

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

Form 10-K

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

For the fiscal year ended January 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: 001-37501

Ollie’s Bargain Outlet Holdings, Inc.
(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

80-0848819

(IRS Employer Identification No.)

6295 Allentown Boulevard
Suite 1
Harrisburg, Pennsylvania

(Address of principal executive offices)

17112

(Zip Code)

(717) 657-2300

(Registrant’s telephone number, including area code)

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

Title of Each Class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$0.001 par value	OLLI	The NASDAQ Stock Market LLC

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

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
Yes ☐ No ☒

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

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

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

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

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

Indicated by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

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

The aggregate market value of the voting stock held by non-affiliates of the registrant as of August 2, 2025 (the last business day of the registrant’s most recently completed second fiscal quarter), based on the closing sale price per share as reported by the NASDAQ Stock Market LLC on such date, was approximately \$8.4 billion. For purposes of this calculation only, the registrant has excluded all shares held in the treasury or that may be deemed to be beneficially owned by executive officers and directors of the registrant. By doing so, the registrant does not concede that such persons are affiliates for purposes of federal securities laws.

The number of outstanding shares of the registrant’s common stock, \$0.001 par value, as of March 12, 2026 was 60,956,213.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant’s definitive proxy statement for the 2026 Annual Meeting of Stockholders (the “Proxy Statement”), to be filed pursuant to Regulation 14A within 120 days after the end of the 2025 fiscal year, are incorporated by reference into Part III of this Form 10-K.

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Cautionary note regarding forward-looking statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as “could,” “may,” “might,” “will,” “likely,” “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects,” “continues,” “projects,” and similar references to future periods, prospects, financial performance, and industry outlook. Examples of forward-looking statements include, but are not limited to, statements we make regarding the outlook for our future business and financial performance, such as those contained in “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations,” included elsewhere in this Annual Report on Form 10-K.

Forward-looking statements are based on our current expectations and assumptions regarding our business, capital market conditions, the economy, and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict. As a result, our actual results may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national, or global political, economic, business, competitive, market, and regulatory conditions, including, but not limited to, supply chain challenges, legislation, national trade policy, and the following:

- our failure to adequately procure and manage our inventory, anticipate consumer demand, or achieve favorable product margins;
- changes in consumer confidence and spending;
- risks associated with our status as a “brick and mortar only” retailer and our lack of operations in the growing online retail marketplace;
- risks associated with intense competition;
- our failure to open new profitable stores, or successfully enter new markets, on a timely basis or at all;
- fluctuations in comparable store sales and results of operations, including on a quarterly basis;
- factors such as inflation, recession, cost increases, and energy prices;
- the risks associated with doing business with foreign manufacturers and suppliers including, but not limited to, disruption of trade relationships with foreign manufacturers, potential increases in tariffs and trade sanctions on imported goods, as well as international trade disputes;
- our inability to operate our stores due to wars, civil unrest, and protests or disturbances;
- our failure to properly hire and to retain key personnel and other qualified personnel;
- changes in market levels of wages;
- risks associated with cybersecurity events, and the timely and effective deployment, protection, and defense of computer networks and other electronic systems, including e-mail;
- our inability to obtain favorable lease or acquisition terms for properties;
- the failure to timely acquire, develop, open and operate, or the loss of, or disruption or interruption in the operations of, any of our distribution centers;
- risks associated with litigation, including the expense of defense, and potential for adverse outcomes;
- our inability to successfully develop or implement our marketing, advertising and promotional efforts;
- the seasonal nature of our business;
- risks associated with natural disasters, severe weather events, and related conditions;
- risks associated with outbreak of viruses, global health epidemics, pandemics, or widespread illness;
- changes in federal or state laws, government regulations, actions, procedures, or requirements, including as a result of executive orders, or other policies promulgated by the presidential administration; and
- our ability to service indebtedness and to comply with our financial covenants.

See “Item 1A. Risk Factors” for a further description of these and other factors that could cause our actual results to differ materially from those contemplated by the forward-looking statements. For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this Annual Report on Form 10-K. Any forward-looking statement made by us in this annual report speaks only as of the date on which we make it. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law. You are advised, however, to consult any further disclosures we make on related subjects in our public announcements and Securities and Exchange Commission (“SEC”) filings.

Ollie’s Bargain Outlet Holdings, Inc. operates on a fiscal year, consisting of the 52- or 53-week period ending on the Saturday nearer January 31 of the following calendar year. References to “2025,” “2024” and “2023” represent the 2025 fiscal year ended January 31, 2026, the 2024 fiscal year ended February 1, 2025, and the 2023 fiscal year ended February 3, 2024, respectively. 2025 and 2024 consisted of 52-weeks and 2023 consisted of 53-weeks. References to “2026” refer to the 52-week fiscal year ending January 30, 2027.

In this report, the terms “Ollie’s,” the “Company,” “we,” “us” or “our” mean Ollie’s Bargain Outlet Holdings, Inc. and its wholly owned subsidiaries, unless the context indicates otherwise.

PART I

Item 1. Business.

Overview

Ollie’s Bargain Outlet Holdings, Inc. and subsidiaries (collectively referred to as the “Company” or “Ollie’s”) is a leading off-price retailer of brand name household products. Since our founding in 1982, the Company’s mission has been to sell Good Stuff Cheap®. We do this through a flexible buying model that focuses on closeout merchandise and excess inventory from suppliers and manufacturers around the world. Our stores offer Real Brands! Real Bargains! ® in a treasure hunt shopping environment at prices up to 70% below traditional retailers.

