195.63 per share. In July 2024, the Company issued 1,210 shares of common stock to a vendor for services rendered for a total value of \$ 172,501. In July 2024, 299 shares of Series C Convertible Preferred Stock converted into 333 shares of common stock. In August 2024, 101 shares of Series C Convertible Preferred Stock converted into 112 shares of common stock. In August 2024, the Company issued 2,120 shares of common stock to a commercial debt holder in satisfaction of \$ 313,816 of debt. Between October 3, 2024 and October 15, 2024, the Company issued 26,226 shares of the Company's common stock (the "Shares") to a certain note holder upon conversion of a portion of their promissory note originally issued by the Company on or around October 1, 2023 (the "Note"). On October 16, 2024, the Company became aware that the issuance of the Shares was in error and not permitted under the terms of the Note due to the requirement thereunder that stockholder approval be obtained prior to the issuance of more than 19.9% of the Company's pre-transaction shares outstanding upon conversion (s) of the Note, as referenced and specifically required under Nasdaq Listing Rule 5635 (d). The Company then notified the note holder that the Shares must be returned to the Company's transfer agent for cancellation. On November 5, 2024, the holder facilitated the cancellation of 26,226 shares of the Company's common stock in accordance with the Company's remediation plan. The Company communicated with The Nasdaq Stock Market LLC regarding the aforementioned erroneous issuance of the Shares and subsequent remediation actions. The Listing Qualifications Staff (the "Staff") of The Nasdaq Stock Market LLC considered the Company's non-compliance with Nasdaq Listing Rule 5635 (d) as an additional basis for the delisting of the Company's securities from Nasdaq. On or around January 17, 2025, the Company closed a private placement pursuant to a securities purchase agreement with a certain accredited investor, pursuant to which the Company agreed to issue and sell, in a private placement, a promissory note in the principal amount of \$ 121,900.00 (the "January 2025 Note"). The January 2025 Note is convertible into common stock upon default at a conversion price equal to 61% of the lowest closing bid price during the ten trading days prior to the conversion date. The January 2025 Note provides that the total number of shares of common stock that may be issued upon conversion thereof shall not exceed 19.99% of the shares of Common Stock outstanding as of the issuance date of the January 2025 Note. On or around January 20, 2025, the Company entered into a vendor agreement (the "Vendor Agreement") with MavDB Consulting LLC (the "Vendor"). The engagement of the Vendor is for a five (5) year period and the vendor services to be provided include, but are not limited to, product content production, social media marketing, engagement of influencers and student athletes for product awareness, and event and staffing costs (the "Services"). In consideration for the Services, the Company will pay the Vendor a vendor fee equal to \$ 3,000,000 (the "Cash Fee") within thirty calendar days after the date of the Vendor Agreement (the "Payment Period"), provided, however, that Vendor may elect to receive the Vendor Shares (as defined below) and / or Vendor Pre-Funded Warrants (as defined below) as described below in lieu of the Cash Fee by providing written notice to the Company of such election during the Payment Period (the "Written Notice"). The "Vendor Shares" shall mean a number of Common Stock equal to the Cash Fee divided by \$ 1.45, provided, however, if the issuance of any of the Vendor Shares would cause the Vendor to exceed 4.99% of the of the outstanding Common Stock, as determined in accordance with Section 16 of the Exchange Act and the regulations promulgated thereunder, then the Company shall instead issue to Vendor pre-funded warrants (the "Vendor Pre-Funded Warrants") for the purchase of the amount of Vendor Shares in excess of the beneficial ownership limitation, provided, further, that if the Vendor specifies in the Written Notice that the Vendor

elects to receive Vendor Pre- Funded Warrants in lieu of the entire amount of the Vendor Shares, then the Company shall instead issue to Vendor the Vendor Pre- Funded Warrants to purchase the entire amount of the Vendor Shares. The Vendor delivered the Written Notice to the Company during the Payment Period and the Company issued the Vendor Pre- Funded Warrants for the purchase of 2, 068, 965 shares of Common Stock to Vendor on January 21, 2025. The Vendor Pre- Funded Warrants have an initial exercise price per share of Common Stock equal to \$ 0. 01. The Vendor Pre- Funded Warrants are immediately exercisable and will expire five (5) years after the issuance date of the Vendor Pre- Funded Warrants. The exercise price and number of shares of Common Stock issuable upon exercise is subject to appropriate adjustment in the event of share dividends, share splits, reorganizations or similar events. The Vendor Pre- Funded Warrants will be exercisable, at the option of the Vendor, in whole or in part, by delivering to us a duly executed exercise notice accompanied by payment in full for the number of shares of Common Stock purchased upon such exercise (except in the case of a cashless exercise). The Vendor (together with its affiliates) may not exercise any portion of the Vendor Pre- Funded Warrants to the extent that the Vendor would own more than 4. 99 % of the outstanding shares of Common Stock immediately after exercise, except that upon at least 61 days' prior notice from the Vendor to us, the Vendor may increase the amount of beneficial ownership of outstanding shares after exercising the Vendor' s Pre- Funded Warrants up to 9. 99 % of the number of our shares of Common Stock outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of the Vendor Pre- Funded Warrants. In lieu of making the cash payment otherwise contemplated to be made to us upon such exercise in payment of the aggregate exercise price, the Vendor may elect instead to receive upon such exercise (either in whole or in part) the number of shares of Common Stock determined according to a formula set forth in the Vendor Pre- Funded Warrants. On January 22, 2025, the Company issued a promissory note in the principal amount of \$ 260, 000. 00 (the " Second Note ") to an accredited investor (" Investor "), pursuant to which the Investor made a loan to the Company. The Second Note carries an original issue discount of \$ 60, 000. 00, and accordingly the purchase price of the Second Note is \$ 200, 000. 00. The Second Note matures on April 22, 2025, and contains customary events of default. Upon the occurrence of any event of default under the Second Note, the Second Note will become immediately due and payable in an amount equal to the outstanding principal and accrued interest under the Second Note plus default interest at the rate of sixteen percent (16 %) per annum. Securities Authorized for Issuance Under Equity Compensation Plans We have adopted a 2020 Omnibus Incentive Stock Plan (the " 2020 Plan "). An aggregate of 26 shares of our common stock is reserved for issuance and available for awards under the 2020 Plan, including incentive stock options granted under the 2020 Plan. The 2020 Plan administrator may grant awards to any employee, director, and consultants of the company and its subsidiaries. To date, grants covering 22 shares of common stock have been made under the 2020 Plan and 4 shares remain eligible for issuance under the 2020 Plan. The 2020 Plan is currently administered by the Compensation Committee of the Board as the Plan administrator. The 2020 Plan administrator has the authority to determine, within the limits of the express provisions of the 2020 Plan, the individuals to whom awards will be granted, the nature, amount and terms of such awards and the objectives and conditions for earning such awards. The Board may at any time amend or terminate the 2020 Plan, provided that no such action may be taken that adversely affects any rights or obligations with respect to any awards previously made under the 2020 Plan without the consent of the recipient. No awards may be made under the 2020 Plan after the tenth anniversary of its effective date. Awards under the 2020 Plan may include incentive stock options, nonqualified stock options, stock appreciation rights (" SARs "), restricted shares of common stock, restricted stock Units, performance share or Unit awards, other stock- based awards and cash- based incentive awards. ITEM 6. RESERVED ITEM 7. MANAGEMENT' S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONSThe following discussion and analysis of our financial condition and results of operations should be read in conjunction with the historical financial statements of the relevant entities and the pro forma financial statements and the notes thereto included elsewhere in this Form 10- K. This discussion and analysis contains forward- looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward- looking statements as a result of various factors, including those set forth under " Risk Factors " and " Cautionary Note Regarding Forward- Looking Statements. " Unless otherwise indicated by the context, references to " DBG " refer to Digital Brands Group, Inc. solely, and references to the " Company, " " our, " " we, " " us " and similar terms refer to Digital Brands Group, Inc., together with its wholly- owned subsidiaries Bailey 44, LLC (" Bailey "), MOSBEST, LLC (" Stateside ") and Sunnyside (" Sundry "). Business Overview Our Company Digital Brands Group is a curated collection of lifestyle brands, including Bailey 44, DSTLD, Stateside, Sundry and ACE Studios, that offers a variety of apparel products through direct- to- consumer and wholesale distribution. Our complementary brand portfolio provides us with the unique opportunity to cross merchandise our brands. We aim for our customers to wear our brands head to toe and to capture what we call " closet share " by gaining insight into their preferences to create targeted and personalized content specific to their cohort. Operating our brands under one portfolio provides us with the ability to better utilize our technological, human capital and operational capabilities across all brands. As a result, we have been able to realize operational efficiencies and continue to identify additional cost saving opportunities to scale our brands and overall portfolio. Our portfolio consists of five significant brands that leverage our three channels: our websites, wholesale and license revenue. • Bailey 44 combines beautiful, luxe fabrics and on- trend designs to create sophisticated ready- to- wear capsules for women on- the- go. Designing for real life, this brand focuses on feeling and comfort rather than how it looks on a runway. Bailey 44 is primarily a wholesale brand, which we are transitioning to a digital, direct- to- consumer brand. • DSTLD offers stylish high- quality garments without the luxury retail markup valuing customer experience over labels. DSTLD is primarily a digital direct- to- consumer brand, to which we recently added select wholesale retailers to generate brand

awareness. • Stateside is an elevated, America first brand with all knitting, dyeing, cutting and sewing sourced and manufactured locally in Los Angeles. The collection is influenced by the evolution of the classic T- shirt offering a simple yet elegant look. Stateside is primarily a wholesale brand that we will be transitioning to a digital, direct- to- consumer brand. • Sundry offers distinct collections of women’s clothing, including dresses, shirts, sweaters, skirts, shorts, athleisure bottoms and other accessory products. Sundry’s products are coastal casual and consist of soft, relaxed and colorful designs that feature a distinct French chic, resembling the spirits of the French Mediterranean and the energy of Venice Beach in Southern California. Sundry is primarily a wholesale brand that we will be transitioning to a digital, direct- to- consumer brand. • Avo – Avo is a women’s essential brand that will offer t- shirts, sweats, dresses, sweaters and athleisure. Avo eliminates the wholesale mark- up, so its products have a sharper price point. Avo also offers larger discounts when the customer bundles multiple products to their cart, which allows Avo to leverage its shipping and fulfillment costs. Avo leverages the Company’s current design and supply chain infrastructure, so we use similar or the same fabrics and contractors for Avo that we do for our other brands. We believe that successful apparel brands sell in all revenue channels. However, each channel offers different margin structures and requires different customer acquisition and retention strategies. We were founded as a digital- first retailer that has strategically expanded into select wholesale and direct retail channels. We strive to strategically create omnichannel strategies for each of our brands that blend physical and online channels to engage consumers in the channel of their choosing. Our products are sold direct- to- consumers principally through our websites and our own showrooms, but also through our wholesale channel, primarily in specialty stores and select department stores. With the continued expansion of our wholesale distribution, we believe developing an omnichannel solution further strengthens our ability to efficiently acquire and retain customers while also driving high customer lifetime value. We believe that by leveraging a physical footprint to acquire customers and increase brand awareness, we can use digital marketing to focus on retention and a very tight, disciplined high value new customer acquisition strategy, especially targeting potential customers lower in the sales funnel. Building a direct relationship with the customer as the customer transacts directly with us allows us to better understand our customer’s preferences and shopping habits. Our substantial experience as a company originally founded as a digitally native- first retailer gives us the ability to strategically review and analyze the customer’s data, including contact information, browsing and shopping cart data, purchase history and style preferences. This in turn has the effect of lowering our inventory risk and cash needs since we can order and replenish product based on the data from our online sales history, replenish specific inventory by size, color and SKU based on real time sales data, and control our mark- down and promotional strategies versus being told what mark downs and promotions we have to offer by the department stores and boutique retailers. We define “ closet share ” as the percentage (“ share ”) of a customer’s clothing units that (“ of closet ”) she or he owns in her or his closet and the amount of those units that go to the brands that are selling these units. For example, if a customer buys 20 units of clothing a year and the brands that we own represent 10 of those units purchased, then our closet share is 50 % of that customer’s closet, or 10 of our branded units divided by 20 units they purchased in entirety. Closet share is a similar concept to the widely used term wallet share, it is just specific to the customer’s closet. The higher our closet share, the higher our revenue as higher closet share suggests the customer is purchasing more of our brands than our competitors. We have strategically expanded into an omnichannel brand offering these styles and content not only on- line but at selected wholesale and retail storefronts. We believe this approach allows us opportunities to successfully drive Lifetime Value (“ LTV ”) while increasing new customer growth. We define Lifetime Value or LTV as an estimate of the average revenue that a customer will generate throughout their lifespan as our customer. This value / revenue of a customer helps us determine many economic decisions, such as marketing budgets per marketing channel, retention versus acquisition decisions, unit level economics, profitability and revenue forecasting. We acquired Bailey in February 2020, Stateside in August 2021 and Sundry in December 2022. We agreed on the consideration that we paid in each acquisition in the course of arm’s length negotiations with the holders of the membership interests in each of Bailey, Stateside and Sundry. In determining and negotiating this consideration, we relied on the experience and judgment of our management and our evaluation of the potential synergies that could be achieved in combining the operations of Bailey, Stateside and Sundry. We did not obtain independent valuations, appraisals or fairness opinions to support the consideration that we paid / agreed to pay.

Avo – Brand Summary Avo is a women’s essential brand that will offer t- shirts, sweats, dresses, sweaters and athleisure. Avo eliminates the wholesale mark- up, so its products have a sharper price point. Avo also offers larger discounts when the customer bundles multiple products to their cart, which allows Avo to leverage its shipping and fulfillment costs. Avo leverages the Company’s current design and supply chain infrastructure, so we use similar or the same fabrics and contractors for Avo that we do for our other brands. Avo launched in late August 2024 and prices for t- shirts range from \$ 20 to \$ 50 based on the size of the customer’s bundle. Other product prices will range from \$ 17. 50 for tanks to \$ 198 for sweaters with no retail price above \$ 99 if the customer bundles three units or more. If the customer bundles two units then they receive a 40 % discount and if they bundle three units or more the customer receives a 60 % discount.

Material Trends, Events and Uncertainties Supply Chain Disruptions We are subject to global supply chain disruptions, which may include longer lead times for raw fabrics, inbound shipping and longer production times. Supply chain issues have specifically impacted the following for our brands: • Increased costs in raw materials from fabric prices, which have increased 10 % to 100 % depending on the fabric, the time of year, and the origin of the fabric, as well as where the fabric is being shipped; • Increased cost per kilo to ship via sea or air, which has increased from 25 % to 300 % depending on the time of year and from the country we are shipping from; • Increased transit time via sea or air, which have increased by two weeks to two months; and • Increased labor costs for producing the finished goods, which have increased 5 % to 25 % depending on the country and the labor skill required to produce the goods.

We have been able to pass along some of these increased costs and also offset some of these increased costs with higher gross margin online revenue. Seasonality Our quarterly operating results vary due to the seasonality of our individual brands, and are historically stronger in the second half of the calendar year. Substantial Indebtedness We believe this is an amount of indebtedness which may be considered significant for a company of our size and current revenue base. Performance Factors We believe that our future performance will depend on many factors, including the following: Ability to Increase Our Customer Base in both Online and Traditional Wholesale Distribution Channels We are currently growing our customer base through both paid and organic online channels, as well as by expanding our presence in a variety of physical retail distribution channels. Online customer acquisitions typically occur at our direct websites for each brand. Our online customer acquisition strategies include paid and unpaid social media, search, display and traditional media. Our products for Bailey, DSTLD and Stateside are also sold through a growing number of physical retail channels, including specialty stores, department stores and online multi- brand platforms. Ability to Acquire Customers at a Reasonable Cost We believe an ability to consistently acquire customers at a reasonable cost relative to customer retention rates, contribution margins and projected life- time value will be a key factor affecting future performance. To accomplish this goal, we intend to balance advertising spend between online and offline channels, as well as cross marketing and cross merchandising our portfolio brands and their respective products. We believe the ability to cross merchandise products and cross market brands, will decrease our customer acquisition costs while increasing the customer' s lifetime value and contribution margin. We will also balance marketing spend with advertising focused on creating emotional brand recognition, which we believe will represent a lower percentage of our spend. Ability to Drive Repeat Purchases and Customer Retention We accrue substantial economic value and margin expansion from customer cohort retention and repeat purchases of our products on an annual basis. Our revenue growth rate and operating margin expansion will be affected by our customer cohort retention rates and the cohorts annual spend for both existing and newly acquired customers. Ability to Expand Our Product Lines Our goal is to expand our product lines over time to increase our growth opportunity. Our customer' s annual spend and brand relevance will be driven by the cadence and success of new product launches. Ability to Expand Gross Margins Our overall profitability will be impacted by our ability to expand gross margins through effective sourcing and leveraging buying power of finished goods and shipping costs, as well as pricing power over time. Ability to Expand Operating Margins Our ability to expand operating margins will be impacted by our ability to leverage (1) fixed general and administrative costs, (2) variable sales and marketing costs, (3) elimination of redundant costs as we acquire and integrate brands, (4) cross marketing and cross merchandising brands in our portfolio, and (4) drive customer retention and customer lifetime value. Our ability to expand operating margins will result from increasing revenue growth above our operating expense growth, as well as increasing gross margins. For example, we anticipate that our operating expenses will increase substantially in the foreseeable future as we undertake the acquisition and integration of different brands, incur expenses associated with maintaining compliance as a public company, and increased marketing and sales efforts to increase our customer base. While we anticipate that the operating expenses in absolute dollars will increase, we do not anticipate that the operating expenses as a percentage of revenue will increase. We anticipate that the operating expenses as a percentage of revenue will decrease as we eliminate duplicative costs across brands including a reduction in similar labor roles, contracts for technologies and operating systems and creating lower costs from higher purchasing power from shipping expenses to purchase orders of products. This reduction of expenses and lower cost per unit due to purchasing power should create meaningful savings in both dollars and as a percentage of revenue. As an example, we were able to eliminate several million in expenses within six months of acquiring Bailey. Examples of these savings include eliminating several Bailey teams, which our teams took over. We merged over half of the technology contracts and operating systems contracts from two brands into one brand contract at significant savings. We also eliminated our office space and rent and moved everyone into the Bailey office space. Finally, we eliminated DSTLD' s third- party logistics company and started using Bailey' s internal logistics. This resulted in an increase in our operating expenses in absolute dollars as there were now two brands versus one brand. However, the operating expenses as a percentage of pre- COVID revenue declined meaningfully and as we increase revenue for each brand, we expect to experience higher margins. Ability to Create Free Cash Flow Our goal is to achieve near term free cash flow through cash flow positive acquisitions, elimination of redundant expenses in acquired companies, increasing customer annual spend and lowering customer acquisition costs through cross merchandising across our brand portfolio. Critical Accounting Policies and Estimates Basis of Presentation and Principles of Consolidation Our accounting and reporting policies conform to accounting principles generally accepted in the United States of America (" GAAP "). Use of Estimates The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Business Acquisitions We record our acquisitions under the acquisition method of accounting, under which most of the assets acquired and liabilities assumed are initially recorded at their respective fair values and any excess purchase price is reflected as goodwill. We utilize management estimates and, in some instances, independent third- party valuation firms to assist in determining the fair values of assets acquired, liabilities assumed and contingent consideration, if any. Such estimates and valuations require us to make significant assumptions, including projections of future events and operating performance. The fair value of customer relationships, backlog and trade names / trademarks acquired in our acquisitions are determined using various valuation methods, based on a number of significant assumptions. We determine which assets have finite lives and then determine the estimated useful life of finite assets. The expected useful life of customer relationships is established as three years, which is the period

over which these assets are expected to reasonably contribute to future cash flows. We expect to amortize such customer relationships using the straight-line method. The estimated fair values are subject to change during the measurement period, which is limited to one year subsequent to the acquisition date. Revenue Recognition Revenues are recognized when performance obligations are satisfied through the transfer of promised goods to our customers. Control transfers upon shipment of product and when the title has been passed to the customers. This includes the transfer of legal title, physical possession, the risks and rewards of ownership, and customer acceptance. We provide the customer the right of return on the product and revenue is adjusted based on an estimate of the expected returns based on historical rates. We consider the sale of products as a single performance obligation. Sales tax collected from customers and remitted to taxing authorities is excluded from revenue and is included in accrued expenses. Revenue is deferred for orders received for which associated shipments have not occurred. Accounts Receivable and Expected Credit Loss We carry our accounts receivable at invoiced amounts less allowances for customer credit losses and other deductions to present the net amount expected to be collected on the financial asset. All receivables are expected to be collected within one year of the consolidated balance sheet. We do not accrue interest on the trade receivables. Management evaluates the ability to collect accounts receivable based on a combination of factors. Receivables are determined to be past due based on individual credit terms. An allowance for credit losses is maintained based on the length of time receivables are past due, historical collections, or the status of a customer's financial position. Receivables are written off in the year deemed uncollectible after efforts to collect the receivables have proven unsuccessful. We do not have any off balance sheet credit exposure related to our customers. We periodically review accounts receivable, estimate an allowance for bad debts, and simultaneously record the appropriate expense in the statement of operations. Such estimates are based on general economic conditions, the financial conditions of customers, and the amount and age of past due accounts. Past due accounts are written off against that allowance only after all collection attempts have been exhausted and the prospects for recovery are remote. Recovering of accounts receivable previously written off are recorded as income when received. The Company provides credit to its customers in the normal course of business and has established credit evaluation and monitoring processes to mitigate credit risk. Goodwill Impairment We are required to assess our goodwill for impairment at least annually for each reporting unit that carries goodwill. We may elect to first do a qualitative assessment to determine whether it is more likely than not that a reporting unit's fair value is in excess of its carrying value. If the qualitative assessment concludes that it is more-likely-than-not that the fair value of a reporting unit is less than its carrying value, a quantitative assessment is performed. If the fair value is determined to be less than its carrying value, we record goodwill impairment equal to the amount by which the reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. Intangible Assets Impairment We evaluate the carrying amount of intangible assets and other long-lived assets for impairment whenever indicators of impairment exist. We test these assets for recoverability by comparing the net carrying amount of the asset or asset group to the undiscounted net cash flows to be generated from the use and eventual disposition of that asset or asset group. If the assets are recoverable, an impairment loss does not exist, and no loss is recorded. If the carrying amounts of the assets are not recoverable, an impairment loss is recognized for any deficiency of the asset or asset group's fair value compared to their carrying amount. Although we base cash flow forecasts on assumptions that are consistent with plans and estimates we use to manage our business, there is significant judgment in determining the cash flows attributable to these assets, including markets and market share, sales volumes and mix, and working capital changes. Financial Statement Components Net Revenue Bailey sells its products directly to customers. Bailey also sells its products indirectly through wholesale channels that include third-party online channels and physical channels such as specialty retailers and department stores. In 2024, Bailey also has entered into a license agreement whereby it earns royalty revenues. Cost of Net Revenue Bailey's cost of net revenue includes the direct cost of purchased and manufactured merchandise; inventory shrinkage; inventory adjustments due to obsolescence including excess and slow-moving inventory and lower of cost and net realizable reserves; duties; and inbound freight. Cost of net revenue also includes direct labor to production activities such as pattern makers, cutters and sewers. Cost of net revenue includes an allocation of overhead costs such as rent, utilities and commercial insurance pertaining to direct inventory activities. Operating Expenses Bailey's operating expenses include all operating costs not included in cost of net revenues and sales and marketing. These costs consist of general and administrative, fulfillment and shipping expense to the customer. General and administrative expenses consist primarily of all payroll and payroll-related expenses, professional fees, insurance, software costs, occupancy expenses related to Bailey's operations at its headquarters, including utilities, depreciation and amortization, and other costs related to the administration of its business. Bailey's fulfillment and shipping expenses include the cost to operate its warehouse including occupancy and labor costs to pick and pack customer orders and any return orders; packaging; and shipping costs to the customer from the warehouse and any returns from the customer to the warehouse. Sales & Marketing Bailey's sales and marketing expense primarily includes digital advertising; photo shoots for wholesale and direct-to-consumer communications, including email, social media and digital advertisements; and commission expenses associated with sales representatives. Interest Expense Bailey's interest expense consists primarily of interest related to its outstanding debt to our senior lender. We sell our products to our customers directly through our website. In those cases, sales, net represents total sales less returns, promotions and discounts. Cost of net revenue include 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. Our operating expenses include all operating costs not included in cost of net revenues. These costs consist of general and administrative, sales and marketing, and fulfillment and shipping expense to the customer. General and administrative expenses consist primarily of all payroll and payroll-related expenses, professional fees,

insurance, software costs, and expenses related to our operations at our headquarters, including utilities, depreciation and amortization, and other costs related to the administration of our business. We expect to continue to incur additional expenses as a result of operating as a public company, including costs to comply with the rules and regulations applicable to companies listed on a national securities exchange, costs related to compliance and reporting obligations pursuant to the rules and regulations of the SEC and higher expenses for insurance, investor relations and professional services. We expect these costs will increase our operating costs. Fulfillment and shipping expenses include the cost to operate our warehouse — or prior to Bailey 44 acquisition, costs paid to our third- party logistics provider — including occupancy and labor costs to pick and pack customer orders and any return orders; packaging; and shipping costs to the customer from the warehouse and any returns from the customer to the warehouse. In addition, going forward, the amortization of the identifiable intangibles acquired in the acquisitions will be included in operating expenses. Interest expense consists primarily of interest related to our debt outstanding to our senior lender, convertible debt, and other interest bearing liabilities. Stateside sells its products directly to customers. Stateside also sells its products indirectly through wholesale channels that include third- party online channels and physical channels such as specialty retailers and department stores. Stateside's cost of net revenue includes the direct cost of purchased and manufactured merchandise; inventory shrinkage; inventory adjustments due to obsolescence including excess and slow- moving inventory and lower of cost and net realizable reserves; duties; and inbound freight. Cost of net revenue also includes direct labor to production activities such as pattern makers, cutters and sewers. Cost of net revenue includes an allocation of overhead costs such as rent, utilities and commercial insurance pertaining to direct inventory activities. Stateside's operating expenses include all operating costs not included in cost of net revenues and sales and marketing. These costs consist of general and administrative, fulfillment and shipping expense to the customer. General and administrative expenses consist primarily of all payroll and payroll- related expenses, professional fees, insurance, software costs, occupancy expenses related to Stateside's stores and to Stateside's operations at its headquarters, including utilities, depreciation and amortization, and other costs related to the administration of its business. Stateside's fulfillment and shipping expenses include the cost to operate its warehouse including occupancy and labor costs to pick and pack customer orders and any return orders; packaging; and shipping costs to the customer from the warehouse and any returns from the customer to the warehouse. Stateside's sales and marketing expense primarily includes digital advertising; photo shoots for wholesale and direct- to- consumer communications, including email, social media and digital advertisements; and commission expenses associated with sales representatives. Sundry sells its products directly to customers. Sundry also sells its products indirectly through wholesale channels that include third- party online channels and physical channels such as specialty retailers and department stores. Sundry's cost of net revenue includes the direct cost of purchased and manufactured merchandise; inventory shrinkage; inventory adjustments due to obsolescence including excess and slow- moving inventory and lower of cost and net realizable reserves; duties; and inbound freight. Cost of net revenue also includes direct labor to production activities such as pattern makers, cutters and sewers. Cost of net revenue includes an allocation of overhead costs such as rent, utilities and commercial insurance pertaining to direct inventory activities. Sundry's operating expenses include all operating costs not included in cost of net revenues and sales and marketing. These costs consist of general and administrative, fulfillment and shipping expense to the customer. General and administrative expenses consist primarily of all payroll and payroll- related expenses, professional fees, insurance, software costs, occupancy expenses related to Sundry's stores and to Sundry's operations at its headquarters, including utilities, depreciation and amortization, and other costs related to the administration of its business. Sundry's fulfillment and shipping expenses include the cost to operate its warehouse including occupancy and labor costs to pick and pack customer orders and any return orders; packaging; and shipping costs to the customer from the warehouse and any returns from the customer to the warehouse. Sales and Marketing Sundry's sales and marketing expense primarily includes digital advertising; photo shoots for wholesale and direct- to- consumer communications, including email, social media and digital advertisements; and commission expenses associated with sales representatives.

