

Risk Factors Comparison 2025-05-02 to 2024-05-02 Form: 10-K

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

Risks Related to Our Business and Industry — We may ~~not be unable~~ **able** to ~~effectively execute~~ **realize the benefits of** our ~~customer strategy~~ **strategic initiatives**. Our public relations team conducts a wide variety of press activities to reinforce the brand image and create excitement around the Vince brand. Our apparel has appeared in the pages of major fashion magazines such as Vogue, Harper's Bazaar, Elle, InStyle, GQ, Esquire and WSJ. Well-known trend setters in entertainment and fashion are also regularly seen wearing the brand. Sourcing and Manufacturing We do not own or operate any manufacturing facilities. We contract for the purchase of finished goods with manufacturers who are responsible for the entire manufacturing process, including the purchase of piece goods and trim. Although we do not have long-term written contracts with manufacturers, we have long-standing relationships with a diverse base of vendors which we believe to be mutually satisfactory. We work with more than ~~25-30~~ **25-30** manufacturers across ~~10-12~~ **10-12** countries, with ~~79-66~~ **79-66** % of our products produced in China in fiscal ~~2023-2024~~ **2023-2024**. For cost and control purposes, we contract with select third-party vendors in the U. S. to produce a small portion of our merchandise. All of our garments are produced according to our specifications, and we require that all of our manufacturers adhere to strict regulatory compliance and standards of conduct. Our vendors' factories are monitored by our production team to ensure quality control, and they are monitored by independent third-party inspectors we employ for compliance with local manufacturing standards and regulations on an annual basis. We also monitor our vendors' manufacturing facilities regularly, providing technical assistance and performing in-line and final audits to ensure the highest possible quality. Distribution Facilities As of February ~~3-1, 2024-2025~~ **3-1, 2024-2025**, we operated out of three distribution centers, one located in the U. S., one in Hong Kong and one in Belgium. Our warehouse in the U. S., located in California, is operated by a third-party logistics provider and includes dedicated space to fulfilling orders to support our wholesale partners, retail locations and e-commerce business and utilizes a warehouse management system that is fully customer and vendor compliant. Our warehouse in Hong Kong is operated by a third-party logistics provider and supports our wholesale orders for international customers located primarily in Asia **and the Middle East**. Our warehouse in Belgium is operated by a third-party logistics provider and supports our Vince wholesale orders for international customers located primarily in Europe and our Vince UK store. We believe we have sufficient capacity in our domestic and international distribution facilities to support our current and projected business. Information **Systems** ~~During~~ **Systems** ~~During~~ fiscal 2021, we completed the rollout of a new point of sale ("POS") system for the Vince brand to expand our omni-channel capabilities to promote direct-to-consumer growth and enhance the customer engagement and shopping experience. During fiscal 2022, we completed the implementation of a customer data platform and the front-end re-platforming of our Vince e-commerce website. **In fiscal 2023 and 2024, we improved our cybersecurity environment through the implementation of true end-point protection and improved network infrastructure.** Our continued strategy includes investing in customer-facing technologies to further expand our omni-channel capabilities and to further consolidate systems over time to create operational efficiencies and to achieve a common platform across the Company. See Part I, Item 1A. Risk Factors — "Risks Related to Our Information Technology and Security — We are continuing to adopt, optimize and improve our information technology systems, processes and functions. If these systems, processes, and functions do not operate successfully, our business, financial condition, results of operations and cash flows could be materially harmed" and Part II, Item 9A. "Controls and Procedures." ~~Seasonality~~ **Seasonality** ~~The~~ **The** apparel and fashion industry in which we operate is cyclical and, consequently, our revenues are affected by general economic conditions and the seasonal trends characteristic to the apparel and fashion industry. Purchases of apparel are sensitive to a number of factors that influence the level of consumer spending, including economic conditions and the level of disposable consumer income, consumer debt, interest rates and consumer confidence as well as the impact of adverse weather conditions. In addition, fluctuations in the amount of sales in any fiscal quarter are affected by the timing of seasonal wholesale shipments and other events affecting direct-to-consumer sales. As such, the financial results for any particular quarter may not be indicative of results for the fiscal year. We expect such seasonality to continue. ~~Competition~~ **Competition** ~~We~~ **We** face strong competition in each of the product categories and markets in which we compete on the basis of style, quality, price, and brand recognition. Some of our competitors have achieved significant recognition for their brand names or have substantially greater financial, marketing, distribution and other resources compared to us. However, we believe that we have established a sustainable and distinct position in the current marketplace, driven by a product assortment that combines classic and fashion-forward styling, and a pricing strategy that offers customers accessible luxury. Human ~~Capital~~ **Capital** ~~As~~ **As** of February ~~3-1, 2024-2025~~ **3-1, 2024-2025**, we had ~~579-578~~ **579-578** employees, of which ~~355-344~~ **355-344** were employed in our company-operated retail stores. Except for 8 employees in France, who are covered by collective bargaining agreements pursuant to French law, none of our employees are currently covered by a collective bargaining agreement and we believe our employee relations are good. Our key human capital measures include associate turnover, pay equity, and professional development as well as safety. We have programs in place to provide associates with feedback on performance and professional development, including our formal annual performance review process. We frequently benchmark our compensation and benefits practices against comparable peers and assess them, so we continue to attract and retain talent throughout our organization. We strive to maintain an inclusive environment free from discrimination of any kind. Associates have multiple ways to report inappropriate behavior, including through a confidential hotline. All reports of inappropriate behavior are promptly investigated with appropriate action taken to stop such behavior. Trademarks and ~~Licensing~~ **Licensing** ~~On~~ **On** April 21, 2023, **V Opco Vince, LLC**, the Company's wholly owned indirect subsidiary, entered into the Asset Purchase Agreement, by and among **V Opco Vince, LLC**, ABG Vince, a newly formed indirect subsidiary of Authentic Brands Group,

LLC, the Company and ABG Intermediate Holdings 2 LLC, whereby **V Opco Vince, LLC** sold its intellectual property assets related to the business operated under the Vince brand to ABG Vince at closing. The Company closed the Asset Sale on May 25, 2023 (the "Closing"). On May 25, 2023, in connection with the Closing, **V Opco Vince, LLC** and ABG Vince entered into a License Agreement (the "License Agreement"), which provides **V Opco Vince, LLC** with a license to use the Licensed Property in the Territory, which is defined as the United States, Canada, Andorra, Austria, Germany, Switzerland, Belgium, Netherlands, Luxembourg, France, Monaco, Liechtenstein, Italy, San Marino, Vatican City, Iceland, Norway, Denmark, Sweden, Finland, Spain, Portugal, Greece, Republic of Cyprus (excluding Northern Cyprus), United Kingdom, Ireland, Australia, New Zealand, Mainland China, Hong Kong, Macau, Taiwan, Singapore, Japan and Korea (the "Core Territory"), together with all other territories (the "Option Territory," together with the Core Territory, the "Territory"), to the Approved Accounts (each as defined in the License Agreement). The Option Territory may be changed unilaterally by ABG Vince at any time after the effective date of the License Agreement. The License Agreement also provides **V Opco Vince, LLC** with a license to operate the Vince e-commerce site, www.vince.com, as well as to operate all retail stores in the Territory. **V Opco Vince, LLC** is required to operate and maintain a minimum of 45 Retail Stores and Shop-in-Shops in the Territory. Additionally, the License Agreement provides **V Opco Vince, LLC** with a license to use the Licensed Property in the Territory to design, manufacture, promote, market, distribute, and sell ready-to-wear Sportswear Products and Outerwear Products (the "Core Products") and Baby Layettes (the "Option Products," together with the Core Products, the "Licensed Products"), which Option Products may be changed unilaterally by ABG Vince at any time after the effective date of the License Agreement. The initial term of the License Agreement began on May 25, 2023, the date on which the Closing actually occurred, and ends at the end of the Company's 2032 fiscal year, unless sooner terminated pursuant to the terms of the License Agreement. **V Opco Vince, LLC** has the option to renew the License Agreement on the terms set forth in the License Agreement for eight consecutive periods of ten years each, unless the License Agreement is sooner terminated pursuant to its terms or **V Opco Vince, LLC** is in material breach of the License Agreement and such breach has not been cured within the specified cure period. **V Opco Vince, LLC** may elect not to renew the term for a renewal term. **V Opco Vince, LLC** is required to pay ABG Vince a royalty on net sales of Licensed Products and committed to an annual guaranteed minimum royalty of \$ 11,000 and annual minimum net sales as specified in the License Agreement, in each case, during the initial term of the License Agreement, except that the guaranteed minimum royalty and minimum net sales for the first contract year during the initial term will be prorated to the period beginning on the Closing Date and ending at the end of the Company's 2023 fiscal year. The annual guaranteed minimum royalty and annual minimum net sales for each subsequent renewal term will be the greater of (i) a percentage as set forth in the License Agreement of the guaranteed minimum net royalty or the minimum net sales (as applicable) of the immediately preceding contract year, and (ii) the average of actual Royalties (as defined in the License Agreement, with respect to the guaranteed minimum royalty) or actual Net Sales (as defined in the License Agreement, with respect to the annual minimum net sales) during certain years as set forth in the License Agreement of the preceding initial term or renewal term (as applicable). **V Opco Vince, LLC** is required to pay royalties comprised of a low single digit percentage of net sales arising from retail and e-commerce sales of Licensed Products and a mid single digit percentage of net sales arising from wholesale sales of such Licensed Products. In the event that the annual guaranteed minimum royalty paid to ABG Vince in any given contract year is greater than the actual royalties earned by ABG Vince in the same contract year, the difference between the royalty actually earned and the annual guaranteed minimum royalty paid is credited for the next two contract years against any amount of royalty earned by ABG Vince in excess of the annual guaranteed minimum royalty paid during each such contract year, if any. ~~On February 17, 2023, the Company's indirectly wholly owned subsidiary, Parker Lifestyle, LLC, completed the sale of its intellectual property and certain related ancillary assets to Parker IP Co. LLC, an affiliate of BCI Brands. On December 22, 2022, the Company's indirectly wholly owned subsidiary, Rebecca Taylor, Inc., completed the sale of its intellectual property and certain related ancillary assets to RT IPO, LLC, an affiliate of Ramani Group. See Note 2 "Recent Transactions" to the Consolidated Financial Statements in this Annual Report for additional information. Available Information~~ **Information** We make available free of charge on our website, vince.com, copies of our Annual Reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy and information statements and all amendments to these reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as soon as reasonably practicable after filing such material electronically with, or otherwise furnishing it to, the SEC. The SEC maintains a website at sec.gov that contains reports, proxy and information statements and other information regarding the Company and other companies that electronically file materials with the SEC. The reference to our website address does not constitute incorporation by reference of the information contained on the website, and the information contained on the website is not part of this Annual Report. **ITEM 1A. RISK FACTORS.** The following risk factors should be carefully considered when evaluating our business in addition to the forward-looking statements included elsewhere in this Annual Report. See "Disclosures Regarding Forward-Looking Statements." Any of the following factors could materially adversely affect our business, results of operations and financial condition. Additional risks and uncertainties not currently known to us or that we currently view as immaterial may also materially adversely affect our business, results of operations and financial condition. All amounts disclosed are in thousands except shares, per share amounts, percentages, stores, and number of leases. **Risks Related to Our Business and Industry Changes to and unpredictability in the trade policies and tariffs imposed by the U. S. government and the governments of other nations could materially affect our financial condition, liquidity and results of operations.** The failure to maintain our license agreement relating..... Territory, which is defined as the United States **recently announced changes to U. S. trade policy**, Canada **which included increasing tariffs on imports**, Andorra **in some cases significantly**, Austria **and potentially renegotiating or terminating existing trade agreements. For example**, Germany **in April 2025**, the Switzerland, Belgium, Netherlands, Luxembourg, France, Monaco, Liechtenstein, Italy, San Marino, Vatican City, Iceland, Norway, Denmark, Sweden, Finland, Spain, Portugal, Greece, Republic of Cyprus (excluding Northern Cyprus), United

