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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number: 001-40828

a.k.a. Brands Holding Corp.

(Exact name of registrant as specified in its charter)

Delaware	**87-0970919**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

100 Montgomery Street, Suite 2270
San Francisco, California 94104
(Address of principal executive offices, including zip code)

415-295-6085
(Registrant's Telephone Number, Including Area Code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	AKA	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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

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

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

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

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

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

As of May 11, 2026, the registrant had 10,822,092 shares of common stock outstanding.

a.k.a. BRANDS HOLDING CORP.
FORM 10-Q

TABLE OF CONTENTS

FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q, including statements regarding our future results of operations and financial position, or that describe our plans, goals, intentions, objectives, strategies, expectations, beliefs and assumptions, are forward-looking statements. The words "believe," "may," "might," "will," "estimate," "continue," "anticipate," "intend," "expect," "project," "plan," "objective," "could," "would," "should" and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. We caution that the forward-looking statements in this Quarterly Report on Form 10-Q are subject to a number of known and unknown risks, uncertainties and assumptions that may cause our actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. Factors that could contribute to these differences include, among other things:

- economic downturns and market conditions beyond our control, including periods of inflation;
- the quality of global financial markets;
- risks related to doing business in China, including changes in the political and economic policies of the Chinese government or in relations between China and the United States;
- rapid changes in consumer preferences in the apparel, footwear and accessories industry;
- our ability to acquire new customers in a cost-effective manner;
- our ability to retain existing customers and maintain average order value levels;
- the effectiveness of our marketing and our ability to maintain high customer traffic;
- the rate of merchandise returns;
- our ability to manage inventory effectively;
- our ability to procure sufficient quantities of third-party merchandise on favorable terms;
- our ability to identify brands to acquire or to integrate and manage our acquisitions and investments effectively;
- the effectiveness of our growth strategy;
- our ability to expand into new markets;
- risks related to doing business internationally, including international economic, geopolitical instability (including the ongoing Ukraine and Israel wars, relations between China and Taiwan, trade wars and relations between the U.S. and Mexico), legal, compliance and supply chain risks;
- interruptions in or increased costs of shipping;
- risks related to our direct-to-consumer business model;
- risks related to sales of our products through wholesale and third-party marketplace providers;
- risks related to our use of social media and influencers in marketing, including potential impact to our reputation or regulatory scrutiny;
- our ability to achieve projected results or to meet the expectations of securities analysts or investors;
- fluctuations in our operating results;
- our ability to track our key operating metrics accurately;
- our ability to maintain our corporate integrity or the image and reputation of our brands;
- our ability to continue to comply with the New York Stock Exchange (the "NYSE") listing standards and maintain the listing of our common stock on the NYSE;
- potential liability for uncollected sales tax in certain jurisdictions;
- foreign currency exchange rate fluctuations;
- the effects of weather conditions, natural disasters or other unexpected events, including global health crises;
- our ability to attract or retain key personnel, manage executive officer succession effectively or hire, develop and motive key employees;
- risks related to our decentralized brand management structure;

- increases in labor costs or fluctuations in wage rates or the price, availability or quality of raw materials and finished goods;
- risks related to distribution, including expansion of the capacity of our fulfillment centers;
- our ability to meet stakeholder expectations for ethically- and sustainably-sourced fashion;
- declines in the fair value of intangible assets, or impairment of goodwill, of a business unit;
- our ability to comply with changing laws or regulations or contractual or other obligations related to data privacy and security;
- our reliance upon third-party suppliers and manufacturers;
- changes in accounting standards and subjective assumptions, estimates and judgments by management relating to complex accounting matters;
- our and our suppliers' compliance with laws or regulations regarding consumer protection, promotions, safety or other matters;
- risks related to climate change;
- our ability to comply with changing U.S., Australian or international trade policy, tariff or import/export regulations;
- our reliance on overseas manufacturing and supply partners, including vendors located in jurisdictions presenting an increased risk of bribery and corruption;
- inadequacy, interruption or integration or security failure of our and third parties' information technology systems;
- security breaches or resulting loss, theft, misuse or unauthorized disclosure or access of customer, supplier or sensitive company information;
- risks related to customer use of mobile devices to shop;
- restrictions or changes to "cookie" technology as a means of tracking consumer behavior;
- third-party claims of infringement, misappropriation or other violation of intellectual property rights;
- our ability to adequately establish, maintain, protect or enforce our intellectual property or proprietary rights, or prevent third parties from making unauthorized use of such rights, such as by counterfeiting of our products;
- risks related to collecting payments from customers;
- system interruptions that impair customer access to our sites or other performance failures in our technology infrastructure;
- the impact of our indebtedness, including future indebtedness, on our business and growth prospects;
- our ability to service our indebtedness;
- limitations on our operations as a result of restrictive covenants in our financing documents;
- our ability to refinance our indebtedness;
- our ability to raise capital or generate cash flows necessary to expand our operations;
- risks related to Summit Partners LP's control of us;
- volatility in our stock price, including as a result of sales of substantial amounts of our common stock;
- our decisions concerning the allocation of capital including the extent to which we repurchase shares of our common stock;
- our ability to develop and maintain proper and effective internal control over financial reporting; and
- the other risk factors set forth under Item 1A of Part I of our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the Securities and Exchange Commission (the "SEC") on March 5, 2026 (the "2024 Form 10-K").

Moreover, we operate in a very competitive and rapidly changing environment, and new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Quarterly Report on Form 10-Q may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. We undertake no obligation to update publicly any forward-looking statements for any reason after the date of this Quarterly Report on Form 10-Q to conform these statements to actual results or changes in our expectations, unless otherwise required by law.

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

a.k.a. BRANDS HOLDING CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share amounts)
(unaudited)

	March 31, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 12,862	$ 20,273
Accounts receivable, net	7,638	10,650
Inventory	67,690	86,177
Prepaid expenses and other current assets	37,192	12,371
Total current assets	125,382	129,471
Property and equipment, net	39,524	39,315
Operating lease right-of-use assets	93,279	88,624
Intangible assets, net	41,322	43,470
Goodwill	95,375	93,695
Deferred tax assets	8	8
Other assets	2,797	2,799
Total assets	$ 397,687	$ 397,382
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 29,491	$ 31,248
Accrued liabilities	34,147	33,532
Sales returns reserve	8,571	7,889
Deferred revenue	13,029	12,707
Income taxes payable	449	243
Operating lease liabilities, current	13,451	13,052
Current portion of long-term debt	6,375	6,375
Total current liabilities	105,513	105,046
Long-term debt	103,194	104,695
Operating lease liabilities	92,583	87,668
Other long-term liabilities	1,979	2,202
Total liabilities	303,269	299,611
Commitments and contingencies (Note 16)		
Stockholders' equity:		
Preferred stock, $0.001 par value; 50,000,000 shares authorized; zero shares issued or outstanding as of each of March 31, 2026 and December 31, 2025	—	—
Common stock, $0.001 par value; 500,000,000 shares authorized; 10,818,993 and 10,770,721 shares issued and outstanding as of March 31, 2026 and December 31, 2025, respectively	128	128
Additional paid-in capital	477,074	476,124
Accumulated other comprehensive loss	(50,813)	(53,644)
Accumulated deficit	(331,971)	(324,837)
Total stockholders' equity	94,418	97,771
Total liabilities and stockholders' equity	$ 397,687	$ 397,382

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

a.k.a. BRANDS HOLDING CORP.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except share and per share amounts)
(unaudited)

	Three Months Ended March 31,	
	2026	2025
Net sales	$ 132,464	$ 128,657
Cost of sales	48,835	55,001
Gross profit	83,629	73,656
Operating expenses:		
Selling	40,956	38,184
Marketing	16,751	15,173
General and administrative	30,026	25,682
Total operating expenses	87,733	79,039
Loss from operations	(4,104)	(5,383)
Other expense		
Interest expense	(2,178)	(2,663)
Other expense	(642)	(295)
Total other expense	(2,820)	(2,958)
Loss before income taxes	(6,924)	(8,341)
Provision for income taxes	(210)	(9)
Net loss	$ (7,134)	$ (8,350)
Net loss per share:		
Basic and diluted	$ (0.66)	$ (0.78)
Weighted average shares outstanding:		
Basic and diluted	10,807,930	10,686,730

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

a.k.a. BRANDS HOLDING CORP.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2026	**2025**
Net loss	$ (7,134)	$ (8,350)
Other comprehensive income:		
Currency translation	2,831	642
Total comprehensive loss	$ (4,303)	$ (7,708)

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

a.k.a. BRANDS HOLDING CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(in thousands, except share data)
(unaudited)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2025	10,770,721	$ 128	$ 476,124	$ (53,644)	$ (324,837)	$ 97,771
Equity-based compensation	—	—	1,171	—	—	1,171
Issuance of common stock under employee equity plans, net of shares withheld	48,272	—	(221)	—	—	(221)
Cumulative translation adjustment	—	—	—	2,831	—	2,831
Net loss	—	—	—	—	(7,134)	(7,134)
Balance as of March 31, 2026	10,818,993	$ 128	$ 477,074	$ (50,813)	$ (331,971)	$ 94,418

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2024	10,669,649	$ 128	$ 471,758	$ (60,849)	$ (293,403)	$ 117,634
Equity-based compensation	—	—	2,059	—	—	2,059
Issuance of common stock under employee equity plans, net of shares withheld	39,225	—	(249)	—	—	(249)
Repurchase of shares	(15,910)	—	(257)	—	—	(257)
Cumulative translation adjustment	—	—	—	642	—	642
Net loss	—	—	—	—	(8,350)	(8,350)
Balance as of March 31, 2025	10,692,964	$ 128	$ 473,311	$ (60,207)	$ (301,753)	$ 111,479