Results of Operations

	Year ended December 31, 2024	2023
Net revenues	\$ 11,555,656	\$ 14,916,422
Cost of net revenues	7,911,536	8,372,642
Gross profit	3,644,120	6,543,780
General and administrative	8,652,361	14,299,389
Sales and marketing	2,896,698	4,035,835
Other operating expenses (income)	2,295,843	(9,696,132)
Operating loss	(10,200,782)	(2,095,312)
Other expenses	(3,024,851)	(6,221,284)
Loss before provision for income taxes	(13,106,589)	(8,316,596)
Provision for income taxes	119,044	(368,034)
Net loss from continuing operations	(13,106,589)	(8,684,630)
Loss from discontinued operations	(1,562,503)	
Net loss	\$ (13,106,589)	\$ (10,247,133)

Net revenues Net revenues decreased by \$ 3. 4 million to \$ 11. 6 million for the year ended December 31, 2024, compared to \$ 14. 9 million in the corresponding fiscal period in 2023. The decrease was primarily due to a delay in wholesale shipments, and lower ecommerce revenues across each brand due to less digital advertising spend. Gross Profit Our gross profit decreased by \$ 2. 9 million for the year ended December 31, 2024 to \$ 3. 6 million from \$ 6. 5 million for the corresponding fiscal period in 2023. The decrease in gross margin was primarily attributable to a decrease in sales. Our gross margin was 31. 5 % for the year ended December 31, 2024 compared to 43. 9 % for year ended December 31, 2023. The decrease in gross margin was due to corresponding decrease in the ecommerce revenue and write down of sundry's inventory. General and Administrative Expenses General and administrative expenses decreased by \$ 5. 6 million for the year ended December 31, 2024 to \$ 8. 7 million compared to \$ 14. 3 million in 2023. The decrease in general and administrative expenses was primarily due to lower consulting and professional fees, as well as other cost cutting measures across our company, as all brands achieved operational synergies in 2024. These synergies included the elimination of its warehouse, office, fulfillment and redundancies in headcount. General and administrative

expenses as a percentage of revenue was 75 % in 2024 as compared to 96 % in 2023. Sales and Marketing Expenses Sales and marketing expenses decreased by \$ 1. 1 million for the year ended December 31, 2024 to \$ 2. 9 million compared to \$ 4 million in 2023. The decrease in sales and marketing expenses was primarily due to decreased spending on advertising and other cost- cutting marketing efforts. Sales and marketing expenses as a percentage of revenue was 25 % in 2024 as compared to 27 % in 2023. Other Operating Expenses (income) Other operating expenses included distribution expenses, impairment and change in fair value of contingent consideration. Other operating expenses were \$ 2. 3 million in 2024 as compared to gain of \$ 9. 7 million in 2023, an increase in expenses of \$ 12 million. In 2024, there was \$ 1. 3 million in impairment charges on Bailey' s and Stateside' s intangible assets. In 2023, the Company recorded a \$ 10. 7 million increase in the change in fair value of contingent consideration pertaining to the Norwest waiver for Bailey and H & J Settlement. Other Expenses Other expenses decreased by \$ 3. 2 million to \$ 3. 0 million in the year ended December 31, 2024 compared to \$ 6. 2 million in the corresponding fiscal period in 2023. The decrease in other expenses in 2023 was primarily due to lower interest expense in 2024 compared to 2023. Net Loss from Continuing Operations Our net loss from continuing operations increased by \$ 4. 5 million to a loss of \$ 13. 2 million for the year ended December 31, 2024 compared to a loss of \$ 8. 7 million for the corresponding fiscal period in 2023 primarily due to the impairment and lower gross profit. Liquidity and Capital Resources Each of DBG, Bailey, Stateside and Sundry has historically satisfied both liquidity needs and funding of operations through borrowings capital raises and internally generated cash flow, Changes in working capital, are driven primarily by levels of business activity. Historically each of DBG, Bailey, Stateside and Sundry has maintained credit line facilities to support such working capital needs and makes repayments on that facility with excess cash flow from operations. As of December 31, 2024, we had cash of \$ 164, 431, but we had a working capital deficit of \$ 16. 1 million. The Company requires significant capital to meet its obligations as they become due. Throughout the next twelve months, the Company intends to fund its operations primarily from the funds raised through its operations. The Company may pursue secondary equity offerings or debt financings to provide working capital and satisfy debt obligations. There can be no assurance as to the availability or terms upon which such financing and capital might be available in the future. If the Company is unable to secure additional funding, it may be forced to curtail or suspend its business plans. In February 2025, the Company completed an offering consisting of the sale of common stock, warrants and pre- funded warrants for gross proceeds of \$ 7, 500, 000, before deducting placement agent fees and commissions and other offering expenses. Cash Flow Activities The following table presents selected captions from our statement of cash flows for the years ended December 31, 2024 and 2023: Year Ended December 31, 2024 2023 Net cash provided by operating activities: Net loss \$ (13, 106, 589) \$ (10, 247, 133) Non- cash adjustments \$ 6, 621, 107 \$ 1, 364, 216 Change in operating assets and liabilities \$ 331, 144 \$ 2, 869, 975 Net cash used in operating activities \$ (6, 152, 338) \$ (6, 012, 644) Net cash provided by investing activities \$- \$ 88, 819 Net cash provided by financing activities \$ 6, 295, 996 \$ 4, 661, 615 Net change in cash \$ 143, 658 \$ (1, 262, 509) Cash Flows Used In Operating Activities Our cash used in operating activities increased by \$ 0. 1 million to \$ 6. 1 million for the year ended December 31, 2024 as compared to cash used of \$ 6 million for the corresponding fiscal period in 2023. The increase in net cash used in operating activities was primarily driven by a higher net loss in 2024, partially offset by a increase in non- cash adjustments of \$ 5. 4 million and lesser cash provided by changes in our operating assets and liabilities compared to 2023. Cash Flows provided by Investing Activities Our cash provided by investing activities was \$ 0 in the year ended December 31, 2024 as compared to \$ 0. 1 million for the corresponding fiscal period in 2023. Cash Flows Provided by Financing Activities Cash provided by financing activities was \$ 6. 3 million for the year ended December 31, 2024 compared of \$ 4. 7 million for the corresponding fiscal period in 2023. Cash inflows in 2024 included \$ 9. 4 million in equity proceeds after offering costs including proceeds from the exercise of warrants, \$ 0. 8 million from the issuance of notes, loans and merchant advances, partially offset by note, loan and notes payable repayments of \$ 3. 9 million. Cash inflows in 2023 were primarily related to \$ 8. 1 million in equity proceeds after offering costs, \$ 1. 1 million from exercise of warrants, \$ 5. 6 million from convertible notes and loans and advances from factor, partially offset by note repayments and related party advances of \$ 10. 3 million. Contractual Obligations and Commitments As of December 31, 2024, we have \$ 6. 5 million in outstanding principal on debt, primarily our promissory notes due to the Bailey44 Sellers, the March 2023 Notes, PPP and merchant advances. Aside from our remaining non- current SBA obligations, all outstanding loans have maturity dates through 2025. Off- Balance Sheet Arrangements and Future Commitments We have no off- balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, results of operations, liquidity, capital expenditures or capital resources that is material to investors. ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA The information required by this item may be found on pages F- 1 through F- 30 of this annual report on Form 10- K. ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE ITEM 9A. CONTROLS AND PROCEDURE Evaluation of Disclosure Controls and Procedures We maintain “ disclosure controls and procedures ” as defined in Rules 13a- 15 (e) and 15d- 15 (e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act, that are designed to ensure that information required to be disclosed in the reports we file and submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC' s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated,

can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the benefits of possible controls and procedures relative to their costs. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, who serve as our principal executive officer and principal financial and accounting officer, respectively, has evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2024. In making this evaluation, our management considered the material weakness in our internal control over financial reporting described below. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were not effective as of such date. We have initiated various remediation efforts, including the hiring of additional financial personnel / consultants with the appropriate public company and technical accounting expertise and other actions that are more fully described below. As such remediation efforts are still ongoing, we have concluded that the material weaknesses have not been fully remediated. Our remediation efforts to date have included the following: • We have made an assessment of the basis of accounting, revenue recognition policies and accounting period cutoff procedures. In some cases, we made the necessary adjustments to convert the basis of accounting from cash basis to accrual basis. In all cases we have done the required analytical work to ensure the proper cutoff of the financial position and results of operations for the presented accounting periods. • We have made an assessment of the current accounting personnel, financial reporting and information system environments and capabilities. Based on our preliminary findings, we have found these resources and systems lacking and have concluded that these resources and systems will need to be supplemented and / or upgraded. We are in the process of identifying a single, unified accounting and reporting system that can be used by the Company and Bailey, with the goal of ensuring consistency and timeliness in reporting, real time access to data while also ensuring ongoing data integrity, backup and cyber security procedures and processes. • We engaged external consultants with public company and technical accounting experience to facilitate accurate and timely accounting closes and to accurately prepare and review the financial statements and related footnote disclosures. We plan to retain these financial consultants until such time that the internal resources of the Company have been upgraded and the required financial controls have been fully implemented. • We have made an assessment on significant judgments and estimates, including impairment of long- lived assets and inventory valuation. We plan to take the steps as noted above to have the proper resources to conduct proper analyses on areas requiring judgments and estimates. The actions that have been taken are subject to continued review, implementation and testing by management, as well as audit committee oversight. While we have implemented a variety of steps to remediate these weaknesses, we cannot assure you that we will be able to fully remediate them, which could impair our ability to accurately and timely meet our public company reporting requirements. Notwithstanding the assessment that our internal controls over financial reporting are not effective and that material weaknesses exist, we believe that we have employed supplementary procedures to ensure that the financial statements contained in this filing fairly present our financial position, results of operations and cash flows for the reporting periods covered herein in all material respects. **Limitations on Effectiveness of Controls and Procedures** Our management, including our Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Financial Officer), does not expect that our disclosure controls and procedures will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include, but are not limited to, the realities that judgments in decision- making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost- effective control system, misstatements due to error or fraud may occur and not be detected. Management believes that the material weakness set forth above did not have an effect on our financial results.

Changes in Internal Control over Financial Reporting No change in our internal control over financial reporting (as defined in Rules 13a- 15 (f) and 15d- 15 (f) under the Exchange Act) occurred during the quarter ended December 31, 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION**ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS****PART III****ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE**The following table sets forth the names, ages and titles of our directors, director nominees, executive officers and key personnel:

Executive Officers and Directors		
Name	Age	Position
John Hilburn Davis IV		President, Chief Executive Officer and Chairman of the Board
Reid Yeoman		Chief Financial Officer
Mark T. Lynn		Director
Trevor Pettennude		Director
Jameeka Aaron		Director
Huong “ Lucy ” Doan		Director

Board Composition Our board of directors may establish the authorized number of directors from time to time by resolution. Our Board currently consists of five members. No current or pending member of our board of directors or Compensation Committee serves as a member of the board of directors or the compensation committee of any entity that has one or more executive officers serving as a member of our board of directors or compensation committee. John Hilburn Davis IV, “ Hil ”, has served as our President and Chief Executive Officer since March 2019 and a Director since November

2020. He joined DSLTD to overhaul its supply chain in March 2018. Prior to that, Mr. Davis founded two companies, BeautyKind and J. Hilburn. He founded and was CEO of BeautyKind from October 2013 to January 2018. He also founded and was CEO of J. Hilburn from January 2007 to September 2013, growing it from \$ 0 to \$ 55 million in revenues in six years. From 1998 to 2006 Mr. Davis worked as an equity research analyst covering consumer luxury publicly traded companies at Thomas Weisel Partners, SunTrust Robinson Humphrey and Citadel Investment Group. He graduated from Rhodes College in 1995 with a BA in Sociology and Anthropology. On December 16, 2021, Mr. Davis filed for personal bankruptcy through the filing of a Chapter 7 bankruptcy petition in Texas federal court. Reid Yeoman has served as our Chief Financial Officer since October 2019. Mr. Yeoman is a finance professional with a core Financial Planning & Analysis background at major multi- national Fortune 500 companies — including Nike & Qualcomm. He has a proven track record of driving growth and expanding profitability with retail. From November 2017 to September 2019, Mr. Yeoman served as CFO / COO at Hurley — a standalone global brand within the Nike portfolio — where he managed the full profit and loss / Balance Sheet, reporting directly to Nike and oversaw the brand’ s logistics and operations. He is a native Californian and graduated with an MBA from UCLA’ s Anderson School of Management in 2013 and a BA from UC Santa Barbara in 2004. Non- employee Board Members Mark T. Lynn has been a director of our company since inception and served as our Co- Chief Executive Officer from September 2013 to October 2018. Prior to joining us, until September 2011 he was Co- Founder of WINC, a direct- to- consumer e- commerce company which was then the fastest growing winery in the world, backed by Bessemer Venture Partners. Prior to WINC, Mr. Lynn co- founded a digital payments company that was sold in 2011. He holds a digital marketing certificate from Harvard Business School’ s Executive Education Program. Trevor Pettennude is a seasoned financial services executive. In 2013, Mr. Pettennude became the CEO of 360 Mortgage Group, where he oversees a team of 70 people generating over \$ 1 billion of annual loan volume. He is also the founder and principal of Banctek Solutions, a global merchant service company which was launched in 2009 and which processes over \$ 300 million of volume annually. Jameeka Green Aaron became a director of our company in May 2021. Ms. Aaron is the Chief Information Security Officer at Auth0. Ms. Aaron is responsible for the holistic security and compliance of Auth0’ s platform, products, and corporate environment. Auth0 provides a platform to authenticate, authorize, and secure access for applications, devices, and users. Prior to her current role Ms. Aaron was the Chief Information Officer Westcoast Operations at United Legwear and Apparel. Her 20 years of experience include serving as the Director of North American Technology and Director of Secure Code and Identity and Access Management at Nike, and as Chief of Staff to the CIO of Lockheed Martin Space Systems Company. Ms. Aaron is also a 9- year veteran of the United States Navy. Ms. Aaron’ s dedication to service has extended beyond her military career. She is committed to advancing women and people of color in Science, Technology, Engineering, and Mathematics (STEM) fields she is an alumni of the U. S. State Department’ s TechWomen program and the National Urban League of Young Professionals. Ms. Aaron currently sits on the board of the California Women Veterans Leadership Council, is an advisor for U. C. Riverside Design Thinking Program, and is a member of Alpha Kappa Alpha Sorority, Inc. Born in Stockton, California, Ms. Aaron holds a bachelor’ s degree in Information Technology from the University of Massachusetts, Lowell. Ms. Aaron’ s extensive corporate and leadership experience qualifies her to serve on our board of directors. Huong “ Lucy ” Doan is a seasoned finance and strategy executive who brings expertise working with some of the world’ s best- known brands. Since 2018, Ms. Doan serves as advisor to CEOs and founders of high- growth DTC, ecommerce and retail brands, in apparel and consumer products. In this capacity, she provides strategic guidance to successfully scale businesses while driving profitability, with focus on operational excellence and capital resource planning. In 2019, she became a board member of Grunt Style, a patriotic apparel brand. Prior, Ms. Doan spent 20 years in senior executive roles at Guitar Center, Herbalife International, Drapers & Damons, and Fox Television, where she built high performance teams to drive execution of business plans and growth strategies. Committees of the Board of Directors Our board of directors has established an audit committee, a compensation committee and a nominating and corporate governance committee, each of which operates pursuant to a charter adopted by our board of directors. The board of directors may also establish other committees from time to time to assist our company and the board of directors. The composition and functioning of all of our committees will comply with all applicable requirements of the Sarbanes- Oxley Act, and SEC rules and regulations. Each committee’ s charter is available on our website at [www. digitalbrandsgroup. co](http://www.digitalbrandsgroup.co). The reference to our website address does not constitute incorporation by reference of the information contained at or available through our website. Board and committee meetings During the year ended December 31, 2024, the Board held 4 meetings and acted by unanimous written consent 4 times. The audit committee held 4 meetings. The compensation committee held 4 meetings and acted by unanimous written consent 4 times. The nominating and corporate governance committee held 4 meetings. During 2024, each director attended more than 75 % of the combined meetings of the Board and each committee on which he or she served. Audit committee Trevor Pettennude, Jameeka Green Aaron and Huong Doan serve on the audit committee, which is chaired by Huong Doan. Our board of directors has determined that each are “ independent ” for audit committee purposes as that term is defined by the rules of the SEC and Nasdaq, and that each has sufficient knowledge in financial and auditing matters to serve on the audit committee. Our Board of directors has designated Huong Doan as an “ audit committee financial expert, ” as defined under the applicable rules of the SEC. The audit committee’ s responsibilities include: • appointing, approving the compensation of, and assessing the independence of our independent registered public accounting firm; • pre- approving auditing and permissible non- audit services, and the terms of such services, to be provided by our independent registered public accounting firm; • reviewing the overall audit plan with our independent registered public accounting firm and members of management responsible for preparing our financial statements; • reviewing and discussing with management and our independent registered public accounting firm our

annual and quarterly financial statements and related disclosures as well as critical accounting policies and practices used by us; • coordinating the oversight and reviewing the adequacy of our internal control over financial reporting; • establishing policies and procedures for the receipt and retention of accounting- related complaints and concerns; • recommending, based upon the audit committee’s review and discussions with management and our independent registered public accounting firm, whether our audited financial statements shall be included in our Annual Report on Form 10- K; • monitoring the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to our financial statements and accounting matters; • preparing the audit committee report required by SEC rules to be included in our annual proxy statement; • reviewing all related person transactions for potential conflict of interest situations and approving all such transactions; and • reviewing quarterly earnings releases.

Compensation committee Trevor Pettennude, Jameeka Green Aaron and Huong Doan serve on the compensation committee, which is chaired by Jameeka Green Aaron. Our board of directors has determined that each member of the compensation committee is “ independent ” as defined in the Nasdaq rules. The compensation committee’s responsibilities include: • annually reviewing and recommending to the board of directors the corporate goals and objectives relevant to the compensation of our Chief Executive Officer; • evaluating the performance of our Chief Executive Officer in light of such corporate goals and objectives and based on such evaluation: (i) recommending to the board of directors the cash compensation of our Chief Executive Officer, and (ii) reviewing and approving grants and awards to our Chief Executive Officer under equity- based plans; • reviewing and recommending to the board of directors the cash compensation of our other executive officers; • reviewing and establishing our overall management compensation, philosophy and policy; • overseeing and administering our compensation and similar plans; • reviewing and approving the retention or termination of any consulting firm or outside advisor to assist in the evaluation of compensation matters and evaluating and assessing potential and current compensation advisors in accordance with the independence standards identified in the applicable rules; • retaining and approving the compensation of any compensation advisors; • reviewing and approving our policies and procedures for the grant of equity- based awards; • reviewing and recommending to the board of directors the compensation of our directors; and • preparing the compensation committee report required by SEC rules, if and when required, to be included in our annual proxy statement. None of the members of our compensation committee has at any time during the prior three years been one of our officers or employees. None of our executive officers currently serves, or in the past fiscal year has served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board of directors or compensation committee.

Nominating and corporate governance committee Trevor Pettennude, Jameeka Green Aaron and Huong Doan serve on the nominating and corporate governance committee, which is chaired by Huong Doan. Our board of directors has determined that each member of the nominating and corporate governance committee is “ independent ” as defined in the Nasdaq rules. The nominating and corporate governance committee’s responsibilities include: • developing and recommending to the board of directors’ criteria for board and committee membership; • establishing procedures for identifying and evaluating board of director candidates, including nominees recommended by stockholders; and • reviewing the composition of the board of directors to ensure that it is composed of members containing the appropriate skills and expertise to advise us.

Involvement in Certain Legal Proceedings There are no legal proceedings that have occurred within the past ten years concerning our directors, or control persons which involved a criminal conviction, a criminal proceeding, an administrative or civil proceeding limiting one’s participation in the securities or banking industries, or a finding of securities or commodities law violations. On December 16, 2021, Mr. Davis filed for personal bankruptcy through the filing of a Chapter 7 bankruptcy petition in Texas federal court. Except for Mr. Davis, none of our directors and officers has been affiliated with any company that has filed for bankruptcy within the last ten years. We are not aware of any proceedings to which any of our officers or directors, or any associate of any such officer or director, is a party adverse to us or any of our or has a material interest adverse to us or any of our subsidiaries.

Code of Ethics and Business Conduct The Company’s Code of Ethics and Business Conduct applies to all of its employees, officers and directors, including those officers responsible for financial reporting. The Code of Ethics and Business Conduct is available on its website at [www. digitalbrandsgroup. co](http://www.digitalbrandsgroup.co). Information contained on or accessible through such website is not a part of this Annual Report, and the inclusion of the website address in this Annual Report is an inactive textual reference only. The Company intends to disclose any amendments to the Code of Business Conduct and Ethics, or any waivers of its requirements, on its website to the extent required by the applicable rules and exchange requirements.

Compensation Recovery Policy In 2023, the Board of Directors approved a new compensation recovery policy (the “ Clawback Policy ”) in compliance with SEC and then- applicable rules and regulations. The Clawback Policy provides that in the event we are required to prepare an “ Accounting Restatement ” (as defined in the Clawback Policy), we shall, subject to certain limited exceptions as described in the Clawback Policy, recover certain incentive- based compensation from executive officers who are or have been designated as an “ officer ” by the Board of Directors in accordance with Exchange Act Rule 16a- 1 (f). Compensation that shall be recovered under the Clawback Policy generally includes “ Incentive- Based Compensation ” (as defined in the Clawback Policy) received during the three- year period prior to the “ Accounting Restatement Determination Date ” (as defined in the Clawback Policy) that exceeds the amount that otherwise would have been received by the “ officer ” had such compensation been determined based on the restated amounts in the financial restatement. Under the Clawback Policy, “ Incentive- Based Compensation ” includes any compensation that is granted, earned, or vested based, in whole or in part, upon the attainment of a Financial Reporting Measure (as defined in the Clawback Policy).

Insider Trading Arrangements and Policies We have adopted an insider trading policy that governs the purchase, sale, and / or other transactions of our securities by our directors, officers and employees. A copy

of our insider trading policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K for the fiscal year ended December 31, 2024. In addition, with regard to us trading in our own securities, it is our policy to comply with the federal securities laws and the applicable exchange listing requirements in all respects. Anti-Hedging Policy Under the terms of our insider trading policy, we prohibit each officer, director and employee, and each of their family members and controlled entities, from engaging in certain forms of hedging or monetization transactions. Such transactions include those, such as zero-cost collars and forward sale contracts, that would allow them to lock in much of the value of their stock holdings, often in exchange for all or part of the potential for upside appreciation in the stock, and to continue to own the covered securities but without the full risks and rewards of ownership.

Delinquent Section 16 (a) Reports Section 16 (a) of the Exchange Act requires the Company's directors and executive officers and persons who beneficially own more than 10 % of the Company's common stock to file with the SEC reports showing initial ownership of and changes in ownership of the Company's common stock and other registered equity securities. Based solely upon our review of the copies of such forms or written representations from certain reporting persons received by us with respect to fiscal year 2024, the Company believes that its directors and executive officers and persons who own more than 10 % of a registered class of its equity securities have complied with all applicable Section 16 (a) filing requirements for fiscal year 2024.

Board Oversight of Risk Management The Board of Directors considers oversight of the Company's risk management efforts, including enterprise risk management, to be a responsibility of the entire Board (as reported by and through the appropriate committee in the case of risks under the purview of a particular committee). Management regularly updates the full Board on major Company initiatives, strategies, and related risks. At least annually, management reviews with the Board risks to the enterprise and efforts to address them. In addition, presentations are made in the ordinary course at scheduled Board meetings regarding operations, finance, market trends, and the various other risks that face the Company. On an ongoing basis, the various committees of the Board address risk in the areas germane to their scope. For example:

- The nominating and corporate governance committee evaluates Board effectiveness, succession planning, and general corporate best practices;
- The compensation committee oversees the Company's policies to attract, retain, and motivate talented employees and ties compensation to actual performance, including risks associated with executive compensation; and
- The audit committee provides risk oversight of the Company's financial statements, the Company's compliance with legal and regulatory requirements and corporate policies and controls, including controls over financial reporting, computerized information systems and cyber security, the independent auditor's selection, retention, qualifications, objectivity and independence, and the performance of the Company's internal audit function.

The chairperson of the relevant Board committee reports on the committee's discussions to the entire Board during the committee reports portion of the applicable Board meeting.

Leadership Structure and Role in Risk Oversight Our Board of Directors has a Chairman, Mr. Davis. The Chairman has authority, among other things, to preside over Board meetings and set the agenda for Board meetings. Accordingly, the Chairman has substantial ability to shape the work of our Board of Directors. We believe that separation of the roles of Chairman and Chief Executive Officer is not necessary at this time to ensure appropriate oversight by the Board of Directors of our business and affairs. However, no single leadership model is right for all companies and at all times. The Board of Directors recognizes that depending on the circumstances, other leadership models, such as the appointment of a lead independent director, might be appropriate. Accordingly, the Board of Directors may periodically review its leadership structure. In addition, the Board of Directors will hold executive sessions in which only independent directors are present. Our Board of Directors is generally responsible for the oversight of corporate risk in its review and deliberations relating to our activities. Our audit committee oversees management of financial risks; our Board of Directors regularly reviews information regarding our cash position, liquidity and operations, as well as the risks associated with each. The Board of Directors regularly reviews plans, results and potential risks related to our product development and commercialization efforts. Our compensation committee oversees risk management as it relates to our compensation plans, policies and practices for all employees including executives and directors, particularly whether our compensation programs may create incentives for our employees to take excessive or inappropriate risks which could have a material adverse effect on us.

Executive Sessions of Independent Directors The independent directors of the Board and each standing committee meet regularly in executive sessions without management present. Stockholders wishing to communicate with the independent directors may contact them by writing to Independent Directors, c/o Corporate Secretary, Digital Brands Group, Inc., 1400 Lavaca Street, Austin, TX 78701. Any such communication will be promptly distributed by our Corporate Secretary to the individual independent director or directors named in the communication in the same manner as described below in "Communications with the Board." Stockholders and other interested parties can send communications to one or more members of the Board by writing to the Board or specific directors or group of directors at the following address: c/o Corporate Secretary, Digital Brands Group, Inc., 1400 Lavaca Street, Austin, TX 78701. Any communication will be promptly distributed by our Corporate Secretary to the individual director or directors named in the communication or to all directors if addressed to the entire Board.

ITEM 11. EXECUTIVE COMPENSATION Compensation of Named Executive Officers The summary compensation table below shows certain compensation information for services rendered in all capacities for the fiscal years ended December 31, 2024 and 2023. Other than as set forth herein, no executive officer's salary and bonus exceeded \$ 100,000 in any of the applicable years. The following information includes the dollar value of base salaries, bonus awards, the number of stock options granted and certain other compensation, if any, whether paid or deferred.