Kingdom States announced a new universal baseline tariff of 10 %, Ireland plus additional country- specific tariffs for select trading partners , Australia including a 145 % tariff on substantially all products of Chinese origin , on all U. S. imports. These tariffs significantly raise New Zealand, Mainland China, Hong Kong, Macau, Taiwan, Singapore, Japan and Korea (the "Core Territory") per- unit cost of our products. While to date our responses have included further diversification of our sourcing base , together strategic price increases, collaboration with all partners across our network to help absorb increased costs, measured spending across the organization, and other territories (cost- mitigation measures, the situation surrounding the recently implemented tariffs remains uncertain and continues to evolve on a daily or weekly basis as ongoing uncertainty relating to international trade policy and regulations as well as trade disputes, protectionist measures, and threat of a trade war persist. Accordingly, the overall impact on our business will depend on multiple factors, including the duration and potential expansion of current tariffs, future changes to tariff rates, scope, or enforcement, retaliatory measures by impacted exporting countries, inflationary effects and broader macroeconomic responses, changes to consumer purchasing behavior, and the effectiveness of our responses in managing the these " Option Territory," challenges. Because we cannot predict future trade policy in the United States and together -- other with countries, the there Core Territory, is no assurance that we will be able to fully mitigate the financial and competitive impacts related to tariffs or the other trade restrictions (" Territory"), any of which could Option Territory may be changed unilaterally by..... us to lose all our revenues and have a material adverse effect on our business, liquidity and financial results of operations. Our business is impacted..... available for distribution to Vince, LLC . Our ability to continue to have the liquidity necessary to service our debt, meet contractual payment obligations, including royalty payments under the License Agreement (as defined below) , and fund our operations , particularly in light of the recently implemented tariffs, depends on many factors, including our ability to generate sufficient cash flow from operations, maintain adequate availability under our 2023 Revolving Credit Facility (as defined below) or obtain other financing. Our ability to timely service our indebtedness, meet contractual payment obligations, including royalty payments under the License Agreement, and to fund our operations , particularly in light of the recently implemented tariffs, will depend on our ability to generate sufficient cash, either through cash flows from operations, borrowing availability under the 2023 Revolving Credit Facility or other financing , and our ability to access the capital markets if other sources of financing are unavailable on acceptable terms . While we expect to meet our monthly Excess Availability (as defined in the 2023 Revolving Credit Facility Agreement) covenant and believe that our other sources of liquidity will generate sufficient cash flows to meet our obligations for the next twelve months, the foregoing expectation is dependent on a number of factors, including, among others, our ability to generate sufficient cash flow from operations, our ongoing ability to manage our operating obligations, the ability of our partners to satisfy their payment obligations to us when due, the results of any future inventory valuations and the potential borrowing restrictions imposed by our lenders based on their credit judgment, all of which could materially be significantly and negatively impact impacted by the recently implemented and new retaliatory and / our- or reciprocal tariffs borrowing capacity, the wind down of the Rebecca Taylor business, as well as changing trade policies between the U. S. and its trading partners, in addition to other macroeconomic factors . Any such negative impact could materially and negatively impact our borrowing capacity . In the event that we are unable to timely service our debt, meet other contractual payment obligations or fund our other liquidity needs, we may need to refinance all or a portion of our indebtedness before maturity, seek waivers of or amendments to our contractual obligations for payment, reduce or delay scheduled expansions and capital expenditures, liquidate inventory through additional discounting, sell material assets or operations or seek other financing opportunities. There can be no assurance that these options would be readily available to us and our inability to address our liquidity needs could materially and adversely affect our operations and jeopardize our business, financial condition and results of operations, including a default under the 2023 Revolving Credit Facility which could result in all amounts outstanding under such facility becoming immediately due and payable. See " — Changes to and unpredictability in the trade policies and tariffs imposed by the U. S. government and the governments of other nations could materially affect our financial condition and results of operations." General economic conditions in the U. S. and other parts of the world, including a weakening of the economy and restricted credit markets, can affect consumer confidence and consumer spending patterns. The success of our operations depends on consumer spending. Consumer spending is impacted by a number of factors, including actual and perceived economic conditions affecting disposable consumer income, customer traffic within shopping and selling environments, business conditions, interest rates and availability of credit and tax rates in the general economy and in the international, regional and local markets in which our products are sold, including those resulting from inflation and other macroeconomic pressures in the United States and the global economy, particularly in light of the financial impacts of recently implemented and new retaliatory and / or reciprocal tariffs, as well as changing trade policies between the U. S. and its trading partners (including rising interest rates, fears of recession and continued market volatility and instability in the banking sector), health epidemics or pandemics, climate change, catastrophic events, such as war (including the armed conflicts between Ukraine and Russia and in the Middle East and the related governmental and non- governmental global responses to such conflict), terrorist attacks, civil unrest, and other acts of violence. A worsening of the economy may negatively affect consumer and wholesale purchases of our products and could have a material adverse effect on our business, results of operations and financial conditions. Our operations are restricted by our credit facilities. Our credit facility contains significant restrictive covenants. The 2023 Revolving Credit Facility includes covenants that may impair our financing and operational flexibility and make it difficult for us to react to market conditions and satisfy our ongoing capital needs and unanticipated cash requirements. Specifically, such covenants significantly restrict our ability and, if applicable, the ability of our subsidiaries to, among other things: incur additional debt; make certain investments and acquisitions; enter into certain types of transactions with affiliates; use assets as security in other transactions; pay dividends; sell certain assets or merge with or into other companies; guarantee the debt of others; enter into new lines of