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

a.k.a. BRANDS HOLDING CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2026	**2025**
Cash flows from operating activities:		
Net loss	$ (7,134)	$ (8,350)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	2,397	1,855
Amortization expense	2,331	2,519
Amortization of debt issuance costs	152	144
Lease incentives	657	1,025
Non-cash operating lease expense	3,185	2,833
Equity-based compensation	1,171	2,059
Changes in operating assets and liabilities:		
Accounts receivable, net	3,027	(5,289)
Inventory	19,314	1,572
Prepaid expenses and other current assets	(24,870)	2,279
Accounts payable	(2,194)	(2,699)
Income taxes payable	205	(388)
Accrued liabilities	297	143
Sales returns reserve	651	2,042
Deferred revenue	230	941
Lease liabilities	(3,247)	(2,561)
Net cash used in operating activities	(3,828)	(1,875)
Cash flows from investing activities:		
Purchases of property and equipment	(2,582)	(3,436)
Net cash used in investing activities	(2,582)	(3,436)
Cash flows from financing activities:		
Proceeds from line of credit, net of issuance costs	—	21,500
Repayment of line of credit	—	(11,300)
Repayment of debt	(1,594)	(2,100)
Taxes paid related to net share settlement of equity awards	(221)	(248)
Repurchase of shares	—	(257)
Net cash (used in) provided by financing activities	(1,815)	7,595
Effect of exchange rate changes on cash, cash equivalents and restricted cash	742	108
Net (decrease) increase in cash, cash equivalents and restricted cash	(7,483)	2,392
Cash, cash equivalents and restricted cash at beginning of period	22,514	26,479
Cash, cash equivalents and restricted cash at end of period	$ 15,031	$ 28,871
Reconciliation of cash, cash equivalents and restricted cash:		
Cash and cash equivalents	$ 12,862	$ 26,679
Restricted cash, included in prepaid expenses and other current assets	106	472
Restricted cash, included in other assets	2,063	1,720
Total cash, cash equivalents and restricted cash	$ 15,031	$ 28,871

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

a.k.a. BRANDS HOLDING CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(tabular amounts in thousands, except share, per share data, unit, per unit data, ratios, or as noted)
(unaudited)

Note 1. Organization and Description of Business

a.k.a. Brands Holding Corp. (together with its wholly-owned subsidiaries, collectively, the "Company"), which operates under the name "a.k.a. Brands" or "a.k.a.," is a portfolio of next-generation fashion brands for the next generation of consumers. The Company seeks to leverage its industry expertise and operational synergies to accelerate its brands so they can grow faster, reach broader audiences, achieve greater scale and enhance their profitability.

The Company is headquartered in San Francisco, California, with buying, studio, marketing, fulfillment and administrative functions primarily in Australia and the United States.

Note 2. Significant Accounting Policies

Principles of Consolidation and Basis of Presentation

The Company's unaudited condensed consolidated interim financial statements have been prepared in accordance with Article 10 of the SEC's Regulation S-X. As permitted under those rules, certain footnotes or other financial information that are normally required by generally accepted accounting principles in the United States ("GAAP") can be condensed or omitted. These financial statements have been prepared on the same basis as our annual financial statements and, in the opinion of management, reflect all adjustments, consisting only of normal recurring adjustments, which are necessary for the fair statement of our financial information. The accompanying unaudited condensed consolidated financial statements and related financial information should be read in conjunction with the audited consolidated financial statements and the related notes thereto for the year ended December 31, 2025 which are included in the 2025 Form 10-K. The year-end condensed consolidated balance sheet data were derived from audited financial statements, but do not include all disclosures required by GAAP. These interim results are not necessarily indicative of the results to be expected for the fiscal year ending December 31, 2026 or for any other interim period or for any other future year. The accompanying condensed consolidated financial statements include the balances of the Company and all of its wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities in the consolidated financial statements and accompanying notes. Actual results could materially differ from those estimates. On an ongoing basis, the Company evaluates items subject to significant estimates and assumptions.

Revenue Recognition

Revenue is primarily derived from the sale of apparel merchandise through the Company's online websites, stores, third-party marketplaces, wholesale partnerships and, when applicable, shipping revenue.

Revenue is recognized in an amount that reflects the consideration expected to be received in exchange for products. To determine revenue recognition for contracts with customers in accordance with *Revenue from Contracts with Customers (Topic 606)*, the Company recognizes revenue from the commercial sales of products and contracts by applying the following five steps: (1) identification of the contract, or contracts, with the customer; (2) identification of the performance obligations in the contract; (3) determination of the transaction price; (4) allocation of the transaction price to the performance obligations in the contract; and (5) recognition of revenue when, or as, the Company satisfies its performance obligation. A contract is created with the customer at the time the order is placed by the customer, which creates a single performance obligation. The Company recognizes revenue for its single performance obligation at the time control of the product passes to the customer, which is when the goods are transferred to a third-party common carrier, for purchases through the Company's online websites or by wholesale partners, or at point of sale, for purchases in its stores. In addition, the Company has elected to treat shipping and handling as fulfillment activities and not a separate performance obligation.

Net sales from product sales includes shipping charged to the customer and is recorded net of taxes collected from customers, which are recorded in accrued liabilities and are remitted to governmental authorities. Cash discounts earned by the customers at the time of purchase and estimates for sales return allowances are deducted from gross revenue in determining net sales.

The Company generally provides refunds for goods returned within30 to 45 days from the original purchase date. A returns reserve is recorded by the Company based on historical refund experience with a corresponding reduction of sales and cost of sales. The sales return reserve was $8.6 million and $7.9 million as of March 31, 2026 and December 31, 2025, respectively.

The following table presents a summary of the Company’s sales return reserve:

	Three Months Ended March 31,	
	2026	2025
Beginning balance	$ 7,889	$ 7,587
Returns	(30,539)	(25,105)
Provision	31,221	27,152
Ending balance	$ 8,571	$ 9,634

The Company also sells gift cards and issues online credits in lieu of cash refunds or exchanges. Proceeds from the issuance of gift cards and online credits issued are recorded as deferred revenue and recognized as revenue when the gift cards or online credit are redeemed or, upon inclusion in gift card and online credit breakage estimates. Breakage estimates are determined based on prior historical experience.

Revenue recognized in net sales on breakage of gift cards and online credit for thethree months ended March 31, 2026 and 2025 was $0.4 million and $0.3 million, respectively.

The following table presents the disaggregation of the Company’s net sales by geography, based on customer address:

	Three Months Ended March 31,	
	2026	2025
U.S.	$ 90,849	$ 88,054
Australia & New Zealand	36,932	35,593
Rest of world	4,683	5,010
Total	$ 132,464	$ 128,657

Segment Information

Operating segments are defined as components of an entity for which separate financial information is available and is regularly reviewed by the Chief Operating Decision Maker (the “CODM”) in deciding how to allocate resources and in assessing performance. The Company has determined that its four brands are each an operating segment. The Company has aggregated its operating segments into one reportable segment based on the similar nature of products sold, production, merchandising and distribution processes involved, target customers and economic characteristics.

Recent Accounting Pronouncements

In November 2024, FASB issued ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (“ASU 2024-03”) and in January 2025, FASB issued ASU 2025-01, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date, which clarified the effective date of ASU 2024-03. ASU 2024-03 will require the Company to disclose the amounts of purchases of inventory, employee compensation, depreciation and intangible asset amortization, as applicable, included in certain expense captions in the Company’s consolidated statements of income, as well as qualitatively describe remaining amounts included in those captions. The Company intends to adopt ASU 2024-03 for the Company’s fiscal year ended December 31, 2027 using a prospective transition method.

Note 3. Inventory

At the end of March 2026, the Company recorded a charge of $12.0 million to cost of sales in the accompanying condensed consolidated statements of income. The write-down was primarily of streetwear inventory as we fully transition to our test-and-repeat model.

Note 4. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets are comprised of the following:

	March 31, 2026	December 31, 2025
Tariff refund receivable	$ 25,770	$ —
Inventory prepayments	1,568	2,641
Other	9,854	9,730
Total prepaid expenses and other current assets	$ 37,192	$ 12,371

In February 2026, the U.S. Supreme Court ruled that tariffs imposed under the International Emergency Economic Powers Act ("IEEPA") on goods imported into the United States were unauthorized. The Company serves as the importer of record for certain products previously subject to IEEPA tariffs and paid approximately $25.8 million in such tariffs since their inception. The U.S. Court of International Trade subsequently ordered U.S. Customs and Border Protection ("CBP") to refund all collected IEEPA tariffs. The Company has complied with CBP's prescribed administrative process through their Consolidated Administration and Processing of Entries ("CAPE") system for seeking these refunds. Based upon the U.S. Supreme Court's ruling, related U.S. Court of International Trade ("CIT") proceedings, and the Company's submission of tariff refund requests and assessment of the recoverability of amounts paid, the Company has concluded as of March 31,2026 that the recovery of previously incurred IEEPA tariffs is probable. The estimate reflects Company's judgment regarding the portion of previously recognized IEEPA tariffs expected to be recoverable through the refund process administered by CBP and it may be subject to change based on the ultimate resolution of refund claims. The ultimate amount of recoveries may differ from the Company's estimates, based on additional guidance from CBP, the resolution of specific entry-level claims or other administrative developments. To the extent there are changes in amounts that become recoverable, including any associated interest, such amounts will be recognized in the period in which information about the probable and reasonably estimable amounts becomes known to the Company.

Accordingly, during the three months ended March 31, 2026, the Company recognized a receivable in prepaid expenses and other current assets of approximately $25.8 million, with a corresponding reduction of $18.6 million to cost of sales and $7.2 million to capitalized tariffs in inventory. Of the $18.6 million cost of sales reduction, $14.4 million related to amounts recognized in cost of sales in 2025. Additionally, the Company also recognized $1.9 million of charges related to the reversal of duty drawback benefits attributable to IEEPA duties and other anticipated refund obligations. The Company believes it may also be entitled to interest on the refunded amounts; however, no receivable has been recognized for such interest as of March 31, 2026, as the amount and timing of receipt cannot be reasonably estimated at this time.

Note 5. Property and Equipment, Net

Property and equipment, net is comprised of the following:

	March 31, 2026	December 31, 2025
Furniture and fixtures	$ 9,098	$ 9,099
Machinery and equipment	4,000	3,920
Computer equipment and capitalized software	7,877	7,482
Leasehold improvements	42,238	40,776
Total property and equipment	63,213	61,277
Less: accumulated depreciation	(23,689)	(21,962)
Total property and equipment, net	$ 39,524	$ 39,315

Depreciation expense consisted of the following:

	Three Months Ended March 31,	
	2026	2025
Selling expenses	$ 2,009	$ 1,569
General and administrative expenses	388	286
Total depreciation expense	$ 2,397	$ 1,855

Note 6. Goodwill

The carrying value of goodwill, as of March 31, 2026 and December 31, 2025, was $95.4 million and $93.7 million, respectively. No goodwill impairment was required during either of the three months ended March 31, 2026 and 2025.