Fiscal Year	John "Hil" Davis	Reid Yeoman	Chief Financial Officer
2024	\$ 249,000 (1)	\$ —	\$ —
2023	\$ 249,000	\$ 250,000 (2)	\$ —

This amount represents the

amount of salary Mr. Davis was entitled to receive under his agreement with the Company. \$ 34, 483. 85 of such amount has been paid to Mr. Davis. (2) This amount represents the amount of salary Mr. Yeoman was entitled to receive under his agreement with the Company. Such amount has not yet been paid to Mr. Yeoman. Outstanding Equity Awards at 2024 Fiscal Year- End The following table provides certain information concerning any common share purchase options, stock awards or equity incentive plan awards held by each of our named executive officers that were outstanding as of December 31, 2024. Option Awards Stock Awards Equity Equity Incentive Incentive Plan Plan Awards: Awards: Market or Number Payout Equity of Value Incentive Market Unearned of Plan Number of Value of Shares, Unearned Awards: Shares or Shares Units or Shares, Number of Number of Number of Units of or Other Units or Securities Securities Securities Stock Units of Rights Other Underlying Underlying Underlying Option That Have Stock That That Rights That Unexercised Unexercised Unexercised Exercise Option Not Have Have Have Options (#) Options (#) Unearned Price Expiration Vested Not Not Name Exercisable Unexercisable Options (#) (\$) Date (#) Vested Vested John " Hil " Davis 17 15 2 \$ 518, 750 May- 31 — — — — Reid Yeoman 1 1 1 \$ 518, 750 May- 31 Employment

Agreements In December 2020, we entered into an offer letter with Mr. Davis, our Chief Executive Officer and a member of our board. The offer letter provides for an annual base salary of \$ 350, 000 effective October 1, 2020, and for Mr. Davis to be appointed to our board effective November 30, 2020. Effective January 1, 2021, Mr. Davis is also eligible to receive an annual bonus with a target of 175 %, and with a range from 0 % to a maximum of 225 %, of his base salary based upon achievement of Company and individual goals. He is also eligible to participate in employee benefit plans that we offer to our other senior executives. In the event of a termination of his employment after June 30, 2021, Mr. Davis is eligible for severance benefits as may be approved by the Board. Mr. Davis is subject to our recoupment, insider trading and other company policies, a perpetual non- disclosure of confidential information covenant, a non- disparagement covenant and a non- solicitation of employees covenant. Mr. Davis' offer letter also provided for an option grant exercisable for up to 17 shares of our common stock to him at a per share exercise price equal to the IPO price, of which 75 % of the options vested on the effective date of the IPO and 25 % of the options vest in accordance with the vesting schedule provided in the Company' s 2020 Stock Plan. Mr. Davis is an at- will employee and does not have a fixed employment term. In December 2020, we entered into an offer letter with Mr. Yeoman, our Chief Financial Officer. The offer letter provides for an annual base salary of \$ 250, 000 effective upon the closing of the IPO. Effective January 1, 2021, Mr. Yeoman is also eligible to receive an annual bonus with a target of 50 %, and with a range from 0 % to a maximum of 75 %, of his base salary based upon achievement of Company and individual goals. He is also eligible to participate in employee benefit plans that we offer to our other senior executives. In the event of a termination of his employment after June 30, 2021, Mr. Yeoman is eligible for severance benefits as may be approved by the Board. Mr. Yeoman is subject to our recoupment, insider trading and other company policies, a perpetual non- disclosure of confidential information covenant, a non- disparagement covenant and a non- solicitation of employees covenant. Mr. Yeoman' s offer letter also provided for an option grant 1 share of our common stock to him at a per share exercise price equal to the IPO price, of which 75 % of the options vested on the effective date of the IPO and 25 % of the options vest in accordance with the vesting schedule provided in the Company' s 2020 Stock Plan. Mr. Yeoman is an at- will employee and does not have a fixed employment term. Compensation of Directors Our non- employee directors currently do not receive any compensation for their services. Directors who are also our employees do not receive any additional compensation for their service on our board of directors. Going forward, our board of directors believes that attracting and retaining qualified non- employee directors will be critical to the future value growth and governance of our company. Our board of directors also believes that any compensation package for our non- employee directors should be equity- based to align the interests of these directors with our stockholders. On the effective date of the previous offerings, each of our director nominees was granted options to purchase 400 shares of common stock at a per share exercise price equal to the price of the shares of common stock per the offering. The options will vest over a one year period of time. We may in the future grant additional options to our non- employee directors although there are no current plans to do so. Incentive Stock Plan We have adopted a 2020 Omnibus Incentive Stock Plan (the " 2020 Plan "). An aggregate of 26 shares of our common stock is reserved for issuance and available for awards under the 2020 Plan, including incentive stock options granted under the 2020 Plan. The 2020 Plan administrator may grant awards to any employee, director, and consultants of the company and its subsidiaries. To date, 22 grants have been made under the 2020 Plan and 4 shares remain eligible for issuance under the 2020 Plan. The 2020 Plan is currently administered by the Compensation Committee of the Board as the Plan administrator. The 2020 Plan administrator has the authority to determine, within the limits of the express provisions of the 2020 Plan, the individuals to whom awards will be granted, the nature, amount and terms of such awards and the objectives and conditions for earning such awards. No awards may be made under the 2020 Plan after the tenth anniversary of its effective date. Stock Options The 2020 Plan administrator may grant to a participant options to purchase our common stock that qualify as incentive stock options for purposes of Section 422 of the Internal Revenue Code (" incentive stock options "), options that do not qualify as incentive stock options (" non- qualified stock options ") or a combination thereof. The terms and conditions of stock option grants, including the quantity, price, vesting periods, and other conditions on exercise will be determined by the 2020 Plan administrator. The exercise price for stock options will be determined by the 2020 Plan administrator in its discretion, but non- qualified stock options and incentive stock options may not be less than 100 % of the fair market value of one share of our company' s common stock on the date when the stock option is granted. Additionally, in the case of incentive stock options granted to a holder of more than 10 % of the total combined voting power of all classes of our stock on the date of grant, the exercise price may not be less than 110 % of the fair market value of one share of common stock on the date the stock option is granted. Stock options must be exercised within a period fixed by the 2020 Plan administrator

that may not exceed ten years from the date of grant, except that in the case of incentive stock options granted to a holder of more than 10 % of the total combined voting power of all classes of our stock on the date of grant, the exercise period may not exceed five years. At the 2020 Plan administrator's discretion, payment for shares of common stock on the exercise of stock options may be made in cash, shares of our common stock held by the participant or in any other form of consideration acceptable to the 2020 Plan administrator (including one or more forms of "cashless" or "net" exercise). Stock Appreciation Rights The 2020 Plan administrator may grant to a participant an award of SARs, which entitles the participant to receive, upon its exercise, a payment equal to (i) the excess of the fair market value of a share of common stock on the exercise date over the SAR exercise price, times (ii) the number of shares of common stock with respect to which the SAR is exercised. The exercise price for a SAR will be determined by the 2020 Plan administrator in its discretion; provided, however, that in no event shall the exercise price be less than the fair market value of our common stock on the date of grant. Restricted Shares and Restricted Units The 2020 Plan administrator may award to a participant shares of common stock subject to specified restrictions ("restricted shares"). Restricted shares are subject to forfeiture if the participant does not meet certain conditions such as continued employment over a specified forfeiture period and / or the attainment of specified performance targets over the forfeiture period. The 2020 Plan administrator also may award to a participant Units representing the right to receive shares of common stock in the future subject to the achievement of one or more goals relating to the completion of service by the participant and / or the achievement of performance or other objectives ("restricted Units"). The terms and conditions of restricted share and restricted Unit awards are determined by the 2020 Plan administrator. Performance Awards The 2020 Plan administrator may grant performance awards to participants under such terms and conditions as the 2020 Plan administrator deems appropriate. A performance award entitles a participant to receive a payment from us, the amount of which is based upon the attainment of predetermined performance targets over a specified award period. Performance awards may be paid in cash, shares of common stock or a combination thereof, as determined by the 2020 Plan administrator. Other Stock-Based Awards The 2020 Plan administrator may grant equity-based or equity-related awards, referred to as "other stock-based awards," other than options, SARs, restricted shares, restricted Units, or performance awards. The terms and conditions of each other stock-based award will be determined by the 2020 Plan administrator. Payment under any other stock-based awards will be made in common stock or cash, as determined by the 2020 Plan administrator. Cash-Based Awards The 2020 Plan administrator may grant cash-based incentive compensation awards, which would include performance-based annual cash incentive compensation to be paid to covered employees. The terms and conditions of each cash-based award will be determined by the 2020 Plan administrator. Stock Plan Eligibility and Administration Our employees, outside directors and consultants are eligible to receive nonstatutory options or the direct award or sale of shares under our 2013 Stock Plan, while only our employees are eligible to receive grants of ISOs under our 2013 Stock Plan. A person who owns more than 10 % of the total combined voting power of all classes of our outstanding stock, of the outstanding common stock of our parent or subsidiary, is not eligible for the grant of an ISO unless the exercise price is at least 110 % of the fair market value of a share on the grant date and such ISO is not exercisable after five years from the grant date. The 2013 Stock Plan may be administered by a committee of the board of directors, and if no committee is appointed, then the board of directors. The board of directors has the authority to make all determinations and interpretations under, prescribe all forms for use with, and adopt rules for the administration of, the 2013 Stock Plan, subject to its express terms and conditions. Shares Available and Termination In the event that shares previously issued under the 2013 Stock Plan are reacquired, such shares will be added to the available shares for issuance under the 2013 Stock Plan. In the event that shares that would have otherwise been issuable under the 2013 Stock Plan were withheld in payment of the purchase price, exercise price, or withholding taxes, such shares will remain available for issuance under the 2013 Stock Plan. In the event that an outstanding option or other right is cancelled or expired, the shares allocable to the unexercised portion of the option or other right will be added to the number of shares available under the 2013 Stock Plan. The 2013 Stock Plan will terminate automatically 10 years after the later of (i) the date when the board of directors adopted the 2013 Stock Plan or (ii) the date when the board of directors approved the most recent increase in the number of shares reserved under the 2013 Stock Plan that was also approved by our stockholders. The 2013 Stock Plan provides for the grant of shares of common stock and options, including ISO intended to qualify under Code Section 422 and nonstatutory options which are not intended to qualify. All awards under the 2013 Stock plan will be set forth in award agreements, which will detail the terms and conditions of the awards, including any applicable vesting and payment terms and post-termination exercise limitations. Policies and Practices Related to the Grant of Certain Equity Awards Close in Time to the Release of Material Nonpublic Information We do not have any formal policy that requires us to grant, or avoid granting, stock options at particular times. Consistent with its annual compensation cycle, if options are to be granted, the Compensation Committee generally seeks to grant annual stock option awards after its Annual Report on Form 10-K has been filed. The timing of any stock option grants in connection with new hires, promotions, or other non-routine grants is tied to the event giving rise to the award (such as an employee's commencement of employment or promotion effective date). As a result, in all cases, the timing of grants of stock options occurs independent of the release of any material nonpublic information, and we do not time the disclosure of material nonpublic information for the purpose of affecting the value of executive compensation. No stock options were issued to executive officers in 2024 during any period beginning four business days before the filing of a periodic report or current report disclosing material non-public information and ending one business day after the filing or furnishing of such report with the SEC. No Pension Benefits We do not maintain any plan that provides for payments or other benefits to its executive officers at, following or in connection with retirement and including, without limitation, any tax-qualified defined benefit plans or supplemental executive retirement plans. No Nonqualified

Deferred Compensation We do not maintain any defined contribution or other plan that provides for the deferral of compensation on a basis that is not tax-qualified.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERThe table below sets forth information regarding the projected beneficial ownership of our common stock as of April 9, 2025 by the following individuals or groups: • each person or entity who is known by us to own beneficially more than 5 % of our outstanding stock; • each of our executive officers; • each of our directors and director nominees; and • all of our directors, director nominees and executive officers as a group. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to the securities in question. Except as otherwise indicated, and subject to applicable community property laws, the persons named in the table below have sole voting and investment power with respect to all shares of our common stock held by them. Shares of common stock issuable pursuant to a stock option, warrant or convertible note that is currently exercisable or convertible, or is exercisable or convertible within 60 days after the date of determination of ownership, are deemed to be outstanding and beneficially owned for purposes of computing the percentage ownership of the holder of the stock option, warrant or convertible note but are not treated as outstanding for purposes of computing the percentage ownership of any other person. The applicable percentage ownership in the following table is based on 4, 146, 494 shares of our common stock outstanding as of April 9, 2025. After giving effect to the exercise of the Pre- Funded Warrants and excludes as of such date: Unless otherwise indicated, the address for each officer, director and director nominee in the following table is c / o Digital Brands Group, Inc., 1400 Lavaca Street, Austin, TX 78701. Number of Shares Percentage of Beneficially Shares Name of Beneficial Owner Owned Outstanding Executive Officers and Directors John “ Hil ” Davis 18 (1) * Reid Yeoman 1 (2) * Mark Lynn 3 (3) * Trevor Pettennude 1 (4) * Jameeka Aaron 0 * Huong “ Lucy ” Doan 0 * All executive officers, directors and director nominees as a group (6 persons) 23 (5) * * Less than one percent. (1) Represents options exercisable at \$ 518, 750 per share, and 1 share of common stock. (2) Represents an option to acquire 1 share of common stock, exercisable at \$ 518, 750 per share. (3) Represents options to acquire up to 3 shares of common stock, exercisable between \$ 195, 000 and \$ 410, 000 per share, and 1 share of common stock. (4) Represents an option to acquire 1 share of common stock, exercisable at \$ 195, 000 per share, and 1 share of common stock. (5) Represents options to acquire up to 23 shares of common stock.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCEAs of December 31, 2024 and 2023, the Company made net repayments for amounts due to related parties totaling \$ 11, 909 and \$ 130, 205, respectively. As of December 31, 2024 and 2023, amounts due to related parties were \$ 411, 921 and \$ 400, 012, respectively. The advances are unsecured, non- interest bearing and due on demand. Amounts due to related parties consist of current and former executives, and a board member. As of December 31, 2024 and 2023, due to related parties includes advances from the former officer, Mark Lynn, who also serves as a director, totaling \$ 104, 568 and \$ 104, 568, respectively, and accrued salary and expense reimbursements of \$ 87, 221 and \$ 87, 221, respectively, to current officers. In October 2022, the Company received advances from a director, Trevor Pettennude, totaling \$ 325, 000. The advances are unsecured, non- interest bearing and due on demand. As of December 31, 2024 and 2023, \$ 190, 000 and \$ 175, 000, respectively, were outstanding. Policies and Procedures for Related Person Transactions Our board of directors intends to adopt a written related person policy to set forth the policies and procedures for the review and approval or ratification of related person transactions. This policy will cover any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships in which we are to be a participant, the amount involved exceeds \$ 100, 000 and a related person had or will have a direct or indirect material interest, including purchases of goods or services by or from the related person or entities in which the related person has a material interest, indebtedness, guarantees of indebtedness and employment by us of a related person. Director Independence Our board of directors has undertaken a review of the independence of each director. Based on information provided by each director concerning his or her background, employment and affiliations, our board of directors has determined that Trevor Pettennude, Jameeka Aaron, and Huong “ Lucy ” Doan, do not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is “ independent ” as that term is defined under the applicable rules and regulations of the SEC and the listing standards of Nasdaq. In making these determinations, our board of directors considered the current and prior relationships that each non- employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining their independence.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICEThe following table provides information regarding the fees billed to us by Macias Gini & O’ Connell LLP in the fiscal years ended December 31, 2024 and 2023, respectively. All fees described below were approved by the Board: For the Fiscal Years Ended December 31, 2024 2023 Audit fees (1) \$ 423, 838 \$ 351, 099 Audit related fees — — Tax fees — — All other fees (2) — 21, 160 Total fees \$ 423, 838 \$ 372, 259 (1) Audit fees include fees associated with the annual audits of our financial statements, quarterly reviews of our financial statements, and services that are normally provided by the independent registered public accounting firm in connection with statutory and regulatory filings or engagements. (2) Includes audit fees paid for pre- acquisition audits of the Company’ s subsidiaries and other targets. Pre- Approval Policy Our audit committee is responsible for approving or pre- approving all auditing services (including comfort letters and statutory audits) and all permitted non- audit services by the independent auditor and pre- approve the related fees. Pursuant to its charter, the audit committee delegated to each of its members, acting singly, the authority to pre- approve any audit services if the need for consideration of a pre- approval request arises between regularly scheduled meetings, with such approval presented to the audit committee at its next scheduled meeting or as soon as practicable thereafter.

PART IV ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES (1) Financial Statements For a list of the financial information included herein, see Index

to the Financial Statements on page F- 1. (2) Financial Statement Schedules Schedules have been omitted because they are not applicable, not material or because the information is included in the consolidated financial statements or the notes thereto. (3) Exhibits The following is a list of exhibits filed as part of this Annual Report on Form 10- K. Exhibit Number Description

2. 1	Membership Interest Purchase Agreement dated October 14, 2020 among D. Jones Tailored Collection, LTD and Digital Brands Group (formerly known as Denim. LA, Inc.) (incorporated by reference to Exhibit 2. 1 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022).
2. 2	First Amendment to Membership Interest Purchase Agreement dated December 31, 2020 among D. Jones Tailored Collection, LTD and Digital Brands Group (formerly known as Denim. LA, Inc) (incorporated by reference to Exhibit 2. 2 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022).
2. 3	Agreement and Plan of Merger with Bailey 44, LLC dated February 12, 2020 among Bailey 44, LLC, Norwest Venture Partners XI, and Norwest Venture Partners XII, LP and Digital Brands Group (formerly known as Denim. LA, Inc) (incorporated by reference to Exhibit 2. 3 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022).
2. 4	Second Amendment to Membership Interest Purchase Agreement Dated May 10, 2021 among D. Jones Tailored Collection, LTD and Digital Brands Group (formerly known as Denim. LA, Inc.) (incorporated by reference to Exhibit 2. 4 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022).
2. 5	Membership Interest Purchase Agreement, dated August 30, 2021, by and between Moise Emquies and Digital Brands Group, Inc. (incorporated by reference to Exhibit 2. 5 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022).
2. 6	Membership Interest Purchase Agreement, dated January 18, 2022, by and among Moise Emquies, George Levy, Matthieu Leblan and Carol Ann Emquies, Sunnyside, LLC, and George Levy as the Sellers' representative (incorporated by reference to Exhibit 1. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on January 20, 2022).
2. 7	Amended and Restated Membership Interest Purchase Agreement, dated June 17, 2022, by and among Digital Brands Group, Inc. and Moise Emquies, George Levy, Matthieu Leblan and Carol Ann Emquies (incorporated by reference to Exhibit 2. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on June 23, 2022).
2. 8	Second Amended and Restated Membership Interest Purchase Agreement, dated October 13, 2022, by and among Digital Brands Group, Inc. and Moise Emquies, George Levy, Matthieu Leblan and Carol Ann Emquies (incorporated by reference to Exhibit 2. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on October 18, 2022).
3. 1	Sixth Amended and Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3. 3 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022).
3. 2	Certificate of Designation of Series A Preferred Stock, dated August 31, 2022 (incorporated by reference to Exhibit 3. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on August 31, 2022).
3. 3	Certificate of Designation of Series A Convertible Preferred Stock, dated September 29, 2022 (incorporated by reference to Exhibit 3. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on October 5, 2022).
3. 4	Certificate of Correction of Series A Convertible Preferred Stock, dated October 3, 2022 (incorporated by reference to Exhibit 3. 2 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on October 5, 2022).
3. 5	Certificate of Amendment of Certificate of Incorporation of Digital Brands Group, Inc. dated October 13, 2022 (incorporated by reference to Exhibit 3. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on October 18, 2022).
3. 6	Certificate of Amendment of Certificate of Incorporation of Digital Brands Group, Inc. dated October 21, 2022 (incorporated by reference to Exhibit 3. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on October 26, 2022).
3. 7	Amended and Restated Bylaws of Registrant (incorporated by reference to Exhibit 3. 5 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022).
3. 8	Amendment No. 1 to the Amended and Restated Bylaws of Digital Brands Group, Inc., as amended (incorporated by reference to Exhibit 3. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on August 12, 2022).
3. 9	Amendment No. 2 to the Amended and Restated Bylaws of Digital Brands Group, Inc., as amended (incorporated by reference to Exhibit 3. 2 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on August 31, 2022).
4. 1	Form of Common Stock Certificate (incorporated by reference to Exhibit 4. 1 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022).
4. 2	Warrant Agency Agreement, including Form of Warrant Certificate (incorporated by reference to Exhibit 10. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on May 18, 2021).
4. 3	Representative' s Warrant Agreement (incorporated by reference to Exhibit 4. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on May 18, 2021).
4. 4	Form of Lender' s Warrants (incorporated by reference to Exhibit 4. 4 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022).
4. 5	Form of Promissory Note, dated July 22, 2022, by Digital Brands Group, Inc. in favor each Investor (incorporated by reference to Exhibit 10. 2 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on July 27, 2022).
4. 6	Form of Warrant, dated July 22, 2022, by Digital Brands Group, Inc. in favor each Investor (incorporated by reference to Exhibit 10. 3 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on July 27, 2022).
4. 7	Form of Promissory Note, dated July 28, 2022, by Digital Brands Group, Inc. in favor the New Investor (incorporated by reference to Exhibit 10. 2 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on August 2, 2022).
4. 8	Form of Warrant, dated July 28, 2022, by Digital Brands Group, Inc. in favor the New Investor (incorporated by reference to Exhibit 10. 3 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on August 2, 2022).
4. 9	Form of Promissory Notes issued to each of the Sellers, Jenny Murphy and Elodie Crichi (incorporated by reference to Exhibit 10. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on October 18, 2022).
4. 10	Registration Rights Agreement, dated August 30, 2021, by and between Digital Brands Group, Inc. and

Moise Emquies (incorporated by reference to Exhibit 4. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on August 31, 2021). 4. 11 Registration Rights Agreement, dated August 27, 2021, by and between Digital Brands Group, Inc. and Oasis Capital, LLC (Note) (incorporated by reference to Exhibit 4. 2 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on August 31, 2021). 4. 12 Registration Rights Agreement, dated August 27, 2021, by and between Digital Brands Group, Inc. and Oasis Capital, LLC (ELOC) (incorporated by reference to Exhibit 4. 3 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on August 31, 2021). 4. 13 Joinder and Amendment to Registration Rights Agreement, dated October 1, 2021, by and among Digital Brands Group, Inc., Oasis Capital, LLC and FirstFire Global Opportunities Fund, LLC (incorporated by reference to Exhibit 4. 2 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on October 6, 2021). 4. 14 Amendment to Registration Rights Agreement, dated November 16, 2021, by and among Digital Brands Group, Inc., Oasis Capital, LLC and FirstFire Global Opportunities Fund, LLC (incorporated by reference to Exhibit 4. 2 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on November 19, 2021). 4. 15 Registration Rights Agreement, dated April 8, 2022, by and among Digital Brands Group, Inc. and certain Investors (incorporated by reference to Exhibit 4. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on April 12, 2022). 4. 16 Registration Rights Agreement, dated July 22, 2022, by and among Digital Brands Group, Inc. and certain Investors (incorporated by reference to Exhibit 4. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on July 27, 2022). 4. 17 Registration Rights Agreement, dated September 29, 2022, by and among Digital Brands Group, Inc. and the Investor (incorporated by reference to Exhibit 4. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on October 5, 2022). 4. 18 Underwriter' s Warrants issued to Alexander Capital L. P. on May 5, 2022 (incorporated by reference to Exhibit 4. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on May 10, 2022) 4. 19 Underwriter' s Warrants issued to Revere Securities, LLC (incorporated by reference to Exhibit 4. 2 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on May 10, 2022) 4. 20 Form of Class B Warrant (incorporated by reference to Exhibit 4. 27 to the Registrant' s Registration Statement on Form S- 1 / A, filed with the SEC on November 29, 2022 (File no. 333- 268213)). 4. 21 Form of Class C Warrant (incorporated by reference to Exhibit 4. 28 to the Registrant' s Registration Statement on Form S- 1 / A, filed with the SEC on November 29, 2022 (File no. 333- 268213)). 4. 22 Form of Pre- Funded Warrant (incorporated by reference to Exhibit 4. 29 to the Registrant' s Registration Statement on Form S- 1 / A, filed with the SEC on November 29, 2022 (File no. 333- 268213)). 4. 23 Form of Placement Agent Warrant (incorporated by reference to Exhibit 4. 30 to the Registrant' s Registration Statement on Form S- 1 / A, filed with the SEC on November 29, 2022 (File no. 333- 268213)). 4. 24 Registration Rights Agreement, dated December 29, 2022, by and among Digital Brands Group, Inc. and the Investors (incorporated by reference to Exhibit 4. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on January 4, 2023). Exhibit Number Description 4. 25 Registration Rights Agreement, dated December 30, 2022, by and among Digital Brands Group, Inc. and Moise Emquies, George Levy, Matthieu Leblan and Carol Ann Emquies (incorporated by reference to Exhibit 4. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on January 4, 2023). 4. 26 Form of Common Warrant (incorporated by reference to Exhibit 4. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on January 11, 2023). 4. 27 Form of Pre- Funded Warrant (incorporated by reference to Exhibit 4. 2 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on January 11, 2023). 4. 28 Form of Placement Agent Warrant (incorporated by reference to Exhibit 4. 3 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on January 11, 2023). 4. 29 * Description of Securities. 10. 1 Form of Indemnification Agreement between the Registrant and each of its directors and officers (incorporated by reference to Exhibit 10. 1 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 2 # Form of Option Agreement with each of John " Hil " Davis, Laura Dowling and Reid Yeoman (incorporated by reference to Exhibit 10. 2 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 3 # Form of Board of Directors Agreement, entered into by each of the Director Nominees (incorporated by reference to Exhibit 10. 4 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 4 # Consulting Agreement dated as of April 9, 2021 between Alchemy Advisory LLC and Digital Brands Group, Inc. (incorporated by reference to Exhibit 10. 6 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 5 # Stock Plan (incorporated by reference to Exhibit 10. 7 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 6 Promissory Note, dated April 10, 2020, between Digital Brands Group (formally known as Denim. LA, Inc.) and JPMorgan Chase Bank, N. A. (incorporated by reference to Exhibit 10. 16 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 7 Loan dated June 25, 2020, between Digital Brands Group and The Small Business Administration, an Agency of the U. S. Government (incorporated by reference to Exhibit 10. 17 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 8 Promissory Note, dated April 5, 2020, between JPMorgan Chase Bank, N. A. and Bailey 44, LLC (incorporated by reference to Exhibit 10. 18 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 13 Lease Agreement between 850- 860 South Los Angeles Street LLC and Bailey 44, LLC, dated April 27, 2016 (incorporated by reference to Exhibit 10. 23 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 14 Lease Agreement between 850- 860 South Los Angeles Street LLC and Bailey 44, LLC, dated April 16, 2018 (incorporated by reference to Exhibit 10. 24 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 15 Lease Agreement among 45th Street, LLC, Sister Sam, LLC and Bailey 44, LLC dated January 17, 2013 (incorporated by reference to Exhibit 10. 25 of Digital Brands Group Inc.' s Registration Statement on Form S-