businesses; make capital expenditures; prepay, redeem, or exchange our debt; and form any joint ventures or subsidiary investments. Our ability to comply with the covenants and other terms of our debt obligations, particularly in light of the financial impacts of recently implemented and new retaliatory and / or reciprocal tariffs, as well as changing trade policies between the U. S. and its trading partners, will depend on our future operating performance. If we fail to comply with such covenants and terms, and are unable to cure such failure under the terms of our credit facilities, if applicable, we would be required to obtain additional waivers from our lenders to maintain compliance with our debt obligations. If we are unable to obtain any necessary waivers and the debt is accelerated, a material adverse effect on our financial condition and future operating performance would likely result. We may not be able to improve realize the benefits of our profitability strategic initiatives. Our business growth depends We have enhanced our focus on driving profitability through disciplined inventory management, lower promotional activity, the successful execution of our strategic initiatives of our business. The success of our strategic initiatives depends on a number pullback in the of off factors - price channel, an improved gross margin profile and an optimized expense structure, including through our ability to execute and realize the enhanced profitability expectations of our planned transformation program. However, position our profitability is impacted by multiple factors retail and e-commerce businesses for further strategic growth, particularly through enhancement of our customer data platform to drive greater loyalty and conversion and capture broader customer base, expand our presence internationally including in Asia and Europe, grow men's business, our ability to properly identify appropriate future growth opportunities, and other macroeconomic impacts on our business. There can be no assurance that the strategic initiatives would produce intended positive results, particularly as we adapt to the new operational landscape as a result of the Asset Sale and the entry into the License Agreement. If we are unable to realize the benefits of the strategic initiatives, our financial conditions, results of operations and cash flows could be materially and adversely affected. We may be unable to improve our profitability. We expect a negative impact on our operating and net income resulting from the royalty payments under the License Agreement as well as the loss of our footwear and soft accessories licenses as a result of the Asset Sale. We plan to offset such negative impact by driving margin expansion through disciplined cost management and reduced promotional activity, particularly through our transformation program. There is no assurance that we will be successful in implementing this strategy as such success depends on a number of factors, such as our ability to properly identify and execute cost management initiatives and macroeconomic factors that could impact our promotional cadence. In particular If we are unable to implement the strategy to drive margin expansion, in light of we may not be able to offset the negative impact on our financial impacts results and our profitability may not improve as intended. We may be unable to effectively execute our customer strategy. One of recently implemented our strategic priorities is to utilize a customer data platform and marketing strategy from which we will be able to drive customer initiatives underpinned by data and technology, creating improved segmentation and personalization for an and new retaliatory enhanced customer experience both domestically and / or reciprocal tariffs internationally. This will require significant investment in technology and infrastructure, as well as changing trade policies between the U. S. and its trading partners, our profitability could be significantly increased reliance on leveraging micro and macro influencer networks to increase brand and adversely impacted awareness and loyalty through social media and the digital dissemination of advertising campaigns. We must keep up See " — Changes to date with and unpredictability in the trade policies and tariffs imposed by the U. S. government and the governments of other nations competitive technology trends, including the use of innovative technology, creative and attractive user interfaces, and other e-commerce marketing tools such as paid search and mobile applications, among others, which may increase our costs as well as our exposure to legal and reputational liability for online content, but may not succeed in increasing sales or attracting new customers. Any failure on our part to effectively execute on our strategy to enhance our customers' experience and realize the expected return on our investment in these initiatives could negatively materially affect sales as well as the reputation of the brands, which could adversely impact our growth and profitability. Our limited operating experience and brand recognition in international markets may delay our expansion strategy and cause our business and growth to suffer. We face risks with respect to our strategy to expand internationally, including our efforts to further expand our business in Asia and Europe through company-operated locations, wholesale arrangements as well as with international partners. Our current operations are based largely in the U. S., with international wholesale sales representing approximately 8% of net sales for fiscal 2023. Therefore, we have a limited number of customers and experience in operating outside of the U. S. We also do not have extensive experience with regulatory environments and market practices outside of the U. S. and cannot guarantee that we will be able to penetrate or successfully operate in any market outside of the U. S. Many of these markets also have different operational characteristics, including employment and labor regulations, transportation, logistics, real estate (including lease terms) and local reporting or legal requirements, and the impact on the international markets remains unclear. In addition, pursuant to the License Agreement, our exclusive license to operate the Vince brand may be limited by the terms of the License Agreement. Some of the regions in which we currently operate are designated as Option Territories, including the Middle East and Latin America. If Authentic chooses to operate in these Option Territories, we become unable to directly operate in those areas. In fiscal 2021, we commenced a strategy to expand our international retail and e-commerce presence in China and a select list of neighboring countries in Asia via a joint venture arrangement. We are in the initial stages of establishing this relationship and there can be no guarantee that it will materialize. Further, we may face counterparty and / or operational risks as this joint venture arrangement makes us susceptible to the actions of our third-party partner. Our joint venture partner may have views that differ or conflict with ours, such as the timing of new store openings and the pricing of our products, or our partner may become bankrupt, which may as a practical matter subject us to our partner's liabilities in connection with the joint venture. Although we have sought and generally will seek to maintain sufficient control of any investment to permit our objectives to be achieved, we might not be able to take certain actions without the approval of our partners. Reliance on joint venture relationships and our partners exposes us to increased risk that our joint ventures will not be successful and will result in competitive harm to the brand image that could

cause our expansion efforts, profitability and results of operations to suffer. One of our strategic initiatives is to focus on our direct-to-consumer business, which includes opening retail stores in select locations under more favorable and shorter lease terms and operating and maintaining our new and existing retail stores successfully. If we are unable to execute this strategy in a timely manner, or at all, our financial condition and results of operations could be materially and adversely affected. "As part of our strategy to increase focus on our direct-to-consumer business, we continue to seek retail opportunities in targeted streets or malls with desirable size and adjacencies, typically near luxury retailers that we believe are consistent with our key customers' demographics and shopping preferences, and seek to negotiate more favorable leases including shorter terms. The success of this strategy depends on a number of factors, including the identification..... our existing retail locations undergo changes that result in reductions in customer foot traffic or otherwise render the locations unsuitable, such as economic downturns in the area, changes in demographics and customer preferences, and the closing or decline in popularity of adjacent stores. As of February 3, 2024, we operated 63 stores, including 47 company-operated Vince full-price stores and 15 company-operated Vince outlet stores throughout the United States and one company-operated Vince full price store in the United Kingdom. During fiscal 2022, we recorded non-cash asset impairment charges of \$ 1, 880 within Impairment of long-lived assets on the Consolidated Statements of Operations and Comprehensive Income (Loss) related to the impairment of property and equipment and operating lease right-of-use assets of certain retail stores with carrying values that were determined not to be recoverable and exceeded their **there** fair value. We may in the..... a specified gross sales threshold. There can be no assurance that we will **continue to** be able **successful in driving margin expansion and profitability** to achieve these-- **the extent** required thresholds and in the event we are not able to **positively impact our financial results** do so, we may be forced to find an **and our profitability** alternative store location and may not **improve** be successful in doing so. Any loss of our store locations due to underperformance may harm our results of operations, stock price and reputation. Payments under these leases account for a significant portion of our selling, general and administrative expenses. For example, as of February 3, 2024, we..... many for which we have already extended **intended** or secured an alternative location. As our leases expire, we may fail to negotiate renewals, either on commercially acceptable terms or at all, or to find a suitable alternative location, which could cause us to close stores in desirable locations or in the case of office leases, incur costs in relocating our office space. A substantial portion of our revenue is derived from a small number of large wholesale partners, and the loss of **, or other changes with,** any of these wholesale partners could substantially reduce our total revenue. We historically had and continue to have a small number of wholesale partners who account for a significant portion of our net sales. Our consolidated net sales to the full-price, off-price and e-commerce operations of our largest wholesale partner comprised **20-26** % of our total revenue for fiscal **2023-2024**. We do not have formal written agreements with any of our wholesale partners and purchases generally occur on an order-by-order basis. A decision by any of our major wholesale partners, whether motivated by marketing strategy, competitive conditions, financial difficulties or otherwise, to significantly decrease the amount of merchandise purchased from us, or to change their manner of doing business with us, could substantially reduce our revenue and have a material adverse effect on our profitability. **Furthermore, the foregoing could be exacerbated by the financial impacts on our wholesale partners of recently implemented and new retaliatory and / or reciprocal tariffs, as well as changing trade policies between the U. S. and its trading partners.** In addition, due to the concentration of and / or ownership changes in our wholesale partner base, our results of operations could be adversely affected if any of these wholesale partners fails to satisfy its payment obligations to us when due or no longer takes part in the distribution arrangements. **Moreover, continued consolidation in the retail industry could further decrease the number of, or concentrate, our wholesale partner base, and financial difficulties of one of our major customers could result in reduced business and higher credit risk with respect to that customer. All of These these** changes could also decrease our opportunities in the market and decrease our negotiating strength with our wholesale partners. Furthermore, under the License Agreement, ABG Vince may remove any customer account that was pre-approved at the time of the closing of the Asset Sale if it believes using its good faith, commercially reasonable judgment, that such account is no longer consistent with the brand positioning for the Licensed Property or reject at its sole good faith discretion any new customer account we submit for its approval. If we lose any of our existing wholesale partners as a result of ABG Vince's decision to remove them, or if we are unable to expand our wholesale partnership or any addition of new wholesale partners is rejected by ABG Vince, our results of operations could be significantly and negatively impacted. These factors could have a material adverse effect on our business, financial condition, and operating results. If we are unable to accurately forecast customer demand for our products, our results of operations could be materially impacted. We stock our stores, and provide inventory to our wholesale partners, based on our or their estimates of future demand for particular products. Our inventory management and planning team determines the number of pieces of each product that we will order from our manufacturers based upon past sales of similar products, sales trend information and anticipated demand at our suggested retail prices. 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, product introductions by competitors, unanticipated changes in general market conditions **(including the recently implemented tariffs as discussed below)**, and weakening of economic conditions or consumer confidence in future economic conditions. We cannot guarantee that we will be able to match supply with demand in all cases in the future, to produce sufficient levels of desirable product or to forecast demand accurately. **In particular, the financial and competitive impacts resulting from recently implemented and new retaliatory and / or reciprocal tariffs, as well as changing trade policies between the U. S. and its trading partners, could significantly impact our ability to procure desirable products in appropriate categories to meet consumer demand or at prices that are satisfactory to customers.** If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products. Inventory levels in excess of customer demand may result in inventory write-downs or write-offs and the sale of excess inventory at discounted prices, which would negatively impact our gross margin, as was the case in fiscal 2022. Conversely, if we underestimate customer demand for our products, our manufacturers may not be able to deliver products to