The following table summarizes goodwill activity:

Balance as of December 31, 2025	$	93,695
Changes in foreign currency translation		1,680
Balance as of March 31, 2026	$	95,375

Note 7. Intangible Assets

The gross amounts and accumulated amortization of acquired identifiable intangible assets with finite useful lives as of March 31, 2026 and December 31, 2025, included in intangible assets, net in the accompanying condensed consolidated balance sheets, are as follows:

		March 31, 2026		December 31, 2025	
	Useful life	Weighted Average Amortization Period 2026	2026	Weighted Average Amortization Period 2025	2025
Customer relationships	4 years	0.0 years	$ 2,543	0.0 years	$ 2,543
Brands	10 years	4.8 years	86,265	5.0 years	85,537
Trademarks	5 years	0.0 years	108	0.0 years	105
Total intangible assets			88,916		88,185
Less: accumulated amortization			(47,594)		(44,715)
Total intangible assets, net			$ 41,322		$ 43,470

Amortization of acquired intangible assets with finite useful lives is included in general and administrative expenses and was $2.3 million and $2.5 million for the three months ended March 31, 2026 and 2025, respectively.

Future estimated amortization expense for acquired identifiable intangible assets is as follows:

		Amortization Expense
Year ending December 31:		
Remainder of 2026	$	6,954
2027		9,272
2028		8,396
2029		7,223
2030		6,934
Thereafter		2,543
Total amortization expense	$	41,322

Note 8. Debt

Amended and Restated Credit Agreement

On October 14, 2025, the Company entered into an Amended and Restated Syndicated Facility Agreement (the "Amended and Restated Credit Agreement") with the other borrowers party thereto, A.K.A. Brands Intermediate Holding Corp., as Holdings, Keybank National Association, as administrative agent, collateral agent, security trustee and lead arranger, and the other persons party thereto from time to time, which amends and restates in its entirety the Syndicated Facility Agreement, dated as of September 21, 2021 (as amended, restated, increased, extended, supplemented or otherwise modified from time to time). The Amended and Restated Credit Agreement amends and restates the Senior Secured Credit Facility to, among other things, (i) establish revolving credit facility commitments in an aggregate principal amount of $35.3 million, (ii) establish term loans in an aggregate principal amount of $85.0 million, (iii) adjust the pricing stepdowns related to the interest rate and (iv) resize baskets within certain negative covenants based on a Consolidated EBITDA (as defined in the Amended and Restated Credit Agreement) of $35.2 million.

The Amended and Restated Credit Agreement extends the maturity date of the revolving credit facility commitments and the term loans to October 14, 2028. The Company is required to make mandatory amortization payments in respect of the term loans in an amount equal to (a) commencing with the fiscal quarter ending on December 31, 2025 and until the fiscal quarter ending on December 31, 2027, a principal amount of term loans equal to the aggregate outstanding principal amount of term loans made on the date of the execution of the Amended and Restated Credit Agreement, multiplied by 1.875% and (b) commencing with the fiscal quarter ending on March 31, 2028, a principal amount of term loans equal to the aggregate outstanding principal amount of term loans made on the date of the execution of the Amended and Restated Credit Agreement, multiplied by 2.50%. Borrowings under the Amended and Restated Credit Agreement accrue interest at Term SOFR plus an applicable margin dependent upon the Company's net leverage ratio, as defined in the Amended and Restated Credit Agreement. The highest interest rate under the agreement occurs at a net leverage ratio of greater than 2.75x, yielding an interest rate of Term SOFR plus 3.75%.

The Amended and Restated Credit Agreement includes certain financial covenants requiring the Company to maintain a maximum total net leverage ratio and a minimum fixed charge coverage ratio, each tested as of the last day of every fiscal quarter. Specifically, the Company must maintain a maximum total net leverage ratio of 3.50 to 1.00 and a minimum fixed charge coverage ratio of 1.35 to 1.00 for 2025 and 2026, 3.25 to 1.00 and 1.50 to 1.00 for 2027, and 3.00 to 1.00 and 1.75 to 1.00 for 2028, respectively. The agreement also includes a capital expenditure covenant limiting growth-related capital expenditures for new store development to $17.5 million for the period from October 14, 2025, through the first anniversary of that date, with annual limits of $20.0 million and $22.5 million in subsequent years. If the Company does not comply with these financial covenants, it may, subject to certain conditions and limitations, make direct or indirect equity contributions to cure such non-compliance. Additionally, the Company is required to make a mandatory prepayment of a portion of excess cash flow, as defined in the Amended and Restated Credit Agreement, based on its net leverage ratio. A prepayment of 50% of excess cash flow is required if the net leverage ratio exceeds 2.0x, which is reduced to 25% if the ratio is less than or equal to 2.0x, and no prepayment is required if the ratio is less than or equal to 1.0x. As of December 31, 2025, the Company was in compliance with all financial debt covenants.

As of March 31, 2026, the all-in rate (Term SOFR plus the applicable margin) for the Company's term loan and borrowings under the revolving line of credit was 7.18%.

Total Debt and Interest

Outstanding debt consisted of the following:

	March 31, 2026	December 31, 2025
Term loan	$ 81,813	$ 83,406
Revolving credit facility	28,600	28,600
Capitalized debt issuance costs	(844)	(936)
Total debt	109,569	111,070
Less: current portion	(6,375)	(6,375)
Total long-term debt	$ 103,194	$ 104,695

Interest expense, which included the amortization of debt issuance costs, totaled $2.2 million and $2.7 million for the three months ended March 31, 2026 and 2025, respectively. Additionally, as of March 31, 2026, the Company had $6.6 million of outstanding letters of credit. As of March 31, 2026, the carrying value of the Company's total debt approximated its fair value.

As of March 31, 2026, the maturities of principal amounts of our total debt obligations were as follows:

Year ending December 31:	
Remainder of 2026	$ 4,781
2027	6,375
2028	99,257
Total	$ 110,413

Note 9. Leases

The Company leases office locations, warehouse facilities and stores under various non-cancellable operating lease agreements. The Company's leases have remaining lease terms of approximately 1 year to 10 years, which represent the non-cancellable periods of the leases and include extension options that the Company determined are reasonably certain to be exercised. The Company excludes from the lease terms any extension options that are not reasonably certain to be exercised, ranging from approximately 6 months to 3 years. Lease payments consist primarily of fixed rental payments for the right to use the underlying leased assets over the lease terms as well as payments for common area maintenance and administrative services. The Company often receives customary incentives from landlords, such as reimbursements for tenant improvements and rent abatement periods, which effectively reduce the total lease payments owed for these leases. Leases are classified as operating or financing at commencement. The Company does not have any material financing leases.

Operating lease right-of-use assets and liabilities on the condensed consolidated balance sheets represent the present value of the remaining lease payments over the remaining lease terms. The Company uses its incremental borrowing rate to calculate the present value of the lease payments, as the implicit rates in the leases are not readily determinable. Operating lease costs consist primarily of the fixed lease payments included in the operating lease liabilities and are recorded on a straight-line basis over the lease terms.

The Company's operating lease costs were as follows:

	Three Months Ended March 31,	
	2026	2025
Operating lease costs	$ 5,369	$ 4,175
Variable lease costs	661	436
Short-term lease costs	63	126
Total lease costs	$ 6,093	$ 4,737

The Company does not have any sublease income and the Company's lease agreements do not contain any residual value guarantees or material restrictive covenants.

Supplemental cash flow information relating to the Company's operating leases was as follows:

	Three Months Ended March 31,	
	2026	2025
Cash paid for operating lease liabilities	$ 4,491	$ 2,930
Operating lease right-of-use assets obtained in exchange for new operating lease liabilities	6,927	10,728

Other information relating to the Company's operating leases was as follows:

	March 31, 2026	December 31, 2025
Weighted-average remaining lease term	6.7 years	6.6 years
Weighted-average discount rate	7.4%	7.4%

As of March 31, 2026, the maturities of operating lease liabilities were as follows:

Remainder of 2026	$ 14,306
2027	20,790
2028	20,310
2029	20,511
2030	17,842
Thereafter	43,331
Total remaining lease payments	137,090
Less: imputed interest	31,056
Total operating lease liabilities	106,034
Less: current portion	(13,451)
Long-term operating lease liabilities	$ 92,583

Note 10. Income Taxes

Interim income taxes are based on an estimated annualized effective tax rate applied to the respective quarterly periods, adjusted for discrete tax items in the period in which they occur. Although the Company believes its tax estimates are reasonable, the Company can make no assurance that the final tax outcome of these matters will not be different from that which it has reflected in its historical income tax provisions and accruals. The Company will adjust its liability for uncertain tax positions, if any, based on changes in facts and circumstances such as the closing of a tax audit or changes in estimates. The Company's income tax provision may be impacted to the extent that the final outcome of these tax positions is different than the position taken.

The Company is subject to income taxes in the United States and Australia. Significant judgment is required in evaluating the Company's tax positions and determining the provision for income taxes. During the ordinary course of business, the Company considers tax positions for which the ultimate tax determination is uncertain for the purpose of determining whether a reserve is required, despite the Company's belief that the tax positions are fully supportable. To date the Company has not established a reserve provision because the Company believes that all tax positions are highly certain.

The following table summarizes our effective tax rate for the periods presented:

	Three Months Ended March 31,	
	2026	2025
Loss before income taxes	$ (6,924)	$ (8,341)
Provision for income taxes	(210)	(9)
Effective tax rate	(3)%	—%

For the three months ended March 31, 2026, as compared to the same periods in the prior year, the Company's effective tax rate changed primarily due to projected full-year pre-tax income in the U.S. in the current year, compared to a projected full-year pre-tax loss in the same period in 2025. The effective tax rate was lower than the U.S. statutory rate of 21.0% for the three months ended March 31, 2026 primarily due to non-deductible permanent differences in the U.S. and a full valuation allowance on the net deferred tax assets in U.S. and Australia.