1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 16 Amendment to Lease Agreement among 45th Street, LLC, Sister Sam, LLC and Bailey 44, LLC dated February 20, 2018 (incorporated by reference to Exhibit 10. 26 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 17 Secured Promissory Note to Norwest Venture Partners XI, LP and Norwest Venture Partners XII, LP of Bailey 44, LLC (incorporated by reference to Exhibit 10. 28 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 18 Securities Purchase Agreement, dated August 27, 2021, by and between Digital Brands Group, Inc. and Oasis Capital, LLC (incorporated by reference to Exhibit 10. 31 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 19 Senior Secured Convertible Promissory Note, dated August 27, 2021, by Digital Brands Group, Inc. in favor of Oasis Capital, LLC (incorporated by reference to Exhibit 10. 32 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). Exhibit Number Description 10. 20 Equity Purchase Agreement, dated August 27, 2021, by and between Digital Brands Group, Inc. and Oasis Capital, LLC (incorporated by reference to Exhibit 10. 33 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 21 Amended and Restated Securities Purchase Agreement, dated October 1, 2021, by and among Digital Brands Group, Inc., Oasis Capital, LLC and FirstFire Global Opportunities Fund, LLC (incorporated by reference to Exhibit 10. 34 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 22 Senior Secured Convertible Promissory Note, dated October 1, 2021, by Digital Brands Group, Inc. in favor of FirstFire Global Opportunities Fund, LLC (incorporated by reference to Exhibit 10. 35 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 23 Security Agreement, dated August 27, 2021, by and between Digital Brands Group, Inc. and Oasis Capital, LLC (incorporated by reference to Exhibit 10. 36 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 24 Joinder and Amendment to Security Agreement, dated October 1, 2021, by and among Digital Brands Group, Inc., Oasis Capital, LLC and FirstFire Global Opportunities Fund, LLC (incorporated by reference to Exhibit 10. 37 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 25 Securities Purchase Agreement, dated November 16, 2021, by and among Digital Brands Group, Inc., Oasis Capital, LLC and FirstFire Global Opportunities Fund, LLC (incorporated by reference to Exhibit 10. 40 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 26 Senior Secured Convertible Promissory Note, dated November 16, 2021, by Digital Brands Group, Inc. in favor of FirstFire Global Opportunities Fund, LLC (incorporated by reference to Exhibit 10. 41 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 27 Waiver by FirstFire Global Opportunities Fund, LLC, dated November 16, 2021 (incorporated by reference to Exhibit 10. 42 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 28 Waiver by Oasis Capital, LLC, dated November 16, 2021 (incorporated by reference to Exhibit 10. 43 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 261865), filed with the SEC on January 6, 2022). 10. 29 Registration Rights Agreement, dated April 9, 2022, by among Digital Brands Group, Inc. and the Investors (incorporated by reference to Exhibit 4. 1 of Digital Brands Group Inc.' s Current Report on Form 8- K, filed with the SEC on April 12, 2022). 10. 30 Securities Purchase Agreement, dated April 9, 2022, by among Digital Brands Group, Inc. and the Investors (incorporated by reference to Exhibit 10. 1 of Digital Brands Group Inc.' s Current Report on Form 8- K, filed with the SEC on April 12, 2022). 10. 31 Form of Warrant, dated April 9, 2022, by Digital Brands Group, Inc. in favor of the Investors (incorporated by reference to Exhibit 10. 3 of Digital Brands Group Inc.' s Current Report on Form 8- K, filed with the SEC on April 12, 2022). 10. 32 Agreement for the Purchase and Sale of Future Receipts, dated March 21, 2022, between Digital Brands Group, Inc. and Advantage Platform Services Inc. d / b / a Advantage Capital Funding (incorporated by reference to Exhibit 10. 45 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 264347), filed with the SEC on May 5, 2022). 10. 33 Agreement for the Purchase and Sale of Future Receipts, dated March 29, 2022, between Digital Brands Group, Inc. and Advantage Platform Services Inc. d / b / a Advantage Capital Funding (incorporated by reference to Exhibit 10. 46 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 / A (Reg. No. 333- 264347), filed with the SEC on May 5, 2022). 10. 34 First Amendment to Securities Purchase Agreement, dated July 28, 2022, by and among Digital Brands Group, Inc. and certain Investors (incorporated by reference to Exhibit 10. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on August 2, 2022). 10. 35 Securities Purchase Agreement, dated September 29, 2022, by and among Digital Brands Group, Inc. and the investor thereto (incorporated by reference to Exhibit 10. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on October 5, 2022). 10. 36 Form of Securities Purchase Agreement, by and between Digital Brands Group, Inc. and the purchasers party thereto (incorporated by reference to Exhibit 10. 38 to the Registrant' s Registration Statement on Form S- 1 / A, filed with the SEC on November 29, 2022 (File no. 333- 268213)). Exhibit Number Description 10. 37 Securities Purchase Agreement, dated December 29, 2022, by and among Digital Brands Group, Inc. and the Investors (incorporated by reference to Exhibit 10. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on January 4, 2023). 10. 38 Form of Promissory Note, dated December 29, 2022, by Digital Brands Group, Inc. in favor each Investor (incorporated by reference to Exhibit 10. 2 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on January 4, 2023). 10. 39 Form of Securities Purchase Agreement, dated as of January 11, 2023, by and among the Company and the purchasers party thereto (incorporated by reference to Exhibit 10. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on January 11, 2023). 10. 40 Form of Registration Rights Agreement, dated

as of January 11, 2023, by and among the Company and the purchasers party thereto (incorporated by reference to Exhibit 10. 2 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on January 11, 2023). 10. 41 Form of Warrant, dated December 29, 2022, by Digital Brands Group, Inc. in favor each Investor (incorporated by reference to Exhibit 10. 3 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on January 4, 2023). 10. 42 Form of Securities Purchase Agreement, dated April 7, 2023, by and among Digital Brands Group, Inc. and the Investors (incorporated by reference to Exhibit 10. 1 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on April 13, 2023). 10. 43 Form of Promissory Note, dated April 7, 2023, by Digital Brands Group, Inc. in favor each Investor (incorporated by reference to Exhibit 10. 2 of Digital Brands Group Inc.' s Form 8- K filed with the SEC on April 13, 2023). 14. 1 * Code of Ethics and Business Conduct. 19. 1 * Insider Trading Policy. 21. 1 List of Subsidiaries of the Registrant. (incorporated by reference to Exhibit 21. 1 of Digital Brands Group Inc.' s Registration Statement on Form S- 1 (Reg. No. 333- 269463), filed with the SEC on January 30, 2023). 23. 1 * Consent of independent registered public accounting firm. 31. 1 * Certification of Principal Executive Officer Pursuant to Rules 13a- 14 (a) and 15d- 14 (a) 31. 2 * Certification of Principal Financial Officer Pursuant to Rules 13a- 14 (a) and 15d- 14 (a) 32. 1 * * Certification of Principal Executive Officer Pursuant to 18 U. S. C. Section 1350 32. 2 * * Certification of Principal Financial Officer Pursuant to 18 U. S. C. Section 1350 97. 1 * Compensation Recovery Policy. 101. INS * Inline XBRL Instance 101. SCH * Inline XBRL Taxonomy Extension Schema 101. CAL * Inline XBRL Taxonomy Extension Calculation 101. LAB * Inline XBRL Taxonomy Extension Labels 101. PRE * Inline XBRL Taxonomy Extension Presentation 104 * Cover Page Interactive Data File (embedded within the Inline XBRL and contained in Exhibit 101) * Filed herewith. * * Furnished herewith # Indicates management contract or compensatory plan or arrangement. ITEM 16. FORM 10- K SUMMARYSIGNATURES Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. DIGITAL BRANDS GROUP, INC. By: / s / John Hilburn Davis IV April 9, 2025 Name: John Hilburn Davis IV Title: President and Chief Executive Officer Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. Name Position Date / s / John Hilburn Davis IV Director, President and Chief Executive Officer April 9, 2025 John Hilburn Davis IV (Principal Executive Officer) / s / Reid Yeoman Chief Financial Officer April 9, 2025 Reid Yeoman (Principal Financial and Accounting Officer) / s / Mark T. Lynn Director April 9, 2025 Mark T. Lynn / s / Trevor Pettennude Director April 9, 2025 Trevor Pettennude / s / Jameeka Aaron Green Director April 9, 2025 Jameeka Aaron Green / s / Huong “ Lucy ” Doan Director April 9, 2025 Huong “ Lucy ” Doan DIGITAL BRANDS GROUP, INC. FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023 REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (PCAOB ID: 324) F- 2 CONSOLIDATED BALANCE SHEETS F- 3 CONSOLIDATED STATEMENTS OF OPERATIONS F- 4 CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT) F- 5 CONSOLIDATED STATEMENTS OF CASH FLOWS F- 6 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS F- 7Report of Independent Registered Public Accounting Firm (PCAOB ID 324) To the Board of Directors and Shareholders of Digital Brands Group, Inc. Opinion on the Financial Statements We have audited the accompanying consolidated balance sheets of Digital Brands Group, Inc. and Subsidiaries (collectively, the “ Company ”) as of December 31, 2024 and December 31, 2023, and the related consolidated statements of operations, stockholders' equity (deficit), and cash flows for the years then ended, and the related consolidated notes (collectively referred to as the “ financial statements ”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and December 31, 2023, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America. Going Concern The accompanying financial statements have been prepared assuming that the entity will continue as a going concern. As discussed in Note 2 to the financial statements, the Company' s recurring net losses since inception, negative cash flow from operations and lack of liquidity raise substantial doubt about its ability to continue as a going concern. Management' s plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Basis for Opinion These financial statements are the responsibility of the entity' s management. Our responsibility is to express an opinion on these financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“ PCAOB ”) and are required to be independent with respect to the Company in accordance with the U. S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the entity' s internal control over financial reporting. Accordingly, we express no such opinion. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion. / s / Macias Gini & O' Connell LLP We have served as the Company' s auditor since 2023. Irvine, California DIGITAL BRANDS GROUP, INC. CONSOLIDATED BALANCE SHEETS 2024 2023 December 31, 2024

2023 ASSETS Current assets: Cash and cash equivalents \$ 164, 431 \$ 20, 773 Accounts receivable, net 44, 067 74, 833 Due from factor, net 390, 186 337, 811 Inventory 3, 823, 940 4, 849, 600 Prepaid expenses and other current assets 274, 643 276, 670 Total current assets 4, 697, 267 5, 559, 687 Property, equipment and software, net 24, 089 55, 509 Goodwill 8, 973, 501 8, 973, 501 Intangible assets, net 6, 120, 039 9, 982, 217 Deposits 75, 431 75, 431 Right of use asset- 689, 688 Total assets \$ 19, 890, 327 \$ 25, 336, 033 **LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)** Current liabilities: Accounts payable \$ 6, 424, 661 \$ 7, 538, 902 Accrued expenses and other liabilities 5, 257, 102 4, 758, 492 Due to related parties 411, 921 400, 012 Convertible note payable, net 100, 000 100, 000 Accrued interest payable 2, 328, 078 1, 996, 753 Loan payable, current 2, 798, 116 2, 325, 842 Promissory note payable, net 3, 500, 000 4, 884, 592 Right of use liability, current portion- 1, 210, 814 Total current liabilities 20, 819, 878 23, 215, 407 Loan payable 150, 000 150, 000 Deferred tax liability 248, 990 368, 034 Total liabilities 21, 218, 868 23, 733, 441 Commitments and contingencies-- Stockholders' equity (deficit): Undesignated preferred stock, \$ 0. 0001 par, 10, 000, 000 shares authorized, 0 shares issued and outstanding as of both December 31, 2024 and December 31, 2023-- Series A convertible preferred stock, \$ 0. 0001 par, 6, 300 shares designated, 6, 300 shares issued and outstanding as of both December 31, 2024 and December 31, 2023 1 1 Series C convertible preferred stock, \$ 0. 0001 par, 1, 344 and 4, 786 shares issued and outstanding as of December 31, 2024 and December 31, 2023, respectively 1 1 Preferred stock, value 1 1 Common stock, \$ 0. 0001 par, 1, 000, 000, 000 shares authorized, 838, 584 and 22, 285 shares issued and outstanding as of December 31, 2024 and December 31, 2023, respectively 83 110 Additional paid- in capital 125, 772, 412 115, 596, 929 Accumulated deficit (127, 101, 038) (113, 994, 449) Total stockholders' equity (deficit) (1, 328, 541) 1, 602, 592 Total liabilities and stockholders' equity (deficit) \$ 19, 890, 327 \$ 25, 336, 033 See the accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS 2024 2023 Year Ended December 31, 2024 2023 Net revenues \$ 11, 555, 656 \$ 14, 916, 422 Cost of net revenues 7, 911, 536 8, 372, 642 Gross profit 3, 644, 120 6, 543, 780 Operating expenses: General and administrative 8, 652, 361 14, 299, 389 Sales and marketing 2, 896, 698 4, 035, 835 Distribution 907, 843 1, 002, 343 Impairment of intangible assets 1, 388, 000- Change in fair value of contingent consideration- (10, 698, 475) Total operating expenses 13, 844, 902 8, 639, 092 Loss from operations (10, 200, 782) (2, 095, 312) Other expense: Interest expense 2, 941, 171 5, 517, 118 Other non- operating expenses 83, 680 704, 166 Total other expense, net 3, 024, 851 6, 221, 284 Income tax benefit (provision) 119, 044 (368, 034) Net loss from continuing operations (13, 106, 589) (8, 684, 630) (Loss) from discontinued operations, net of tax- (1, 562, 503) Net loss \$ (13, 106, 589) \$ (10, 247, 133) Weighted average common shares outstanding- basic and diluted 170, 853 22, 385 Net loss per common share- basic and diluted \$ (76. 71) \$ (457. 78)

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT) Shares Amount Shares Amount Capital Deficit (Deficit) Series A Convertible Series C Convertible Total Preferred Stock Preferred Stock Common Stock Additional Paid- in Accumulated Stockholders' Equity Shares Amount Shares Amount Shares Amount Capital Deficit (Deficit) Balances at December 31, 2022 6, 300 1- \$- 3, 575 \$- \$ 96, 294, 141 \$ (103, 747, 316) \$ (7, 453, 174) Issuance of common stock pursuant to private placement---- 1, 022- 4, 463, 076- 4, 463, 076 Shares and warrants issued with notes---- 88- 658, 494- 658, 494 Conversion of notes into preferred stock-- 5, 761 1-- 5, 759, 177- 5, 759, 177 Issuance of common stock pursuant to disposition---- 1, 562- 1, 357, 043- 1, 357, 043 Common stock issued for services---- 2, 198- 1, 656, 427- 1, 656, 428 Exercise of Warrants---- 2, 476- 1, 167, 565- 1, 167, 566 Issuance of common stock pursuant to private placement, net of offering cost---- 10, 278- 3, 832, 304- 3, 832, 305 Conversion of preference shares into common stock-- (975)- 1, 088---- Stock- based compensation----- 408, 810- 408, 810 Effect of reverse stock split----- 2-- 2 Net loss----- (10, 247, 133) (10, 247, 133) Balances at December 31, 2023 6, 300 1 4, 786 1 22, 287 \$ 2 115, 597, 037 (113, 994, 449) 1, 602, 592 Balance 6, 300 1 4, 786 1 22, 287 \$ 2 115, 597, 037 (113, 994, 449) 1, 602, 592 Issuance of common stock pursuant to private placements---- 806, 754 81 9, 374, 360- 9, 374, 441 Conversion of debt and interest into common stock---- 3, 120- 318, 767- 318, 767 Shares issued for services---- 2, 582- 312, 634- 312, 634 Conversion of preferred shares into common stock-- (3, 442)- 3, 840---- Stock- based compensation----- 169, 614- 169, 614 Net loss----- (13, 106, 589) (13, 106, 589) Balances at December 31, 2024 6, 300 \$ 1 1, 344 \$ 1 838, 584 \$ 83 \$ 125, 772, 412 \$ (127, 101, 038) \$ (1, 328, 541) Balance 6, 300 \$ 1 1, 344 \$ 1 838, 584 \$ 83 \$ 125, 772, 412 \$ (127, 101, 038) \$ (1, 328, 541)

CONSOLIDATED STATEMENTS OF CASH FLOWS 2024 2023 Year Ended December 31, 2024 2023 Cash flows from operating activities: Net loss \$ (13, 106, 589) \$ (10, 247, 133) Adjustments to reconcile net loss to net cash used in operating activities: Depreciation and amortization 2, 505, 598 3, 249, 194 Amortization of loan discount and fees 2, 429, 591 3, 937, 007 Impairment of intangibles 1, 388, 000- Loss on extinguishment of debt- 716, 517 Loss on disposition of business- 1, 523, 940 Stock- based compensation 169, 614 408, 810 Shares issued for services 312, 635 1, 656, 428 Shares issued for loan interest conversion 4, 950- Change in credit reserve (151, 611) 202, 761 Change in fair value of contingent consideration- (10, 698, 475) Non- cash lease expense 81, 374- Deferred tax expense (119, 044) 368, 034 Changes in operating assets and liabilities: Accounts receivable, net 30, 766 497, 771 Due from factor 99, 236 144, 755 Inventory 1, 025, 660 375, 682 Prepaid expenses and other current assets 2, 027 551, 259 Accounts payable (1, 114, 242) 1, 900 Accrued expenses and other liabilities 498, 610 1, 047, 730 Deferred revenue- (183, 782) Accrued interest payable 381, 678 434, 958 Due to related parties 11, 909- Lease liabilities (602, 500)- Net cash used in operating activities (6, 152, 338) (6, 012, 644) Cash flows from investing activities: Purchase of property, equipment and software- (29, 675) Deposits- 118, 494 Net cash provided by investing activities- 88, 819 Cash flows from financing activities: Repayments from related party advances- (155, 205) Advances from factor- 154, 073 Issuance of loans and note payable 790, 977 5, 479, 611 Repayments of convertible notes and loan payable (3, 869, 422) (10, 129, 811) Exercise of warrants- 1, 167, 566 Issuance of common stock in public offering 9, 374, 441 8, 145, 381 Net cash provided by financing activities 6, 295, 996 4, 661, 615 Net change in cash and cash equivalents 143, 658 (1, 262, 210) Cash and cash equivalents at beginning of year 20, 773 1, 283, 282 Cash and cash equivalents at end of year \$ 164, 431 \$ 20, 773 Supplemental disclosure of cash flow information:

Cash paid for income taxes \$- \$- Cash paid for interest \$ 1, 838, 682 \$ 711, 815 Supplemental disclosure of non- cash investing and financing activities: Right of use asset \$- \$ 467, 738 Shares issued for services and conversion of accounts payable \$ 313, 816 \$- Conversion of preferred shares into common stock \$- \$- Conversion of notes into preferred stock \$- \$ 5, 759, 177

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS NOTE 1: NATURE OF OPERATIONS

Digital Brands Group, Inc. (the “ Company ” or “ DBG ”), was organized on September 17, 2012 under the laws of Delaware as a limited liability company under the name Denim. LA LLC. The Company converted to a Delaware corporation on January 30, 2013 and changed its name to Denim. LA, Inc. Effective December 31, 2020, the Company changed its name to Digital Brands Group, Inc. (DBG). On February 12, 2020, Denim. LA, Inc. entered into an Agreement and Plan of Merger with Bailey 44, LLC (“ Bailey ”), a Delaware limited liability company. On the acquisition date, Bailey 44, LLC became a wholly owned subsidiary of the Company. See Note 4. On August 30, 2021, the Company closed its acquisition of Mosbest, LLC dba Stateside (“ Stateside ”) pursuant to its Membership Interest Purchase Agreement with Moise Emquies to purchase 100 % of the issued and outstanding equity of Stateside. On the acquisition date, Stateside became a wholly owned subsidiary of the Company. See Note 4. On December 30, 2022, the Company closed its previously announced acquisition of Sunnyside, LLC dba Sundry (“ Sundry ”) pursuant to its Second Amended and Restated Membership Interest Purchase Agreement with Moise Emquies to purchase 100 % of the issued and outstanding equity of Sundry. On the acquisition date, Sundry became a wholly owned subsidiary of the Company. See Note 4. On June 21, 2023, the Company and the former owners of H & J executed a Settlement Agreement and Release (the “ Settlement Agreement ”) whereby contemporaneously with the parties’ execution of the Settlement Agreement (i) the Company agreed to make an aggregate cash payment of \$ 229, 000 to D. Jones Tailored Collection, Ltd. (“ D. Jones ”), (ii) the Company issued 39, 052 shares of common stock to D. Jones, and (iii) the Company assigned and transferred one hundred percent (100 %) of the Company’ s membership interest in H & J to D. Jones. The H & J Settlement was accounted for a business disposition. Reverse Stock Splits On August 21, 2023, the Board of Directors approved a one- for- 25 reverse stock split of its issued and outstanding shares of common stock and a proportional adjustment to the existing conversion ratios for each series of the Company’ s preferred stock. The reverse stock split became effective as of August 22, 2023. Accordingly, all share and per share amounts for all periods presented in the accompanying consolidated financial statements and notes thereto have been adjusted retroactively, where applicable, to reflect this reverse stock split and adjustment of the preferred stock conversion ratios. On December 11, 2024, the Board of Directors approved a one- for- 50 reverse stock split of its issued and outstanding shares of common stock and a proportional adjustment to the existing conversion ratios for each series of the Company’ s preferred stock. The reverse stock split became effective as of December 11, 2024. Accordingly, all share and per share amounts for all periods presented in the accompanying consolidated financial statements and notes thereto have been adjusted retroactively, where applicable, to reflect this reverse stock split and adjustment of the preferred stock conversion ratios.

NOTE 2: GOING CONCERN The accompanying consolidated financial statements have been prepared on a going concern basis. The Company has not generated profits since inception, has sustained net losses of \$ 13, 106, 589 and \$ 10, 247, 133 for the years ended December 31, 2024 and 2023, respectively, and has incurred negative cash flows from operations for the years ended December 31, 2024 and 2023. The Company has historically lacked liquidity to satisfy obligations as they come due and as of December 31, 2024, and the Company had a working capital deficit of \$ 16, 122, 611. These factors, among others, arise substantial doubt about the Company’ s ability to continue as a going concern. The Company expects to continue to generate operating losses for the foreseeable future. The accompanying consolidated financial statements do not include any adjustments as a result of this uncertainty. Through the date the financial statements were available to be issued, the Company has been primarily financed through the issuance of capital stock and debt. In the event that the Company cannot generate sufficient revenue to sustain its operations, the Company will need to reduce expenses, which it has done, or obtain financing through the sale of debt and / or equity securities, which it has done. The issuance of additional equity would result in dilution to existing shareholders, which did occur in February 2025. If the Company is unable to obtain additional funds when they are needed or if such funds cannot be obtained on terms acceptable to the Company, the Company would be unable to execute upon the business plan or pay costs and expenses as they are incurred, which would have a material, adverse effect on the business, financial condition and results of operations. While the Company has several potential sources of cash including cash warrants that are registered and exercisable that are in the money, the ability to file for an ELOC and shelf eligibility for an At- The- Market (“ ATM ”), no assurance can be given that the Company will be successful in these efforts. Management’ s Plans In February 2025, the Company completed an offering consisting of the sale of common stock, warrants and pre- funded warrants for gross proceeds of \$ 7, 500, 000, before deducting placement agent fees and commissions and other offering expenses. Refer Note 14 Subsequent events for further detail. As of April 4, 2025, the date of issuance of these condensed consolidated financial statements, the Company expects that its cash and cash equivalents of \$ 164, 433, together with the net proceeds received from the February 2025 offering, and measures described below, will be sufficient to fund its operating expenses, debt obligations and capital expenditure requirements for at least one year from the date these consolidated financial statements are issued. Throughout the next twelve months, the Company intends to fund its operations from the funds raised through the offering. Additionally, the Company intends to fund operations from increased revenues due to its new marketing efforts and increased wholesale pricing and a more wholesale doors, through settlement and renegotiation of aged payables, conversions of outstanding debt and accrued interest, and continuing its cost cutting measures, which the Company has already made during the first three months of 2025. The Company also plans to continue to fund its capital funding needs through a combination of public or private equity offerings, debt financings or other sources. This includes warrant exercises, an equity line of

credit and At- The- Market (“ ATM ”) equity financings made available to us. The Company has 22, 730, 680 warrants outstanding in connection with the offering in Registration Statement No. 3330- 284508 filed on February 18, 2025. The Company has an inducement agreement that was signed by the Company and the investors that allows the Company at its discretion to require the warrant holders to exercise warrants up to an aggregate value of \$ 2 million in warrants per thirty calendar days commencing on April 8, 2025, which would increase the Company’ s cash position by \$ 15 million over the next eight months. There can be no assurance as to the availability or terms upon which such financing and capital might be available in the future. If the Company is unable to secure additional funding, it may be forced to curtail or suspend its business plans.

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America (“ GAAP ”).

Principles of Consolidation These consolidated financial statements include the accounts of the Company and its wholly- owned subsidiaries Bailey, Stateside and Sundry from the dates of acquisition. All inter- company transactions and balances have been eliminated on consolidation.

Cash and Equivalents and Concentration of Credit Risk The Company considers all highly liquid securities with an original maturity of less than three months to be cash equivalents. As of December 31, 2024 and 2023, the Company did not hold any cash equivalents. The Company’ s cash and cash equivalents in bank deposit accounts, at times, may exceed federally insured limits of \$ 250, 000.

F- 8 Fair Value of Financial Instruments The Company’ s financial instruments consist of cash and cash equivalents, prepaid expenses, accounts payable, accrued expenses, due to related parties, related party note payable, and convertible debt. The carrying value of these assets and liabilities is representative of their fair market value, due to the short maturity of these instruments. We carry our accounts receivable at invoiced amounts less allowances for customer credit losses and other deductions to present the net amount expected to be collected on the financial asset. All receivables are expected to be collected within one year of the consolidated balance sheet. We do not accrue interest on the trade receivables. Management evaluates the ability to collect accounts receivable based on a combination of factors. Receivables are determined to be past due based on individual credit terms. An allowance for credit losses is maintained based on the length of time receivables are past due, historical collections, or the status of a customer’ s financial position. Receivables are written off in the year deemed uncollectible after efforts to collect the receivables have proven unsuccessful. We do not have any off- balance sheet credit exposure related to our customers. We periodically review accounts receivable, estimate an allowance for bad debts, and simultaneously record the appropriate expense in the statement of operations. Such estimates are based on general economic conditions, the financial conditions of customers, and the amount and age of past due accounts. Past due accounts are written off against that allowance only after all collection attempts have been exhausted and the prospects for recovery are remote. Recoveries of accounts receivable previously written off are recorded as income when received. The Company provides credit to its customers in the normal course of business and has established credit evaluation and monitoring processes to mitigate credit risk. As of December 31, 2024 and December 31, 2023, the Company determined an allowance for credit losses of \$ 295, 837 and \$ 41, 854, respectively.

Inventory is stated at the lower of cost or net realizable value and accounted for using the weighted average cost method for DSTLD and first- in, first- out method for Bailey, Stateside and Sundry. The inventory balances as of December 31, 2024 and 2023 consist substantially of finished good products purchased or produced for resale, as well as any raw materials the Company purchased to modify the products and work in progress. Inventory consisted of the following:

SCHEDULE OF INVENTORY	
	2024 2023
December 31, 2024 2023	Raw materials \$ 665, 450 \$ 695, 580
	Work in process 250, 820 585, 387
	Finished goods 2, 907, 670 3, 568, 633
	Inventory \$ 3, 823, 940 \$ 4, 849, 600

Property, Equipment, and Software Property, equipment, and software are recorded at cost. Depreciation / amortization is recorded for property, equipment, and software using the straight- line method over the estimated useful lives of assets. The Company reviews the recoverability of all long- lived assets, including the related useful lives, whenever events or changes in circumstances indicate that the carrying amount of a long- lived asset might not be recoverable. The balances at December 31, 2024 and 2023 consist of software with three (3) year lives, property and equipment with three (3) to ten (10) year lives, and leasehold improvements which are depreciated over the shorter of the lease life or expected life. Depreciation and amortization charges on property, equipment, and software are included in general and administrative expenses and amounted to \$ 31, 422 and \$ 50, 823 for the years ended December 31, 2024 and 2023, respectively.