Our flexible business model, which includes an opportunistic buying strategy, and long history of experience of buying and selling closeout merchandise and excess inventory, differentiates us from traditional retailers. Our highly experienced merchandise team is constantly scouring the market and leveraging deep, long-standing relationships across the supply chain to find the best products at the best prices. We focus on buying cheap and selling cheap, and source products as unique buying opportunities present themselves. While the individual products sold in our stores are constantly changing, our overall merchandise mix is designed to save people money on a wide variety of brand name household products that they need and use in their everyday lives.

We operate one reportable industry segment. See Note 12, “Segment Reporting and Entity-Wide Information,” to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K. On January 31, 2026, we operated 645 retail stores in 34 states. Our stores offer a broad selection of brand name products in a no-frills, warehouse-style treasure hunt shopping experience, and our merchandise assortment is constantly changing.

Flexible Business Model

We operate a unique and flexible business model that combines an opportunistic buying strategy with a broad and changing assortment of brand name household products sold at no-frills, warehouse-style stores and supported by low-cost operations to deliver a compelling value proposition and profitable growth. Our buying, product assortment, and inventory management strategies give us flexibility to adjust our merchandise assortment more frequently than traditional retailers, and our store and distribution operations are designed to support this flexibility.

Opportunistic Buying Strategy

Our mission is to sell Good Stuff Cheap® and our primary point of differentiation against other retailers is the pricing of our products. Our goal is to be the lowest priced retailer of any product offered by our stores by utilizing a flexible and opportunistic buying model that focuses on closeout merchandise and excess inventory from suppliers and manufacturers around the world.

The closeout industry is large, highly fragmented, and growing. Fueling the growth is the consolidation of retailers and manufacturers around the globe. Larger retailers are being supplied by larger manufacturers and this is leading to larger order and product flows. In addition, manufacturers are constantly developing and introducing new products, new packaging, and working around endless changes and disruptions in the marketplace and supply chain. This is driving growth in the number of products being offered for sale by manufacturers at closeout-type prices. At the same time, the retail side of the closeout industry is highly fragmented, with many independent operators and small format stores.

As a result, we purchase our products from a variety of sources, including major manufacturers, wholesalers, distributors, brokers, and retailers. Our merchant team maintains relationships with a base of existing vendors and is constantly looking to build new relationships with new vendors. This provides us with a steady flow of closeout deals and products to choose from. We believe our growing size and scale allow us better access to merchandise.

Our merchants specialize by department in order to build category expertise, in-depth knowledge, and sourcing relationships. We believe our buying approach, coupled with long-standing and newly formed relationships, enable us to find the best deals from major manufacturers, and pass drastically reduced prices along to our customers. Our merchants maintain direct relationships with brand manufacturers, regularly attend major tradeshow, and travel the world to source extreme value offerings across a broad assortment of product categories. We are an attractive partner to major manufacturers because our merchants are experienced and empowered to make quick decisions. Each opportunity is unique, and our merchants negotiate directly with the supplier to lock in a particular deal. Our flexible business model, opportunistic buying strategy, and ever-changing mixture of goods allows us to move in and out of products and select the deals that we believe deliver the most value to our customers.

Broad and Changing Assortment of Brand Name Household Products

We sell a wide assortment of household goods and consumer products. Our focus is on nationally-branded products that consumers know and recognize. We offer a highly differentiated, constantly evolving assortment of brand name merchandise across a broad range of categories at drastically reduced prices. We leverage our experienced merchant team, experience in the closeout industry, long-standing relationships with manufacturers, wholesalers, distributors, brokers, and suppliers of consumer products to procure an ever-changing assortment of great deals for our customers, with products offered at prices up to 70% off the prices offered by traditional retailers. Our product price tags and marketing allow customers to compare our competitor's price against Ollie's price to further highlight the savings they can realize by shopping at our stores. We augment our brand name merchandise with opportunistic purchases of unbranded goods and our own domestic and direct-import private label brands in underpenetrated categories to further enhance the assortment of products that we offer. We believe our compelling value proposition and the unique nature of our merchandise offerings differentiate us from traditional retailers. With our opportunistic buying strategy, our product assortment and mix of sales between the departments are constantly changing.

The table below shows the breakdown as a percentage of net sales for the past three fiscal years across the consumables, home, seasonal, and other product classifications.

	Percentage of Net Sales		
	2025	2024	2023
Consumables ⁽¹⁾	31.9%	31.9%	30.3%
Home ⁽¹⁾	28.3%	28.0%	29.2%
Seasonal	19.1%	19.2%	18.7%
Other	20.7%	20.9%	21.8%
Total	100.0%	100.0%	100.0%

⁽¹⁾ In fiscal 2024, the Company reclassified certain products out of the Home category and into the Consumables category. These products included cleaning supplies, floor care, and other products such as paper goods. Prior periods have been adjusted for comparability.

Consumables are items that are used up and depleted through normal use and must be replaced regularly, and include things such as: health and beauty aids, food, candy, beverages, pet food and treats, laundry related products, and cleaning supplies. *Home* are items that are generally used in or around the home to support daily living and comfort, and include things such as: housewares and kitchen items, home décor products, furniture, household essential type of items, and home maintenance and utility items. *Seasonal* are items that are generally used or in demand during certain times of the year and around specific seasons, holidays, or recurring events, and include things such as: patio furniture, air conditioners, fans, space heaters, toys, lawn and garden related products, outdoor items, holiday décor, gifts, and decorations. *Other* are items that don't fall into the *consumables*, *home*, or *seasonal* categories, and include things such as: books, stationery related items, small electronic devices and accessories, clothing, sporting goods, pet products, automotive products, luggage and other general merchandise.