meet our requirements, and this could harm our business. There can be no assurance that we will be able to successfully manage our inventory at a level appropriate for future customer demand. **General economic conditions in the U.S. On May 25, 2023, V Opco, the Company's wholly owned indirect subsidiary, sold all its intellectual property assets related to the business operated under the Vince brand to ABG Vince, and- failure to maintain our license agreement relating to the Vince brand would cause us to lose all our revenues.** On May 25, 2023, Vince, LLC, the Company's wholly owned indirect subsidiary, sold all its intellectual property assets related to the business operated under the Vince brand to ABG Vince, an indirect subsidiary of Authentic Brands Group, LLC ("Authentic "), pursuant to the Asset Purchase Agreement, entered into by and among V Opco Vince, LLC, ABG Vince, the Company and ABG Intermediate Holdings 2 LLC. Simultaneously with the Asset Sale, V Opco Vince, LLC entered into a license agreement (as amended from time to time, the "License Agreement ") with ABG Vince which provides us with a license to use the Licensed Property in the Territory (as defined in the License Agreement) in the Territory, which is defined as the United States, Canada, Andorra, Austria, Germany, Switzerland, Belgium, Netherlands, Luxembourg, France, Monaco, Liechtenstein, Italy, San Marino, Vatican City, Iceland, Norway, Denmark, Sweden, Finland, Spain, Portugal, Greece, Republic of Cyprus (excluding Northern Cyprus), United Kingdom - other parts of territories (the world "Option Territory, including" together with the Core Territory, the "Territory "), which Option Territory may be changed unilaterally by ABG Vince at any time after the effective date of the License Agreement. Additionally, we may use in the Territory, the Licensed Property in the Territory to design, manufacture, promote, market, distribute, and sell ready- to- wear sportswear products and outerwear products (the "Core Products ") and home décor and baby layettes (the "Option Products, ") together with the Core Products, the "Licensed Products "), which Option Products may be changed unilaterally by ABG Vince at any time after the effective date of the License Agreement. The License Agreement has an initial term of ten years with eight options to renew for a ten- year period each. Our revenues are generated solely from sales a weakening ten- year period each. Our revenues are generated solely from sales of products pursuant to the license granted under the License Agreement. We are required under the License Agreement, among the other things economy and restricted credit markets, can affect consumer confidence and consumer to achieve specified minimum net sales, make specified royalty payments, spending--- spend patterns specified advertising and promotion expenditures, and maintain a minimum number of retail stores. If we do not satisfy any of the material requirements of the License Agreement, ABG Vince has the right to terminate the license or not renew the License Agreement. The success of failure to maintain our- or renew the License Agreement will cause us to lose all our revenues and have a material adverse effect on our results of operations depends on consumer spending. Consumer spending-Our business is impacted by of operations. Our business is impacted by ABG Vince's expansion of the Vince brand into other categories and territories. Under the License Agreement, ABG Vince may produce and sell Vince products other than the Licensed Products and operate the Vince brand in Option Territories into which it may decide to enter in the future. ABG Vince may do so by granting additional licenses to other third parties. For example, in August 2023, ABG Vince granted to a third party licensee a license to use the Licensed Property in the Territory to manufacture and distribute men' s tailored clothing and accessories across the US and Canada. We are unable to control the business strategies of ABG Vince relating to the expansion of the Vince brand outside of the license granted to us under the License Agreement, including how those strategies impact our own business strategies, the quality of products produced by other Vince brand licensees as well as how the overall Vince brand image may evolve. If there is a change in the parameters of the Vince brand' s design, pricing, distribution, target market or competitive set as a result of the brand' s expansion into other categories and territories, we may be unable to maintain our historical product design and marketing direction or appeal to the brand' s customer base as originally intended and our results of operations could be materially and adversely affected. Our business is subject to ABG Vince' s approval rights and other actions. Under the License Agreement, ABG Vince has broad approval rights at its sole good faith discretion, including over, among other things, design direction of Licensed Products and marketing strategies, as well as any addition of new customer accounts and new retail locations. In addition, ABG Vince may remove any customer account that was pre- approved at the time of the closing of the Asset Sale if using its good faith, commercially reasonable judgment, it believes that such account is no longer consistent with the brand positioning for the Licensed Property. If ABG Vince chooses to exercise any of these approval rights, we may be unable to operate our business as intended. Furthermore, as part of the Asset Sale, our license agreements, including our e- commerce website domain name license, were sold to ABG Vince. ABG Vince will be required to maintain such license agreements going forward, and its failure to do so could materially and adversely affect our business and operations. Lastly, V Opco Vince, LLC' s governance rights as a minority equity holder of ABG Vince are limited and therefore, ABG Vince could choose to take corporate actions that would materially and negatively impact the results of operations of ABG Vince, which could in turn adversely affect the amount of cash available for distribution to Vince, LLC V Opco. We may not be able to realize the benefits a number of factors, which historically included positioning our retail and e-commerce businesses for further strategic growth, particularly through enhancement of our customer data platform to create improved segmentation and personalization for an enhanced customer experience, expanding our presence internationally including actual in Asia and perceived Europe, growing men' s business, properly identifying appropriate future growth opportunities, and other economic- macroeconomic impacts on our business. However, there can be no assurance that these strategic initiatives will produce their intended positive results and, particularly in light of the financial impacts of recently implemented and new retaliatory and / or reciprocal tariffs, as well as changing trade policies between the U. S. and its trading partners, some or all of our strategic initiatives may become operationally infeasible or impractical. If we are unable to realize the benefits of the strategic initiatives, our financial conditions affecting disposable consumer income, customer traffic- results of operations and cash flows could be materially and adversely affected. We are subject to risks associated within-- with shopping fair value. We may in the future record

Further impairments of these assets. We are subject to risks associated with leasing retail and office space, which are historically subject to long-term non-cancellable leases and are required to make substantial lease payments under our operating leases, and any failure to make these lease payments when due would likely harm our business, profitability and results of operations. We do not own any of our stores or our offices, including our New York, Los Angeles or Paris offices and showroom spaces, but instead lease all of such space under operating leases. Substantially all of our leases require a fixed annual rent, and most require the payment of additional rent if store sales exceed a negotiated amount. Most of our leases are "net" leases, which require us to pay the cost of insurance, taxes, maintenance, and utilities. Some of our leases are subject to initial terms that are as long as 10 years, and we generally cannot cancel these leases solely at our option. Additionally, certain of our leases allow the lessor to terminate the lease if we do not achieve a specified gross sales threshold. There can be no assurance that we will be able to achieve these required thresholds and in the event we are not, an alternative store location and may not be successful in doing so. Any loss of our store locations due to underperformance may harm our results of operations, stock price and reputation. Payments under these leases account for a significant portion of our selling environments, general and administrative expenses. For example, as of February 31, 2024-2025, we were a party to 67-61 operating leases associated with our retail stores and our office and showroom spaces requiring future minimum lease payments of \$ 22, 006-466 in the aggregate through fiscal 2024-2025 and \$ 84-109, 140-209 thereafter. Any new retail stores leased by us under operating leases will further increase our operating lease expenses, and some of those stores may require significant capital expenditures. We depend on cash flows from operations to pay our lease expenses and to fulfill our other cash needs. If particularly in light of the financial impacts of recently implemented and new retaliatory and / or reciprocal tariffs, as well as changing trade policies between the U.S. and its trading partners, if our business does not generate sufficient cash flow from operating activities, and sufficient funds are not otherwise available to us from borrowings under our credit facilities or from other sources, we may not be able to service our operating lease expenses, grow our business conditions, does not generate sufficient cash flow from operating activities, interest rates and sufficient funds are not otherwise available to us from borrowings under our credit facilities or from and tax rates in the other general economy and in sources, we may not be able to service our operating lease expenses, grow our business, respond to competitive challenges or fund our other liquidity international, regional and local markets in capital needs, which would harm our business. In addition, we may remain obligated under the applicable lease for, among other things, payment of the base rent for the remaining lease term, even after the space is exited our or products are sold, including those otherwise closed (such as our temporary store closures resulting from inflation and other the COVID- 19 pandemic macroeconomic pressures in the United States and the global economy (including rising interest rates, fears of recession and continued market volatility and instability in the banking sector) , health epidemics or pandemics, climate change, and catastrophic events, such Such costs as war (including the armed conflicts between Ukraine and obligations Russia and in the Middle East) and the related governmental and non-governmental global responses to such conflict), terrorist attacks, civil unrest, and other the early acts of violence. A worsening of the economy may negatively affect consumer and wholesale purchases of our or products and temporary closure of our stores or termination of our leases could have a material adverse effect on our business, results of operations, and financial conditions. a number of factors, including the identification of suitable markets and sites, negotiation of acceptable lease terms while securing those favorable locations, including desired term, rent and tenant improvement allowances, and if entering a new market, the timely achievement of brand awareness and proper evaluation of the market particularly for locations with shorter term, affinity and purchase intent in that market, as well as our business condition in funding the opening and operations of stores. In addition, under the License Agreement, we are required to maintain a minimum number of retail locations as well as obtain prior approval from ABG Vince with respect to new retail locations which may be provided at its sole good faith discretion. We may be unable to execute this strategy open new retail locations as intended if ABG Vince chooses to withhold such approval. Furthermore, we may not be able to maintain the successful operation of our retail stores if the areas around our existing retail locations undergo changes that result in reductions in. We have identified a material weakness in our internal control over financial reporting that could, if not remediated, result in material misstatements in our financial statements. A material weakness continued to exist relating to our internal control over financial reporting which was previously identified in fiscal 2016. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of an entity's financial statements will not be prevented or detected on a timely basis. The material weakness will not be remediated until all necessary internal controls have been implemented, tested and determined to be operating effectively. In addition, we may need to take additional measures to address such material weakness or modify the planned remediation steps, and we cannot be certain that the measures we have taken, and expect to take, to improve our internal controls will be sufficient to address the issues identified, to ensure that our internal controls are effective or to ensure that the identified material weakness will not result in a material misstatement of our consolidated financial statements. Moreover, other material weaknesses or deficiencies may develop or be identified in the future. If we are unable to correct material weaknesses or deficiencies in internal controls in a timely manner, our ability to record, process, summarize and report financial information accurately and within the time periods specified in the rules and forms of the SEC, will be adversely affected. This failure could negatively affect the market price and trading liquidity of our common stock, cause investors to lose confidence in our reported financial information, subject us to civil and criminal investigations and penalties, and otherwise materially and adversely impact our business and financial condition. For so long as we remain a "non-accelerated filer" under the rules of the Securities and Exchange Commission, our independent registered public accounting firm is not required to deliver an annual attestation report on the effectiveness of our internal control over financial reporting. We will cease to be a non-accelerated filer if either (i) the aggregate market value of our outstanding common stock held by non-affiliates as of the last business day of our most recently completed second fiscal quarter (our "public float") is \$ 75, 000 or more and our annual revenues for the most recently completed fiscal year are \$