F- 9 Business Combinations The Company accounts for acquisitions in which it obtains control of one or more businesses as a business combination. The purchase price of the acquired businesses is allocated to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values at the acquisition date. The excess of the purchase price over those fair values is recognized as goodwill. During the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments, in the period in which they are determined, to the assets acquired and liabilities assumed with the corresponding offset to goodwill. If the assets acquired are not a business, the Company accounts for the transaction or other event as an asset acquisition. Under both methods, the Company recognizes the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquired entity. In addition, for transactions that are business combinations, the Company evaluates the existence of goodwill or a gain from a bargain purchase. Goodwill represents the excess of the purchase price of an acquired entity over the fair value of identifiable tangible and intangible assets acquired and liabilities assumed in a business combination. Intangible assets are established with business combinations and consist of brand names and customer relationships. Intangible assets with finite lives are recorded at their estimated fair value at the date of acquisition and are amortized over their estimated useful lives using the straight- line method. The estimated useful lives of amortizable intangible assets are as follows:

SCHEDULE OF FINITE- LIVED INTANGIBLE ASSETS ACQUIRED AS PART OF BUSINESS COMBINATIONS	Customer relationships	years	Long- Lived Assets
	The Company reviews its long- lived assets (property		

and equipment and amortizable intangible assets) for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of the expected cash flows, undiscounted, is less than the carrying amount of the asset, an impairment loss is recognized as the amount by which the carrying amount of the asset exceeds its fair value. Goodwill and identifiable intangible assets that have indefinite useful lives are not amortized, but instead are tested annually for impairment and upon the occurrence of certain events or substantive changes in circumstances. The annual goodwill impairment test allows for the option to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. An entity may choose to perform the qualitative assessment on none, some or all of its reporting units or an entity may bypass the qualitative assessment for any reporting unit and proceed directly to step one of the quantitative impairment test. If it is determined, on the basis of qualitative factors, that the fair value of a reporting unit is, more likely than not, less than its carrying value, the quantitative impairment test is required. The quantitative impairment test calculates any goodwill impairment as the difference between the carrying amount of a reporting unit and its fair value, but not to exceed the carrying amount of goodwill. It is our practice, at a minimum, to perform a qualitative or quantitative goodwill impairment test in the fourth quarter every year. Indefinite-Lived Intangible Assets Indefinite-lived intangible assets established in connection with business combinations consist of the brand name. The impairment test for identifiable indefinite-lived intangible assets consists of a comparison of the estimated fair value of the intangible asset with its carrying value. If the carrying value exceeds its fair value, an impairment loss is recognized in an amount equal to that excess. Annual Impairment Tests At December 31, 2023, management determined that certain events and circumstances occurred that indicated that the carrying value of the Company's brand name assets, and the carrying amount of the reporting units, pertaining to Bailey44, Stateside and Sundry may not be recoverable. The qualitative assessment was primarily due to reduced or stagnant revenues of both entities as compared to the Company's initial projections at the time of each respective acquisition, as well as the entities' liabilities in excess of assets. Upon the quantitative analysis performed, the Company determined that the fair value of the intangible assets and reporting units were greater than the respective carrying values. As such, no impairment was recorded. The Company utilized the enterprise value approach in the impairment tests of each reporting unit in 2023. As of December 31, 2023, the Bailey44 reporting unit, which has an attributable goodwill balance of \$ 3, 158, 123, has a negative carrying amount. F- 10 At December 31, 2024, management determined that certain events and circumstances occurred that indicated that the carrying value of the Company's brand name assets, and the carrying amount of the reporting units, pertaining to each reporting unit (Bailey44, Stateside and Sundry) may not be recoverable. The qualitative assessment was primarily due to reduced or stagnant revenues of each entities as compared to the Company's initial projections at the time of each respective acquisitions, as well as certain entities' liabilities in excess of assets. As such, the Company compared the estimated fair value of the brand names with its carrying value and recorded an impairment loss of \$ 1, 388, 000 in the consolidated statements of operations, as detailed below by entity. Additionally, the Company compared the fair value of the reporting units to the carrying amounts and recorded no impairment loss pertaining to goodwill in the consolidated statements of operations. The Company utilized the enterprise value approach in the impairment tests of each reporting unit in 2024. The following is a summary of goodwill and intangible impairment recorded pertaining to each entity: SCHEDULE OF GOODWILL AND INTANGIBLE IMPAIRMENT Year Ended December 31, 2024 2023 Bailey brand name \$ 1, 133, 500 \$ — Stateside brand name 254, 500 — Total impairment of intangibles 1, 388, 000 — Total impairment of goodwill — — Total impairment \$ 1, 388, 000 \$ — In determining the fair value of the respective reporting units, management estimated the price that would be received to sell the reporting unit as a whole in an orderly transaction between market participants at the measurement date. This includes reviewing market comparables such as revenue multipliers and assigning certain assets and liabilities to the reporting units, such as the respective working capital deficits of each entity and debt obligations that would need to be assumed by a market participant buyer in an orderly transaction. The Company calculated the carrying amounts of each reporting unit by utilizing the entities' assets and liabilities at December 31, 2024 and 2023 respectively, including the carrying value of the identifiable intangible assets and goodwill assigned to the respective reporting units. Convertible Instruments U. S. GAAP requires companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments according to certain criteria. The criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument. An exception to this rule is when the host instrument is deemed to be conventional as that term is described under applicable U. S. GAAP. When the Company has determined that the embedded conversion options should not be bifurcated from their host instruments, the Company records, when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt to their stated date of redemption. The Company also records, when necessary, deemed dividends for the intrinsic value of conversion options embedded in preferred shares based upon the differences between the fair value of the underlying common stock at the commitment date of the transaction and the effective conversion price embedded in the preferred shares. F- 11 Accounting for Preferred Stock ASC 480, Distinguishing Liabilities from Equity, includes standards for how an issuer of equity (including equity shares issued by

consolidated entities) classifies and measures on its balance sheet certain financial instruments with characteristics of both liabilities and equity. Management is required to determine the presentation for the preferred stock as a result of the redemption and conversion provisions, among other provisions in the agreement. Specifically, management is required to determine whether the embedded conversion feature in the preferred stock is clearly and closely related to the host instrument, and whether the bifurcation of the conversion feature is required and whether the conversion feature should be accounted for as a derivative instrument. If the host instrument and conversion feature are determined to be clearly and closely related (both more akin to equity), derivative liability accounting under ASC 815, Derivatives and Hedging, is not required. Management determined that the host contract of the preferred stock is more akin to equity, and accordingly, liability accounting is not required by the Company. The Company has presented preferred stock within stockholders' equity. Costs incurred directly for the issuance of the preferred stock are recorded as a reduction of gross proceeds received by the Company, resulting in a discount to the preferred stock. The discount is not amortized. In accordance with FASB ASC 606, Revenue from Contracts with Customers, the Company determines revenue recognition through the following steps: • Identification of a contract with a customer; • Identification of the performance obligations in the contract • Determination of the transaction price • Allocation of the transaction price to the performance obligations in the contract, and • Recognition of revenue when or as the performance obligations are satisfied Revenue is recognized when performance obligations are satisfied through the transfer of control of promised goods to the Company's customers in an amount that reflects the consideration expected to be received in exchange for transferring goods or services to customers. Control transfers once a customer has the ability to direct the use of, and obtain substantially all of the benefits from, the product, upon shipment of product. This includes the transfer of legal title, physical possession, the risks and rewards of ownership, and customer acceptance. The Company derives its revenue primarily from wholesale and e-commerce transactions. For both channels, revenue is recognized at the time the product is shipped to the customer, which is the point in time when control is transferred. The Company considers the sale of products as a single performance obligation. For the Company's licensing agreement via Bailey44, the Company recognizes royalty revenue on a monthly basis over the term of the license agreement. The Company provides the customer the right of return on the product and revenue is adjusted based on an estimate of the expected returns based on historical rates. The Company deducts discounts, sales tax, and estimated refunds to arrive at net revenue. Sales tax collected from clients is not considered revenue and is included in accrued expenses until remitted to the taxing authorities. Shipping and handling fees charged to customers are included in net revenues. All shipping and handling costs are accounted for as distribution expenses, and are therefore not evaluated as a separate performance obligation.

Cost of Revenues Cost of revenues consists primarily of inventory sold and related freight-in. Cost of revenues includes direct labor pertaining to our inventory production activities and an allocation of overhead costs including rent and insurance. Cost of revenues also includes inventory write-offs and reserves. F- 12 Shipping and Handling The Company recognizes shipping and handling billed to customers as a component of net revenues, and the cost of shipping and handling as distribution costs. Total shipping and handling billed to customers as a component of net revenues was approximately \$ 75, 000 and \$ 128, 000 for the years ended December 31, 2024 and 2023, respectively. Total shipping and handling costs included in distribution costs were \$ 907, 843 and \$ 1, 016, 716, respectively. Advertising and Promotion Advertising and promotional costs are expensed as incurred. Advertising and promotional expense for the years ended December 31, 2024 and 2023 amounted to approximately \$ 138, 000 and \$ 728, 000, respectively. The amounts are included in sales and marketing expense. General and administrative expenses consist primarily of compensation and benefits costs, professional services and information technology. General and administrative expenses also include payment processing fees, design and warehousing fees. Common Stock Purchase Warrants and Other Derivative Financial Instruments The Company accounts for derivative instruments in accordance with ASC 815, which establishes accounting and reporting standards for derivative instruments and hedging activities, including certain derivative instruments embedded in other financial instruments or contracts and requires recognition of all derivatives on the balance sheet at fair value, regardless of hedging relationship designation. Accounting for changes in fair value of the derivative instruments depends on whether the derivatives qualify as hedging relationships and the types of relationships designated are based on the exposures hedged. At December 31, 2024 and 2023, the Company did not have any derivative instruments that were designated as hedges. Stock Option and Warrant Valuation Stock option and warrant valuation models require the input of highly subjective assumptions. The fair value of stock-based payment awards was estimated using the Black-Scholes option model. For warrants and stock options issued to non-employees, the Company accounts for the expected life based on the contractual life of the warrants and stock options. For employees, the Company accounts for the expected life of options in accordance with the "simplified" method, which is used for "plain-vanilla" options, as defined in the accounting standards codification. The simplified method is based on the average of the vesting tranches and the contractual life of each grant. For stock price volatility, the Company uses comparable public companies as a basis for its expected volatility to calculate the fair value of options grants. The risk-free interest rate was determined from the implied yields of U. S. Treasury zero-coupon bonds with a remaining life consistent with the expected term of the options. The number of stock award forfeitures are recognized as incurred.

Stock-Based Compensation The Company accounts for stock-based compensation costs under the provisions of ASC 718, Compensation — Stock Compensation, which requires the measurement and recognition of compensation expense related to the fair value of stock-based compensation awards that are ultimately expected to vest. Stock based compensation expense recognized includes the compensation cost for all stock-based payments granted to employees, officers, and directors based on the grant date fair value estimated in accordance with the provisions of ASC 718. ASC 718 is also applied to awards modified, repurchased, or cancelled during the periods reported. Stock-based

compensation is recognized as an expense over the employee's requisite vesting period and over the nonemployee's period of providing goods or services. The Company measures employee stock-based awards at grant-date fair value and recognizes employee compensation expense on a straight-line basis over the vesting period of the award. Determining the appropriate fair value of stock-based awards requires the input of subjective assumptions, including the fair value of the Company's common stock, and for stock options, the expected life of the option, and expected stock price volatility. The Company used the Black-Scholes option pricing model to value its stock option awards. The assumptions used in calculating the fair value of stock-based awards represent management's best estimates and involve inherent uncertainties and the application of management's judgment. As a result, if factors change and management uses different assumptions, stock-based compensation expense could be materially different for future awards.

F- 13 Segment Information In accordance with ASC 280, Segment Reporting ("ASC 280"), we identify our operating segments according to how our business activities are managed and evaluated. As of December 31, 2024, we had one operating segment which pertains to the sale of apparel. All brands and reporting units currently report to the Chief Executive Officer. Each of our brands serve or are expected to serve customers through our wholesale, in store and online channels, allowing us to execute on our omni-channel strategy. We have determined that each of our brands share similar economic and other qualitative characteristics, and therefore the results of our operating businesses are aggregated into one reportable segment. All of the operating businesses have met the aggregation criteria and have been aggregated and are presented as one reportable segment, as permitted by ASC 280. We continually monitor and review our segment reporting structure in accordance with authoritative guidance to determine whether any changes have occurred that would impact our reportable segments.

Income Taxes The Company uses the liability method of accounting for income taxes as set forth in ASC 740, Income Taxes. Under the liability method, deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using tax rates expected to be in effect during the years in which the basis differences reverse. A valuation allowance is recorded when it is unlikely that the deferred tax assets will not be realized. We assess our income tax positions and record tax benefits for all years subject to examination based upon our evaluation of the facts, circumstances and information available at the reporting date. In accordance with ASC 740- 10, for those tax positions where there is a greater than 50 % likelihood that a tax benefit will be sustained, our policy will be to record the largest amount of tax benefit that is more likely than not to be realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. For those income tax positions where there is less than 50 % likelihood that a tax benefit will be sustained, no tax benefit will be recognized in the financial statements.

Net Loss per Share Net earnings or loss per share is computed by dividing net income or loss by the weighted-average number of common shares outstanding during the period, excluding shares subject to redemption or forfeiture. The Company presents basic and diluted net earnings or loss per share. Diluted net earnings or loss per share reflect the actual weighted average of common shares issued and outstanding during the period, adjusted for potentially dilutive securities outstanding. Potentially dilutive securities are excluded from the computation of the diluted net loss per share if their inclusion would be anti-dilutive. As all potentially dilutive securities are anti-dilutive as of December 31, 2024 and 2023, diluted net loss per share is the same as basic net loss per share for each year. Potentially dilutive items outstanding as of December 31, 2024 and 2023 are as follows

SCHEDULE OF POTENTIALLY DILUTIVE ITEMS OUTSTANDING 2024 2023	
December 31, 2024	2023
Series A convertible preferred stock	542 542
Series C convertible preferred stock	1, 500 5, 340
Common stock warrants	45, 701 23, 604
Stock options	31 31
Total potentially dilutive shares	47, 774 29, 571

The stock options and warrants above are out-of-the-money as of December 31, 2024 and 2023. **Leases** On January 1, 2022, the Company adopted ASC 842, Leases, as amended, which supersedes the lease accounting guidance under Topic 840, and generally requires lessees to recognize operating and finance lease liabilities and corresponding right-of-use (ROU) assets on the balance sheet and to provide enhanced disclosures surrounding the amount, timing and uncertainty of cash flows arising from lease arrangements. The Company adopted the new guidance using a modified retrospective method. Under this method, the Company elected to apply the new accounting standard only to the most recent period presented, recognizing the cumulative effect of the accounting change, if any, as an adjustment to the beginning balance of retained earnings. Accordingly, prior periods have not been recast to reflect the new accounting standard. The cumulative effect of applying the provisions of ASC 842 had no material impact on accumulated deficit. The Company elected transitional practical expedients for existing leases which eliminated the requirements to reassess existing lease classification, initial direct costs, and whether contracts contain leases. Also, the Company elected to present the payments associated with short-term leases as an expense in statements of operations. Short-term leases are leases with a lease term of 12 months or less.

F- 14 Recent Accounting Pronouncements In November 2023, the FASB issued ASU 2023- 07, Segment Reporting (Topic 280)- Improvements to Reportable Segment Disclosures, which requires disclosure of incremental segment information on an annual and interim basis, primarily disclosure of significant segment expense categories and amounts for each reportable segment. The new standard is effective for annual periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. The Company adopted ASU 2023- 07 in the annual financial statements for the twelve months ended December 31, 2024, and for interim periods beginning in 2025. The Company believes the amendments of ASU 2023- 07 will not have a significant impact on the Company's consolidated financial statements and will include all required disclosures upon adoption. In December 2023, the FASB issued ASU 2023- 09, Income Taxes (Topic 740)- Improvements to Income Tax Disclosures, which requires greater disaggregation of income tax disclosures related to the income tax reconciliation and income taxes paid. The amendments improve the transparency of income tax disclosures by requiring (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) income taxes paid disaggregated by jurisdiction. The new

standard is effective for annual periods beginning after December 15, 2024, and early adoption is permitted. The Company believes the amendments of ASU 2023- 09 will not have a significant impact on the Company' s consolidated financial statements and will include all required disclosures upon adoption. Management does not believe that any recently issued, but not yet effective, accounting standards could have a material effect on the accompanying financial statements. As new accounting pronouncements are issued, the Company will adopt those that are applicable under the circumstances.

NOTE 4: BUSINESS COMBINATIONS Acquisition On December 30, 2022, the Company completed its previously announced acquisition (the " Sundry Acquisition ") of all of the issued and outstanding membership interests of Sunnyside, LLC, a California limited liability company (" Sundry "), pursuant to that certain Second Amended and Restated Membership Interest Purchase Agreement (the " Sundry Agreement "), dated October 13, 2022, by and among Moise Emquies, George Levy, Matthieu Leblan and Carol Ann Emquies (" Sundry Sellers "), George Levy as the Sundry Sellers' representative, the Company as Buyer, and Sundry. Pursuant to the Agreement, Sellers, as the holders of all of the outstanding membership interests of Sundry, exchanged all of such membership interests for (i) \$ 7. 5 million in cash, (ii) \$ 5. 5 million in promissory notes of the Company (the " Sundry Notes "), and (iii) a number of shares of common stock of the Company equal to \$ 1. 0 million (the " Sundry Shares "), calculated in accordance with the terms of the Agreement, which consideration was paid or delivered to the Sellers, Jenny Murphy and Elodie Crichi. Each Sundry Note bears interest at eight percent (8 %) per annum and matured on February 15, 2023 (see Note 7). The Company issued 90, 909 shares of common stock to the Sundry Sellers on December 30, 2022 at a fair value of \$ 1, 000, 000. The Company evaluated the acquisition of Sundry pursuant to ASC 805 and ASU 2017- 01, Topic 805, Business Combinations. The acquisition method of accounting requires, among other things, that the assets acquired and liabilities assumed in a business combination be measured at their estimated respective fair values as of the closing date of the acquisition. Goodwill recognized in connection with this transaction represents primarily the potential economic benefits that the Company believes may arise from the acquisition.

F- 15 Total fair value of the purchase price consideration was determined as follows:

SCHEDULE OF COMPONENTS OF PURCHASE PRICE CONSIDERATION	
Cash	\$ 7, 500, 000
Promissory notes payable	5, 500, 000
Common stock	1, 000, 000
Purchase price consideration	\$ 14, 000, 000

The Company has made an allocation of the purchase price in regard to the acquisition related to the assets acquired and the liabilities assumed as of the purchase date. The following table summarizes the purchase price allocation:

SCHEDULE OF ASSETS AND LIABILITIES ACQUIRED IN BUSINESS COMBINATION	
Cash and cash equivalents	\$ 252, 697
Accounts receivable, net	63, 956
Due from factor, net	387, 884
Inventory	2, 941, 755
Prepaid expenses and other current assets	32, 629
Property, equipment and software, net	48, 985
Goodwill	3, 711, 322
Intangible assets	7, 403, 800
Accounts payable	(615, 706)
Accrued expenses and other liabilities	(227, 321)
Purchase price consideration	\$ 14, 000, 000

The customer relationships and will be amortized on a straight- line basis over their estimated useful lives of three years. The brand name is indefinite- lived. The Company used the relief of royalty and income approach to estimate the fair value of intangible assets acquired. Goodwill is primarily attributable to the go- to- market synergies that are expected to arise as a result of the acquisition and other intangible assets that do not qualify for separate recognition. The goodwill is not deductible for tax purposes. The results of Sundry have been included in the consolidated financial statements since the date of acquisition.

Previous Acquisitions Bailey On February 12, 2020, the Company acquired 100 % of the membership interests of Bailey. The purchase price consideration included (i) an aggregate of 20, 754, 717 shares of Series B Preferred Stock of the Company (the " Parent Stock ") and (ii) a promissory note in the principal amount of \$ 4, 500, 000. The total purchase price consideration was \$ 15, 500, 000. DBG agreed that if at that date which is one year from the closing date of the IPO, the product of the number of shares of Parent Stock issued under the Merger multiplied by the sum of the closing price per share of the common stock of the Company on such date, plus Sold Parent Stock Gross Proceeds (as that term is defined in the Merger Agreement), does not exceed the sum of \$ 11, 000, 000 less the value of any Holdback Shares cancelled further to the indemnification provisions of the Merger Agreement, then the Company shall issue to the Holders pro rata an additional aggregate number of shares of common stock of the Company equal to the valuation shortfall at a per share price equal to the then closing price per share of the common stock of the Company.

F- 16 On August 30, 2021, the Company entered into a Membership Interest Purchase Agreement (the " MIPA ") with Moise Emquies pursuant to which the Company acquired all of the issued and outstanding membership interests of MOSBEST, LLC, a California limited liability company (" Stateside ") and such transaction, the " Stateside Acquisition ". Pursuant to the MIPA, Moise Emquies, as the holder of all of the outstanding membership interests of Stateside, exchanged all of such membership interests for \$ 5. 0 million in cash and 22, 031 shares of the Company' s common stock (the " Shares "), which number of Shares was calculated in accordance with the terms of the MIPA. Of such amount, \$ 375, 000 in cash and a number of Shares equal to \$ 375, 000, or 1652 shares (calculated in accordance with the terms of the MIPA), is held in escrow to secure any working capital adjustments and indemnification claims. The MIPA contains customary representations, warranties and covenants by Moise Emquies. The Company evaluated the acquisition of Stateside pursuant to ASC 805 and ASU 2017- 01, Topic 805, Business Combinations. The acquisition method of accounting requires, among other things, that the assets acquired and liabilities assumed in a business combination be measured at their estimated respective fair values as of the closing date of the acquisition. Goodwill recognized in connection with this transaction represents primarily the potential economic benefits that the Company believes may arise from the acquisition.

SCHEDULE OF FAIR VALUE OF PURCHASE PRICE CONSIDERATION

Cash	\$ 5, 000, 000
Common stock	3, 403, 196
Purchase price consideration	\$ 8, 403, 196

SCHEDULE OF ALLOCATION OF PURCHASE PRICE IN REGARD TO ACQUISITION

Purchase Price Allocation	
Cash and cash equivalents	\$ 32, 700
Accounts receivable, net	154, 678
Due from factor, net	371, 247
Inventory	603, 625
Prepaid expenses and other current assets	7, 970
Deposits	9, 595
Property,	

equipment and software, net — Goodwill 2, 104, 056 Intangible assets 5, 939, 140 Accounts payable (374, 443) Accrued expenses and other liabilities (445, 372) Purchase price consideration \$ 8, 403, 196 F- 17 NOTE 5: DISCONTINUED OPERATIONS On June 21, 2023, the Company and the former owners of H & J executed a Settlement Agreement and Release (the “ Settlement Agreement ”) whereby contemporaneously with the parties’ execution of the Settlement Agreement (i) the Company agreed to make an aggregate cash payment of \$ 229, 000 to D. Jones Tailored Collection, Ltd. (“ D. Jones ”), (ii) the Company issued 39, 052 shares of common stock to D. Jones, and (iii) the Company assigned and transferred one hundred percent (100 %) of the Company’s membership interest in H & J to D. Jones. This transaction is known as the “ H & J Settlement ”. The H & J Settlement was accounted for a business disposition in accordance with ASC 810- 40- 40- 3A. As of June 21, 2023, the Company no longer consolidated the assets, liabilities, revenues and expenses of H & J. The components of the disposition are as follows: SCHEDULE OF COMPONENTS OF DISPOSITION Cash payment due to H & J Seller \$ (229, 000) Common shares issued to H & J Seller * (1, 357, 043) Total fair value of consideration received (given) \$ (1, 586, 043) Carrying amount of assets and liabilities Cash and cash equivalents 18, 192 Accounts receivable, net 55, 782 Prepaid expenses and other current assets 25, 115 Goodwill 1, 130, 311 Intangible assets, net 1, 246, 915 Deposits 4, 416 Accounts payable (40, 028) Accrued expenses and other liabilities (734, 068) Deferred revenue (18, 347) Due to related parties (1, 008) Contingent consideration (1, 400, 000) Loan payable (219, 894) Note payable- related party (129, 489) Total carrying amount of assets and liabilities (62, 103) Loss on disposition of business \$ (1, 523, 940) * Represents the fair value of 39, 052 shares of common stock issued to D. Jones. Through December 31, 2023, the Company has made payments to D. Jones totaling \$ 200, 000. The remaining balance of \$ 29, 000 is included in accrued expenses and other liabilities on the consolidated balance sheet. The loss of disposition of business of \$ 1, 523, 940 was included in income (loss) from discontinued operations, net of tax in the consolidated statements of operations. F- 18 In accordance with the provisions of ASC 205- 20, the Company has excluded the results of discontinued operations from its results of continuing operations in the accompanying consolidated statements of operations for the year ended December 31, 2023. The results of the discontinued operations of HJ for the year ended December 31, 2023 consist of the following: 2023 2023 Net revenues \$ 1, 405, 482 Cost of net revenues 565, 621 Gross profit 839, 861 Operating expenses: General and administrative 520, 582 Sales and marketing 346, 167 Total operating expenses 866, 749 Loss from operations (26, 889) Other income (expense): Interest expense (11, 675) Loss on disposition of business (1, 523, 940) Total other income (expense), net (1, 535, 615) Income tax benefit (provision) — Net loss from discontinued operations \$ (1, 562, 503) Weighted average common shares outstanding- basic and diluted 8, 488 Net income (loss) from discontinued operations per common share- basic and diluted \$ (184. 08) NOTE 6: DUE FROM FACTOR The Company, via its subsidiaries, Bailey, Stateside and Sundry, assigns a portion of its trade accounts receivable to third- party factoring companies, who assumes the credit risk with respect to the collection of non- recourse accounts receivable. The Company may request advances on the net sales factored at any time before their maturity date. The factor charges a commission on the net sales factored for credit and collection services. For one factoring company, interest on advances is charged as of the last day of each month at a rate equal to the LIBOR rate plus 2. 5 % for Bailey. For Stateside and Sundry, should total commission and fees payable be less than \$ 30, 000 in a single year, then the factor shall charge the difference between the actual fees in said year and \$ 30, 000 to the Company. Interest on advances is charged as of the last day of each month at a rate equal to the greater of either, (a) the Chase Prime Rate (2. 0) % or (b) (4. 0) % per annum. For another factoring company, interest is charged at one- thirty- third (1 / 33) of one percent per day, such rate to increase or decrease in accordance with changes in the “ Prime Rate ”, which such prime rate to be deemed to be 4. 25 % on the date of the agreement. Advances are collateralized by a security interest in substantially all of the companies’ assets. F- 19 Due to / from factor consist of the following: SCHEDULE OF DUE TO / FROM FACTOR 2024 2023 December 31 2024 2023 Outstanding receivables: Without recourse \$ 460, 815 \$ 808, 233 With recourse 142, 914 99, 055 Matured funds and deposits 61, 941 65, 321 Advances (275, 484) (483, 187) Credits due customers- (151, 611) Due from factor, net \$ 390, 186 \$ 337, 811 NOTE 7: GOODWILL AND INTANGIBLE ASSETS The Company recorded goodwill from each of its business combinations. The following is a summary of goodwill by entity for the years ended December 31, 2024 and 2023: SCHEDULE OF GOODWILL ATTRIBUTABLE TO EACH BUSINESS COMBINATION 2024 2023 December 31, 2024 2023 Bailey \$ 3, 158, 123 \$ 3, 158, 123 Stateside 2, 104, 056 2, 104, 056 Sundry 3, 711, 322 3, 711, 322 Goodwill \$ 8, 973, 501 \$ 8, 973, 501 The following table summarizes information relating to the Company’s identifiable intangible assets as of December 31, 2024 and 2023: SCHEDULE OF INFORMATION RELATING TO THE COMPANY’S IDENTIFIABLE INTANGIBLE ASSETS Gross Accumulated Carrying December 31, 2024 Amount Impairment Amortization Value Amortized: Customer relationships 10, 022, 560 (1, 388, 000) (6, 968, 401) 1, 666, 159 \$ 10, 022, 560 \$ (1, 388, 000) \$ (6, 968, 401) \$ 1, 666, 159 Indefinite- lived: Brand name 4, 453, 880-- 4, 453, 880 Total \$ 14, 476, 440 \$ (1, 388, 000) \$ (6, 968, 401) \$ 6, 120, 039 December 31, 2023 Gross Amount Impairment Accumulated Amortization Carrying Value Amortized: Customer relationships \$ 8, 634, 560 \$- \$ (4, 494, 223) \$ 4, 140, 337 \$ 8, 634, 560 \$- \$ (4, 494, 223) \$ 4, 140, 337 Indefinite- lived: Brand name 5, 841, 880-- 5, 841, 880 Total \$ 14, 476, 440 \$- \$ (4, 494, 223) \$ 9, 982, 217 Refer to Note 3 for discussion on the intangible asset impairment recorded in 2024. F- 20 The Company recorded amortization expense of \$ 2, 474, 178 and \$ 1, 993, 616 during the years ended December 31, 2024 and 2023, respectively, which is included in general and administrative expenses in the consolidated statements of operations. Future amortization expense at December 31, 2024 is as follows: SCHEDULE OF FUTURE AMORTIZATION EXPENSE Year Ending December 31, 2025 \$ 1, 666, 159 Carrying value \$ 1, 666, 159 NOTE 8: LIABILITIES AND DEBT Accrued Expenses and Other Liabilities The Company accrued expenses and other liabilities line in the consolidated balance sheets is comprised of the following as of December 31, 2024 and 2023: SCHEDULE OF ACCRUED EXPENSES AND OTHER LIABILITIES 2024 2023 December 31, 2024 2023 Accrued