Low-Cost Operations

We maintain strong expense control and operate with a low-cost structure. Our marketing and advertising strategy is generally focused on building the Ollie's brand and informing customers about some of our latest product offerings. Our no-frills, warehouse-style stores are designed to provide a pleasant overall shopping environment without spending heavily on store fixtures or décor. Our real estate strategy focuses on infilling existing geographies as well as expanding into contiguous markets in order to leverage our distribution infrastructure, field management team, store management, marketing investments and brand awareness. The majority of our stores are leased and we look to open new stores in existing vacant sites with strong traffic patterns and lower rent structures. Additionally, our distribution network and field management team are designed to run cost effectively.

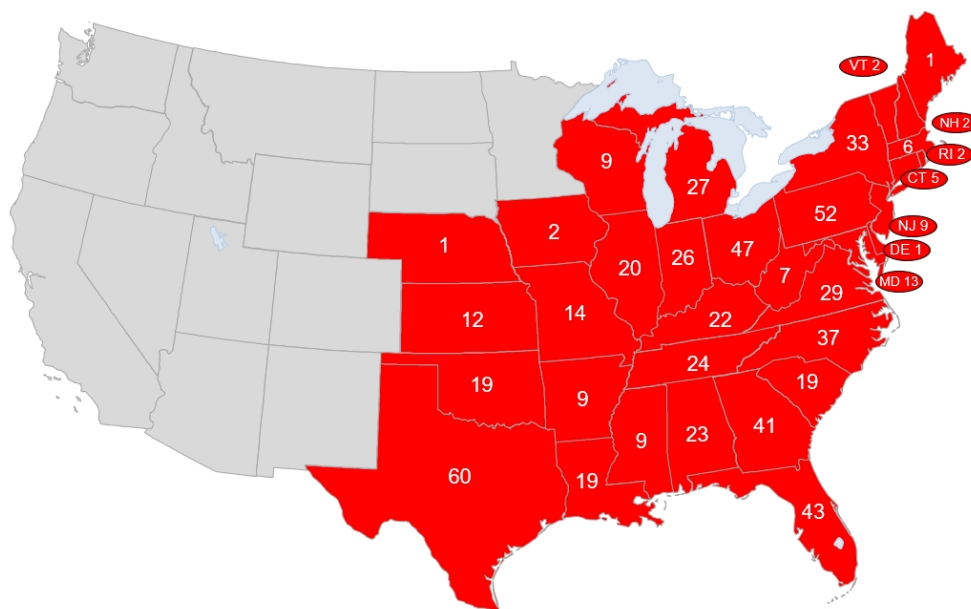
No-Frills, Warehouse-Style Stores

Our stores offer a no-frills, warehouse-style treasure hunt shopping experience and operate under the Ollie's brand name and logo. Our average store size is approximately 32,000 square feet and generates consistent financial returns across all vintages, geographic regions, population densities, demographic groups, and real estate formats. The majority of our stores are leased and we look to open new stores in existing vacant sites with strong traffic patterns and lower rent structures. Stores are organized by department in a racetrack type fashion. Our stores welcome our customers with vibrant and colorful caricatures together with witty signage. We believe the store layout and merchandising strategy help to encourage a "shop now" sense of urgency and increase frequency of customer visits as customers never know what they might find in our stores. We make it easy for our customers to browse our stores by displaying our frequently changing assortment of products on rolling tables, pallets and other display fixtures. Our store team leaders are responsible for maintaining our treasure hunt shopping experience, keeping the stores clean and well-lit, and ensuring our customers are engaged. We believe our humorous brand image, compelling values, and welcoming stores resonate with our customers and define Ollie's as a unique and comfortable shopping destination.

Contiguous New Store Growth Strategy

Ollie's first store was opened in Mechanicsburg, PA in 1982. From the beginning, the Company has been focused on the buying and selling of closeout and excess inventory of name brand household goods and consumer products. Ollie's was founded based on the idea that "everyone in America loves a bargain," and our mission today is the same as it was over 40 years ago; saving people money by selling Good Stuff Cheap®.

Historically, we have expanded our store base by opening new stores organically. More recently, we have expanded our store base through acquiring former store locations of bankrupt retailers through the bankruptcy store auction process. We follow a unit growth strategy that combines backfilling existing markets and states with entering new markets and states in a contiguous manner. On January 31, 2026, we operated 645 stores in 34 states, as depicted in the map below.



We believe we can profitably expand our store count on a national scale to more than 1,300 locations in the United States. Our real estate strategy focuses on infilling existing geographies as well as expanding into contiguous markets in order to leverage our distribution infrastructure, field management team, store management, marketing investments and brand awareness. We target a store size between 25,000 to 35,000 square feet. We utilize a rigorous site selection and real estate approval process in order to leverage our infrastructure, marketing investments, and brand awareness. Our flexible store layout allows us to quickly take over a variety of low-cost, second-generation sites, including former big box retail and grocery stores. By focusing on key characteristics such as proximity to the nearest Ollie's store, ability to leverage distribution infrastructure, visibility, traffic counts, population densities, and low rent per square foot, we have developed a new store real estate model that has consistently delivered attractive returns on invested capital.

We maintain a healthy pipeline of real estate sites that have been approved by our real estate committee. Our recent store growth is summarized in the following table:

	2025	2024	2023
Stores open at beginning of year	559	512	468
Stores opened	86	50	45
Stores closed	-	(3)	(1)
Stores open at end of year	645	559	512

Pricing

Our stores sell high quality brand name household products that consumers use in their everyday lives at retail prices that are up to 70% below traditional retailers. We do this through a flexible buying model that focuses on closeout merchandise and excess inventory from suppliers and manufacturers around the world. Other than end of season clearance events to sell down certain seasonal products, a few customer appreciation events, and special incentives for our Ollie's Army loyalty members, we generally do not engage in promotional pricing activities on a regular basis throughout the year.