Note 11. Accrued Liabilities

Accrued liabilities consisted of the following:

	March 31, 2026	December 31, 2025
Accrued salaries and other benefits	$ 13,482	$ 10,888
Accrued freight costs	3,349	4,165
Sales tax payable	3,325	3,786
Accrued marketing costs	6,140	5,736
Accrued professional services	3,572	3,896
Other accrued liabilities	4,279	5,061
Total accrued liabilities	$ 34,147	$ 33,532

Note 12. Deferred Revenue

Deferred revenue consisted of the following:

	March 31, 2026	December 31, 2025
Gift cards	$ 12,036	$ 12,214
Other	993	493
Total deferred revenue	$ 13,029	$ 12,707

Note 13. Equity-based Compensation

Incentive Plans

2021 Omnibus Incentive Plan

In September 2021, the Company's board of directors adopted, and its stockholders approved, the 2021 Omnibus Incentive Plan (the "2021 Plan") which became effective in connection with the Company's initial public offering of common stock (the "IPO"). The 2021 Plan provides for the grant of stock options, stock appreciation rights, restricted stock awards, restricted stock units and other forms of equity and cash compensation. A total of 408,355 shares of the Company's common stock, as adjusted for the Reverse Stock Split (refer to Note 14, "Stockholders' Equity"), were initially reserved for issuance under the 2021 Plan. The number of shares of common stock reserved and available for issuance under the 2021 Plan increases on January 1 of each year by 1% of the number of shares of the Company's common stock outstanding on the immediately preceding December 31, or such lesser number of shares as determined by the compensation committee of the Company's board of directors. On May 30, 2023, the Company's stockholders approved an amendment to the 2021 Plan to increase the number of shares available for issuance under the 2021 Plan by 833,333 shares of the Company's common stock, as adjusted for the Reverse Stock Split. On May 22, 2024, the Company's stockholders approved an amendment to the 2021 Plan to increase the number of shares available for issuance under the 2021 Plan by 1,100,000 shares of the Company's common stock. As of March 31, 2026, there were 2,768,771 shares reserved for issuance of awards under the 2021 Plan.

2021 Employee Stock Purchase Plan

In September 2021, the Company's board of directors adopted, and its stockholders approved, the 2021 Employee Stock Purchase Plan (the "ESPP") which became effective in connection with the IPO. A total of 102,088 shares of the Company's common stock, as adjusted for the Reverse Stock Split, were initially reserved for issuance under the ESPP. The number of shares reserved and available for issuance under the ESPP automatically increases on January 1 of each year by 1% of the number of shares of the Company's common stock outstanding on the immediately preceding December 31, or such lesser number of shares as determined by the compensation committee of the Company's board of directors. As of March 31, 2026, there were 422,475 shares reserved for issuance under the ESPP.

The offering periods of the ESPP are six months long and are anticipated to be offered twice per year. The price at which common stock is purchased under the ESPP is equal to 85% of the fair market value of a share of the Company's common stock on the first or last day of the offering period, whichever is lower. The fair value of the discount and the look-back period will be estimated using the Black-Scholes option pricing model.

Grant Activity

Stock Options

The 2021 Plan provides for the issuance of incentive and nonqualified stock options. Under the 2021 Plan, the exercise price of a stock option shall not be less than the fair market value of one share of the Company's common stock on the date of grant. Stock options have a contractual term, the period during which they are exercisable, not to exceed ten years from the date of grant, and generally vest over time, based on performance or based on the achievement of a market condition.

In September 2023, an award, including 416,667 performance-based stock options (the "Bryett Award"), was issued to Wesley Bryett, a member of the Company's board of directors and co-founder of Princess Polly. This award expires after ten years, or upon the termination of Mr. Bryett's service to the Company, and includes four tranches of stock options that will vest and become exercisable based upon the achievement of various common stock price targets. The weighted average exercise price for the options in the Bryett Award is $ 109.27. Each tranche of stock options has a different derived service period, the average of which is approximately 5.5 years. As of March 31, 2026, no options issued as part of the Bryett Award had vested, the options held no intrinsic value, and total unrecognized compensation cost related to the Bryett Award was $0.6 million, which is expected to be recognized over 3.0 years.

In connection with the appointment of Ciaran Long as the Chief Executive Officer in January 2025, Mr. Long was granted a performance-based stock option, representing a contingent right to purchase 100,000 shares of common stock at a specified price, upon vesting of the option (the "Long Award"). The Long Award expires afterten years, or upon the termination of Mr. Long's service to the Company, and includes four tranches that will vest and become exercisable based upon the achievement of various common stock price targets. The weighted average exercise price for the option in the Long Award is $ 120.00. Each tranche has a different derived service period, the average of which is approximately 4.2 years. As of March 31, 2026, no tranche of the Long Award had vested, the option held no intrinsic value, and total unrecognized compensation cost related to the Long Award was $0.7 million, which is expected to be recognized over 2.9 years.

A summary of the Company's time-based stock option activity under the 2021 Plan for the three months ended March 31, 2026, is as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value
Balance as of December 31, 2025	39,820	$ 81.47	4.99	$ —
Granted	—	—		
Exercised	—	—		
Forfeited/Repurchased	(6,896)	49.56		
Balance as of March 31, 2026	32,924	$ 88.15	5.74	$ —
Vested as of March 31, 2026	32,924	$ 88.15	5.74	$ —

As of March 31, 2026, there was no unrecognized compensation cost related to unvested time-based stock options issued under the 2021 Plan.

Restricted Stock Units

The 2021 Plan provides for the issuance of restricted stock units ("RSUs"). Time-based RSUs issued prior to March 31, 2022 vest over four years while all time-based RSUs issued after that date vest over three years.

In May 2024, an award (the "Interim CEO Award") of 150,000 performance-based RSUs ("PSUs") was issued to Ciaran Long, Interim Chief Executive Officer and Chief Financial Officer of the Company. The Interim CEO Award expires after five years, or upon the termination of Mr. Long's service to the Company, and includes ten tranches of PSUs that will vest based upon the achievement of various common stock price targets. If any common stock price target is achieved for one or more tranches of PSUs prior to April 1, 2025, the vesting date for the applicable tranche(s) will be April 1, 2025. At the time of the grant, each PSU had a fair value of $ 29.50. Each tranche of PSUs has a different derived service period, the average of which is approximately 2.9 years. As of March 31, 2026, the common stock price target for two tranches of PSUs issued as part of the Interim CEO Award had been achieved, and the total unrecognized compensation cost related to the Interim CEO Award was $ 0.1 million, which is expected to be recognized over a weighted average period of 1.5 years.

A summary of the Company's time-based RSU activity under the 2021 Plan for the three months ended March 31, 2026, is as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
Balance as of December 31, 2025	656,522	$ 12.95
Granted	—	—
Vested	(68,462)	13.23
Forfeited/Repurchased	(3,266)	11.95
Balance as of March 31, 2026	584,794	$ 12.92

As of March 31, 2026, there was $5.7 million of total unrecognized compensation cost related to unvested time-based RSUs issued under the 2021 Plan, which is expected to be recognized over a weighted-average period of 1.7 years.

Equity-Based Compensation Expense

The Company recognizes compensation expense in general and administrative expenses within operating expenses for stock options, RSUs, ESPP purchase rights and time-based incentive units granted prior to the IPO by amortizing the grant date fair value on a straight-line basis over the expected vesting period to the extent the vesting of the grant is considered probable. The Company recognizes equity-based award forfeitures in the period such forfeitures occur.

The following table summarizes the Company's equity-based compensation expense by award type for all Plans:

	Three Months Ended March 31,	
	2026	2025
Stock options	$ 116	$ 220
RSUs	1,032	1,671
ESPP purchase rights	23	38
Time-based incentive units	—	130
Total	$ 1,171	$ 2,059

Note 14. Stockholders' Equity

Preferred Stock

In connection with the IPO, the Company's amended and restated certificate of incorporation became effective, which authorized the issuance of 50,000,000 shares of undesignated preferred stock with a par value of $0.001 per share with rights and preferences, including voting rights, designated from time to time by the Company's board of directors. There were no shares of preferred stock issued and outstanding as of March 31, 2026.

Common Stock

The Company has one class of common stock. In connection with the IPO, the Company's amended and restated certificate of incorporation became effective, which authorized the issuance of 500,000,000 shares of common stock with a par value of $0.001 per share, with one vote per share. Holders of common stock are entitled to receive any dividends as may be declared from time to time by the Company's board of directors.

Share Repurchases & Share Forfeitures

On May 25, 2023, the Company's board of directors approved a share repurchase program (the "Share Repurchase Program"). Pursuant to the Share Repurchase Program, the Company was initially authorized to repurchase up to $2.0 million of shares of the Company's common stock. Subsequently, in 2023, the Company's board of directors approved an additional repurchase capacity under the Share Repurchase Program of $3.0 million shares of the Company's common stock. The timing of any repurchases by the Company and the actual number of shares repurchased are at the Company's discretion, and, in deciding when to repurchase shares and the amount of shares to repurchase, the Company will consider available liquidity, general market and economic conditions, alternate uses for the capital and other factors. Share repurchases may be made from time to time through a Rule 10b5-1 trading plan, open market transactions, block trades or in private transactions in accordance with applicable securities laws and regulations and other legal requirements. The Share Repurchase Program may be suspended or discontinued at any time and has no expiration date.

Additionally, from time to time, the Company's employees may surrender shares of the Company's common stock to satisfy their statutory minimum federal and state tax obligations associated with the vesting of restricted shares of common stock issued under the 2021 Plan. With respect to these surrendered shares, the price paid per share is based on the fair value at the time of surrender.

During the three months ended March 31, 2026, the Company repurchased 19,758 shares of its common stock for $0.2 million, at an average price of $11.19 per share, all of which were shares surrendered by employees to satisfy tax obligations upon vesting of equity awards, as no repurchases were made under the Share Repurchase Program.

Note 15. Net Loss Per Share

The following table sets forth the computation of basic and diluted net loss per share and a reconciliation of the weighted average number of shares outstanding:

	Three Months Ended March 31,	
	2026	2025
Numerator:		
Net loss	$ (7,134)	$ (8,350)
Denominator:		
Weighted-average common shares outstanding, basic and diluted	10,807,930	10,686,730
Net loss per share:		
Net loss per share, basic and diluted	$ (0.66)	$ (0.78)

Basic net income (loss) per share is calculated by dividing net income (loss) for the period by the weighted-average number of shares of common stock for the period. Diluted net income (loss) per share has been calculated in a manner consistent with that of basic net income (loss) per share while giving effect to shares issuable upon exercise and/or vesting of potentially dilutive stock option and RSU grants, as well as ESPP purchase rights, outstanding during the period, if applicable. Due to the net loss for all periods shown, no potentially dilutive securities had an impact on diluted loss per share for any period. For the three months ended March 31, 2026 and 2025, 538,603 and 434,436 shares, respectively, were excluded from the calculation of weighted-average diluted common shares outstanding as they had an anti-dilutive effect.