expenses \$ 591, 371 \$ 617, 374 Payroll related liabilities 4, 268, 880 3, 895, 640 Sales tax liability 187, 971 145, 545 Other liabilities 208, 880 99, 934 Accrued expenses and other liabilities \$ 5, 257, 102 \$ 4, 758, 492 Payroll related liabilities are primarily related in DBG and Bailey44 payroll taxes due to remit to federal and state authorities. The amounts are subject to further penalties and interest. As of December 31, 2024, accrued expenses included \$ 535, 000 in accrued common stock issuances pursuant to an advisory agreement for services performed in 2022. The 4 shares of common stock owed per the agreement are expected to be issued in the second quarter of 2025. Convertible Debt As of December 31, 2024 and 2023, there was \$ 100, 000 remaining in outstanding principal that was not converted into equity (see table below). Target Capital Convertible Promissory Note On April 30, 2024, the Company issued a convertible promissory note in the original principal amount of \$ 250, 000 (the “ Note ”) to Target Capital 1 LLC, an Arizona limited liability company (the “ Note Holder ”), with a maturity date of April 30, 2025 (the “ Maturity Date ”). Pursuant to the terms of the Note, the Company agreed to pay the principal sum and a one- time interest charge of \$ 50, 000 to the Note Holder. In May 2024, the Company fully repaid the Note Holder \$ 300, 000, including the principal and interest. The Company issued 1, 000 shares of common stock to the Note Holder as commitment shares. Loan Payable — PPP and SBA Loan In April 2022, Bailey received notification of full forgiveness of its 2nd PPP Loan totaling \$ 1, 347, 050 and partial forgiveness of its 1st PPP Loan totaling \$ 413, 705. As of December 31, 2024 and December 31, 2023, Bailey had an outstanding PPP Loan balance of \$ 933, 295 and matures in 2026. F- 21 Merchant Advances Future Sales Receipts From 2022 through 2024, the Company obtained several merchant advances. These advances are, for the most part, secured by expected future sales transactions of the Company with expected payments on a weekly basis. The Company made total cash repayments, pertaining to principal and interest, of \$ 1, 838, 682 for the year ending December 31, 2024. The following is a summary of the merchant advances as of December 31, 2024 and 2023: SCHEDULE OF MERCHANT ADVANCES 2024 2023 December 31, 2024 2023 Principal \$ 1, 858, 157 \$ 2, 960, 946 Less: unamortized debt discount- (1, 966, 881) Merchant cash advances, net \$ 1, 858, 157 \$ 994, 065 The Company has outstanding merchant advances with Shopify Capital. During the year ending December 2024, the Company made repayments of \$ 20, 199. As of December 31, 2024, the remaining principal outstanding was \$ 6, 664. These advances are, for the most part, secured by expected future sales transactions of the Company with expected payments on a daily basis. The Company also had outstanding merchant advances with Gynger, Inc. In May 2024, the Company converted the outstanding principal and accrued interest of \$ 313, 816 owed to Gynger for 2, 120 shares of common stock. Promissory Note Payable As of December 31, 2024, and 2023, the outstanding principal on the note to the sellers of Bailey was \$ 3, 500, 000. On July 5, 2023, the parties agreed to extend the maturity date to June 30, 2024. Interest expense was \$ 420, 000 and \$ 420, 000 for the years ended December 31, 2024 and 2023 respectively, which was accrued and unpaid as of December 31, 2024. The aforesaid mentioned Promissory note are in default as of December 31 2024 and the parties are currently working on an extension. In March 2023, the Company and various purchasers executed a Securities Purchase Agreement (“ March 2023 Notes ”) whereby the investors purchased from the Company promissory notes in the aggregate principal amount of \$ 2, 458, 750, consisting of original issue discount of \$ 608, 750. The Company received net proceeds of \$ 1, 850, 000 after additional fees. The March 2023 Notes are due and payable on September 30, 2023 (the “ Maturity Date ”). If the Company completes a debt or equity financing of less than \$ 7, 500, 000, the Company is required to repay 50 % of the remaining balance of the March 2023 Notes. Following such 50 % repayment, the Company must also use any proceeds from any subsequent debt or equity financing to repay the March 2023 Notes. Upon the closing of any debt or equity financing of \$ 7, 500, 000 or greater, the Company is required to repay 100 % of the Notes with no penalties. There is no additional interest after the 20 % original interest discount. Upon the Company’s equity financing in September 2023, the Company repaid an aggregate \$ 1, 247, 232 principal to the respective noteholders. The Company recognized a debt discount of \$ 608, 750, which was fully amortized through December 31, 2023. The notes contain certain conversion provisions upon an event of default. In May 2024, the Company repaid \$ 500, 000 of these notes. The parties mutually extended the maturity date to November 4, 2024 which initially had maturity date of September 30, 2024 and acknowledged that the default provisions had not been triggered. The remaining outstanding amount of \$ 1, 230, 741 was fully repaid on November 4, 2024. During the year ended December 31, 2024, the Company fully amortized the debt discount pertaining to these notes. The following is a summary of promissory notes payable, net: SCHEDULE OF PROMISSORY NOTES PAYABLE, NET 2024 2023 December 31, 2024 2023 Bailey Note \$ 3, 500, 000 \$ 3, 500, 000 March 2023 Notes- principal- 1, 730, 740 March 2023 Notes- unamortized debt discount- (346, 148) Promissory note payable, net \$ 3, 500, 000 \$ 4, 884, 592 F- 22 NOTE 9: STOCKHOLDERS’ EQUITY (DEFICIT) Amendments to Certificate of Incorporation The Company had 1, 000, 000, 000 shares of common stock authorized with a par value of \$ 0. 0001 as of December 31, 2024. Common stockholders have voting rights of one vote per share. The voting, dividend, and liquidation rights of the holders of common stock are subject to and qualified by the rights, powers, and preferences of preferred stockholders. Transactions Offerings On May 3, 2024, the Company entered into that certain inducement offer to exercise common stock purchase warrants with the Investor (the “ Inducement Agreement ”), pursuant to which (i) the Company agreed to lower the exercise price of the Existing Warrants to \$ 156. 50 per share and (ii) the Investor agreed to exercise the Existing Warrants into 20, 555 shares of common stock (the “ Exercise Shares ”) by payment of the aggregate exercise price of \$ 3, 216, 857. The closing occurred on May 7, 2024. The Company has issued all of the 20, 555 shares of common stock underlying the Existing Warrants. The Company received the entire gross proceeds of \$ 3, 216, 857 in May 2024, which represents the exercise of the entire 20, 555 warrants at the \$ 156. 50 exercise price. The Company received net proceeds of \$ 2, 877, 475 after placement agent fees and expenses. In addition, pursuant to the Inducement Agreement, the Company issued to the Investor a Series A- 1 common share purchase warrant to purchase up to 20, 555 shares of Common Stock (“ Series A- 1 Warrant ”) and Series B- 1 common share purchase warrant to

purchase up to 20,555 shares of Common Stock (“ Series B- 1 Warrant ”, and collectively with the Series A- 1 Warrant, the “ Warrants ”) on May 7, 2024, each at an initial exercise price equal to \$ 144 per share of Common Stock. The Series A- 1 Warrant are exercisable immediately upon issuance and expires five and one- half (5.5) years following the issuance date and the Series B- 1 Warrant are exercisable immediately upon issuance and expires fifteen (15) months following the issuance date. In connection with the Inducement Agreement, we entered into an engagement agreement with H. C. Wainwright & Co., LLC (“ Wainwright ”), pursuant to which we have, among other things, issued to Wainwright’ s designees warrants to purchase up to 1,541 shares of Common Stock (the “ Wainwright Warrants ”). The terms of the Wainwright Warrants are substantially the same as the terms of the Series A- 1 Warrant except that they have an exercise price of \$ 195.63 per share. Between July 1, 2024 and October 22, 2024, the Company issued and sold 105,125 shares of Common Stock (the “ Recent ATM Share Sales ”) to H. C. Wainwright & Co., LLC (the “ Agent ”) as sales agent or principal, pursuant to the terms of the Company’ s previously announced At- The- Market Offering Agreement, dated December 27, 2023, between us and the Agent (the “ Sales Agreement ”). The Company received net proceeds of \$ 2,063,386 from the Recent ATM Share Sales. Between October 23, 2024 and December 17, 2024, the Company issued and sold 65,236 shares of Common Stock to the Agent as sales agent or principal, pursuant to the terms of the Sales Agreement, and received net proceeds of \$ 278,160. On October 28, 2024, the Company entered into securities purchase agreements (the “ Purchase Agreements ”) with certain accredited investors named therein (the “ Purchasers ”), pursuant to which the Company agreed to issue and sell, in a best efforts offering (the “ Offering ”): (i) 124,673 shares of common stock (the “ Common Stock ”), at a purchase price of \$ 5.00 per share of Common Stock, and (ii) 482,187 pre-funded warrants (“ Pre- Funded Warrants ”) to purchase Common Stock, at a purchase price of \$ 4.995 per Pre- Funded Warrant, immediately exercisable at an exercise price of \$ 0.005 per share. The Purchase Agreement contained customary representations and warranties and agreements of the Company and the Purchasers and customary indemnification rights and obligations of the parties. The Offering closed on October 30, 2024. F- 23 The Offering resulted in gross proceeds to the Company of approximately \$ 3,000,000, before deducting placement agent fees and commissions and other offering expenses, and excluding proceeds to the Company, if any, that may result from the future exercise of the Pre- Funded Warrants issued in the Offering. As compensation to the Placement Agent, as the exclusive placement agent in connection with the Offering, the Company paid to the Placement Agent a cash fee of 8.0% of the aggregate gross proceeds raised in the Offering, a non- accountable expense allowance of 1.0% of the aggregate gross proceeds raised in the Offering, reimbursement of up to \$ 50,000 for expenses of legal counsel and other actual out- of- pocket expenses, and up to \$ 15,950 for clearing agent closing costs. The Company received net proceeds of approximately \$ 2,546,213 from the Offering (the “ Public Offering Proceeds ”). During the year ended December 31, 2024, the Company issued an aggregate of 806,754 shares of common stock pursuant to the offerings detailed above for net proceeds of \$ 9,374,441. Other Transactions During the year ended December 31, 2024, the Company issued an aggregate of 2,582 shares of common stock pursuant to services and conversion of accounts payable totaling a fair value of \$ 312,634. During the year ended December 31, 2024, 3,442 shares of Series C Convertible Preferred Stock converted into 3,840 shares of common stock. During the year ended December 31, 2024, the Company issued an aggregate of 1,000 shares of common stock pursuant to conversion of accrued interest of a loan totaling a fair value of \$ 4,950. In May 2024, the Company converted the outstanding principal and accrued interest of \$ 313,817 owed to Gynger for 2,120 shares of common stock. Series A Convertible Preferred Stock On September 29, 2022, the Company filed the Certificate of Designation designating up to 6,800 shares out of the authorized but unissued shares of its preferred stock as Series A Convertible Preferred Stock Except for stock dividends or distributions for which adjustments are to be made pursuant to the Certificate of Designation, the holders of the Series A Preferred Stock (the “ Holders ”) shall be entitled to receive, and the Company shall pay, dividends on shares of the Series A Preferred Stock equal (on an as- if- converted- to- Common- Stock basis) to and in the same form as dividends actually paid on shares of the Common Stock when, as and if such dividends are paid on shares of the Common Stock. No other dividends shall be paid on shares of the Series A Preferred Stock. With respect to any vote with the class of Common Stock, each share of the Series A Preferred Stock shall entitle the Holder thereof to cast that number of votes per share as is equal to the number of shares of Common Stock into which it is then convertible. The Series A Preferred Stock shall rank (i) senior to all of the Common Stock; (ii) senior to any class or series of capital stock of the Company hereafter created specifically ranking by its terms junior to any Preferred Stock (“ Junior Securities ”); (iii) on parity with any class or series of capital stock of the Corporation created specifically ranking by its terms on parity with the Preferred Stock (“ Parity Securities ”); and (iv) junior to any class or series of capital stock of the Company hereafter created specifically ranking by its terms senior to any Preferred Stock (“ Senior Securities ”), in each case, as to dividends or distributions of assets upon liquidation, dissolution or winding up of the Company, whether voluntarily or involuntarily. Each share of the Series A Preferred Stock shall be convertible, at any time and from time to time from and after September 29, 2022 at the option of the Holder thereof, into that number of shares of Common Stock determined by dividing the Stated Value of such share of the Series A Preferred Stock (\$ 1,000 as of September 29, 2022) by the Conversion Price. The conversion price for each share of the Series A Preferred Stock is the closing price of the Common Stock on September 29, 2022, which was \$ 9.30. As of December 31, 2024 and December 31, 2023, there were 6,300 shares of Series A Convertible Preferred Stock issued and outstanding. F- 24 Series C Convertible Preferred Stock On June 21, 2023, the Company, on the one hand, and Moise Emquies, George Levy, Matthieu Leblan, Carol Ann Emquies, Jenny Murphy and Elodie Crichi (collectively, the “ Sundry Investors ”), on the other hand, executed a Securities Purchase Agreement (the “ Sundry SPA ”) whereby the Company issued 5,761 shares of Series C Convertible Preferred Stock, par value \$ 0.0001 per share (the “ Series C Preferred Stock ”) to the Sundry Investors at a purchase price of \$ 1,000 per share. The Series C Preferred Stock is

convertible into a number of shares of the Company's Common Stock equal to \$ 1,000 divided by an initial conversion price of \$ 0.717 which represents the lower of (i) the closing price per share of the Common Stock as reported on the Nasdaq on June 20, 2023, and (ii) the average closing price per share of Common Stock as reported on the Nasdaq for the five trading days preceding June 21, 2023. The shares of Series C Preferred Stock were issued in consideration for the cancellation of certain promissory notes issued by the Company to the Sundry Investors dated December 30, 2022 (the "Sundry Loan Documents"). The following is a summary of the rights and preferences of the Series C Convertible Preferred Stock. On June 21, 2023, the Company filed the Certificate of Designation with the Secretary of State for the State of Delaware designating up to 5,761 shares out of the authorized but unissued shares of its preferred stock as Series C Convertible Preferred Stock. The following is a summary of the principal terms of the Series C Preferred Stock. Except for stock dividends or distributions for which adjustments are to be made pursuant to the Certificate of Designation, the holders of the Series C Preferred Stock (the "Series C Holders") shall be entitled to receive, and the Company shall pay, dividends on shares of the Series C Preferred Stock equal (on an as-if-converted-to-Common-Stock basis) to and in the same form as dividends actually paid on shares of the Common Stock when, as and if such dividends are paid on shares of the Common Stock. No other dividends shall be paid on shares of the Series C Preferred Stock. The Series C Holders are entitled to vote as a class as expressly provided in the Certificate of Designation. The Series C Holders are also entitled to vote with the holders of shares of Common Stock, voting together as one class, on all matters in which the Series C Holders are permitted to vote with the class of shares of Common Stock. With respect to any vote with the class of Common Stock, each share of the Series C Preferred Stock shall entitle the Holder thereof to cast that number of votes per share as is equal to the number of shares of Common Stock into which it is then convertible (subject to the ownership limitations specified in the Certificate of Designation) using the record date for determining the stockholders of the Company eligible to vote on such matters as the date as of which the conversion price is calculated. The Series C Preferred Stock shall rank (i) senior to all of the Common Stock; (ii) junior to Senior Securities; (iii) on parity with Parity Securities; and (iv) junior to Senior Securities, in each case, as to dividends or distributions of assets upon liquidation, dissolution or winding up of the Company, whether voluntarily or involuntarily. Subject to any superior liquidation rights of the holders of any Senior Securities of the Company and the rights of the Company's existing and future creditors, upon a Liquidation, each Holder shall be entitled to be paid out of the assets of the Company legally available for distribution to stockholders, prior and in preference to any distribution of any of the assets or surplus funds of the Company to the holders of the Common Stock and Junior Securities and pari passu with any distribution to the holders of Parity Securities, an amount equal to the Stated Value (as defined in the Certificate of Designation) for each share of the Series C Preferred Stock held by such Holder and an amount equal to any accrued and unpaid dividends thereon, and thereafter the Series C Holders shall be entitled to receive out of the assets, whether capital or surplus, of the Company the same amount that a holder of Common Stock would receive if the Series C Preferred Stock were fully converted (disregarding for such purposes any conversion limitations hereunder) to Common Stock which amounts shall be paid pari passu with all holders of Common Stock. Each share of the Series C Preferred Stock shall be convertible, at any time and from time to time from and after June 21, 2023 at the option of the Holder thereof, into that number of shares of Common Stock determined by dividing the Stated Value of such share of the Series C Preferred Stock (\$ 1,000 as of June 21, 2023) by the Conversion Price. The conversion price for each share of the Series C Preferred Stock is \$ 0.717, which is the lower of (a) the closing price per share of the Common Stock as reported on the Nasdaq on June 20, 2023 (the trading day before the date of the Sundry SPA), and (b) the average closing price per share of Common Stock as reported on the Nasdaq for the five trading days preceding the date of the Sundry SPA, subject to adjustment herein (the "Series C Conversion Price"). F-25 The Company has the option to redeem any or all of the then outstanding Series C Preferred Stock at 112% of the then Stated Value any time after June 21, 2023 and so long as there is an effective Registration Statement covering the shares issuable upon conversion of the Series C Preferred Stock. In October 2023, 975 shares of Series C Convertible Preferred Stock converted into 1,088 shares of common stock. As of December 31, 2024 and December 31, 2023, there were 1,344 and 4,786 shares of Series C Convertible Preferred Stock issued and outstanding. NOTE 10: RELATED PARTY TRANSACTIONS As of December 31, 2024 and 2023, the Company made net repayments for amounts due to related parties totaling \$ 11,909 and \$ 130,205, respectively. As of December 31, 2024 and 2023, amounts due to related parties were \$ 411,921 and \$ 400,012, respectively. The advances are unsecured, non-interest bearing and due on demand. Amounts due to related parties consist of current and former executives, and a board member. In October 2022, the Company received advances from a director, Trevor Pettennude, totaling \$ 325,000. The advances are unsecured, non-interest bearing and due on demand. As of December 31, 2024 and 2023, the amounts \$ 190,000 and \$ 175,000, respectively, were outstanding. NOTE 11: SHARE-BASED PAYMENTS Common Stock Warrants A summary of information related to common stock warrants for the years ended December 31, 2024 and 2023 is as follows: SUMMARY OF INFORMATION RELATED TO COMMON STOCK WARRANTS

	Common	Weighted	Average	Warrants	Exercise	
Outstanding-	December 31, 2023	23,604	\$ 1,270.00	Granted	42,652	
				145.87	Exercised	(20,555)
				156.50	Forfeited--	
Outstanding-	December 31, 2024	45,701	\$ 580.12	Exercisable at	December 31, 2023	
				23,604	\$ 1,270.00	
				Exercisable at	December 31, 2024	
				45,701	\$ 580.12	

F-26 As of December 31, 2024 and December 31, 2023, the Company had 31 stock options outstanding with a weighted average exercise price of \$ 452,500 per share. Stock-based compensation expense of \$ 169,614 and \$ 408,810 was recognized for the year ended December 31, 2024 and 2023. NOTE 12: LEASE OBLIGATIONS Rent is classified by function on the consolidated statements of operations either as general and administrative, sales and marketing, or cost of revenue. The Company determines whether an arrangement is or contains a lease at inception by evaluating potential lease agreements including services and operating agreements to

determine whether an identified asset exists that the Company controls over the term of the arrangement. Lease commencement is determined to be when the lessor provides access to, and the right to control, the identified asset. The company currently maintains two leased properties under month- to- month agreements, which are classified as short-term leases in accordance with ASC 842. The first property, located in Vernon, California, serves as the Corporate Warehouse and Distribution Center, encompassing approximately 42, 000 square feet with a monthly base rent of \$ 12, 000. The second property, situated in Los Angeles, California, functions as a Showroom, covering approximately 2, 000 square feet with a monthly base rent of \$ 25, 000. NOTE 13: CONTINGENCIES • On March 21, 2023, a vendor filed a lawsuit against Digital Brands Group related to trade payables totaling approximately \$ 43, 501. Such amounts include interest due, and are included in accounts payable, net of payments made to date, in the accompanying consolidated balance sheets. The Company does not believe it is probable that the losses in excess of such trade payables will be incurred. • On November 16, 2023 a vendor filed a lawsuit against Digital Brands Group related to trade payables totaling approximately \$ 345, 384, which represents past due fees and late fees. Such amounts are included in the accompanying balance sheets. The Company does not believe it is probable that the losses in excess of such pay trade payables will be incurred. • A vendor filed a lawsuit against Bailey 44 related to a retail store lease in the amount of \$ 1. 5 million. The Company is disputing the claim for damages and the matter is ongoing. The vendor has recently updated the claim to now be \$ 450, 968 after signing a long- term lease with another brand for this location. The Company is disputing this new amount after review of the lease. • On November 15, 2023, a vendor filed a lawsuit against Digital Brands Group related to trade payables totaling approximately \$ 582, 208, which represents “ double damages. ” The amount due to the vendor is \$ 292, 604. Such amounts are included in the accompanying balance sheets. The Company does not believe it is probable that losses in excess of such pay trade payables will be incurred. The matter was settled for \$ 400, 000 and is currently on a monthly payment plan. Depending on the nature of the proceeding, claim, or investigation, we may be subject to monetary damage awards, fines, penalties, or injunctive orders. Furthermore, the outcome of these matters could materially adversely affect our business, results of operations, and financial condition. The outcomes of legal proceedings, claims, and government investigations are inherently unpredictable and subject to significant judgment to determine the likelihood and amount of loss related to such matters. While it is not possible to determine the outcomes, we believe based on our current knowledge that the resolution of all such pending matters will not, either individually or in the aggregate, have a material adverse effect on our business, results of operations, cash flows, or financial condition. F- 27 Except as may be set forth above the Company is not a party to any legal proceedings, and the Company is not aware of any claims or actions pending or threatened against us. In the future, the Company might from time to time become involved in litigation relating to claims arising from its ordinary course of business, the resolution of which the Company does not anticipate would have a material adverse impact on our financial position, results of operations or cash flows. NOTE 14: INCOME TAXES Deferred taxes are recognized for temporary differences between the basis of assets and liabilities for financial statement and income tax purposes. The differences relate primarily to depreciable assets using accelerated depreciation methods for income tax purposes, indefinite-lived intangibles, and for net operating loss carryforwards. As of December 31, 2024, and 2023, the Company had net deferred tax assets before valuation allowance of \$ 20, 288, 246 and \$ 17, 882, 335, respectively. The following table presents the deferred tax assets and liabilities by source: SCHEDULE OF DEFERRED TAX ASSETS AND LIABILITIES 2024 2023

	December 31, 2024	2023
Deferred tax assets:		
Net operating loss carryforwards	\$ 21, 879, 426	\$ 19, 354, 491
Deferred tax liabilities:		
Indefinite lived intangible assets	(1, 244, 949)	(1, 840, 170)
Valuation allowance	(20, 883, 467)	(17, 882, 335)
Net deferred tax assets	\$ (248, 990)	\$ (368, 014)

The Company recognizes deferred tax assets to the extent that it believes that these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax- planning strategies, and results of recent operations. The Company assessed the need for a valuation allowance against its net deferred tax assets and determined a full valuation allowance is required due, cumulative losses through December 31, 2024, and no history of generating taxable income. Therefore, valuation allowances of \$ 20, 883, 467 and \$ 17, 882, 335 were recorded as of December 31, 2024 and 2023, respectively. Valuation allowance increased by \$ 3, 001, 132 and \$ 2, 620, 909 during the years ended December 31, 2024 and 2023, respectively. Deferred tax assets were calculated using the Company’ s combined effective tax rate, which it estimated to be approximately 28. 0 %. The effective rate is reduced to 0 % for 2024 and 2023 due to the full valuation allowance on its net deferred tax assets. The Company has permanent differences, consisting of non- deductible impairments of goodwill and intangible assets of \$ 1. 4 million and amortization of non- cash debt issuance costs of \$ 2. 4 million. The Company’ s ability to utilize net operating loss carryforwards will depend on its ability to generate adequate future taxable income. At December 31, 2024 and 2023, the Company had net operating loss carryforwards available to offset future taxable income in the amounts of approximately \$ 78, 274, 991 and \$ 69, 241, 882, for which losses from 2018 forward can be carried forward indefinitely. As a result of prior operating losses, the Company has net operating loss, or “ NOL, ” carryforwards for federal income tax purposes. The ability to utilize NOL carryforwards to reduce taxable income in future years could become subject to significant limitations under Section 382 of the Internal Revenue Code if the Company undergoes an ownership change. The Company would undergo an ownership change if, among other things, the stockholders who own, directly or indirectly, 5 % or more of our common stock, or are otherwise treated as “ 5 % shareholders ” under Section 382 of the U. S. Internal Revenue Code and the regulations promulgated thereunder, increase their aggregate percentage ownership of the Company’ s stock by more than 50 percentage points over the lowest percentage of the stock owned by these stockholders at any time during the testing period, which is generally the three- year period preceding the potential ownership change. The Company has evaluated its income tax positions and