100,000 or more or (ii) our public float is \$700,000 or more, in which case we would become subject to the requirement for an annual attestation report by our independent registered public accounting firm on the effectiveness of our internal control over financial reporting. Failure to comply with laws and regulations could adversely impact our business. We are subject to numerous domestic and international laws, regulations and advisories, including labor and employment, environmental, wage and hour, customs **and tariffs**, truth-in-advertising, consumer protection, data and privacy protection, and zoning and occupancy laws and ordinances that regulate retailers generally or govern the importation, promotion and sale of merchandise and the operation of stores and warehouse facilities, **all of which may change from time to time**. If these regulations were violated by our management, employees, vendors, independent manufacturers or partners, the costs of certain goods could increase, or we could experience delays in shipments of our products, be subject to fines or penalties, or suffer reputational harm, which could reduce demand for our merchandise and hurt our business and results of operations. In addition, we are subject to laws and regulations related to us being a public company, including the rules and regulations of the SEC and the **New York Stock Exchange ("NYSE")**. Any violation of or not meeting compliance standards under such laws and regulations could impact our status as a public company, including our ability to continue being listed on the NYSE. Moreover, changes in product safety or other consumer protection laws could lead to increased costs to us for certain merchandise, or additional labor costs associated with readying merchandise for sale. It is often difficult for us to plan and prepare for potential changes to applicable laws and future actions or payments related to such changes could be material to us. Increased scrutiny from investors, regulators and others regarding our approach to sustainability matters and environmental, social and governance ("ESG") practices could result in additional costs or risks that adversely impact our business operations, including our reputation and our financial results. Increasingly, regulators, customers, investors, employees and other stakeholders are focusing on sustainability matters and ESG practices and related disclosures. The emergence of new and more stringent legislation, regulation and oversight related to sustainability and ESG practices (such as the marketing of goods and business practices, and corresponding mandatory and voluntary public reporting and disclosures related to such practices, including the SEC's recent climate-related reporting requirements) are likely to result in increased costs and expenses and increased management time and attention spent monitoring, complying with or meeting sustainability and ESG-related requirements and expectations, which could impact our business operations, including our financial results. For example, developing and acting on sustainability and ESG-related initiatives, including design, sourcing and operations decisions, and collecting, measuring and reporting related data and metrics can be costly, difficult and time-consuming. Furthermore, the Company's approach to sustainability matters and ESG practices may be based on assumptions and standards for measuring progress that are still evolving, internal controls and processes that are developing, and reporting standards that may be subject to change in the future. Failure or perceived failure to adapt to or sufficiently comply with evolving or expanding regulatory requirements or stakeholder expectations and standards could further increase costs and expenses, including through potential regulatory enforcement and consumer actions, and could negatively impact the Company's reputation, consumer patronage and, in turn, our results of operations. Intense competition in the apparel and fashion industry could reduce our sales and profitability. As a fashion company, we face intense competition from other domestic and foreign apparel, footwear and accessories manufacturers and retailers. Competition has and may continue to result in pricing pressures, reduced profit margins, lost market share or failure to grow our market share, any of which could substantially harm our business and results of operations. Some of our competitors have 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. These capabilities of our competitors may allow one or more of them to better withstand downturns in the economy or apparel and fashion industry. Any increased competition, or our failure to adequately address any of these competitive factors which we have seen from time to time, could result in reduced sales, which could adversely affect our business, financial condition, and operating results. Competition, along with such other factors as consolidation within the retail industry and changes in consumer spending patterns, could also result in significant pricing pressure and cause the sales environment to be more promotional, as it has been in recent years, impacting our financial results. For instance, we operated through a highly promotional sales environment during fiscal 2022 which had a negative impact on our operating results. If promotional pressure remains intense, either through actions of our competitors or through customer expectations, this may cause a further reduction in our sales and gross margins and could have a material adverse effect on our business, financial condition and operating results. We may not successfully manage the transition associated with the appointment of ~~the Interim~~ **a new** Chief Executive Officer, ~~and a permanent~~ Chief Executive **Financial** Officer when identified, which could have an adverse impact on us. On **February 5, 2025, we announced that, in connection with the P180 Acquisition, we appointed Brendan Hoffman as our Chief Executive Officer, effective as of February 6, 2025. David Stefko resigned from the position of Interim Chief Executive Officer, effective February 6, 2025, and remains a member of the Board. Additionally, on March 26-28, 2024-2025, Jonathan Schwefel-John Szczepanski resigned from his positions-** ~~position~~ as Chief Executive **Financial** Officer of the Company ~~and member of the Board~~. In connection with Mr. Schwefel **Szczepanski**'s resignation, **effective April 14, 2025, the Board-board appointed David Stefko-Yuji Okumura, a current member of the Board and former Company's Interim** Chief Financial Officer of the Company ~~since March 2025 and Vice President~~, **to serve Controller since September 2020, as Chief Financial Officer. The effectiveness of our Interim-new** Chief Executive Officer **and** ~~The Board is in the process of identifying a permanent Chief~~ **Financial** Executive Officer. ~~The effectiveness of our Interim Chief Executive Officer and our senior leadership team generally, following the~~ **foregoing transition transitions**, ~~and the transition to the permanent Chief Executive Officer when identified~~, could have a significant impact on our ability to operate the business effectively. The failure to ensure a smooth transition, including required knowledge transfers, could negatively affect our results of operations and financial condition as well as our ability to execute our business strategies. If we lose any key personnel, are unable to attract key personnel, or assimilate and retain our key personnel, we may not be able to successfully operate or grow our business. Our continued success is dependent on our ability to attract, assimilate, retain, and