Marketing and Advertising

Our marketing and advertising activities are designed to communicate the value and assortment of merchandise available in our stores and to drive store traffic. Our messaging emphasizes the availability of brand name merchandise, closeout opportunities, and price discounts relative to traditional retail prices. A central element of our merchandising approach is the "treasure hunt" nature of our assortment. Because we source a significant portion of our inventory through opportunistic closeout purchases, our merchandise mix changes frequently and often includes limited quantities of brand name products. Our marketing highlights these changing assortments and encourages customers to visit our stores regularly to view newly available merchandise. Our closeout sourcing model and frequently changing merchandise assortment influence our marketing approach. New deals and branded merchandise opportunities arrive throughout the year, and our advertising communicates current values and recently arrived merchandise in order to encourage repeat store visits.

We utilize analytical tools to evaluate the effectiveness of our advertising investments and allocate marketing spending across channels. As part of this process, we use media mix modeling and related analytical techniques to assess the relative effectiveness of various marketing channels and inform decisions regarding marketing allocation and campaign planning. Our marketing strategy is designed to maintain marketing expenses at a relatively modest level as a percentage of net sales while continuing to support customer engagement and store traffic. We utilize a range of marketing channels to reach both existing and prospective customers, including the following:

- *Digital marketing including social media:* We maintain a digital presence through our website, mobile application, and social media platforms. Our owned channels include targeted email and SMS communications that allow us to communicate directly with customers regarding merchandise arrivals, promotional events, and other savings opportunities. We also utilize paid digital media across a variety of platforms, including TikTok, Instagram, YouTube, and Facebook, as well as influencer partnerships and paid search and display advertising;
- *Print and direct mail:* Print advertising remains a component of our marketing strategy, including flyers distributed periodically during the year. Flyers highlight current deals and newly arrived merchandise and are intended to encourage store visits during the promotional period;
- *Television, connected television, and online video:* We utilize television, connected television ("CTV"), over-the-top ("OTT") and online video advertising in certain markets throughout the year. These campaigns are used to support brand awareness, customer acquisition and store openings; and
- *Community engagement:* We maintain a presence in the communities in which we operate through charitable partnerships and local initiatives. The Company supports a variety of organizations, including Feeding America, Toys for Tots, Children's Miracle Network Hospitals, and the Cal Ripken Sr. Foundation.

Ollie's Army Loyalty Program

We operate a customer loyalty program called Ollie's Army. Membership in the program is free, and members earn points for every dollar spent in our stores that accumulate toward rewards redeemable for future purchases. Members also receive coupons, early notification of promotional events and other communications throughout the year. As of January 31, 2026, the program had approximately 17 million members. During 2025, Ollie's Army members accounted for more than 80% of net sales and spent approximately 40% more per transaction than non-members. Information generated through the Ollie's Army program, including demographic, behavioral and purchasing data, supports our marketing activities and customer communications.

Co-Branded Credit Card Program

In fiscal 2024, we launched a co-branded Visa® credit card program in connection with the Ollie's Army loyalty platform. The card program is administered by Sunbit. Customers may apply for the card in stores or online, and individuals who are not already members are automatically enrolled in the Ollie's Army program upon approval. The card does not charge an annual fee and allows customers to earn additional loyalty points when making purchases at Ollie's and at other merchants that accept Visa®.

Distribution

We operate four distribution centers encompassing approximately three million square feet. The locations for our distribution centers are selected to minimize logistics costs and optimize shipping efficiencies to our stores. Our distribution centers, located in Pennsylvania, Georgia, Texas, and Illinois are built to suit our specific business model, with a combination of automated systems and manual processes to manage the wide variety of merchandise we acquire. We have made significant investments in our distribution network and personnel to support our growth and expansion. We built and opened our fourth distribution center in 2024 and plan to expand two existing distribution centers in 2026 and 2027. Our distribution centers utilize warehouse and labor management tools that support the processing of inventory. We use various third-party freight carriers to ship items to and from our distribution centers and our stores.

Competition

We operate in a highly competitive retail industry, success in which is based on many factors, such as price, merchandise quality and assortment, store location, convenience, and customer service. We compete with local, regional, national, and international discount, closeout, off-price, mass merchant, warehouse, department, grocery, drug, convenience, hardware, variety, and other specialty stores and retailers selling products in stores, online, and other media or channels. Our primary point of differentiation against other retailers is the pricing of our products. Our goal is to be the lowest priced retailer of any product offered by our stores by utilizing a flexible buying model that focuses on closeout merchandise and excess inventory from suppliers and manufacturers around the world. Our stores offer Real Brands! Real Bargains! ® in a treasure hunt shopping environment at prices up to 70% below traditional retailers.

Seasonality

Our business is seasonal. Historically, our sales and profits have been highest in the fourth fiscal quarter, followed by the second fiscal quarter because of the sale of seasonal products. To prepare for the holiday sales season, we must order and keep in stock more merchandise than we carry during other times of the year and generally engage in additional marketing efforts. We expect inventory levels, along with accounts payable and accrued expenses, to reach their highest levels in our third and fourth fiscal quarters in anticipation of increased net sales during the holiday sales season. As a result of this seasonality, and generally because of variation in consumer spending habits, we experience fluctuations in net sales and working capital requirements during the year. Because we offer a broad selection of merchandise at extreme values, we believe we are generally less impacted than other retailers by economic cycles, which correspond with declines in general consumer spending habits, and we believe we still benefit from periods of increased consumer spending.

Trademarks and Other Intellectual Property

We believe that our trademarks, trade names, copyrights, proprietary processes, trade secrets, trade dress, domain names and similar intellectual property are valuable to our business. We have registered, or applied for the registration of, a number of U.S. domain names, trademarks, service marks and copyrights. Our trademark registrations have various expiration dates; however, assuming that the trademark registrations are properly renewed, they have a perpetual duration. We rely on trademark, copyright, and patent laws, trade-secret protection, and confidentiality and/or license agreements to protect our proprietary rights.