has determined that it does not have any uncertain tax positions. The Company will recognize interest and penalties related to any uncertain tax positions through its income tax expense. The Company is not presently subject to any income tax audit in any taxing jurisdiction, though all tax years from 2020 on remain open to examination. F- 28 NOTE 15: SUBSEQUENT EVENTS Private Placement On or around January 17, 2025, the Company closed a private placement pursuant to a securities purchase agreement with a certain accredited investor, pursuant to which the Company agreed to issue and sell, in a private placement, a promissory note in the principal amount of \$ 121, 900 (the “ January 2025 Note ”). The January 2025 Note is convertible into common stock upon default at a conversion price equal to 61 % of the lowest closing bid price during the ten trading days prior to the conversion date. The January 2025 Note provides that the total number of shares of common stock that may be issued upon conversion thereof shall not exceed 19. 99 % of the shares of Common Stock outstanding as of the issuance date of the January 2025 Note. Vendor Agreement On or around January 20, 2025, the Company entered into a vendor agreement (the “ Vendor Agreement ”) with MavDB Consulting LLC (the “ Vendor ”). The engagement of the Vendor is for a five (5) year period and the vendor services to be provided include, but are not limited to, product content production, social media marketing, engagement of influencers and student athletes for product awareness, and event and staffing costs (the “ Services ”). In consideration for the Services, the Company will pay the Vendor a vendor fee equal to \$ 3, 000, 000 (the “ Cash Fee ”) within thirty calendar days after the date of the Vendor Agreement (the “ Payment Period ”), provided, however, that Vendor may elect to receive the Vendor Shares (as defined below) and / or Vendor Pre- Funded Warrants (as defined below) as described below in lieu of the Cash Fee by providing written notice to the Company of such election during the Payment Period (the “ Written Notice ”). The “ Vendor Shares ” shall mean a number of Common Stock equal to the Cash Fee divided by \$ 1. 45, provided, however, if the issuance of any of the Vendor Shares would cause the Vendor to exceed 4. 99 % of the of the outstanding Common Stock, as determined in accordance with Section 16 of the Exchange Act and the regulations promulgated thereunder, then the Company shall instead issue to Vendor pre- funded warrants (the “ Vendor Pre- Funded Warrants ”) for the purchase of the amount of Vendor Shares in excess of the beneficial ownership limitation, provided, further, that if the Vendor specifies in the Written Notice that the Vendor elects to receive Vendor Pre- Funded Warrants in lieu of the entire amount of the Vendor Shares, then the Company shall instead issue to Vendor the Vendor Pre- Funded Warrants to purchase the entire amount of the Vendor Shares. The Vendor delivered the Written Notice to the Company during the Payment Period and the Company issued the Vendor Pre- Funded Warrants for the purchase of 2, 068, 965 shares of Common Stock to Vendor on January 21, 2025. The Vendor Pre- Funded Warrants have an initial exercise price per share of Common Stock equal to \$ 0. 01. The Vendor Pre- Funded Warrants are immediately exercisable and will expire five (5) years after the issuance date of the Vendor Pre- Funded Warrants. The exercise price and number of shares of Common Stock issuable upon exercise is subject to appropriate adjustment in the event of share dividends, share splits, reorganizations or similar events. The Vendor Pre- Funded Warrants will be exercisable, at the option of the Vendor, in whole or in part, by delivering to us a duly executed exercise notice accompanied by payment in full for the number of shares of Common Stock purchased upon such exercise (except in the case of a cashless exercise). The Vendor (together with its affiliates) may not exercise any portion of the Vendor Pre- Funded Warrants to the extent that the Vendor would own more than 4. 99 % of the outstanding shares of Common Stock immediately after exercise, except that upon at least 61 days’ prior notice from the Vendor to us, the Vendor may increase the amount of beneficial ownership of outstanding shares after exercising the Vendor’ s Pre- Funded Warrants up to 9. 99 % of the number of our shares of Common Stock outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of the Vendor Pre- Funded Warrants. In lieu of making the cash payment otherwise contemplated to be made to us upon such exercise in payment of the aggregate exercise price, the Vendor may elect instead to receive upon such exercise (either in whole or in part) the number of shares of Common Stock determined according to a formula set forth in the Vendor Pre- Funded Warrants. F- 29 Securities Purchase Agreement On February 13, 2025, the Company entered into securities purchase agreements (the “ Purchase Agreements ”) with certain accredited investors named therein (the “ Purchasers ”), pursuant to which the Company agreed to issue and sell, in a best efforts offering (the “ Offering ”) 11, 365, 340 units (the “ Units ”), including (i) 125, 535 units consisting of one share of common stock, par value \$ 0. 0001 per share (the “ Common Stock ”) and two warrants to purchase one share of Common Stock each (the “ Share Unit Warrants ”), at a purchase price per unit equal to \$ 0. 66, and (ii) 11, 239, 805 units consisting of a pre- funded warrant to purchase one share of Common Stock (“ Pre- Funded Warrants ”), immediately exercisable at an exercise price of \$ 0. 0001 per share, and two warrants to purchase one share of Common Stock each (the “ PFW Unit Warrants, and collectively with the Share Unit Warrants, the “ Warrants ”), at a purchase price per unit equal to \$ 0. 6599. The Warrants may be exercised for an aggregate of 22, 730, 680 shares of Common Stock at an exercise price equal to \$ 0. 66 per share, subject to adjustment for stock splits and similar events. The Purchase Agreement contains customary representations and warranties and agreements of the Company and the Purchasers and customary indemnification rights and obligations of the parties. The Offering closed on February 18, 2025. The Company offered Pre- Funded Warrants to those Purchasers whose purchase of Common Stock in the Offering would have resulted in the Purchaser, together with its affiliates and certain related parties, beneficially owning more than 4. 99 % (or at the election of the Purchaser, 9. 99 %) of our Common Stock immediately following the consummation of the Offering in lieu of the Common Stock that would otherwise result in ownership in excess of 4. 99 % (or at the election of the purchaser, 9. 99 %) of the outstanding Common Stock of the Company. The Pre- Funded Warrants may be exercised commencing on the issuance date and do not expire. The Pre- Funded Warrants are exercisable for cash; provided, however that they may be exercised on a cashless exercise basis if, at the time of exercise, there is no effective registration statement registering, or no current

prospectus available for, the issuance or resale of the Common Stock issuable upon exercise of the Pre-Funded Warrants. The exercise of the Pre-Funded Warrants will be subject to a beneficial ownership limitation, which will prohibit the exercise thereof, if upon such exercise the holder of the Pre-Funded Warrants, its affiliates and any other persons or entities acting as a group together with the holder or any of the holder's affiliates would hold 4.99% (or, upon election of a Purchaser prior to the issuance of any shares, 9.99%) of the number of Common Stock outstanding immediately after giving effect to the issuance of Common Stock issuable upon exercise of the Pre-Funded Warrant held by the applicable holder, provided that the holder may increase or decrease the beneficial ownership limitation (up to a maximum of 9.99%) upon 60 days advance notice to the Company, which 60 day period cannot be waived. The Warrants may be exercised commencing on the issuance date and expire one year from issuance. The Warrants are exercisable for cash at an exercise price of \$ 0.66 per share; provided, however that they may be exercised on a cashless exercise basis if, at the time of exercise, there is no effective registration statement registering, or no current prospectus available for, the issuance or resale of the Common Stock issuable upon exercise of the Warrants. The exercise of the Warrants will be subject to a beneficial ownership limitation, which will prohibit the exercise thereof, if upon such exercise the holder of the Warrants, its affiliates and any other persons or entities acting as a group together with the holder or any of the holder's affiliates would hold 4.99% (or, upon election of a Purchaser prior to the issuance of any shares, 9.99%) of the number of Common Stock outstanding immediately after giving effect to the issuance of Common Stock issuable upon exercise of the Warrants held by the applicable holder, provided that the holder may increase or decrease the beneficial ownership limitation (up to a maximum of 9.99%) upon 60 days advance notice to the Company, which 60 day period cannot be waived. At the closing of the Offering, the Company issued warrants to RBW Capital Partners LLC, acting through Dawson James Securities, Inc. (the "Placement Agent"), for the purchase of 568,267 shares of Common Stock at an exercise price of \$ 0.759 per share (the "Placement Agent Warrants"), which is equal to 115% of the price per Unit. The Placement Agent Warrants are exercisable at any time commencing six (6) months from the date of commencement of sales in the Offering and expiring five (5) years from the commencement of sales in the Offering. During the aforementioned six (6) month period, the Placement Agent Warrant may not be sold, transferred, assigned, pledged, or hypothecated, or be the subject of any hedging, short sale, derivative, put, or call transaction that would result in the effective economic disposition of the Placement Agent Warrant pursuant to FINRA Rule 5110 (e) (1) (A). The Common Stock, Pre-Funded Warrants, Common Stock issuable upon exercise of the Pre-Funded Warrants, Warrants, Common Stock issuable upon exercise of the Warrants, Placement Agent Warrants, and Common Stock issuable upon exercise of the Placement Agent Warrants were offered pursuant to a registration statement on Form S-1 (File No. 333-284508), as filed with the Securities and Exchange Commission (the "Commission") on January 27, 2025, as amended, and was declared effective on February 11, 2025 (the "Registration Statement"). The Placement Agent acted as the exclusive placement agent for the Offering pursuant to a Placement Agency Agreement dated February 13, 2025 (the "Placement Agency Agreement") by and between the Company and the Placement Agent. The Placement Agency Agreement contains customary conditions to closing, representations and warranties of the Company, and termination rights of the parties, as well as certain indemnification obligations of the Company and ongoing covenants for the Company. The Offering resulted in gross proceeds to the Company of approximately \$ 7,500,000, before deducting placement agent fees and commissions and other offering expenses, and excluding proceeds to the Company, if any, that may result from the future exercise of the Pre-Funded Warrants or Warrants issued in the Offering. As compensation to the Placement Agent, as the exclusive placement agent in connection with the Offering, the Company paid to the Placement Agent a cash fee of 8.0% of the aggregate gross proceeds raised in the Offering (which amount shall not include any additional proceeds the Company may receive from the exercise of the Warrants, or the Pre-Funded Warrants, issued in this Offering) and reimbursement of up to \$ 150,000 for expenses of legal counsel and other actual out-of-pocket expenses. Asset Purchase Agreement On April 1, 2025, the Company entered into an Asset Purchase Agreement (the "Open Daily APA") with Open Daily Technologies Inc. ("Open Daily"). Pursuant to the terms of the Open Daily APA, the Company agreed to purchase, and Open Daily agreed to sell certain intellectual property owned by Open Daily, including, but not limited to, patent applications, trademarks, and software products and platforms (the "Open Daily Assets"), but not any liability or obligation of Open Daily in connection with the Company's purchase of the Open Daily Assets, in exchange for the issuance by the Company of 344,827 shares of the Company's common stock (the "Open Daily Acquisition"). The Open Daily Acquisition closed on April 2, 2025. The Open Daily APA contains certain covenants, representations, warranties and closing conditions customary for an agreement of this type, including, but not limited to, non-competition and non-solicitation provisions. Exercise of Pre-Funded Warrants In February 2025, an aggregate of 2,728,750 pre-funded warrants were exercised for shares of common stock. Exhibit 4.29 DESCRIPTION OF SECURITIES The following summary description sets forth some of the general terms and provisions of our capital stock. Because this is a summary description, it does not contain all of the information that may be important to you. For a more detailed description of our capital stock, you should refer to the applicable provisions of the General Corporation Law of the State of Delaware (the "DGCL"), our charter and our bylaws as currently in effect. Our authorized capital stock consists of 1,000,000,000 shares of common stock, \$ 0.0001 par value per share, of which 4,146,494 shares were issued and outstanding as of April 9, 2025 and 10,000,000 shares of preferred stock, \$ 0.0001 par value per share, of which 6,300 shares of Series A Convertible Preferred Stock, and 1,643 shares of Series C Convertible Preferred Stock are issued and outstanding. The following description of our capital stock is only a summary and is subject to and qualified in its entirety by our Sixth Amended and Restated Certificate of Incorporation, as further amended by certificates of amendment dated October 13, 2022, October 21, 2022 (but effectuated on November 3, 2022), May 30, 2023, June 21, 2023, August 21, 2023 (but effectuated

on August 22, 2023), and December 12, 2024, and Amended and Restated Bylaws, as further amended by Amendment Nos. 1 and 2, and by the applicable provisions of Delaware law. Voting rights Each holder of our common stock is entitled to one vote for each share on all matters submitted to a vote of the stockholders, including the election of directors. Our stockholders do not have cumulative voting rights in the election of directors. Accordingly, holders of a majority of the voting shares are able to elect all of the directors. Subject to preferences that may be applicable to any then- outstanding preferred stock which may be issued in the future, holders of our common stock are entitled to receive dividends, if any, as may be declared from time to time by our board of directors out of legally available funds. We intend to retain future earnings, if any, to finance the operation and expansion of our business and do not anticipate paying any cash dividends in the foreseeable future. In the event of our liquidation, dissolution or winding up, holders of our common stock will be entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all of our debts and other liabilities and the satisfaction of any liquidation preference granted to the holders of any then- outstanding shares of preferred stock. Rights and preferences Holders of our common stock have no preemptive, conversion, subscription or other rights, and there are no redemption or sinking fund provisions applicable to our common stock. Fully paid and nonassessable All of our outstanding shares of common stock are, and the shares of common stock to be issued in this offering will be, fully paid and nonassessable. Quotation Our Common Stock trades on The OTC Pink Marketplace under the symbol “ DBGI ”. On April 3, 2025, the last reported sale price of our Common Stock was \$ 9. 00 per share. Issuance of Preferred Stock by our Board The board of directors is authorized, without action by the stockholders, to designate and issue preferred stock in one or more series and to designate the powers, preferences and rights of each series, which may be greater than the rights of the common stock. It is not possible to state the actual effect of the issuance of any shares of preferred stock upon the rights of holders of the common stock until the board of directors determines the specific rights of the holders of such preferred stock. However, the effects might include, among other things: • impairing dividend rights of the common stock; • diluting the voting power of the common stock; • impairing the liquidation rights of the common stock; and • delaying or preventing a change in control of us without further action by the stockholders. On September 29, 2022, the Company filed the Certificate of Designation with the Secretary of State for the State of Delaware designating up to 6, 800 shares out of the authorized but unissued shares of its preferred stock as Series A Convertible Preferred Stock. On October 4, 2022, the Company filed the Correction with the Secretary of State for the State of Delaware to correct the terms of the voting rights under the Series A Preferred Stock. The following is a summary of the principal terms of the Series A Preferred Stock. Voting Rights The Holders are entitled to vote as a class as expressly provided in the Certificate of Designation and where required pursuant to applicable law (including, without limitation, the DGCL). The Holders are also entitled to vote with the holders of shares of Common Stock, voting together as one class, on all matters in which the Holders are permitted to vote with the class of shares of Common Stock pursuant to applicable law (including, without limitation, the DGCL. With respect to any vote with the class of Common Stock, each share of the Series A Preferred Stock shall entitle the Holder thereof to cast that number of votes per share as is equal to the number of shares of Common Stock into which it is then convertible (subject to the ownership limitations specified in the Certificate of Designation) using the record date for determining the stockholders of the Company eligible to vote on such matters as the date as of which the conversion price is calculated. To the extent that under the DGCL the vote of the Holders, voting separately as a class or series, as applicable, is required to authorize a given action of the Company, the affirmative vote or consent of the Required Holders (as defined in the Certificate of Designation) of the shares of the Preferred Stock, voting together in the aggregate and not in separate series unless required under the DGCL, represented at a duly held meeting at which a quorum is presented or by written consent of the Required Holders (except as otherwise may be required under the DGCL), voting together in the aggregate and not in separate series unless required under the DGCL, shall constitute the approval of such action by both the class or the series, as applicable. Holders shall be entitled to written notice of all stockholder meetings or written consents (and copies of proxy materials and other information sent to stockholders) with respect to which they would be entitled to vote, which notice would be provided pursuant to the Company’ s bylaws and the DGCL. Ranking and Liquidation The Series A Preferred Stock shall rank (i) senior to all of the Common Stock; (ii) senior to any class or series of capital stock of the Company hereafter created specifically ranking by its terms junior to any Preferred Stock (“ Junior Securities ”); (iii) on parity with any class or series of capital stock of the Corporation created specifically ranking by its terms on parity with the Preferred Stock (“ Parity Securities ”); and (iv) junior to any class or series of capital stock of the Company hereafter created specifically ranking by its terms senior to any Preferred Stock (“ Senior Securities ”), in each case, as to dividends or distributions of assets upon liquidation, dissolution or winding up of the Company, whether voluntarily or involuntarily. Subject to any superior liquidation rights of the holders of any Senior Securities of the Company and the rights of the Company’ s existing and future creditors, upon any liquidation, dissolution or winding- up of the Company, whether voluntary or involuntary (a “ Liquidation ”), each Holder shall be entitled to be paid out of the assets of the Company legally available for distribution to stockholders, prior and in preference to any distribution of any of the assets or surplus funds of the Company to the holders of the Common Stock and Junior Securities and pari passu with any distribution to the holders of Parity Securities, an amount equal to the Stated Value (as defined in the Certificate of Designation) for each share of the Series A Preferred Stock held by such Holder and an amount equal to any accrued and unpaid dividends thereon, and thereafter the Holders shall be entitled to receive out of the assets, whether capital or surplus, of the Company the same amount that a holder of Common Stock would receive if the Series A Preferred Stock were fully converted (disregarding for such purposes any conversion limitations hereunder) to Common Stock which amounts shall be paid pari passu with all holders of Common Stock. The Company shall mail written notice of any such Liquidation, not less than 60 days prior to the payment date

stated therein, to each Holder. Each share of the Series A Preferred Stock shall be convertible, at any time and from time to time from and after September 29, 2022 at the option of the Holder thereof, into that number of shares of Common Stock (subject to the limitations set forth in Section 6 (d) of the Certificate of Designation) determined by dividing the Stated Value of such share of the Series A Preferred Stock (\$ 1, 000 as of September 29, 2022) by the Conversion Price (as defined below) subject to certain terms of the beneficial ownership limitation described in this Certificate of Designation. The conversion price for each share of the Series A Preferred Stock is the Nasdaq official closing price of the Common Stock on The Nasdaq Capital Market (as reflected on Nasdaq. com) on September 29, 2022 (the “ Conversion Price ”), subject to adjustment as described in the Certificate of Designation, including for stock dividends and stock splits such as the one- for- one hundred (1- for- 100) reverse stock split (the “ November Reverse Stock Split ”) of our common stock which became effective as of the close of business on November 3, 2022, the 1- for- 25 reverse stock split (the “ August Reverse Stock Split ”) of our common stock which became effective as of the close of business on August 22, 2023, and the December 2024 Split. Certain Adjustments If the Company, at any time while the Series A Preferred Stock is outstanding, pays a stock dividend, issues stock splits, effects any subsequent rights offerings, or makes any dividend or other distribution of its assets, then the Conversion Price of the Series A Preferred Stock adjusts (in the case of a stock split), and the Holder can acquire the purchase rights of the Company’ s securities, or participate in the distribution of the Company’ s assets pursuant to Section 7 of the Certificate of Designation. Preemptive Rights No holders will have any preemptive rights to purchase or subscribe for the Company’ s Common Stock or any of its other securities. Redemption The Company has the option to redeem any or all of the then outstanding Series A Preferred Stock at 112 % of the then Stated Value any time after September 29, 2022 and so long as there is an effective Registration Statement covering the shares issuable upon conversion of the Series A Preferred Stock. Trading Market The Holders can liquidate or convert the Series A Preferred Shares according to the terms of this Certificate of Designation. However, there is no established trading market for any of the Series A Preferred Stock, and the Company does not expect a market to develop. The Company does not intend to apply for a listing for any of the Series A Preferred Stock on any securities exchange or other nationally recognized trading system. The Series C Holders are entitled to vote as a class as expressly provided in the Certificate of Designation and where required pursuant to applicable law (including, without limitation, the DGCL). The Series C Holders are also entitled to vote with the holders of shares of Common Stock, voting together as one class, on all matters in which the Series C Holders are permitted to vote with the class of shares of Common Stock pursuant to applicable law (including, without limitation, the DGCL). With respect to any vote with the class of Common Stock, each share of the Series C Preferred Stock shall entitle the Holder thereof to cast that number of votes per share as is equal to the number of shares of Common Stock into which it is then convertible (subject to the ownership limitations specified in the Certificate of Designation) using the record date for determining the stockholders of the Company eligible to vote on such matters as the date as of which the conversion price is calculated. To the extent that under the DGCL the vote of the Series C Holders, voting separately as a class or series, as applicable, is required to authorize a given action of the Company, the affirmative vote or consent of the Required Holders (as defined in the Certificate of Designation), voting together in the aggregate and not in separate series unless required under the DGCL, represented at a duly held meeting at which a quorum is presented or by written consent of the Required Holders (except as otherwise may be required under the DGCL) shall constitute the approval of such action by both the class or the series, as applicable. Series C Holders shall be entitled to written notice of all stockholder meetings or written consents (and copies of proxy materials and other information sent to stockholders) with respect to which they would be entitled to vote, which notice would be provided pursuant to the Company’ s bylaws and the DGCL. The Series C Preferred Stock shall rank (i) senior to all of the Common Stock; (ii) senior to Junior Securities; (iii) on parity with Parity Securities; and (iv) junior to Senior Securities, in each case, as to dividends or distributions of assets upon liquidation, dissolution or winding up of the Company, whether voluntarily or involuntarily. Subject to any superior liquidation rights of the holders of any Senior Securities of the Company and the rights of the Company’ s existing and future creditors, upon a Liquidation, each Holder shall be entitled to be paid out of the assets of the Company legally available for distribution to stockholders, prior and in preference to any distribution of any of the assets or surplus funds of the Company to the holders of the Common Stock and Junior Securities and pari passu with any distribution to the holders of Parity Securities, an amount equal to the Stated Value (as defined in the Certificate of Designation) for each share of the Series C Preferred Stock held by such Holder and an amount equal to any accrued and unpaid dividends thereon, and thereafter the Series C Holders shall be entitled to receive out of the assets, whether capital or surplus, of the Company the same amount that a holder of Common Stock would receive if the Series C Preferred Stock were fully converted (disregarding for such purposes any conversion limitations hereunder) to Common Stock which amounts shall be paid pari passu with all holders of Common Stock. The Company shall mail written notice of any such Liquidation, not less than 60 days prior to the payment date stated therein, to each Holder. Each share of the Series C Preferred Stock shall be convertible, at any time and from time to time from and after June 21, 2023 at the option of the Holder thereof, into that number of shares of Common Stock (subject to the limitations set forth in Section 6 (d) of the Certificate of Designation) determined by dividing the Stated Value of such share of the Series C Preferred Stock (\$ 1, 000 as of June 21, 2023) by the Conversion Price (as defined below) subject to certain terms of the beneficial ownership limitation described in this Certificate of Designation. The conversion price for each share of the Series C Preferred Stock is \$ 17. 925, which is the lower of (a) the closing price per share of the Common Stock as reported on the Nasdaq Capital Market on June 20, 2023 (the trading day before the date of the Sundry SPA), and (b) the average closing price per share of Common Stock as reported on the Nasdaq Capital Market for the five trading days preceding the date of the Sundry SPA, subject to adjustment herein (the “ Series C Conversion Price ”). If the Company, at any

time while the Series C Preferred Stock is outstanding, pays a stock dividend, issues stock splits, effects any subsequent rights offerings, or makes any dividend or other distribution of its assets, then the Holder can adjust the Conversion Price of the Series C Preferred Stock, acquire the purchase rights of the Company's securities, or participate in the distribution of the Company's assets pursuant to Section 7 of the Certificate of Designation. The Series C Holders can liquidate or convert the Series C Preferred Shares according to the terms of this Certificate of Designation. However, there is no established trading market for any of the Series C Preferred Stock, and the Company does not expect a market to develop. The Company does not intend to apply for a listing for any of the Series C Preferred Stock on any securities exchange or other nationally recognized trading system. As of April 9, 2025, there were 30 shares of common stock issuable upon the exercise of outstanding stock options at weighted average exercise price of \$ 452, 500 per share. As of April 9, 2025, there were 56, 862 shares of common stock issuable upon the exercise of outstanding warrants at a weighted average exercise price of \$ 547, which includes 20, 555 Series A- 1 Warrants and 20, 555 Series B- 1 Warrants at an exercise price of \$ 144 per share which expire on November 7, 2029 and August 7, 2025 respectively, as well as 2, 068, 965 shares of common stock issuable upon the exercise of outstanding pre-funded warrants at an exercise price of \$ 0. 01 as of April 9, 2025 (collectively the " Outstanding Warrants ").

Anti- Takeover Effects of Certain Provisions of Our Bylaws Certain provisions of Delaware law and our sixth amended and restated certificate of incorporation and bylaws could make the following more difficult: • the acquisition of us by means of a tender offer; • acquisition of control of us by means of a proxy contest or otherwise; and • the removal of our incumbent officers and directors. These provisions, summarized below, are expected to discourage certain types of coercive takeover practices and inadequate takeover bids and are designed to encourage persons seeking to acquire control of us to negotiate with our board of directors. We believe that the benefits of increased protection against an unfriendly or unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging such proposals. Among other things, negotiation of such proposals could result in an improvement of their terms. Delaware Anti- Takeover Law. We are subject to Section 203 of the Delaware General Corporation Law, an anti- takeover law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a " business acquisition " with an " interested stockholder " for a period of three years following the date the person became an interested stockholder, unless the " business acquisition " or the transaction in which the person became an interested stockholder is approved by our board of directors in a prescribed manner. Generally, a " business acquisition " includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. Generally, an " interested stockholder " is a person who, together with affiliates and associates, owns or, within three years prior to the determination of interested stockholder status, did own, 15 % or more of a corporation's voting stock. The existence of this provision may have an anti- takeover effect with respect to transactions not approved in advance by the board of directors, including discouraging attempts that might result in a premium over the market price for the shares of common stock held by stockholders. Stockholder Meetings. Under our bylaws, only the board of directors, the chairman of the board, the chief executive officer and the president, and stockholders holding an aggregate of 25 % of our shares of our common stock may call special meetings of stockholders. No Cumulative Voting. Our sixth amended and restated certificate of incorporation and bylaws do not provide for cumulative voting in the election of directors. Action by Written Consent of Stockholders Prohibited. Our sixth amended and restated certificate of incorporation does not allow stockholders to act by written consent in lieu of a meeting, unless approved in advance by our board of directors. Undesignated Preferred Stock. The authorization of undesignated preferred stock makes it possible for the board of directors without stockholder approval to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to obtain control of us. These and other provisions may have the effect of deferring hostile takeovers or delaying changes in control or management of us. Amendment of Provisions in the Sixth Amended and Restated Certificate of Incorporation. The Sixth amended and restated certificate of incorporation will generally require the affirmative vote of the holders of at least 66 2/3 % of the outstanding voting stock in order to amend any provisions of the sixth amended and restated certificate of incorporation concerning, among other things: • the required vote to amend certain provisions of the sixth amended and restated certificate of incorporation; • the reservation of the board of director's right to amend the amended and restated bylaws, with all rights granted to stockholders being subject to this reservation; • management of the business by the board of directors; • number of directors and structure of the board of directors; • removal and appointment of directors; • director nominations by stockholders; • prohibition of action by written consent of stockholders; • personal liability of directors to us and our stockholders; and • indemnification of our directors, officers, employees and agents. Delaware law We are subject to the provisions of Section 203 of the DGCL, regulating corporate takeovers. In general, DGCL Section 203 prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder for a period of three years following the date on which the person became an interested stockholder unless: • prior to the date of the transaction, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder; • upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85 % of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, but not the outstanding voting stock owned by the interested stockholder, (i) shares owned by persons who are directors and also officers and (ii) shares owned by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or • at or subsequent to the date of the transaction, the business combination is approved by the board of directors of the corporation and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least two- thirds of the outstanding voting stock that is not

owned by the interested stockholder. Generally, a business combination includes a merger, asset or stock sale, or other transaction or series of transactions together resulting in a financial benefit to the interested stockholder. An interested stockholder is a person who, together with affiliates and associates, owns or, within three years prior to the determination of interested stockholder status, did own 15 % or more of a corporation's outstanding voting stock. We expect the existence of this provision to have an anti-takeover effect with respect to transactions our board of directors does not approve in advance. We also anticipate that DGCL Section 203 may also discourage attempts that might result in a premium over the market price for the shares of common stock held by stockholders. Limitations on liability, indemnification of officers and directors and insurance Pursuant to Section 102 (b) (7) of the Delaware General Corporation Law ("DGCL"), a Director of the Corporation shall not be personally liable to the Corporation or its Stockholders for monetary damages for breach of fiduciary duty as a Director, except for liability: (1) for any breach of the Director's duty of loyalty to the Corporation or its Stockholders; (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (3) under Section 174 of the DGCL; or (4) for any transaction from which the Director derived an improper personal benefit. If the DGCL or other applicable provision of Delaware law hereafter is amended to authorize further elimination or limitation of the liability of Directors, then the liability of a Director of this Corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by the DGCL or other applicable provision of Delaware law as amended. Any repeal or modification of this Section 2 by the Stockholders of this Corporation shall be prospective only and shall not adversely affect any limitation on the personal liability of a Director of the Corporation existing at the time of such repeal or modification. Our restated certificate of incorporation, as amended (our "Certificate of Incorporation") and corporate bylaws (our "Bylaws") contain provisions that limit the liability of our directors for monetary damages to the fullest extent permitted by Delaware law. Section 145 of the Delaware General Corporation Law ("DGCL") authorizes a corporation to indemnify its directors and officers against liabilities arising out of actions, suits and proceedings to which they are made or threatened to be made a party by reason of the fact of their prior or current service to the corporation as a director or officer, in accordance with the provisions of Section 145, which are sufficiently broad to permit indemnification under certain circumstances for liabilities arising under the Securities Act of 1933, as amended (the "Securities Act"). The indemnity may cover expenses (including attorneys' fees) judgments, fines and amounts paid in settlement actually and reasonably incurred by the director or officer in connection with any such action, suit or proceeding. Section 145 permits corporations to pay expenses (including attorneys' fees) incurred by directors and officers in advance of the final disposition of such action, suit or proceeding. In addition, Section 145 provides that a corporation has the power to purchase and maintain insurance on behalf of its directors and officers against any liability asserted against them and incurred by them in their capacity as a director or officer, or arising out of their status as such, whether or not the corporation would have the power to indemnify the director or officer against such liability under Section 145. Our restated certificate of incorporation, as amended (our "Certificate of Incorporation"), provides that (a) any of our directors or officers made a party to an action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, or any appeal in such action, suit or proceeding, and any inquiry or investigation that could lead to such action, suit or proceeding (each, a "Proceeding"), by reason of such person's service as our director or officer or as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another enterprise per our request, shall be indemnified and held harmless by us to the fullest extent permitted by the Delaware General Corporation Law against all judgments, penalties (including excise and similar taxes), fines, settlements, and reasonable expenses (including attorneys' fees) actually incurred by such person in connection with such Proceeding; (b) we must advance reasonable expenses incurred in defending any such Proceeding, subject to limited exceptions; and (c) the indemnification rights conferred by it are not exclusive of any rights permitted by law. As permitted by the DGCL, the Company's sixth amended and restated certificate of incorporation, as amended, provides that directors will not be personally liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability: • for any breach of the director's duty of loyalty to the Company or its stockholders, • for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, • under Section 174 of the DGCL (providing for liability of directors for unlawful payment of dividends or unlawful stock purchases or redemptions), or • for any transaction from which the director derived any improper personal benefit. This limitation of liability does not apply to liabilities arising under the federal securities laws and does not affect the availability of equitable remedies such as injunctive relief or rescission. Our sixth amended and restated certificate of incorporation provides that we shall indemnify our directors, officers, employees and other agents to the fullest extent permitted by law, and our amended and restated bylaws provide that we shall indemnify our directors and officers, and may indemnify our employees and other agents, to the fullest extent permitted by law. We believe that indemnification under our bylaws covers at least negligence and gross negligence on the part of indemnified parties. If the DGCL is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of the registrant's directors shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. Article VII of the by-laws provides that the Company shall indemnify any person who was or is a party or who was or is threatened to be made a party to any action, suit, arbitration, alternative dispute mechanism, inquiry, judicial, administrative or legislative hearing, investigation or any other threatened, pending or completed proceeding, whether brought by or in the right of the corporation or otherwise, including any and all appeals, whether of a civil, criminal, administrative, legislative, investigative or other nature (hereinafter a "proceeding") by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other