motivate qualified management, designers, administrative talent, and sales associates to support existing operations and future growth. Competition for qualified talent in the apparel and fashion industry is intense, and we compete for these individuals with other companies that in many cases have greater financial and other resources. The loss of the services of any members of senior management or board of directors or the inability to attract and retain qualified executives or members of our board of directors could have a material adverse effect on our business, results of operations and financial condition. In addition, we will need to continue to attract, assimilate, retain, and motivate highly talented employees with a range of other skills and experience. Competition for employees in our industry, especially at the store management levels, is intense and we may from time to time experience difficulty in retaining our associates or attracting the additional talent necessary to support the growth of our business. We will also need to attract, assimilate, and retain other professionals across a range of disciplines, including design, production, sourcing, and international business, as we develop new product categories and continue to expand our international presence. Our operating results may be subject to seasonal and quarterly variations in our net revenue and income from operations. The apparel and fashion industry in which we operate is cyclical and, consequently, our revenues are affected by general economic conditions and the seasonal trends characteristic to the apparel and fashion industry. Purchases of apparel are sensitive to a number of factors that influence the level of consumer spending, including economic conditions and the level of disposable consumer income, consumer debt, interest rates, consumer confidence as well as the impact from adverse weather conditions. In addition, fluctuations in the amount of sales in any fiscal quarter are affected by the timing of seasonal wholesale shipments and other events affecting direct- to- consumer sales; as such, the financial results for any particular quarter may not be indicative of results for the fiscal year. Any future seasonal or quarterly fluctuations in our results of operations may not match the expectations of market analysts and investors to assess the longer- term profitability and strength of our business at any particular point, which could lead to increased volatility in our stock price. Our goodwill could become further impaired, which may require us to take significant non-cash charges against earnings. In accordance with Financial Accounting Standards Board ASC Topic 350 Intangibles - Goodwill and Other ("ASC 350"), goodwill is tested for impairment at least annually and in an interim period if a triggering event occurs. Determining the fair value of goodwill is judgmental in nature and requires the use of significant estimates and assumptions, including estimates of projected revenues, EBITDA margins, long-term growth rates, working capital and discount rates, among others. We base our estimates on assumptions we believe to be reasonable, but which are unpredictable and inherently uncertain. Actual future results may differ from those estimates. It is possible that our current estimates of future operating results could change adversely and impact the evaluation of the recoverability of the remaining carrying value of goodwill, the impact of which could be material. There can be no assurances that we will not be required to record further charges in our financial statements, which would negatively impact our results of operations during the period in which any impairment of our goodwill is determined. Our competitive position could suffer if the intellectual property rights relating to the Vince brand are not protected. As a result of the Asset Sale, the intellectual property rights relating to the Vince brand will be protected and enforced by Authentic and we have no control over their actions to do so. If Authentic does not protect the intellectual property rights of the Vince brand, we may become unable to operate our business as intended, which could harm our business and cause our results of operations, liquidity, and financial condition to suffer. We may be unable to successfully complete **conclude remaining matters following** the wind down of the Rebecca Taylor business. On September 12, 2022, the Company announced its decision to wind down the Rebecca Taylor business. On December 22, 2022, the Company's indirectly wholly owned subsidiary, Rebecca Taylor, Inc., completed the sale of its intellectual property and certain related ancillary assets to RT IPCO, LLC, an affiliate of Ramani Group. Substantially all Rebecca Taylor inventory was liquidated as of January 28, 2023. All Rebecca Taylor retail and outlet stores operated by the Company were closed as of January 28, 2023 and the e-commerce site operated by the Company ceased in December 2022. On July 7, 2023, Rebecca Taylor, Inc. and Rebecca Taylor Retail Stores, LLC, each as an assignor, made a General Assignment for the Benefit of the Creditors (the "Assignment") to a respective assignee, an unaffiliated California limited liability company, pursuant to California state law. The Assignment resulted in the residual rights and assets of each of Rebecca Taylor, Inc. and Rebecca Taylor Retail Stores, LLC being assigned and transferred to such assignees. As a result, **The wind down of the Rebecca Taylor business was completed on May 3, Inc. and 2024 with the nominal sale of all outstanding shares of Rebecca Taylor Retail Stores, Inc. to Nova Acquisitions, LLC no longer hold any assets. The execution Following completion** of the wind down, **there** is subject to various remaining **remains certain** risks and uncertainties surrounding the actions of customers, vendors and other counterparties, including legal risks associated with the wind down. As a result, **we may not be able to successfully complete the wind down of the Rebecca Taylor business or the overall cost of the wind down may exceed our expectations and** **Furthermore, if we are unable to successfully complete the wind down of the Rebecca Taylor business or the cost exceeds our expectations, the Vince business may be adversely impacted. Risks Related to Our Supply Chain The extent of our foreign sourcing may adversely affect our business. In fiscal 2024 we worked with more than 30 manufacturers across 12 countries, with 66 % of our costs related to products produced in China throughout fiscal 2024. A manufacturing contractor's failure to ship products to us in a timely or cost-effective manner or to meet the required quality standards could cause us to miss the delivery date requirements of our customers for those items. The failure to make timely deliveries may cause customers to cancel orders, refuse to accept deliveries or demand reduced prices, any of which could have a material adverse effect on us. As a result of the magnitude of our foreign sourcing, our business is subject to the following additional risks:** • imposition of duties, taxes, tariffs and other charges on imports, and regulations, quotas, bans and other trade restrictions relating to imports (particularly in light of the financial impacts of recently implemented and new retaliatory and / or reciprocal tariffs, as well as changing trade policies between the U. S. and its trading partners), as further discussed below; • imposition of regulations, quotas and other trade restrictions relating to imports, including quotas imposed by bilateral textile agreements between the U. S. and foreign countries; • currency exchange rates, including decreases in the value of the U. S. dollar relative to foreign currencies, which could increase the

cost of products we purchase from foreign suppliers; • political and economic instability in countries or regions, especially Asia and in connection with armed conflict (such as conflicts between Ukraine and Russia and in the Middle East), including heightened terrorism, diplomatic and other security concerns, which could subject imported or exported goods to additional or more frequent inspections, leading to delays in deliveries or impoundment of goods; • increases in the costs of fuel, travel and transportation, both related and unrelated to the armed conflict between Ukraine and Russia and in the Middle East, and demand for freight services at a time of reduced ocean freight capacity; • disease epidemics and health-related concerns, which could result in travel restrictions, closed factories, reduced workforces and higher labor costs, scarcity of and increased prices for raw materials and scrutiny or embargoing of goods produced in infected areas; • labor union strikes at ports through which our products enter the U. S.; • labor shortages in countries where contractors and suppliers are located; • restrictions on the transfer of funds to or from foreign countries; • the migration and development of manufacturing contractors, which could affect where our products are or are planned to be produced; • reduced manufacturing flexibility because of geographic distance between our foreign manufacturers and us, increasing the risk that we may have to mark down unsold inventory as a result of misjudging the market for a foreign-made product; and • violations by foreign contractors of labor and wage standards and resulting adverse publicity. If these risks limit or prevent us from manufacturing products in any significant international market, prevent us from acquiring products from foreign suppliers, or continue to significantly increase the cost of our products, our operations could be seriously disrupted until alternative suppliers are found or alternative markets are developed, which could negatively and significantly impact our business. Furthermore, to date, the current U. S. Administration has imposed, and continues to propose to impose, additional tariffs on all U. S. imports, which significantly raises the per-unit cost of our products. While we have implemented certain strategies to mitigate such impact, including further diversification of our sourcing base to mitigate some negative macroenvironmental impact of a particular region such as China, executing such diversification is and will be time consuming, may be difficult or impracticable for many products, may result in further increases in our per-unit costs and / or may negatively impact the quality of our products. Any increase in the prices of our products and / or decline in the quality of our products could in turn negatively impact the demand for our products and negatively impact our business and results of operations. See “ — Changes to and unpredictability in the trade policies and tariffs imposed by the U. S. government and the governments of other nations could materially affect our financial condition and results of operations. ” Our reliance on independent manufacturers could cause delays or quality issues which could damage customer relationships. We use independent manufacturers to assemble or produce all of our products, whether inside or outside the U. S. We are dependent on the ability of these independent manufacturers to adequately finance the production of goods ordered, maintain sufficient manufacturing capacity, and otherwise provide products that are consistent with our quality and ethical standards. We receive from time to time shipments of product that fail to conform to our quality control standards or products that are damaged during shipment as they were not properly packed. Failures such as these in our quality control program may result in diminished product quality, which in turn may result in increased order cancellations and returns, decreased consumer demand for our products, or product recalls, any of which may have a material adverse effect on our results of operations and financial condition. In addition, products that fail to meet our standards, or other unauthorized products, could end up in the marketplace without our knowledge. This could materially harm our brand and our reputation in the marketplace. We generally do not have long-term written agreements with any independent manufacturers. As a result, any single manufacturing contractor could unilaterally terminate its relationship with us at any time or attempt to change historical terms of engagement, such as demanding accelerated payment terms, all and any of such actions by a manufacturing contractor could disrupt our supply chain strategies and our operations. Our top five manufacturers accounted for the production of approximately 59 % of our finished products during fiscal 2024. Supply disruptions from these manufacturers (or any of our other manufacturers) could have a material adverse effect on our ability to meet customer demands if we are unable to source suitable replacement materials at acceptable prices or at all. Moreover, alternative manufacturers, if available, may not be able to provide us with products or services of a comparable quality, at an acceptable price or on a timely basis. Furthermore, as we pursue further diversification of our sourcing base, particularly in light of the financial impacts of recently implemented and new retaliatory and / or reciprocal tariffs, as well as changing trade policies between the U. S. and its trading partners, we may replace one or more of our vendors and also enter into relationships with new manufacturers. Identifying suitable suppliers is an involved process that requires us to become satisfied with their quality control, responsiveness and service, financial stability and labor and other responsible and / or ethical business practices. There can be no assurance that there will not be a disruption in the supply of our products from independent manufacturers or that any new manufacturers will be successful in producing our products in a manner we expected, and as a result, our business and financial results could be negatively affected. Problems with our distribution process could materially harm our ability to meet customer expectations, manage inventory, complete sale transactions, and achieve targeted operating efficiencies. In the U. S., we rely on a distribution facility operated by a third-party logistics provider in California. Our ability to meet the needs of our wholesale partners and our own direct-to-consumer business depends on the proper operation of this distribution facility. Because substantially all of our products are distributed from one state, our operations could be interrupted by labor difficulties, by floods, fires, earthquakes or other natural disasters and health crises and pandemics, at or near such facility, or by the indirect effects of macroeconomic events, such as recently implemented, new and retaliatory and / or reciprocal tariffs. For example, a majority of our ocean shipments go through the ports in California, which are subject to significant processing delays, particularly in light of the financial impacts of recently implemented and new retaliatory and / or reciprocal tariffs, as well as changing trade policies between the U. S. and its trading partners, which

in turn results not only in shipment disruptions but also in significantly increased freight costs. We also have warehouses overseas, including in Hong Kong and Belgium, operated by third-party logistics providers, supporting our wholesale orders for customers located primarily in the nearby regions. Disruptions at any of these facilities located outside the U. S. (including disruptions related to tariff risks and the armed conflict between Ukraine and Russia and in the Middle East) could also materially and negatively impact our business. We maintain business interruption insurance. These policies, however, may not adequately protect us from the adverse effects that could result from significant disruptions to our distribution system. If we encounter problems with any of our distribution processes, our ability to meet customer expectations, manage inventory, complete sales, and achieve targeted operating efficiencies could be harmed. Any of the foregoing factors could have a material adverse effect on our business, financial condition, and operating results.