Government Regulation

We are subject to state and federal laws including labor and employment laws, including minimum wage requirements and wage and hour laws, advertising laws, privacy laws, safety regulations, environmental laws and regulations, and other laws, including consumer protection regulations, and laws that govern retailers and/or product standards, the promotion and sale of merchandise, and the operation of stores and warehouse facilities. We monitor changes in these laws and believe that we are in material compliance with all applicable laws.

We source a portion of our products from outside the United States. The U.S. Foreign Corrupt Practices Act and other similar anti-bribery and anti-kickback laws and regulations generally prohibit companies and their intermediaries from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. Our policies and our vendor code of conduct mandate compliance with applicable laws, including these laws and regulations.

Human Capital

Attracting, developing, and retaining quality talent is key to our growth, and our success depends on cultivating an engaged and motivated workforce. We work hard to create an environment where Ollie's team members can build fulfilling careers and we take pride in providing opportunities for growth and development.

As of January 31, 2026, we employed over 13,000 associates, with more than half of these as full-time associates. Of our total associate base, approximately 1,300 were based at our store support center and distribution centers, and the remaining were store and field associates. The number of associates in a fiscal year fluctuates depending on the business needs at different times of the year. None of our associates belong to a union or are party to any collective bargaining or similar agreement.

Workplace and Culture

We seek to build a workplace of belonging where we can leverage our collective talents, striving to ensure that all associates are treated with dignity and respect. We believe that a workforce with a diversity of viewpoints, background, experience, and industry knowledge is key to our culture and long-term success. We are committed to providing equal employment opportunities and advancement consideration to all individuals based on job-related qualifications and ability to perform the job as well as maintaining an environment that is free of intimidation or harassment. We value the talents and contributions of our associates, and by focusing on our team members, we know that the entire Ollie's community will be well served.

Oversight and Management

Our Human Resources department manages all associate matters, including recruiting, hiring, compensation and benefits, performance management, and associate training. In addition, our management team works closely with the Human Resources department to evaluate associate management issues such as retention and workplace safety. As we strive to retain and engage talent at all levels of our business, our Human Resources department also reviews our retention and turnover rates and administers our talent and training programs and review process to support the development of our talent pipeline.

Associate Training and Development Programs

We offer a compelling work environment with meaningful growth and career-development opportunities. We provide opportunities for our associates to do challenging work and learn on the job, and we supplement those opportunities with programs and continuous learning that help our team build skills to advance. We encourage a "promote-from-within" environment when internal resources permit. We also provide internal leadership development programs designed to prepare our high-potential team members for greater responsibility. We believe internal promotions, coupled with the hiring of individuals with previous retail experience, will provide the management structure necessary to support our long-term strategic growth initiatives.

Our Ollie's Leadership Institute ("OLI") equips field associates with the ability to advance their career. Each OLI participant receives an individual development plan, designed to prepare them for their next level position. Reflecting our belief in our "home grown" talent, OLI is our preferred source for new supervisors and team leaders. In 2025, over 65% of our current district team leaders were internally promoted to their positions. Company-wide, over 60% of our field positions were filled by internal promotions. We believe our training and development programs help create a positive work environment and result in stores that operate at a high level.

Compensation and Benefits

We are committed to providing market-competitive compensation for all positions. Eligible team members participate in one of our various bonus incentive programs, which provide the opportunity to receive additional compensation based upon store and/or Company performance. In addition, we provide our eligible team members the opportunity to participate in a safe harbor 401(k) retirement savings plan with a Company-sponsored match. We also share in the cost of health insurance provided to eligible team members, and team members receive a discount on merchandise purchased from the Company. We additionally provide eligible team members with paid time off.

Workplace Health and Safety

Maintaining a safe and secure work environment is very important to us and we conduct our business in an environmentally sound manner based on customer needs and local requirements. To further promote a safe work environment, we have established safety training programs. This includes administering an occupational injury- and illness-prevention program, together with an employee assistance program for team members.

Available Information

Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 are available free of charge on our website, www.ollies.com, as soon as reasonably practicable after the electronic filing of such reports with the Securities and Exchange Commission ("SEC"). The contents of our website are not, however, a part of this report or intended to be incorporated by reference in any other report or document we file with the SEC. The SEC also maintains a website (www.sec.gov) that contains reports, proxy, and information statements and other information regarding issuers that file electronically with the SEC.

ITEM 1A. RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the following risk factors, as well as other information in this Annual Report on Form 10-K, before deciding whether to invest in the shares of our common stock. The occurrence of any of the events described below could have a material adverse effect on our business, financial condition, or results of operations. In the case of such an event, the trading price of our common stock may decline, and you may lose all or part of your investment.

RISK FACTOR SUMMARY

We are providing the following summary of the risk factors contained in our Form 10-K to enhance the readability and accessibility of our risk factor disclosures. We encourage our stockholders to carefully review the full risk factors contained in this Form 10-K in their entirety for additional information regarding the risks and uncertainties that could cause our actual results to vary materially from recent results or from our anticipated future results.