enterprise, against expenses (including attorneys' fees), judgments, fines, liabilities, losses, and amounts paid in settlement actually and reasonably incurred by him in connection with such proceeding to the fullest extent authorized by the DGCL as the same exists or may hereafter be amended. Article VII of the by-laws further provides that, except with respect to a proceeding to enforce rights to indemnification or advancement of expenses under Article VII, the Company shall be required to indemnify a person under this Article VII in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the board of directors. Article VII of the by-laws further provides that the Company may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the registrant. The Company has purchased directors' and officers' liability insurance covering many of the possible actions and omissions of persons acting or failing to act in such capacities. Article VII of the by-laws also provides that the Company shall have the power to enter into indemnification agreements with any director, officer, employee or agent of the Registrant in furtherance of the provisions of Article VII. We have entered into agreements to indemnify our directors and executive officers, in addition to the indemnification provided for in our sixth amended and restated certificate of incorporation and bylaws. These agreements, among other things, provide for indemnification of our directors and officers for expenses, judgments, fines, penalties and settlement amounts incurred by any such person in any action or proceeding arising out of such person's services as a director or officer or at our request. We believe that these provisions and agreements are necessary to attract and retain qualified persons as directors and executive officers. There is no pending litigation or proceeding involving any of our directors, officers, employees or agents. We are not aware of any pending or threatened litigation or proceeding that might result in a claim for indemnification by a director, officer, employee or agent. Our Transfer Agent The transfer agent and registrar for our Common Stock is VStock Transfer, LLC. The transfer agent and registrar's address is 18 Lafayette Pl., Woodmere, NY 11598. The transfer agent's telephone is (212) 828- 8436. We have agreed to indemnify VStock Transfer, LLC in its role as transfer agent, its agents and each of its stockholders, directors, officers and employees against all liabilities, including judgments, costs and reasonable counsel fees that may arise out of acts performed or omitted for its activities in that capacity, except for any liability due to any gross negligence, willful misconduct or bad faith of the indemnified person or entity. Exhibit 14. 1 Effective May 18, 2021 1. Introduction 1. 1 The Board of Directors of Digital Brands Group, Inc. (together with its subsidiaries, the " Company ") has adopted this Code of Ethics and Business Conduct (the " Code ") in order to: (a) promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest; (b) promote full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission (the " SEC ") and in other public communications made by the Company; (c) promote compliance with applicable governmental laws, rules and regulations; (d) promote the protection of Company assets, including corporate opportunities and confidential information; (e) promote fair dealing practices; (f) deter wrongdoing; and (g) ensure accountability for adherence to the Code. 1. 2 All directors, officers and employees are required to be familiar with the Code, comply with its provisions and report any suspected violations as described below in Section 10, Reporting and Enforcement. 2. Honest and Ethical Conduct 2. 1 The Company's policy is to promote high standards of integrity by conducting its affairs honestly and ethically. 2. 2 Each director, officer and employee must act with integrity and observe the highest ethical standards of business conduct in his or her dealings with the Company's customers, suppliers, partners, service providers, competitors, employees and anyone else with whom he or she has contact in the course of performing his or her job. CODE OF ETHICS AND BUSINESS CONDUCT 3. Conflicts of Interest 3. 1 A conflict of interest occurs when an individual's private interest (or the interest of a member of his or her family) interferes, or even appears to interfere, with the interests of the Company as a whole. A conflict of interest can arise when an employee, officer or director (or a member of his or her family) takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of interest also arise when an employee, officer or director (or a member of his or her family) receives improper personal benefits as a result of his or her position in the Company. 3. 2 Loans by the Company to, or guarantees by the Company of obligations of, employees or their family members are of special concern and could constitute improper personal benefits to the recipients of such loans or guarantees, depending on the facts and circumstances. Loans by the Company to, or guarantees by the Company of obligations of, any director or executive officer or their family members are expressly prohibited. 3. 3 Whether or not a conflict of interest exists or will exist can be unclear. Conflicts of interest should be avoided unless specifically authorized as described in Section 3. 4. 3. 4 Persons, other than directors and executive officers, who have questions about a potential conflict of interest or who become aware of an actual or potential conflict should discuss the matter with, and seek a determination and prior authorization or approval from, their supervisor or the Chief Executive Officer. A supervisor may not authorize or approve conflict of interest matters or make determinations as to whether a problematic conflict of interest exists without first providing the chief executive officer with a written description of the activity and seeking the chief executive officer's written approval. If the supervisor is himself or herself involved in the potential or actual conflict, the matter should instead be discussed directly with the Chief Executive Officer. Directors and executive officers must seek determinations and prior authorizations or approvals of potential conflicts of interest exclusively from the Audit Committee. 4. Compliance 4. 1 Employees, officers and directors should comply, both in letter and spirit, with all applicable laws, rules and regulations in the cities, states and countries in which the Company operates. 4. 2 Although not all employees, officers and directors are expected to know the details of all applicable laws, rules and regulations, it is important to know enough to determine when to seek advice from appropriate personnel. Questions about compliance should be addressed to the Chief Executive Officer. 4. 3 The laws with which you must comply include " insider trading laws " relating to transactions in our securities. No director, officer or employee may purchase or sell any Company securities

while in possession of material nonpublic information regarding the Company, nor may any director, officer or employee purchase or sell another company's securities while in possession of material nonpublic information regarding that company. It is against Company policies and illegal for any director, officer or employee to use material nonpublic information regarding the Company or any other company to: (a) obtain profit for himself or herself; or (b) directly or indirectly "tip" others who might make an investment decision on the basis of that information. 4. Some of your specific responsibilities are set forth in our Insider Trading Policy. Generally, you are not permitted to buy, sell or otherwise trade in our securities without specific permission in accordance with our Insider Trading Policy, and then only during specified periods. Please carefully read our Insider Trading Policy in full and contact the chief financial officer if you have questions about it. 5. Disclosure 5. 1 The Company's periodic reports and other documents filed with the SEC, including all financial statements and other financial information, must comply with applicable federal securities laws and SEC rules. 5. 2 Each director, officer and employee who contributes in any way to the preparation or verification of the Company's financial statements and other financial information must ensure that the Company's books, records and accounts are accurately maintained. Each director, officer and employee must cooperate fully with the Company's accounting and internal audit departments, as well as the Company's independent public accountants and counsel. 5. 3 Each director, officer and employee who is involved in the Company's disclosure process must: (a) be familiar with and comply with the Company's disclosure controls and procedures and its internal control over financial reporting; and (b) take all necessary steps to ensure that all filings with the SEC and all other public communications about the financial and business condition of the Company provide full, fair, accurate, timely and understandable disclosure. 6. Protection and Proper Use of Company Assets 6. 1 All directors, officers and employees should protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability and are prohibited. 6. 2 All Company assets should be used only for legitimate business purposes, though incidental personal use may be permitted. Any suspected incident of fraud or theft should be reported for investigation immediately. 6. 3 The obligation to protect Company assets includes the Company's proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business and marketing plans, engineering and manufacturing ideas, designs, databases, records and any nonpublic financial data or reports. Unauthorized use or distribution of this information is prohibited and could also be illegal and result in civil or criminal penalties. 7. Corporate Opportunities All directors, officers and employees owe a duty to the Company to advance its interests when the opportunity arises. Directors, officers and employees are prohibited from taking for themselves personally (or for the benefit of friends or family members) opportunities that are discovered through the use of Company assets, property, information or position. Directors, officers and employees may not use Company assets, property, information or position for personal gain (including gain of friends or family members). In addition, no director, officer or employee may compete with the Company. 8. Confidentiality Directors, officers and employees should maintain the confidentiality of information entrusted to them by the Company or by its customers, suppliers or partners, except when disclosure is expressly authorized or is required or permitted by law. Confidential information includes all nonpublic information (regardless of its source) that might be of use to the Company's competitors or harmful to the Company or its customers, suppliers or partners if disclosed. 9. Fair Dealing Each director, officer and employee must deal fairly with the Company's customers, suppliers, partners, service providers, competitors, employees and anyone else with whom he or she has contact in the course of performing his or her job. No director, officer or employee may take unfair advantage of anyone through manipulation, concealment, abuse or privileged information, misrepresentation of facts or any other unfair dealing practice. 10. Reporting and Enforcement 10. 1 Reporting and Investigation of Violations (a) Actions prohibited by this Code involving directors or executive officers must be reported to the Audit Committee. (b) Actions prohibited by this Code involving anyone other than a director or executive officer must be reported to the reporting person's supervisor or the Chief Executive Officer. (c) After receiving a report of an alleged prohibited action, the Audit Committee, the relevant supervisor or the chief executive officer must promptly take all appropriate actions necessary to investigate. (d) All directors, officers and employees are expected to cooperate in any internal investigation of misconduct. 10. 2 Enforcement (a) The Company must ensure prompt and consistent action against violations of this Code. (b) If, after investigating a report of an alleged prohibited action by a director or executive officer, the Audit Committee determines that a violation of this Code has occurred, the Audit Committee will report such determination to the Board of Directors. (c) If, after investigating a report of an alleged prohibited action by any other person, the relevant supervisor determines that a violation of this Code has occurred, the supervisor will report such determination to the Chief Executive Officer or General Counsel, if any. (d) Upon receipt of a determination that there has been a violation of this Code, the Board of Directors or the General Counsel, if any, will take such preventative or disciplinary action as it deems appropriate, including, but not limited to, reassignment, demotion, dismissal and, in the event of criminal conduct or other serious violations of the law, notification of appropriate governmental authorities. 10. 3 Waivers (a) Each of the Board of Directors (in the case of a violation by a director or executive officer) and the Chief Executive Officer or General Counsel, if any (in the case of a violation by any other person), may, in its discretion, waive any violation of this Code. (b) Any waiver for a director or an executive officer shall be disclosed as required by SEC and the rules of the NASDAQ Stock Market, or other principal stock exchange on which the Company's securities are traded or quoted. 10. 4 Prohibition on Retaliation. The Company does not tolerate acts of retaliation against any director, officer or employee who makes a good faith report of known or suspected acts of misconduct or other violations of this Code. [Signature Page Follows] I certify that I have carefully read the Digital Brands Group, Inc. Code of Business Conduct and Ethics and understand its terms and importance and will comply with it. I acknowledge that this Code is a statement of policies for business conduct and does not, in any way,

constitute an employment contract or an assurance of continued employment. Signature Date _____ Print Name Exhibit 19.1 Adopted May 18, 2021 INSIDER TRADING POLICY Many of you have access to material non-public information about us and our subsidiaries or about our business (including information about other companies with which we do or may do business). The purchase or sale of securities while possessing or being aware of material non-public information, typically referred to as “insider” information, or the selective disclosure or “tipping” of such information to others who may trade securities based upon that information is prohibited by Federal and state laws. Violation of such laws can result in the imposition of substantial civil and criminal penalties. The scope of insider trading violations can be wide reaching. The Securities and Exchange Commission (the “SEC”) has brought insider trading cases against corporate officers, directors, and employees who traded the corporation’s securities after learning of significant, confidential corporate developments; friends, business associates, family members, and other “tippees” of such officers, directors, and employees who traded the securities after receiving such information; employees of law, banking, brokerage, and printing firms who were given such information in order to provide services to the corporation whose securities they traded; government employees who learned of such information because of their employment by the government; and other persons who misappropriated, and took advantage of, confidential information from their employers. Consequently, an “insider” can include officers, directors, major stockholders and employees of an entity whose securities are publicly traded. In general, an insider must not trade for personal gain in the securities of that entity if that person possesses material, nonpublic information about the entity. In addition, an insider who is aware of material, nonpublic information must not disclose such information to family, friends, business or social acquaintances, employees or independent contractors of the entity (unless such employees or independent contractors have a position within the entity giving them a clear right and need to know), and other third parties. An insider is responsible for assuring that his or her family members comply with insider trading laws. An insider may make trades in the market or discuss material information only after the material information has been made public. The Consequences The consequences of violations of this Insider Trading Policy (this “Policy” can be extremely serious for the individual involved and for us. Individuals who trade on material non-public information or pass on material non-public information to others (or “tip” such information to others) can face: • An injunction, disgorgement of any profits gained or losses avoided, and a civil penalty of up to three times the profit gained or loss avoided; • A criminal fine (no matter how small the profit) of up to \$ 5 million; and • A prison sentence of up to 20 years. Employers (as well as possibly any supervisory person) who fail to take appropriate steps to prevent illegal trading can face: • A civil penalty of the greater of \$ 1 million or three times the profit gained or loss avoided as a result of the employee’s violation; and • A criminal penalty of up to \$ 25 million. In addition, persons who traded contemporaneously with, and on the other side of, the insider trading violator may sue the violator and the controlling persons of the violator to recover the profit gained or loss avoided by the violator. Any of the above consequences, even an SEC investigation that does not result in prosecution, can tarnish one’s reputation and irreparably damage a career. In addition, if a director or employee violates this Policy, we may impose our own sanctions, including dismissal, regardless of whether civil or criminal penalties are imposed. We have adopted this Policy to avoid even the appearance of improper conduct on the part of any of our employees or directors (not just so-called insiders). All of our employees and directors have worked hard over the years to establish a reputation for integrity and ethical conduct. This Policy is designed to further our reputation and that of each employee and director for integrity and good corporate citizenship. Bounties The SEC is offering bounties to persons who provide information leading to the imposition of the civil penalty. Policy Regarding Material Non-Public Information No director, officer or employee who has or is aware of material non-public information relating to us may buy or sell our securities (our common stock, warrants, stock options, or any other securities we may issue, or derivatives not issued by us such as exchange traded put or call options on our stock), directly or indirectly, or engage in any other action to take personal advantage of that information or pass such non-public information on to others. This policy also applies to information relating to any other company, including our customers or suppliers, obtained in the course of employment by or in service to us. There are no exceptions made for transactions that may be necessary or justifiable for independent reasons, such as the need to raise money for an emergency expenditure. Even the appearance of an improper transaction must be avoided to preserve our reputation for adhering to the highest standards of conduct. This may mean that you cannot sell our securities or securities of our customers or suppliers while you have or are aware of material non-public information about them even if you need to. If material non-public information is inadvertently disclosed, no matter what the circumstances, by any director, officer or employee, the person making or discovering that disclosure should immediately report the facts to our Chief Financial Officer. Definition of Material Non-Public Information “Material” information is any information that a reasonable investor would likely consider important in a decision to buy, hold or sell stock. In other words, “material” information is any information which could reasonably be expected to affect the price of our stock. Among others, common examples of information that will frequently be regarded as ‘material,’ are: projections of or guidance about future earnings, losses or financial liquidity problems; changes or reaffirmations to previously provided projections or guidance; financial information about completed fiscal quarters or years; major marketing changes; news of a pending or proposed joint venture, merger, acquisition or tender offer; news of a significant sale of any of our assets; planned or pending significant acquisitions of properties; terms of significant joint ventures (such as those that may provide us financing for acquisitions); changes in dividend or distribution policies or the declaration of a stock split; the offering of additional securities; changes in management; major personnel changes; significant litigation or government investigations; the gain or loss of a substantial supplier; and the imposition of a ban on trading our securities or those of another company. “Non-public” information is any information which has not been disclosed generally to the marketplace. Information about us and our business that is

not yet in general circulation should be considered non- public. Similarly, information received about another company in circumstances indicating that it is not yet in general circulation should be considered non- public. All information that you learn about us or our business plans in connection with your position is potentially “ insider ” information until publicly disclosed or made available by us to the general public. As described below under “ No Trading During Blackout Periods ”, an additional period of time must elapse after a press release before information is considered to have been publicly disclosed. Persons Subject to the Policy This Policy applies to the following (collectively, “ Subject Persons ”): • all executive officers of the Company and its subsidiaries, • all members of the Company’ s Board of Directors, • all employees of the Company and its subsidiaries, • family members and other members of a person’ s household, and • entities controlled by a person covered by this Policy. The Company may also determine that other persons should be subject to this Policy, such as contractors or consultants who have access to material nonpublic information. Please also refer to the sections below under the headings “ Pre- Clearance by Trading Compliance Officer ” and “ Trading Window Periods ” for additional procedures applicable directors, executive officers, every employee of the Company with the title of officer or above, family members of, and entities controlled by, such persons, and all employees in the accounting and finance group of the Company. Applicability to Family Members. This Policy applies to your family members who reside with you (including a spouse, a child, a child away at college, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in- laws), anyone else who lives in your household, and any family members who do not live in your household but whose transactions in the Company’ s securities are directed by you or are subject to your influence or control, such as parents or children who consult with you before they trade in the Company’ s securities (collectively referred to as “ family members ”). This Policy also applies to accounts in which Subject Persons (as listed above) has any beneficial interest. You are responsible for the transactions of these other persons and therefore should make them aware of the need to confer with you before they trade in Company securities, and you should treat all such transactions for the purposes of this Policy and applicable securities laws as if the transactions were for your own account. This Policy does not, however, apply to personal securities transactions of family members where the purchase or sale decision is made by a third party not controlled by, influenced by or related to you or your family members (e. g., accounts where investment decisions are made by an independent investment manager in a fully discretionary account). Personnel subject to this Insider Trading Policy are responsible for assuring that their family members comply with the foregoing restrictions on trading. Tipping Information to Others This Policy applies to any entities that you influence or control, including any corporations, partnerships or trusts, and transactions by these entities should be treated for the purposes of this Policy and applicable securities laws as if they were for your own account. You should treat all such information as confidential and proprietary information. Whether the information is proprietary about us or information that could have an impact on the price of our securities, you may not disclose it to others, including family members and others living in your household or friends and casual acquaintances. If this non- public information is also “ material, ” you are required by law and this Policy to refrain from trading upon this information and from passing the information on to others who may trade based upon this information. Serious penalties apply to these actions whether or not you derive any benefit from another’ s actions. The SEC has imposed hefty penalties on tippers even though they did not profit from their tippees’ trading. Pre- Clearance of Trades by All Directors, Officers and Certain Employees To provide assistance in preventing inadvertent violations and avoiding even the appearance of an improper transaction (which could result, for example, where an employee engages in a trade while unaware of a pending major development), the procedure set forth below must be followed by all directors, officers and certain employees [listed on Schedule A] as may be designated by the [Chief Financial Officer / Company] from time to time.. Except as described below, all transactions in our securities (purchases, sales, transfers, etc.) by any director, officer or certain employees, or by any of their family / household members, or by an entity controlled by a director, officer or certain employees, must be precleared by our Chief Financial Officer. If you contemplate a transaction, you should contact our Chief Financial Officer. If granted, clearance is only effective for the particular trade (s) described to our Chief Financial Officer and for trading, consistent with that description, effected within three (3) business days following and excluding the date the clearance is given. (For this purpose, a trade is “ effected ” when the buy or sell order is executed, so that a legal commitment to complete the trade arises; merely placing the order, if it can be cancelled, does not effect the trade; also the post- trade “ settlement period ” is not counted). At any time during that three- business- day period, our Chief Financial Officer may, if he or she concludes circumstances warrant, revoke the clearance as to trades which have not yet been effected. In all cases, the decision of our Chief Financial Officer is binding. This procedure, and this Policy generally, does not apply to certain transactions described below under Permitted Transactions. No Trading During Blackout Periods Because many employees may be deemed to have a fairly clear idea of what our financial results will be by late in the financial quarter, the Board of Directors has instituted a rule that no director, officer or certain employees [listed on Schedule A / B] as may be designated by the [Chief Financial Officer / Company] from time to time is allowed to trade in our securities during a period that extends from the end of a financial quarter until 48 hours after that quarter’ s financial results are released to the public. This period is called the “ blackout period. ” We provide examples of how the blackout period is calculated below. If you are unsure whether we are in a blackout period, you should refrain from trading in our securities and ask our Chief Financial Officer whether a blackout is in effect. Even when a blackout is not in effect, you may not buy or sell our securities if you are in possession or aware of material non- public information. Furthermore, even when a blackout is not in effect, it would be improper for an employee to enter a trade immediately after we have made a public announcement of material information, including earnings releases. Because our stockholders and the investing public should be afforded the time to receive the information and act upon it, as a general rule outside of the blackout period, you should not engage in any transactions

until at least 48 hours after material information has been released. For example, if an announcement is made on Monday, Wednesday generally would be the first day on which you could trade. If an announcement is made on a Friday, Tuesday generally would be the first day on which you could trade. Prohibition Against Derivative Transactions It is important to avoid the appearance as well as the fact of insider trading or disclosure of material, non- public information. Therefore, it is against this Policy to directly or indirectly participate in transactions involving trading activities that by their nature are aggressive or speculative or may give rise to an appearance of impropriety. Accordingly, you may not: • Engage in short sales (sale of stock that the seller does not own or a sale that is completed by delivery of borrowed stock) with respect to our securities; • Purchase or pledge our stock on margin (subject to limited exceptions in our Chief Financial Officer's determination); or • Enter into any derivative or similar transactions with respect to our securities. Examples of prohibited derivative transactions include, but are not limited to, purchases or sales of puts and calls (whether written or purchased or sold), options (whether "covered" or not), forward contracts, including but not limited to prepaid variable forward contracts, put and call "collars" ("European" or "American"), "equity" or "performance" swap or exchange agreements or any similar agreements or arrangements however denominated in our securities. Permitted Transactions This Policy does not apply to the following transactions, except as specifically noted: (1) Exercise of an employee stock option acquired pursuant to the Company's equity incentive plans, provided that none of the underlying shares of our common stock received upon such exercise are sold while aware of material non- public information. This Policy does apply, however, to any sale of stock as part of a broker- assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option. (2) Vesting of restricted stock made pursuant to a restricted stock award under the Company's equity incentive plans. This Policy does apply, however, to any market sale of restricted stock. (3) Other similar transactions such as any other purchase of Company securities directly from the Company or sales of Company securities to the Company are not subject to this Policy. (4) Bona fide gifts of securities are not transactions subject to this Policy. (5) Investments in publicly traded mutual funds are not transactions subject to this Policy. Post- Termination Transactions This Policy continues to apply to transactions in Company securities even after termination of service to the Company. If you are in possession of material nonpublic information when your service terminates, you may not trade in Company securities until that information has become public or is no longer material. The pre- clearance procedures specified under the heading "Pre- Clearance of Trades by all Directors, Officers and Certain Employees" above, however, will cease to apply to transactions in Company securities upon the expiration of any blackout period or other Company- imposed trading restrictions applicable at the time of the termination of service. Reporting and "Short Swing" Profit Provisions of Section 16 of the Securities Exchange Act Section 16 of the Securities Exchange Act requires our directors and executive officers to file forms reporting their transactions in our securities and requires directors and executive officers to pay over to us profits realized by directors and executive officers from certain sales and purchases of our securities that take place within a six- month period. If you have any questions regarding the requirements of Section 16, please contact our Chief Financial Officer. Twenty- Twenty Hindsight Remember, if your securities transactions become the subject of scrutiny, they will be viewed after- the- fact with the benefit of hindsight. As a result, before engaging in any transaction, you should carefully consider how regulators and others might view your transaction in hindsight. 10b5- 1 Trading Plans The law offers a defense from liability to our employees, directors and officers who trade in our securities regardless of their awareness of inside information if the transaction is made pursuant to a pre- arranged trading plan that was established in compliance with applicable law and was entered into when the person was not in possession or aware of material non- public information. A person who wishes to enter into a trading plan must submit the plan to our Chief Financial Officer for approval prior to the adoption, modification or termination of the trading plan. Compliance Officer Assistance Any person who has any questions about specific transactions may obtain additional guidance from our Chief Financial Officer. Remember, however, the ultimate responsibility for adhering to this Policy and avoiding improper transactions rests with you. It is imperative that you use your best judgment.

CONFIRMATION I HEREBY ACKNOWLEDGE THAT I HAVE RECEIVED, HAVE READ AND UNDERSTAND THE FOREGOING POLICIES OF THE COMPANY. Date: Signature Print Name Exhibit 23. 1 Consent of Independent Registered Public Accounting Firm Austin, Texas We consent to the incorporation by reference in the Registration Statements on Form S- 8 (No. 333- 256261) and on Form S- 3 (Nos. 333- 266486 and 333- 268045) of Digital Brands Group, Inc. (the "Company") of our report dated April 9, 2025 with respect to the consolidated balances sheets of the Company as of December 31, 2023 and 2023 and the related consolidated statements of operations, stockholders' equity (deficit), and cash flows for the years then ended, included in this Annual Report on Form 10- K. Our report includes an explanatory paragraph regarding substantial doubt about the Company's ability to continue as a going concern. / s / Macias, Gini and O' Connell LLP EXHIBIT 31. 1 Certifications I, John Hilburn Davis, certify that: 1. I have reviewed this Annual Report on Form 10- K of Digital Brands Group, Inc.; 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report; 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report; 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a- 15 (e) and 15d- 15 (e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a- 15 (f) and 15d- 15 (f)) for the registrant and have: (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including

its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions): (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 9, 2025 By: /s/ John Hilburn Davis John Hilburn Davis Chief Executive Officer (Principal Executive Officer) EXHIBIT 31. 2 Certifications I, Reid Yeoman, certify that: 1. I have reviewed this Annual Report on Form 10-K of Digital Brands Group, Inc.; Date: April 9, 2025 By: /s/ Reid Yeoman Reid Yeoman Chief Financial Officer (Principal Financial Officer) EXHIBIT 32. 1 CERTIFICATION 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 Annual Report of Digital Brands Group, Inc. (the " Company ") on Form 10- K, for the fiscal year ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the " Report "), I, John Hilburn Davis, Chief Executive Officer of Digital Brands Group, Inc., certify, pursuant to 18 U. S. C. ss. 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; and (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

EXHIBIT 32. 2 In connection with the Annual Report of Digital Brands Group, Inc. (the " Company ") on Form 10- K, for the fiscal year ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the " Report "), I, Reid Yeoman, Chief Financial Officer of Digital Brands Group, Inc., certify, pursuant to 18 U. S. C. ss. 1350, as adopted pursuant to Section 906 of the Sarbanes- Oxley Act of 2002, that, to the best of my knowledge: Exhibit 97. 1