Note 16. Commitments and Contingencies

Contingencies

The Company records a loss contingency when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The Company also discloses material contingencies when it believes a loss is not probable but reasonably possible. Accounting for contingencies requires the Company to use judgment related to both the likelihood of a loss and the estimate of the amount or range of loss. Although the Company cannot predict with assurance the outcome of any litigation or tax matters, it does not believe there are currently any such actions that, if resolved unfavorably, would have a material impact on the Company's operating results, financial position or cash flows.

Indemnifications

In the ordinary course of business, the Company may provide indemnifications of varying scope and terms to vendors, directors, officers and other parties with respect to certain matters. The Company has not incurred any material costs as a result of such indemnifications and has not accrued any liabilities related to such obligations in the consolidated financial statements.

Note 17. Segment Information

The Company has determined that its four brands are each an operating segment and has aggregated its operating segments into one reportable segment based on the similar nature of products sold, production, merchandising and distribution processes involved, target customers and economic characteristics. The Chief Executive Officer of the Company is the CODM. The CODM uses both gross margin and Adjusted EBITDA as measures of profit or loss to evaluate performance and allocate resources. Gross margin is disclosed below as the segment profit measure as it is most consistent with the amounts included in the Company's consolidated financial statements. See Note 3, "Inventory," and Note 4, "Prepaid Expenses and Other Current Assets," for discussion of inventory write-offs and tariff receivables impacting gross margin.

The following table sets forth gross margin for the periods shown:

	Three Months Ended March 31,	
	2026	2025
Net sales	$ 132,464	$ 128,657
Cost of sales	48,835	55,001
Gross profit	$ 83,629	$ 73,656
Gross margin	63.1 %	57.2 %

Note 18. Subsequent Events

The Company has evaluated subsequent events occurring through May 12, 2026, the date that these financial statements were issued, and determined the following subsequent event occurred that would require disclosure in these financial statements.

Receipt of IEEPA Tariff Refunds

On May 11, 2026, the Company received approximately $6.4 million in refunds from CBP related to previously paid tariffs imposed under IEEPA. This receipt represents the first tranche of refunds issued related to the $25.8 million IEEPA tariff receivable recognized as of March 31, 2026 in prepaid expenses and other current assets.

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

You should read the following discussion and analysis of our financial condition and results of operations together with the condensed consolidated financial statements and related notes that are included elsewhere in this Quarterly Report on Form 10-Q. This discussion contains forward-looking statements based upon current plans, expectations and beliefs that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements because of various factors, including those set forth in the sections captioned "Risk Factors" and "Forward-Looking Statements" and in other parts of this Quarterly Report on Form 10-Q. Our fiscal year ends on December 31.

Overview

a.k.a. Brands is a portfolio of next-generation fashion brands for the next generation of consumers. We seek to leverage our industry expertise and operational synergies to accelerate our brands so they can grow faster, reach broader audiences, achieve greater scale and enhance their profitability. We believe we are disrupting the status quo and pioneering a new approach to fashion.

a.k.a. was founded with a focus on Millennial and Gen Z audiences who primarily find inspiration for fashion on social media. We have since built a portfolio of next-generation brands with distinct fashion offerings and consumer followings:

- Princess Polly, a fashion brand focusing on fun, trendy dresses, tops, shoes and accessories with slim fit, body-confident and trendy fashion designs. The brand targets a female customer between the ages of 15 and 25.
- Petal & Pup, a fashion brand offering an assortment of trendy, flattering and feminine styles and dresses for special occasions. The brand targets female customers typically in their twenties or thirties, with more than 70% of customers between the ages of 25 and 34.
- Culture Kings, a premium online retailer of streetwear apparel, footwear, headwear and accessories. The brand targets male consumers between the ages of 18 and 35 who are fashion conscious, highly social and digitally focused.
- mnml, a streetwear brand that offers competitively priced, on-trend wardrobe staples. The brand targets male consumers between the ages of 18 and 35.

Key Operating and Financial Metrics

Operating Metrics

We use the following metrics to assess the progress of our business, make decisions on where to allocate capital, time and technology investments and assess the near-term and longer-term performance of our business.

The following table sets forth our key operating metrics for each period presented:

(in millions, other than dollar figures)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Active customers	4.26	4.13
Average order value	$ 77	$ 78
Number of orders	1.73	1.66

Active Customers

We view the number of active customers as a key indicator of our growth, our value proposition, consumer awareness of our brand, and our customer's desire to purchase our products. In any particular period, we determine our number of active customers by counting the total number of unique customer accounts who have made at least one purchase in the preceding 12-month period, measured from the last date of such period.

Average Order Value

We define average order value as net sales in a given period divided by the total orders placed in that period. Average order value may fluctuate as we expand into new categories, geographies or channels, or as our assortment changes.

Number of Orders

We define the number of orders as the total number of orders placed by our customers, prior to product returns, across our platform or in our stores in any given period. An order is counted on the day the customer places the order. We consider the number of orders to be a key indicator of our ability to attract and retain customers, as well as an indicator of the desirability of our products.

Key Financial Metrics

The following table sets forth our key financial metrics prepared in accordance with generally accepted accounting principles in the United States ("GAAP") and non-GAAP financial metrics for each period presented:

(dollars in thousands)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Gross margin	63%	57 %
Net loss	$ (7,134)	$ (8,350)
Net loss margin	(5)%	(6)%
Adjusted EBITDA	$ 5,148	$ 2,665
Adjusted EBITDA margin	4 %	2 %
Net cash used in operating activities	$ (3,828)	$ (1,875)
Free Cash Flow	$ (6,410)	$ (5,311)

Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), Adjusted EBITDA margin and Free Cash Flow are non-GAAP measures. See "Non-GAAP Financial Measures" below for information regarding our use of Adjusted EBITDA, Adjusted EBITDA margin and Free Cash Flow and their reconciliation to net income (loss), net income (loss) margin and net cash from operating activities, respectively.

Non-GAAP Financial Measures

In addition to our results determined in accordance with GAAP, we monitor the following supplemental non-GAAP financial measures to evaluate our operating performance, identify trends, formulate financial projections and make strategic decisions on a consolidated basis. Accordingly, we believe that non-GAAP financial information may provide useful supplemental information to investors and others in understanding and evaluating our results of operations in the same manner as our management team. The non-GAAP financial measures are presented for supplemental informational purposes only. They should not be considered a substitute for financial information presented in accordance with GAAP, and may be different from similarly-titled non-GAAP measures used by other companies. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP. Investors are encouraged to review the related GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures.

Adjusted EBITDA and Adjusted EBITDA Margin

We calculate Adjusted EBITDA as net income (loss) adjusted to exclude: interest and other expense; benefit from or provision for income taxes; depreciation and amortization expense; equity-based compensation expense; inventory step-up amortization expense; distribution center relocation costs; transaction costs; costs related to severance from headcount reductions; goodwill and intangible asset impairment; sales tax penalties; insured losses, net of any recoveries; and one-time or non-recurring items. We calculate Adjusted EBITDA margin as Adjusted EBITDA as a percentage of net sales. Adjusted EBITDA does not represent net income (loss) or cash flow from or used in operating activities as it is defined by GAAP and does not necessarily indicate whether cash flows will be sufficient to fund cash needs. Because other companies may calculate EBITDA and Adjusted EBITDA differently than we do, Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies. Adjusted EBITDA has other limitations as an analytical tool when compared to the use of net income (loss), which is the most directly comparable GAAP financial measure, including that Adjusted EBITDA does not reflect:

- the interest or other expense we incur;
- the provision for or benefit from income tax;
- any attribution of costs to our operations related to our investments and capital expenditures through depreciation and amortization charges;
- any transaction or debt extinguishment costs;
- any costs to establish or relocate distribution centers;
- any costs related to severance from headcount reductions;
- any impairment of goodwill or intangible assets;
- any costs related to sales tax penalties;
- any insured losses, net of recoveries;
- any non-routine legal matters;
- any amortization expense associated with fair value adjustments from purchase price accounting, including intangibles or inventory step-up; and
- the cost of compensation we provide to our employees in the form of equity awards.

The following table reflects a reconciliation of Adjusted EBITDA to net loss and Adjusted EBITDA margin to net loss margin, the most directly comparable financial measures prepared in accordance with GAAP:

(dollars in thousands)	Three Months Ended March 31, 2026	2025
Net loss	$ (7,134)	$ (8,350)
Add (deduct):		
Total other expense	2,820	2,958
Provision for income tax	210	9
Depreciation and amortization expense	4,728	4,374
Equity-based compensation expense	1,171	2,059
Distribution center relocation costs	484	737
Non-routine legal matters	2,650	711
Non-routine items[1]	219	167
Adjusted EBITDA	$ 5,148	$ 2,665
Net loss margin	(5)%	(6)%
Adjusted EBITDA margin	4 %	2 %

[1]Non-routine items include severance from headcount reductions, one time supply chain sourcing costs and sales tax penalties.

Free Cash Flow

We calculate Free Cash Flow as net cash provided by (used in) operating activities reduced by purchases of property and equipment. Management believes Free Cash Flow is a useful measure of liquidity and an additional basis for assessing our ability to generate cash. There are limitations related to the use of Free Cash Flow as an analytical tool, including that other companies may calculate Free Cash Flow differently, which reduces its usefulness as a comparative measure, and Free Cash Flow does not reflect our future contractual commitments nor does it represent the total residual cash flow for a given period.

The following table presents a reconciliation of Free Cash Flow to net cash provided by (used in) operating activities, the most directly comparable financial measure prepared in accordance with GAAP:

(dollars in thousands)	Three Months Ended March 31, 2026	2025
Net cash used in operating activities	$ (3,828)	$ (1,875)
Less: purchases of property and equipment	(2,582)	(3,436)
Free Cash Flow	$ (6,410)	$ (5,311)

Our Free Cash Flow has fluctuated over time primarily as a result of timing of inventory purchases, purchases of property and equipment and fluctuations in earnings.

For the three months ended March 31, 2026, net cash used in operating activities increased by $2.0 million compared to net cash used in operating activities for the three months ended March 31, 2025. This was attributable primarily to timing of payments.

For the three months ended March 31, 2026, Free Cash Flow decreased by $1.1 million compared to Free Cash Flow for the three months ended March 31, 2025This was attributable primarily to timing of payments, offset by less capital expenditures related to opening new stores, compared to the prior year.