Fluctuations in the price, availability and quality of raw materials could cause delays and increase costs and cause our operating results and financial condition to suffer. Fluctuations in the price, availability and quality of the fabrics or other raw materials, particularly cotton, silk, leather and synthetics used in our manufactured apparel, could have a material adverse effect on cost of sales or our ability to meet customer demands. The prices of fabrics depend largely on the market prices of the raw materials used to produce them. The price and availability of the raw materials and, in turn, the fabrics used in our apparel may fluctuate significantly, depending on many factors, including crop yields, weather patterns, labor costs and changes in oil prices as well as other economic factors, particularly in light of the financial impacts of recently implemented and new retaliatory and / or reciprocal tariffs, as well as changing trade policies between the U. S. and its trading partners, and the armed conflict between Ukraine and Russia and in the Middle East. We may not be able to create suitable design solutions that utilize raw materials with attractive prices or, alternatively, to pass higher raw materials prices and related transportation costs on to our customers. We are not always successful in our efforts to protect our business from the volatility of the market price of raw materials, and our business can be materially affected by dramatic movements in prices of raw materials. The ultimate effect of this change on our earnings cannot be quantified, as the effect of movements in raw materials prices on industry selling prices are uncertain, but any significant increase in these prices could have a material adverse effect on our business, financial condition and operating results. If our independent manufacturers fail to use ethical business practices and comply with applicable laws and regulations, our business could be harmed due to negative publicity. We have established operating guidelines which promote responsible and ethical business practices such as fair wage practices, compliance with child labor laws and other local laws. While we monitor compliance with those guidelines, we do not control our independent manufacturers or their business practices. Accordingly, we cannot guarantee their compliance with our guidelines. From time to time, our audit results have revealed a lack of compliance in certain respects, including with respect to local labor, safety, and environmental laws. Other fashion companies have faced criticism after highly publicized incidents or compliance issues have occurred or been exposed at factories producing their products. To the extent our manufacturers do not bring their operations into compliance with such laws or resolve material issues identified in any of our audit results, we may face similar criticism and negative publicity. In addition, other fashion companies have encountered organized boycotts of their products in such situations. If we, or other companies in our industry, encounter similar problems in the future, it could harm our business, stock price and results of operations. In addition, a lack of demonstrated compliance by our suppliers, and especially by any new suppliers with whom we may have little or no experience, could lead or require us to seek alternative suppliers, which could increase our costs and result in delayed delivery of our products, product shortages or other disruptions of our operations. Furthermore, expectations of ethical business practices continually evolve, may be substantially more demanding than applicable legal requirements and are driven in part by legal developments and by diverse groups active in publicizing and organizing public responses to perceived ethical shortcomings. Accordingly, we cannot predict how expectations of ethical business practices might develop in the future and cannot be certain that our guidelines would satisfy all parties who are active in monitoring and publicizing perceived shortcomings in labor and other business practices worldwide.

Risks Related to Our Information Technology and Security System or data security issues, such as cyber or malware attacks, as well as other major system failures could disrupt our internal operations or information technology services, and any such disruption could negatively impact our net sales, increase our expenses and harm our reputation. From time to time, we are subject to system or data security problems, including viruses and bugs as well as security issues created by third-party software and applications, employee errors and malfeasance and other various causes. None of these incidents has resulted in any data or information breaches or any other material impact to our financial results. There is no assurance, however, that we would not be subject to material security problems in the future, including cyber or malware attacks, including as an indirect result of **our ability to direct sufficient human and capital resources towards systems and data security, malicious actors using artificial intelligence to carry out more sophisticated attacks and increasing the potential for harm, changes to domestic and international regulations or other policies or** the armed conflicts between Ukraine and Russia and in the Middle East, and we could incur significant expenses or disruptions of our operations in connection with resulting system failures or data and information breaches. The increased use of smartphones, tablets, and other wireless devices, as well as the hybrid and remote work environments, **and advancements in and increasing business integration of artificial intelligence** may also heighten these and other operational risks. The costs to us to eliminate or alleviate security problems, viruses and bugs could be significant, and the efforts to address these problems could result in interruptions, delays or cessation of service that may impact our reputation and / or impede our sales, distribution or other critical functions. Furthermore, any security issues that involve the compromise of personal information of our customers or employees could subject us to litigation and / or penalties and harm our reputation, materially and adversely affecting our business and growth. We also do not control our third-party service providers and cannot guarantee that no electronic or physical computer break-ins and security breaches will occur in the future, nor can we guarantee that any

loss we experience can be recovered from such third-party service providers. Lastly, in the case of a disaster affecting our information technology systems, we may experience delays in recovery of data, inability to perform vital corporate functions, tardiness in required reporting and compliance, failures to adequately support our operations and other breakdowns in normal communication and operating procedures that could materially and adversely affect our financial condition and results of operations. We are continuing to adopt, optimize and improve our information technology systems, processes, and functions. If these systems, processes, and functions do not operate successfully, our business, financial condition, results of operations and cash flows could be materially harmed. We continue to optimize and improve our information technology environment. For example, in fiscal 2022, we completed the implementation of a customer data platform and the front-end re-platforming of our Vince e-commerce website and in fiscal 2021-2023 and 2024, we completed improved our cybersecurity environment through the re-implementation of true end-point protection out of a new POS system for the Vince brand and improved network infrastructure. We plan to progress these strategies, including investing in customer facing technologies to further expand our omni-channel capabilities and to further consolidate systems over time to create operational efficiencies and to achieve a common platform across the Company. If we fail in our efforts to continue adopting, optimizing and improving these systems, processes and functions as currently planned or fail to effectively utilize technological advancements in areas such as artificial intelligence and data analytics, we could incur further disruptions to our business and operations, including lost e-commerce sales, a negative mobile experience for our customers, deficiencies or weaknesses in our internal controls, as well as additional costs to replace those systems and functions. Failure to comply with privacy-related obligations, including privacy laws and regulations in the U. S. and internationally as well as other legal obligations, could materially adversely affect our business. A variety of laws and regulations, in the U. S. and internationally, govern the collection, use, retention, sharing, transfer and security of personally identifiable information and data, including the European Union's General Data Protection Regulation ("GDPR"), which became effective during fiscal 2018, the California Consumer Privacy Act of 2018 ("CCPA"), which became effective on January 1, 2020 and the California Privacy Rights Act of 2020 ("CPRA"), which became effective January 1, 2023. Since the enactment of the CCPA and CPRA, data security laws have been proposed in more than half of the U. S. states and in the U. S. Congress, reflecting a trend toward more stringent privacy legislation in the U. S. Additionally, the Federal Trade Commission and many state attorneys general are interpreting federal and state consumer protection laws as imposing standards for the online collection, use, dissemination, and security of data. It is possible that these laws, rules and regulations, which evolve frequently and may be inconsistent from one jurisdiction to another, could be interpreted to conflict with our practices. In addition to the costs of compliance with and other burdens imposed by privacy and data security laws and regulations, any failure or perceived failure by us or any third parties with whom we do business to comply with these laws, rules and regulations, or with other obligations to which we may be or become subject, may result in actions against us by governmental entities, private claims and litigation, fines, penalties or other liabilities. Any such action would be expensive to defend, could damage our reputation and could adversely affect our business and operating results. Risks Related to Our Supply Chain Problems with our distribution process could materially harm our ability to meet customer expectations, manage inventory, complete sale transactions, and achieve targeted operating efficiencies. In the U. S., we rely on a distribution facility operated by a third-party logistics provider in California. Our ability to meet the needs of our wholesale partners and our own direct-to-consumer business depends on the proper operation of this distribution facility. Because substantially all of our products are distributed from one state, our operations could be interrupted by labor difficulties, or by floods, fires, earthquakes or other natural disasters and health crises and pandemics, at or near such facility. For example, a majority of our ocean shipments go through the ports in California, which had previously been subject to significant processing delays due to COVID-19 as well as a prior blockage in the Suez Canal, resulting not only in shipment disruptions but also in significantly increased freight costs. We also have warehouses overseas, including in Hong Kong and Belgium, operated by third-party logistics providers, supporting our wholesale orders for customers located primarily in the nearby regions. Disruptions at any of these facilities located outside the U. S. (including disruptions related to the armed conflict between Ukraine and Russia and in the Middle East) could also materially and negatively impact our business. We maintain business interruption insurance. These policies, however, may not adequately protect us from the adverse effects that could result from significant disruptions to our distribution system. If we encounter problems with any of our distribution processes, our ability to meet customer expectations, manage inventory, complete sales, and achieve targeted operating efficiencies could be harmed. Any of the foregoing factors could have a material adverse effect on our business, financial condition, and operating results. Fluctuations in the price, availability and quality of raw materials could cause delays and increase costs and cause our operating results and financial condition to suffer. Fluctuations in the price, availability and quality of the fabrics or other raw materials, particularly cotton, silk, leather and synthetics used in our manufactured apparel, could have a material adverse effect on cost of sales or our ability to meet customer demands. The prices of fabrics depend largely on the market prices of the raw materials used to produce them. The price and availability of the raw materials and, in turn, the fabrics used in our apparel may fluctuate significantly, depending on many factors, including crop yields, weather patterns, labor costs and changes in oil prices as well as other economic factors, such as those related to the armed conflict between Ukraine and Russia and in the Middle East. We may not be able to create suitable design solutions that utilize raw materials with attractive prices or, alternatively, to pass higher raw materials prices and related transportation costs on to our customers. We are not always successful in our efforts to protect our business from the volatility of the market price of raw materials, and our business can be materially affected by dramatic movements in prices of raw materials. The ultimate effect of this change on our earnings cannot be quantified, as the effect of movements in raw materials prices on industry selling prices are uncertain, but any significant increase in these prices could have a material adverse effect on our business, financial condition and operating results. The extent of our foreign sourcing may adversely affect our business. In fiscal 2023 we worked with more than 25 manufacturers across 10 countries, with 79% of our products produced in China throughout fiscal 2023. A manufacturing contractor's failure to ship products to us in a timely