Risks Related to Business and Operations

- We may not be able to execute our opportunistic buying strategy or adequately manage or source inventory in response to consumer demands;
- Fluctuations in comparable store sales and results of operations, including fluctuations on a quarterly basis, could cause our business performance to decline substantially, as comparable store sales and results of operations have fluctuated in the past and may do so again in the future;
- The loss or disruption of one or more of our distribution centers or disruption of our supply chain or third-party shipping carriers could also make it difficult for us to timely receive or distribute merchandise to our stores;
- External economic pressures over which we have no or limited control, including, among other items, inflation, a significant decline in economic activity across the economy, occupancy costs, transportation costs, geopolitical activities and discord, war, civil unrest, climate and weather conditions, all may reduce our profitability;
- Consumer confidence and spending may be reduced in light of factors beyond our control, and our results of operations and financial results may suffer;
- Competition may increase in our segment of the retail market, which could put negative pressure on our results of operations and financial condition;
- We are a “brick and mortar only” retailer. Our lack of an online shopping option and an omnichannel customer experience may mean that we could face challenges to grow and retain customers. Our customers, including our Ollie’s Army loyalty program members, may determine to shop at other stores or through web- and mobile-enabled services and therefore may not be as likely to shop at our stores;
- Identification of potential store locations and lease negotiations may not keep pace with our growth strategy;
- We may not be able to develop and operate our distribution centers in an efficient or effective manner and that may result in not having sufficient inventory in our stores;
- Shrinkage or the loss or theft of inventory and/or poor inventory management may materially, negatively impact our results of operations; and
- We may not be able to hire and retain the right people to run our stores and our distribution centers. We also may not be able to hire and retain managerial personnel, the appropriate merchant team for our retail segment, and the senior management team and executive officers sufficient to meet our goals. As a consequence, our results of operations and financial results may suffer.

Risks Related to Legal and Regulatory Issues

- Legislative, regulatory, and other actions, as well as executive orders and other policies promulgated by the current administration, including without limitation certain proposals regarding federal corporate tax reform and border-adjusted taxes, and taxes, tariffs, and trade sanctions levied on imported goods, could be unpredictable and could have unforeseen consequences that could materially, adversely affect our business, financial position, results of operations, and cash flows;
- We are subject to governmental laws, regulations, procedures, and requirements, including those applicable to retailers specifically, which can lead to substantial penalties if we fail to achieve and/or maintain compliance;
- From time to time, we are involved in legal proceedings from customers, suppliers, other vendors, employees, governments and governmental agencies, or competitors;
- From time to time, we may be involved in legal proceedings from stockholders; and
- We may not effectively manage and enforce our legal rights and remedies, including our intellectual property rights.

Risks Related to Technology and Cybersecurity

- We may fail to adequately anticipate vulnerabilities to cybersecurity threats or maintain the security of information we hold relating to personal information or payment card data of our customers, employees, and suppliers;
- We may not adequately prepare for, or respond to, existing and future privacy and/or cybersecurity legislation;
- We may not be able to timely or adequately maintain or upgrade our technology systems needed for operations; and
- We may not adopt technological advancements, such as artificial intelligence (“AI”), as quickly or effectively as our competitors, or we may rely on such technological advancements to too great an extent, in either case such that there is an adverse effect on our operations.

Risks Related to Accounting and Financial Matters

- If our estimates or judgments relating to significant accounting policies prove to be incorrect, we could suffer negative financial results; and
- Changes to the accounting rules or regulations could have material adverse effects on our results of operations.

Risks Related to Ownership of Our Common Stock and Corporate Governance

- Compliance with the regulatory requirements of public companies requires substantial time and Company resources;
- There is risk associated with our fluctuating quarterly operating results, and we may fall short of prior periods, our projections, or the expectations of securities analysts or investors;
- Our stock price is subject to analyst and industry influence, perceptions of future performance, our actual or perceived navigation of environmental, social, and governance principles, and other factors that can result in stock price volatility;
- We may not declare dividends on our common stock in the foreseeable future; and
- There are provisions in our organizational documents that could delay or prevent a change of control.

Risks Related to Our Indebtedness and Capitalization

- Our credit facility can limit our ability to find other sources of financing and affect our ability to generate and manage cash flow;
- There are covenants contained in our credit facility that we must meet in order to be able to use it;
- If we are unable to generate sufficient cash flow to meet debt service, it could negatively impact our liquidity; and
- We cannot guarantee that our share repurchase program will be fully consummated or that it will enhance long-term stockholder value.

For a more complete discussion of the material risks facing our business, see below.

BUSINESS AND OPERATIONS

We may not be able to execute our opportunistic buying strategy, adequately manage our supply of inventory, or anticipate customer demand, which could have a material adverse effect on our business, financial condition, and results of operations.

Our business is dependent on our ability to strategically source a sufficient volume and variety of brand name merchandise at opportunistic pricing. We do not have significant control over the supply, design, function, cost, or availability of much of the merchandise that we offer for sale in our stores. Additionally, because we source a substantial amount of our merchandise from suppliers on a closeout basis, or with significantly reduced prices for various reasons, we are not always able to purchase specific merchandise on a recurring basis. We do not have long-term contracts with our suppliers and, therefore, we have no contractual assurances of pricing or access to merchandise, and any supplier could discontinue sales to us at any time or offer us less favorable terms on future transactions. Our merchant team generally makes individual purchase decisions for merchandise that becomes available, and these purchases may be for large quantities that we may not be able to sell on a timely or cost-effective basis. To the extent that certain of our suppliers are better able to manage their inventory levels and reduce the amount of their excess inventory, the amount of discount or closeout merchandise available to us could also be materially reduced, potentially compromising our profit margin goals for procured merchandise. Due to economic uncertainties, governmental orders, or other challenges, one or more of our suppliers could become unable to continue supplying discounted or closeout merchandise on terms or in quantities acceptable or desirable to us. We also compete with other retailers, wholesalers, and jobbers for discounted and closeout merchandise to sell in our stores. Those businesses may be better able to anticipate customer demand or procure desirable merchandise. Shortages or disruptions in the availability of brand name or unbranded merchandise of a quality acceptable to our customers and to us could have a material adverse effect on our business, financial condition, and results of operations and also may result in customer dissatisfaction. In addition, we may significantly overstock merchandise that proves to be undesirable and be forced to take significant markdowns. We cannot ensure that our merchant team will continue to identify the appropriate customer demand and take advantage of appropriate buying opportunities, which could have a material adverse effect on our business, financial condition, and results of operations.