Factors Affecting Our Performance

Macroeconomic Environment

The macroeconomic environment in which we operate impacts consumer behavior and may have a significant impact on our business. While positive conditions in the economy generally promote customer spending on our sites and in our stores, any economic weakness can result in a reduction of customer spending and have a significant negative impact on our results of operations. Specifically, many of our products may be viewed as discretionary items rather than necessities. Consequently, our results of operations tend to be sensitive to changes in the macroeconomic environment that impact consumer discretionary spending. Macroeconomic factors that could cause significant negative impacts on our results of operations include, but are not limited to: inflationary pressures on consumers globally and on our supply chain; elevated interest rates; employment rates; business conditions; changes in the housing market; changes in stock markets; adverse developments affecting the financial services industry; the availability of credit, both for us and for our customers; foreign currency exchange rates; fuel, energy and raw materials costs; supply chain challenges; wars and geopolitical tensions; and the effects of tariffs and other trade policies. In February 2026, the U.S. Supreme Court struck down certain tariffs imposed under IEEPA, following which the administration imposed a 10% global tariff under Section 122 of the Trade Act of 1974. There remains substantial uncertainty regarding the duration of existing and newly announced tariffs, potential changes or pauses to such tariffs, tariff levels and whether further additional tariffs or other retaliatory actions may be imposed, modified or suspended.

Brand Awareness

Our ability to promote our brands and maintain brand awareness and loyalty is critical to our success. We have a significant opportunity to continue to grow awareness and loyalty to our brands through word of mouth, brand marketing, performance marketing, wholesale and marketplace opportunities, and increased store openings in key locations. We plan to continue to invest in performance marketing and increase our investment in brand awareness across our brands to drive our future growth. Failure to successfully promote our brands and maintain brand awareness would have an adverse impact to our operating results.

Customer Acquisition

To continue to grow our business profitably, we intend to acquire new customers and retain our existing customers at a reasonable cost. Our methods to acquire customers have evolved and will need to continue evolving in response to changes in shopping behaviors, content consumption, costs to advertise and developments in technology. Competition for social media and influencer-based marketing channels continues to increase, making it more difficult to differentiate ourselves and cost-effectively acquire customers. Failure to continue attracting customers efficiently and profitably would adversely impact our profitability and operating results.

Customer Retention

Our results are driven not only by the ability of our brands to acquire customers, but also by their ability to retain customers and encourage repeat purchases. We monitor retention across our entire customer base and use loyalty programs to attempt to retain customers. Failure to retain customers would adversely impact our profitability and operating results.

Inventory Management

Our test, repeat & clear inventory strategy for our owned and in-house product consists of smaller initial inventory purchases followed by analysis of real-time data and customer feedback, which allows us to identify and quickly re-order best sellers. While our initial orders are limited in size and, therefore, limit financial risk, we nonetheless purchase inventory in anticipation of future demand and therefore are exposed to potential shifts in customer preferences and price sensitivity over time.

Investment in our Operations and Infrastructure

We will continue to invest in our operations to facilitate further growth of our business. We intend to invest in headcount, inventory, stores, fulfillment, logistics, and software and data capabilities, including best-in-class third-party providers in order to improve customer experience, expand into more markets and drive operational efficiencies. While we are disciplined in our capital spending and believe we can generate positive returns on our investments over the long term, we cannot guarantee that increased spending on these investments will be cost effective or result in future growth in our customer base.

Foreign Currency Rate Fluctuations

Our international operations have provided and are expected to continue to provide a significant portion of our Company's net sales and operating income. As a result, our Company's net sales and operating income will continue to be affected by changes in the U.S. dollar against international currencies, predominantly against the Australian dollar. In order to provide a framework for assessing the performance of our underlying business, excluding the effects of foreign currency rate fluctuations, we compare the percent change in the results from one period to another period in this Quarterly Report on Form 10-Q using a constant currency methodology wherein current and comparative prior period results for our operations reporting in currencies other than U.S. dollars are converted into U.S. dollars at constant exchange rates (i.e., the rates in effect on December 31, 2025, which was the last day of our prior fiscal year) rather than the actual exchange rates in effect during the respective periods. Such disclosure throughout our Management's Discussion and Analysis of Financial Condition and Results of Operations will be described as "on a constant currency basis." Volatility in currency exchange rates may impact our results, including net sales and operating income, in the future.

Results of Operations

The following tables set forth our results of operations for the periods presented and express the relationship of certain line items as a percentage of net sales for those periods. The period-to-period comparison of financial results is not necessarily indicative of future results.

	Three Months Ended March 31,	
(in thousands)	2026	2025
Net sales	$ 132,464	$ 128,657
Cost of sales	48,835	55,001
Gross profit	83,629	73,656
Operating expenses:		
Selling	40,956	38,184
Marketing	16,751	15,173
General and administrative	30,026	25,682
Total operating expenses	87,733	79,039
Loss from operations	(4,104)	(5,383)
Other expense		
Interest expense	(2,178)	(2,663)
Other expense	(642)	(295)
Total other expense	(2,820)	(2,958)
Loss before income taxes	(6,924)	(8,341)
Provision for income taxes	(210)	(9)
Net loss	$ (7,134)	$ (8,350)

	Three Months Ended March 31,	
	2026	2025
Net sales	100%	100%
Cost of sales	37%	43%
Gross profit	63%	57%
Operating expenses:		
Selling	31%	30%
Marketing	13%	12%
General and administrative	23%	20%
Total operating expenses	66%	61%
Loss from operations	(3%)	(4%)
Other expense		
Interest expense	(2%)	(2%)
Other expense	—%	—%
Total other expense	(2%)	(2%)
Loss before income taxes	(5%)	(6%)
Provision for income taxes	—%	—%
Net loss	(5%)	(6%)

Comparison of the Three Months Ended March 31, 2026 and 2025

Net Sales

(dollars in thousands)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Net sales	$ 132,464	$ 128,657

Net sales increased by $3.8 million, or 3%, for the three months ended March 31, 2026 compared to the same period in 2025. The increase in net sales was primarily driven by a 4% increase in the number of orders we processed in 2026 compared to 2025, partially offset by a decrease in our average order value of 1%, from $78 in 2025 to $77 in 2026. On a constant currency basis, net sales and average order value for the three months ended March 31, 2026 would have increased 1% and decreased 3%, respectively, compared to 2025.

Gross Profit

(dollars in thousands)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Gross profit	$ 83,629	$ 73,656
Gross margin	63%	57%

Gross profit increased by $10.0 million, or 14%, for the three months ended March 31, 2026 compared to the same period in 2025. This increase was primarily driven by a 3% increase in net sales in 2026, as compared to 2025, an improved inventory position and more full price selling, our actions in 2025 to offset the impact of IEEPA tariffs and a $16.5 million benefit from tariff refunds related to prior periods; partially offset by a $12.0 million write-off of streetwear inventory as we fully transition to our test-and-repeat model. Gross margin increased primarily due to the impact from improved inventory position and more full price selling.

Selling Expenses

(dollars in thousands)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Selling	$ 40,956	$ 38,184
Percent of net sales	31%	30%

Selling expenses increased by $2.8 million, or 7%, for the three months ended March 31, 2026 compared to the same period in 2025. This increase was driven by the opening of additional stores, as well as the 3% increase in net sales for the three months ended March 31, 2026. The increase in selling expenses as a percentage of net sales was primarily due to the opening of additional stores.

Marketing Expenses

(dollars in thousands)	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Marketing	$ 16,751	$ 15,173
Percent of net sales	13%	12%

Marketing expenses increased by $1.6 million, or 10%, for the three months ended March 31, 2026 compared to the same period in 2025.

General and Administrative Expenses

	Three Months Ended March 31,	
(dollars in thousands)	**2026**	**2025**
General and administrative	$ 30,026	$ 25,682
Percent of net sales	23%	20%

General and administrative expenses increased by $4.3 million, or 17%, for the three months ended March 31, 2026 compared to the same period in 2025. The increase was primarily driven by a $2.0 million increase in wages and incentive compensation expense, a $1.9 million increase in non-routine legal expenses and a $0.8 million increase in information technology expenses. The increase in general and administrative expenses as a percentage of net sales was primarily due to the increase in wages and incentive compensation expenses and non-routine legal expenses.

Other Expense

	Three Months Ended March 31,	
(dollars in thousands)	**2026**	**2025**
Other expense		
Interest expense	$ (2,178)	$ (2,663)
Other expense	(642)	(295)
Total other expense	$ (2,820)	$ (2,958)
Percent of net sales	(2)%	(2)%

Other expense decreased by $0.1 million, or 5%, for the three months ended March 31, 2026 compared to the same period in 2025 primarily due to lower interest expense from a decrease in our long-term debt balance and interest rates partially offset by the impact of foreign currency.

Provision For Income Taxes

	Three Months Ended March 31,	
(dollars in thousands)	**2026**	**2025**
Provision for income taxes	$ (210)	$ (9)
Percent of net sales	—%	—%

Provision for income taxes changed by $0.2 million for the three months ended March 31, 2026 compared to the same period in 2025. This change was primarily due to projected full-year pre-tax income in the U.S. in the current year, compared to a projected full-year pre-tax loss in the same period in 2025.

Liquidity and Capital Resources

As of March 31, 2026, our principal sources of liquidity were cash and cash equivalents totaling $12.9 million, our revolving line of credit and our term loan accordion provision.

As of March 31, 2026, most of our cash was held for working capital purposes. We have historically financed our operations and capital expenditures primarily through cash flows generated by operations, the incurrence of debt and through the issuance of equity. We believe that our existing cash, together with cash generated from operations and available borrowing capacity under our credit facilities and lines of credit, will be sufficient to meet our anticipated cash needs for the next 12 months. We believe that cash generated from ongoing operations and continued access to debt markets will be sufficient to satisfy our cash requirements beyond 12 months. However, our liquidity assumptions may prove to be incorrect, and we could exhaust our available financial resources sooner than we currently expect. We may seek to borrow funds under our credit facility or raise additional funds at any time through equity, equity-linked or debt financing arrangements. Our future capital requirements and the adequacy of available funds will depend on many factors, including those described in the section of our 2025 Form 10-K captioned “Risk Factors.” We may not be able to secure additional financing to meet our operating requirements on acceptable terms, or at all. The inability to raise capital if needed would adversely affect our ability to achieve our business objectives.