manner or to meet the required quality standards could cause us to miss the delivery date requirements of our customers for those items. The failure to make timely deliveries may cause customers to cancel orders, refuse to accept deliveries or demand reduced prices, any of which could have a material adverse effect on us. As a result of the magnitude of our foreign sourcing, our business is subject to the following risks: • political and economic instability in countries or regions, especially Asia and in connection with armed conflict (such as conflicts between Ukraine and Russia and in the Middle East), including heightened terrorism, diplomatic and other security concerns, which could subject imported or exported goods to additional or more frequent inspections, leading to delays in deliveries or impoundment of goods; • imposition of regulations, quotas and other trade restrictions relating to imports, including the additional tariffs and bans imposed on certain imports from China (such as those imposed by the Uyghur Forced Labor Prevention Act), as well as other quotas imposed by bilateral textile agreements between the U. S. and foreign countries from time to time; • currency exchange rates; • imposition of increased duties, taxes, tariffs and other charges on imports; • increases in the costs of fuel, travel and transportation, both related and unrelated to the armed conflict between Ukraine and Russia and in the Middle East, and demand for freight services at a time of reduced ocean freight capacity; • disease epidemics and health-related concerns, which could result in travel restrictions, closed factories, reduced workforces and higher labor costs, scarcity of and increased prices for raw materials and scrutiny or embargoing of goods produced in infected areas; • labor union strikes at ports through which our products enter the U. S.; • labor shortages in countries where contractors and suppliers are located; • restrictions on the transfer of funds to or from foreign countries; • the migration and development of manufacturing contractors, which could affect where our products are or are planned to be produced; • reduced manufacturing flexibility because of geographic distance between our foreign manufacturers and us, increasing the risk that we may have to mark down unsold inventory as a result of misjudging the market for a foreign-made product; and • violations by foreign contractors of labor and wage standards and resulting adverse publicity. If these risks limit or prevent us from manufacturing products in any significant international market, prevent us from acquiring products from foreign suppliers, or significantly increase the cost of our products, our operations could be seriously disrupted until alternative suppliers are found or alternative markets are developed, which could negatively and significantly impact our business. While we may be able to shift our sourcing options to avoid any negative macroenvironmental impact of a particular region such as China, executing such a shift would be time consuming and would be difficult or impracticable for many products and may result in an increase in our manufacturing costs and /or may negatively impact the quality of our products. Any increase in the prices of our products and /or decline in the quality of our products could in turn negatively impact the demand for our products. Our reliance on independent manufacturers could cause delays or quality issues which could damage customer relationships. We use independent manufacturers to assemble or produce all of our products, whether inside or outside the U. S. We are dependent on the ability of these independent manufacturers to adequately finance the production of goods ordered and maintain sufficient manufacturing capacity. Because we do not control these independent manufacturers, they may not continue to provide products that are consistent with our standards. We receive from time to time shipments of product that fail to conform to our quality control standards or products that are damaged during shipment as they were not properly packed. Failures such as these in our quality control program may result in diminished product quality, which in turn may result in increased order cancellations and returns, decreased consumer demand for our products, or product recalls, any of which may have a material adverse effect on our results of operations and financial condition. In addition, products that fail to meet our standards, or other unauthorized products, could end up in the marketplace without our knowledge. This could materially harm our brand and our reputation in the marketplace. We generally do not have long-term written agreements with any independent manufacturers. As a result, any single manufacturing contractor could unilaterally terminate its relationship with us at any time or attempt to change historical terms of engagement, such as demanding accelerated payment terms, all and any of such actions by a manufacturing contractor could disrupt our supply chain strategies and our operations. Our top five manufacturers accounted for the production of approximately 54 % of our finished products during fiscal 2023. Supply disruptions from these manufacturers (or any of our other manufacturers) could have a material adverse effect on our ability to meet customer demands if we are unable to source suitable replacement materials at acceptable prices or at all. Moreover, alternative manufacturers, if available, may not be able to provide us with products or services of a comparable quality, at an acceptable price or on a timely basis. We may also, from time to time, make a decision to enter into a relationship with a new manufacturer. Identifying a suitable supplier is an involved process that requires us to become satisfied with their quality control, responsiveness and service, financial stability and labor and other responsible and /or ethical business practices. There can be no assurance that there will not be a disruption in the supply of our products from independent manufacturers or that any new manufacturer will be successful in producing our products in a manner we expected. If our independent manufacturers fail to use ethical business practices and comply with applicable laws and regulations, our business could be harmed due to negative publicity. We have established operating guidelines which promote responsible and ethical business practices such as fair wage practices, compliance with child labor laws and other local laws. While we monitor compliance with those guidelines, we do not control our independent manufacturers or their business practices. Accordingly, we cannot guarantee their compliance with our guidelines. From time to time, our audit results have revealed a lack of compliance in certain respects, including with respect to local labor, safety, and environmental laws. Other fashion companies have faced criticism after highly publicized incidents or compliance issues have occurred or been exposed at factories producing their products. To the extent our manufacturers do not bring their operations into compliance with such laws or resolve material issues identified in any of our audit results, we may face similar criticism and negative publicity. In addition, other fashion companies have encountered organized boycotts of their products in such situations. If we, or other companies in our industry, encounter similar problems in the future, it could harm our business, stock price and results of operations. In addition, a lack of demonstrated compliance by our suppliers could lead us to seek alternative suppliers, which could increase our costs and result in delayed delivery of our products, product shortages or other disruptions of our operations. Furthermore, expectations of ethical business practices continually evolve, may be

substantially more demanding than applicable legal requirements and are driven in part by legal developments and by diverse groups active in publicizing and organizing public responses to perceived ethical shortcomings. Accordingly, we cannot predict how expectations of ethical business practices might develop in the future and cannot be certain that our guidelines would satisfy all parties who are active in monitoring and publicizing perceived shortcomings in labor and other business practices worldwide.

Risks Related to Our Structure and Ownership We are a "controlled company," controlled by investment funds advised by affiliates of Sun Capital, whose interests in our business may be different from yours. Affiliates of Sun Capital owned approximately 68 % of our outstanding common stock as of March 31, 2024. As such, affiliates of Sun Capital will, for the foreseeable future, have significant influence over our reporting and corporate management and affairs, and will be able to control virtually all matters requiring stockholder approval. For so long as affiliates of Sun Capital own 30 % or more of our outstanding shares of common stock, Sun Cardinal, LLC, an affiliate of Sun Capital, will have the right to designate a majority of our board of directors. Affiliates of Sun Capital control actions to be taken by us, our board of directors and our stockholders, including amendments to our amended and restated certificate of incorporation and amended and restated bylaws and approval of significant corporate transactions, including mergers and sales of substantially all of our assets. The directors designated by affiliates of Sun Capital have the authority, subject to the terms of our indebtedness and the rules and regulations of the New York Stock Exchange (the "NYSE"), to issue additional stock, implement stock repurchase programs, declare dividends and make other decisions. Our amended and restated certificate of incorporation provides that the doctrine of "corporate opportunity" does not apply to Sun Capital or its affiliates, or any of our directors who are associates of, or affiliated with, Sun Capital, in a manner that would prohibit them from investing in competing businesses or doing business with our partners or customers. It is possible that the interests of Sun Capital and its affiliates may in some circumstances conflict with our interests and the interests of our other stockholders, including you. For example, Sun Capital may have different tax positions from other stockholders, which could influence their decisions regarding whether and when we should dispose of assets and whether and when we should incur new or refinance existing indebtedness. We are a "smaller reporting company" and intend to avail ourselves of reduced disclosure requirements applicable to smaller reporting companies, which could make our common stock less attractive to investors. We are a "smaller reporting company," as defined in the Exchange Act, and we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "smaller reporting companies," including reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile. We intend to take advantage of these reporting exemptions until we are no longer a "smaller reporting company." We will remain a "smaller reporting company" until the aggregate market value of our outstanding common stock held by non-affiliates as of the last business day of our most recently completed second fiscal quarter is \$ 250, 000 or more and annual revenue as of our most recently completed fiscal year is \$ 100, 000 or more, or the aggregate market value of our outstanding common stock held by non-affiliates as of the last business day of our most recently completed second fiscal quarter is \$ 700, 000 or more, regardless of annual revenue.