Risks associated with or faced by our suppliers could adversely affect our results of operations and financial performance.

We source our merchandise from a variety of suppliers, and we depend on them to supply merchandise in a timely and efficient manner. If one or more of our current suppliers became unable to supply merchandise, seeking alternative sources could increase our merchandise costs and supply chain lead time, potentially resulting in temporary reductions in store inventory levels, and could reduce the selection and quality of our merchandise. An inability to obtain alternative sources could materially decrease our sales. Additionally, if a supplier fails to deliver on its commitments, we could experience merchandise out-of-stocks that could lead to lost sales and reputational harm. Further, failure of suppliers to meet our compliance protocols could prolong our procurement lead time, resulting in lost sales and adverse margin impact. Changes to the prices and flow of certain merchandise is, at times, beyond our control for reasons that include, among others: political or civil unrest, acts of war, currency fluctuations, disruptions in maritime lanes, port labor disputes, economic conditions and instability in countries in which foreign suppliers are located, the financial instability of suppliers, failure to meet our terms and conditions or our standards, issues with our suppliers' labor practices or labor disruptions they may experience (such as strikes, stoppages or slowdowns, which could also increase labor costs during and following the disruption), the availability and cost of raw materials, pandemic outbreaks, merchandise quality or safety issues, transport availability and cost, increases in wage rates and taxes, transport security, inflation, and other factors relating to suppliers. Any such circumstances could adversely affect our results of operations and profitability.

Fluctuations in comparable store sales and results of operations, including fluctuations on a quarterly basis, could cause our business performance to decline substantially.

Our results of operations have fluctuated in the past, including on a quarterly basis, and can be expected to continue to fluctuate in the future.

Our comparable store sales and results of operations are affected by a variety of factors, including without limitation:

- national and regional economic trends in the United States;
- changes in gasoline prices;
- changes in shipping and transportation costs;
- changes in our merchandise mix;
- the weather;
- changes in pricing;
- changes in the timing of promotional and advertising efforts; and
- holidays or seasonal periods.

If our future comparable store sales fail to meet expectations, then our cash flow and profitability may decline substantially, which could have a material adverse effect on our business, financial condition, and results of operations.

We rely on third parties to move merchandise through ports and transport them from ports to our centralized distribution centers.

Our ability to timely and effectively deliver merchandise to our stores relies in part on shipping and transportation partners to timely and safely move our merchandise from manufacturing facilities to ports and then onto oceangoing carriers. The demand for space onboard oceangoing vessels can vary and costs to secure space can vary greatly. We may be subject to higher transportation costs or be unable to secure space for containers on economically reasonable terms. There also may be labor or other disputes at either ports of departure or at ports of entry that may delay or otherwise hinder the flow of merchandise. Additional factors, such as customs or border control policies and enforcement and new or changing tariffs or trade sanctions, such as additional or new import tariffs, may further delay or hinder transportation of merchandise or the costs to obtain them. There are multiple factors in the transportation of merchandise that are both outside of our control and which may negatively impact the cost of the merchandise or the timeframes in which we receive the same.

Factors such as inflation, tariffs, cost increases, and energy prices could have a material adverse effect on our business, financial condition, and results of operations.

Future increases in costs, such as the cost of labor, merchandise, shipping rates, freight and other transportation costs (including import costs), and store occupancy costs, may reduce our profitability, given our pricing model. These cost increases may be the result of inflationary pressures, geopolitical factors, or public policies, which could further reduce our sales or profitability. Increases in other operating costs, including changes in energy prices, wage rates, and lease and utility costs, may increase our cost of merchandise sold or selling, general, and administrative expenses. Our low-price model and competitive pressures in our industry may inhibit our ability to reflect these increased costs in the prices of our merchandise and, therefore, reduce our profitability and have a material adverse effect on our business, financial condition, and results of operations.

Our ability to generate revenue is dependent on consumer confidence and spending, which may be subject to factors beyond our control, including changes in economic and political conditions, as well as health concerns.

The success of our business depends, to a significant extent, on the level of consumer confidence and spending. A number of factors beyond our control affect the level of customer confidence and spending on the merchandise that we sell, including, among other items:

- energy and gasoline prices;
- shipping and transportation costs;
- disposable income of our customers, which is impacted by unemployment levels, personal debt levels, and wages;
- interest rates and inflation;
- discounts, promotions, and merchandise offered by our competitors;
- negative reports and publicity about the discount retail industry;
- outbreak of viruses or widespread illness, and behavioral changes from a fear of contracting such viruses or illness;
- general economic and industry conditions;
- food prices;
- the state of the housing market;
- customer confidence in future economic conditions;
- fluctuations in the financial markets;
- government sponsored relief packages and governmental benefits, such as social security benefits, as affected by current cost of living adjustments, as well as any government stimulus payments and unemployment benefits;
- tax rates and policies;
- tariffs and trade sanctions on imported goods;
- repercussions, or perceived repercussions, from the current presidential administration's policies and activities;
- social and political influences upon the demand for goods sourced from certain countries or sold by particular vendors; and
- civil unrest, natural disasters, war, terrorism, and other hostilities.

Reduced customer confidence and spending may result in reduced demand for our merchandise, including discretionary items, and may force us to take inventory markdowns. Reduced demand also may require increased selling and promotional expenses. Adverse economic conditions and any related decrease in customer demand for our merchandise could have a material adverse effect on our business, financial condition, and results of operations.