Amended and Restated Credit Agreement

On October 14, 2025, we entered into an Amended and Restated Syndicated Facility Agreement (the “Amended and Restated Credit Agreement”) with the other borrowers party thereto, A.K.A. Brands Intermediate Holding Corp., as Holdings, Keybank National Association, as administrative agent, collateral agent, security trustee and lead arranger, and the other persons party thereto from time to time, which amends and restates in its entirety the Syndicated Facility Agreement, dated as of September 21, 2021 (as amended, restated, increased, extended, supplemented or otherwise modified from time to time). The Amended and Restated Credit Agreement amends and restates the Credit Agreement to, among other things, (i) establish revolving credit facility commitments in an aggregate principal amount of $35.3 million (ii) establish term loans in an aggregate principal amount of $85.0 million, (iii) adjust the pricing stepdowns related to the interest rate on the Term SOFR Loans, Base Rate Loans and BBSY Loans (each as defined in the Amended and Restated Credit Agreement) after delivery of a compliance certificate for the fiscal year ending December 31, 2025 and (iv) resize baskets within certain negative covenants based on a Consolidated EBITDA (as defined in the Amended and Restated Credit Agreement) of $35.2 million.

The Amended and Restated Credit Agreement extends the maturity date of (i) the revolving credit facility commitments to October 14, 2028 and (ii) the term loans to October 14, 2028. We are required to make mandatory amortization payments in respect of the term loans in an amount equal to (a) commencing with the fiscal quarter ending on December 31, 2025 and until the fiscal quarter ending on December 31, 2027, a principal amount of term loans equal to the aggregate outstanding principal amount of term loans made on the date of the execution of the Amended and Restated Credit Agreement, multiplied by 1.875% and (b) commencing with the fiscal quarter ending on March 31, 2028, a principal amount of term loans equal to the aggregate outstanding principal amount of term loans made on the date of the execution of the Amended and Restated Credit Agreement, multiplied by 2.50%. As of March 31, 2026, principal payments of our term loan for the next twelve months are anticipated to total $6.4 million.

Under the Amended and Restated Credit Agreement, we are subject to certain financial covenant ratios and certain annual mandatory prepayment terms based on excess cash flows, as defined in the Amended and Restated Credit Agreement, based on our net leverage ratio. If we are unable to comply with certain financial covenant ratios, which include provisions that are not precisely defined and are subject to interpretation, and terms requiring mandatory prepayment based on a percentage of excess cash flows, our long-term liquidity position may be adversely impacted. Furthermore, the variable interest rates associated with our senior secured credit facility could result in interest payments that are higher than anticipated. We were in compliance with all debt covenants as of March 31, 2026, and expect to be in compliance beyond the next 12 months, although our ability to meet these financial ratios and tests can be affected by the interpretation of certain provisions in our Amended and Restated Credit Agreement, macro-economic factors and the seasonality of our business.

The obligations under the Amended and Restated Credit Agreement continue to be (a) jointly and severally guaranteed by the guarantors under the senior secured credit facility, including the Company, and any future subsidiaries that execute a joinder to the guaranty and related collateral agreements and (b) secured by a first priority lien on substantially all of our assets, subject to certain customary exceptions. In addition, the Amended and Restated Credit Agreement contains customary non-financial covenants limiting, among other things, mergers and acquisitions; investments, loans and advances; affiliate transactions; changes to capital structure and the business; additional indebtedness; additional liens; the payment of dividends; and the sale of assets, in each case, subject to certain customary exceptions. The Amended and Restated Credit Agreement contains customary events of default, including payment defaults, breaches of representations and warranties, covenant defaults, defaults under other material debt, events of bankruptcy and insolvency, failure of any guaranty or security document to be in full force and effect, and a change of control of the business.

Refer to Note 8, “Debt,” and Note 18, “Subsequent Events” in the notes to our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q for additional information regarding our senior secured credit facility and the Amended and Restated Credit Agreement.

Material Cash Requirements

There have been no significant changes in our material cash requirements from those reported in the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section of our 2025 Form 10-K.

Historical Cash Flows

	Three Months Ended March 31,	
(in thousands)	**2026**	**2025**
Net cash used in operating activities	$ (3,828)	$ (1,875)
Net cash used in investing activities	(2,582)	(3,436)
Net cash (used in) provided by financing activities	(1,815)	7,595

Net Cash Used in Operating Activities

Net cash used in operating activities consists primarily of net income (loss) adjusted for certain non-cash items, including depreciation, amortization, equity-based compensation, the effect of changes in working capital and other activities.

During the three months ended March 31, 2026, net cash used in operating activities increased by $2.0 million as compared to the same period in 2025. This was attributable primarily to timing of payments.

Net Cash Used in Investing Activities

Our primary investing activities have consisted of acquisitions to support our overall business growth and investments in our fulfillment centers, our stores and our internally developed software to support our infrastructure. Purchases of property and equipment may vary from period to period due to timing of the expansion of our operations.

During the three months ended March 31, 2026, net cash used in investing activities decreased by $0.9 million, as compared to the same period in 2025. This was attributable to less capital expenditures related to opening new stores compared to the prior year.

Net Cash (Used in) Provided by Financing Activities

Our financing activities have historically consisted of cash proceeds from borrowings, cash used to pay down borrowings, cash received from the sale of our common stock in the IPO and cash used to repurchase shares of our common stock.

During the three months ended March 31, 2026, net cash used in financing activities increased by $9.4 million, as compared to the same period in 2025. This was primarily attributable to no borrowings on our line of credit in 2026, as compared to the prior period.

Share Repurchase Program

On May 25, 2023, our board of directors approved the Share Repurchase Program, authorizing us to repurchase up to $2.0 million of shares of our common stock. Subsequently, in 2023, our board of directors approved an additional repurchase capacity under the Share Repurchase Program of $3.0 million of shares of our common stock. The timing of any of our repurchases and the actual number of shares repurchased are at our discretion, and, in deciding when to repurchase shares and the amount of shares to repurchase, we will consider available liquidity, general market and economic conditions, alternate uses for the capital and other factors. Share repurchases may be made from time to time through a Rule 10b5-1 trading plan, open market transactions, block trades or in private transactions in accordance with applicable securities laws and regulations and other legal requirements. The Share Repurchase Program may be suspended or discontinued at any time and has no expiration date. All repurchased shares under the Share Repurchase Program will be retired.

During the three months ended March 31, 2026, no shares were repurchased under the Share Repurchase Program.

Critical Accounting Estimates

There have been no significant changes in our critical accounting estimates from those reported in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section of our 2025 Form 10-K.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a "smaller reporting company," as defined in Item 10 of Regulation S-K, we are not required to provide this information.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of the end of the period covered by this Quarterly Report on Form 10-Q. This evaluation is performed to determine whether our disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure and are effective to provide reasonable assurance that such information is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms. Due to the material weaknesses described below, our Chief Executive Officer and our Chief Financial Officer concluded that the Company's disclosure controls and procedures were not effective at the reasonable assurance level as of March 31, 2026. Nevertheless, based on the performance of additional procedures by management designed to ensure reliability of financial reporting, the Company's management has concluded that, notwithstanding the material weaknesses described below, the condensed consolidated financial statements for the periods covered by and included in this Quarterly Report on Form 10-Q fairly present, in all material respects, the Company's financial position, results of operations and cash flows as of the dates, and for the periods presented, in conformity with GAAP.

Material Weaknesses

We have identified material weaknesses in the design and operation of our internal control over financial reporting in connection with the preparation of our financial statements, as previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2021, that had not been remediated as of March 31, 2026. 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 a company's annual or interim financial statements will not be prevented or detected on a timely basis. The Company's management, including our Chief Executive Officer and our Chief Financial Officer concluded that, as of March 31, 2026:

- We did not design and maintain an effective internal control environment commensurate with the financial reporting requirements of a public company. Specifically, we lacked a sufficient complement of personnel with an appropriate level of knowledge, experience and training in internal control over financial reporting and the reporting requirements of a public company. In addition, we did not formally delegate authority or establish appropriate segregation of duties in our finance and accounting functions, including as it relates to the preparation and approval of journal entries. As a result, changes to existing controls or the implementation of new controls have not been sufficient to respond to changes to the risks of material misstatement to financial reporting. These material weaknesses contributed to the following additional material weakness:
- We did not design and maintain effective controls with respect to certain information technology general controls (ITGCs) for information systems relevant to the preparation of our financial statements, specifically, (i) program change management controls to ensure that program and data changes are identified, tested, authorized and implemented appropriately; (ii) user access controls to adequately restrict user and privileged access to appropriate personnel; (iii) computer operations controls to ensure that processing and transfer of data, and data backups and recovery are monitored; and (iv) program development controls to ensure that new software development is tested, authorized and implemented appropriately.

These material weaknesses resulted in immaterial errors to various accounts to our historical annual and interim consolidated financial statements. Additionally, each of these material weaknesses could result in a misstatement of substantially all account balances or disclosures that would result in a material misstatement to our annual or interim condensed consolidated financial statements that would not be prevented or detected.

Remediation Status of Material Weaknesses

Since the material weaknesses were identified, we have taken, and continue to take, steps to address the underlying causes of the material weaknesses, including the following:

- We made significant progress in identifying, designing and implementing internal controls in response to the material weaknesses. With the assistance of our third-party consulting partner, we have commenced testing of the design and operating effectiveness of controls across the Company's key business process and IT controls.
- We hired additional experienced financial reporting and information technology personnel and put new processes in place to achieve complete, accurate and timely financial reporting.
- We increased the training of accounting, finance and IT staff related to internal control over financial reporting, including providing additional IT training to support the enhanced control framework.
- We formalized and performed a SOX risk assessment process that includes the identification and walkthrough of key business processes to ensure controls are designed and implemented in response to identified risks.
- We made significant progress to (i) identify key systems and processes that require the design and implementation of new controls and enhanced documentation related to existing controls, (ii) design and implement controls for segregation of duties, (iii) assess the design of ITGCs and (iv) implement an enterprise resource planning ("ERP") system. Our new global ERP system is implemented across a majority of the Company's operations, with remaining implementation activity expected in 2026. Additionally, we have implemented ITGCs for all in-scope accounting and financial management systems, including obtaining and evaluating and SOC 1 Type II reports for third-party solutions.
- We completed an initial segregation of duties assessment to identify key conflicts and are in the process of designing and implementing mitigating controls and revised system access levels. We will continue to implement processes and controls to address segregation of duties risks, including enhancing the monitoring of usage of technology within systems, applications and tools.
- We have developed policies and procedures for the periodic user access review of all users with access to financially relevant systems, and such access reviews will be performed regularly to assess the appropriateness of users and roles in key systems.

While the material weaknesses have not been remediated as of March 31, 2026, management is devoting substantial resources to the ongoing remediation efforts and is targeting remediation by the end of fiscal year ending December 31, 2026. As we continue to evaluate and work to improve our internal control over financial reporting, we may take additional measures to address control deficiencies, or we may modify certain of the remediation measures described above. The material weaknesses will not be considered remediated until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are designed and operating effectively.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are subject to legal proceedings which arise in the ordinary course of business. Litigation is subject to inherent uncertainties. We currently are not certain whether the ultimate outcome of such legal proceedings, individually or in the aggregate, will have a material adverse effect on our financial position, results of operations or cash flows. If an unfavorable ruling were to occur, there exists the possibility of a material adverse impact on our results of operations in the period in which the ruling occurs. The estimate of the potential impact from such legal proceedings on our financial position or results of operations could change in the future.

ITEM 1A. RISK FACTORS

Reference is made to the information disclosed under Part I, Item 1A - "Risk Factors" in our2025 Form 10-K, which contains a detailed discussion of certain risk factors that could materially adversely affect the Company's business, operating results or financial condition. The information disclosed under Part I, Item 1A - “Risk Factors” in our 2025 Form 10-K remains current in all material respects, with the exception below.

A security breach or other disruption to our information technology systems could result in the loss, theft, misuse, unauthorized disclosure or unauthorized access of customer, supplier, or sensitive company information or could disrupt our operations, which could damage our relationships with customers, suppliers or employees, expose us to litigation or regulatory proceedings or harm our reputation, any of which could materially adversely affect our business, financial condition or results of operations.

Our business involves the storage and transmission of a significant amount of personal, confidential, or sensitive information, including the personal information of our customers, credit card information, the personal information of our employees, information relating to customer preferences and our proprietary financial, operational and strategic information. The protection of this information is vitally important to us as the loss, theft, misuse, unauthorized disclosure or unauthorized access of such information could lead to significant reputational or competitive harm, result in litigation involving us or our business partners, expose us to regulatory proceedings and cause us to incur substantial liabilities, fines, penalties or expenses. As a result, we believe our future success and growth depends, in part, on the ability of our key business processes and systems, including our information technology and global communication systems, to prevent the theft, loss, misuse, unauthorized disclosure or unauthorized access of this personal, confidential and sensitive information, and to respond quickly and effectively if data security incidents do occur. As with many businesses, we are subject to numerous data privacy and security risks, which may prevent us from maintaining the privacy of this information, result in the disruption of our business and require us to expend significant resources attempting to secure and protect such information and respond to incidents, any of which could materially adversely affect our business, financial condition or results of operations.

The frequency, intensity, and sophistication of cyber-attacks, ransom-ware attacks and other data security incidents has significantly increased in recent years. As with many other businesses, we have experienced, and are continually at risk of being subject to, attacks and incidents, although none have had a material adverse impact on our financial condition or results of operations. However, as cyberattacks become increasingly sophisticated, including through the use of artificial intelligence (“AI”) technologies, such as deepfakes and AI-generated social engineering, the risk of security incidents has increased. Due to the increased risk of these types of attacks and incidents, we expend significant resources on information technology and data security tools, measures and processes designed to protect our information technology systems, as well as the personal, confidential or sensitive information stored on or transmitted through those systems, and to ensure an effective response to any cyber-attack or data security incident. Whether or not these measures are ultimately successful, these expenditures could have an adverse impact on our financial condition and results of operations and divert management’s attention from pursuing our strategic objectives.

In addition, although we take the security of our information technology systems seriously, there can be no assurance that the security measures we employ will effectively prevent unauthorized persons from obtaining access to our systems and information. Despite the implementation of reasonable security measures by us and our third-party providers, our systems and information are susceptible to physical or electronic break-ins, security breaches from inadvertent or intentional actions of our employees, third-party service providers, contractors, consultants, business partners or other third parties, from cyber-attacks by malicious third parties (including the deployment of harmful malware, ransomware, denial of service attacks, social engineering and other means to affect service reliability and threaten the confidentiality, integrity and availability of information) or other data security incidents. These risks may be exacerbated in the remote work environment. Threat actors are also increasingly leveraging AI technologies to develop new attack vectors, exploit vulnerabilities, obscure their activities, and increase the difficulty of threat attribution. For example, new AI tools are capable of identifying previously undetected vulnerabilities and creating exposures to zero-day attacks, which may significantly diminish the timeframe for us and our third-party providers to detect, respond to and protect our information technology systems. AI and machine learning technologies continue to develop rapidly, and may result in a variety of unforeseen risks. Because the techniques used to obtain unauthorized access to information technology systems are constantly evolving and becoming more sophisticated, they may not be recognized until launched, and can originate from a wide variety of sources, including outside groups such as external service providers, organized crime affiliates, terrorist organizations or hostile foreign governments or agencies, we may be unable to anticipate these techniques or implement adequate preventive measures in response.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS AND ISSUER PURCHASES OF EQUITY SECURITIES

Issuer Purchases of Equity Securities

On May 25, 2023, the Company's board of directors approved the Share Repurchase Program, authorizing the Company to repurchase up to $2.0 million of shares of the Company's common stock. Subsequently, in 2023, the Company's board of directors approved an additional repurchase capacity under the Share Repurchase Program of $3.0 million of shares of the Company's common stock. The timing of any repurchases by the Company and the actual number of shares repurchased are at the Company's discretion, and, in deciding when to repurchase shares and the amount of shares to repurchase, the Company will consider available liquidity, general market and economic conditions, alternate uses for the capital and other factors. Share repurchases may be made from time to time through a Rule 10b5-1 trading plan, open market transactions, block trades or in private transactions in accordance with applicable securities laws and regulations and other legal requirements. The Share Repurchase Program may be suspended or discontinued at any time and has no expiration date. All repurchased shares under the Share Repurchase Program will be retired.

The following table sets forth our share repurchase activity, on a settlement date basis, for the three months ended March 31, 2026:

Period	Total Number of Shares Purchased[1]	Average Price Paid per Share	Total Number of Shares Purchased as Part of a Publicly Announced Plan or Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program (millions)[2]
January 1, 2026 - January 31, 2026	12,061	$ 11.33	—	$ 1.0
February 1, 2026 - February 28, 2026	7,604	10.98	—	1.0
March 1, 2026 - March 31, 2026	93	9.42	—	1.0
Total	19,758		—	

1. 19,973 of these shares represent shares of common stock surrendered by certain of our employees to satisfy their statutory minimum U.S. federal and state tax obligations associated with the vesting of restricted shares of common stock issued under the 2021 Omnibus Incentive Plan. With respect to these surrendered shares, the price paid per share is based on the fair value at the time of surrender.
2. Reflects the dollar value of shares that may yet be repurchased under the Share Repurchase Program announced on May 25, 2023. The Company's board of directors initially authorized the repurchase of an aggregate of $2.0 million of shares of common stock pursuant to the Share Repurchase Program. On December 18, 2023, the Company announced its board of directors approved an additional repurchase capacity under the Share Repurchase Program of $3.0 million of shares of the Company's common stock.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 Trading Plans

During the three months ended March 31, 2026, none of the Company's directors or executive officersadopted or terminated any contract, instruction or written plan for the purchase or sale of the Company's securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

ITEM 6. EXHIBITS

The following exhibits are filed herewith or incorporated by reference herein:

Exhibit No.	Description
3.1	Amended and Restated Certificate of Incorporation of a.k.a. Brands Holding Corp., filed with the Delaware Secretary of State on September 21, 2021 (incorporated by reference to Exhibit 3.1 to a.k.a. Brands Holding Corp.'s Current Report on Form 8-K (File No. 001-40828), filed with the Securities and Exchange Commission on September 27, 2021).
3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of a.k.a. Brands Holding Corp., filed with the Delaware Secretary of State on September 25, 2023 (incorporated by reference to Exhibit 3.1 to a.k.a. Brands Holding Corp.'s Current Report on Form 8-K (File No. 001-40828) filed with the Securities and Exchange Commission on September 29, 2023).
3.3	Amended and Restated Bylaws of a.k.a. Brands Holding Corp., effective September 21, 2021 (incorporated by reference to Exhibit 3.2 to a.k.a. Brands Holding Corp.'s Current Report on Form 8-K (File No. 001-40828), filed with the Securities and Exchange Commission on September 27, 2021).
31.1*	Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	Inline XBRL Instance Document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
104*	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

* Filed herewith.

** Furnished herewith. The certifications attached as Exhibits 32.1 and 32.2 that accompany this Quarterly Report on Form 10-Q are deemed furnished and not filed with the SEC and are not to be incorporated by reference into any filing of the Company under the Securities Act or the Exchange Act, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

a.k.a. Brands Holding Corp.

Date: May 12, 2026	By:	/s/ Kevin Grant
	Name:	Kevin Grant
	Title:	Chief Financial Officer (Authorized Signatory and Principal Financial and Accounting Officer)

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
SECURITIES EXCHANGE ACT OF 1934 RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Ciaran Long, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of a.k.a. Brands Holding Corp.;

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

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

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

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

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

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

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

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

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

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

	a.k.a. Brands Holding Corp.	
Date: May 12, 2026	By:	/s/ Ciaran Long
	Name:	Ciaran Long
	Title:	Chief Executive Officer (Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO
SECURITIES EXCHANGE ACT OF 1934 RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kevin Grant, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of a.k.a. Brands Holding Corp.;

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

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

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

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

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

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

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

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

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

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

	a.k.a. Brands Holding Corp.	
Date: May 12, 2026	By:	/s/ Kevin Grant
	Name:	Kevin Grant
	Title:	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

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

I, Ciaran Long, Chief Executive Officer of a.k.a. Brands Holding Corp., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of a.k.a. Brands Holding Corp. for the quarter ended March 31, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of a.k.a. Brands Holding Corp.

a.k.a. Brands Holding Corp.

Date: May 12, 2026

By:	/s/ Ciaran Long
Name:	Ciaran Long
Title:	Chief Executive Officer (Principal Executive Officer)

Exhibit 32.2

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

I, Kevin Grant, Chief Financial Officer of a.k.a. Brands Holding Corp., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of a.k.a. Brands Holding Corp. for the quarter ended March 31, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of a.k.a. Brands Holding Corp.

a.k.a. Brands Holding Corp.

Date: May 12, 2026	By:	/s/ Kevin Grant
	Name:	Kevin Grant
	Title:	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)