Many of the factors identified above also affect commodity rates, transportation costs, costs of labor, insurance, and healthcare, the strength of the U.S. dollar, lease and other site acquisition costs, measures that create barriers to or increase the costs associated with international trade, changes in other laws and regulations, and other economic factors, all of which may impact our cost of merchandise sold and our selling, general, and administrative expenses, which could have a material adverse effect on our business, financial condition, and results of operations.

We do not compete in the growing online and omnichannel retail marketplace, which could have a material adverse effect on our business, financial condition, and results of operations.

Our long-term business strategy does not presently include the development of online retailing capabilities or offering of an omnichannel shopping experience. To the extent that we implement online operations, we would incur substantial expenses related to such activities and would be exposed to additional risks, including additional cybersecurity risk. Furthermore, the development of an online retail marketplace is a complex undertaking, and there is no guarantee that the resources we apply to this effort would result in any material increased revenues or better overall operating performance. However, with the growing acceptance of online and omnichannel shopping, both among consumers who previously shopped online and consumers who did not previously do so, or did not do so as frequently, we may continue to face challenges related to customers shopping in brick-and-mortar stores. In addition, the increased proliferation of mobile devices and enhanced and robust connections to mobile networks and competition from other retailers in the online and omnichannel retail marketplace are expected to continue to increase and may negatively impact our results of operations. A number of traditional online retailers have established robust online and omnichannel operations. Increased competition from online or omnichannel retailers and our lack of an online or omnichannel retail presence may reduce our customers' desire to purchase merchandise from us and could have a material adverse effect on our business, financial condition, and results of operations. If consumers elect to shop more online due to cultural or health concerns, those consumers may be less likely to return to brick-and-mortar retailers in the future.

We face intense competition, which could limit our growth opportunities and adversely impact our financial performance.

We compete with a highly fragmented group of competitors, including discount, closeout, mass merchant, department, grocery, drug, convenience, hardware, variety, online, and other specialty stores. We compete with these retailers with respect to product cost and price, store location, supply and quality of merchandise, assortment and presentation, and customer service among other items. This competitive environment subjects us to the risk of an adverse impact to our financial performance because of the lower prices, and thus the lower margins, that are required to maintain our competitive position. A number of different competitive factors outside of our control could impact our ability to compete effectively, including without limitation:

- entry of new competitors in our markets;
- vertical integration of competitors;
- increased operational efficiencies of competitors;
- online and omnichannel retail capabilities of our competitors;
- competitive pricing strategies, including deep discount pricing by a broad range of retailers during periods of poor customer confidence, low discretionary income, or economic uncertainty;
- continued and prolonged promotional activity by our competitors;
- liquidation sales by our competitors that have filed or may file in the future for bankruptcy;
- geographic expansion by competitors into markets in which we operate; and
- adoption by existing competitors of innovative store formats or retail sales methods, including online and omnichannel.

A number of our competitors also have greater financial, operational, and other resources, greater brand recognition, longer operating histories, and a broader geographic presence than us. We may be vulnerable to the marketing power and high level of customer recognition of these larger competitors and to the risk that these or other competitors could attract our customer base, including members of Ollie's Army.

In addition, if any of our competitors were to consolidate their operations, such consolidation may result in competitors with greatly improved financial resources, improved access to merchandise, greater market penetration, and other improvements in their competitive positions, as well as result in the provision of a wider variety of merchandise at competitive prices by these consolidated companies, which could have a material adverse effect on our business, financial condition, and results of operations.

We cannot guarantee that we will continue to be able to successfully compete against either existing or future competitors. Our inability to respond effectively to competitive pressures, improved performance by our competitors, and changes in the retail markets could result in lost market share and could have a material adverse effect on our business, financial condition, and results of operations.

We may not be able to retain the loyalty of our customers, particularly our Ollie's Army members, which could have a material adverse effect on our business, financial condition, and results of operations.

We depend on our loyal customer base, particularly our members of Ollie's Army, for our consistent sales and sales growth. Competition for customers has intensified as competitors have moved into, or increased their presence in, our geographic markets and from the use of mobile and web-based technology that facilitates online and omnichannel shopping and real-time product and price comparisons. We expect this competition to continue to increase. Our competitors may be able to offer consumers promotions or loyalty program incentives that could attract our customers, including members of Ollie's Army, or divide their loyalty among several retailers. If we are unable to retain the loyalty of our customers, our net sales could decrease, and we may not be able to grow our store base as planned, which could have a material adverse effect on our business, financial condition, and results of operations.

Our co-branded credit card program could pose reputational risk if not properly executed.

On July 23, 2024, we announced our partnership with Sunbit, a leading financial technology company, to launch a co-branded Visa® credit card, our first-ever co-branded credit card program. We intend the partnership to bring greater flexibility to our customers and enhance loyalty with our members, but if the program is not properly executed, is renewed on less favorable terms, or is terminated, it could adversely affect our operations and harm our brand, reputation, and relationship with our loyal customer base, including our Ollie's Army loyalty program members.

Our business requires that we lease substantial amounts of space and there can be no assurance that we will be able to continue to lease space on terms as favorable as the leases negotiated in the past.

We lease the majority of our stores, our corporate headquarters, and our distribution centers in York, PA and Commerce, GA. Our stores are leased from third parties, with typical initial lease terms of approximately seven years with options to renew for successive five-year periods. Historically, we have been able to negotiate favorable rental rates due in large part to the general state of the economy, the increased availability of vacant big box retail sites, and our careful identification of favorable lease opportunities. While we continually seek to identify the most advantageous lease opportunities, there is no guarantee that we will continue to be able to find low-cost second-generation sites or obtain favorable lease terms. Many of our lease agreements have defined escalating rent provisions over the initial term and any extensions. Increases in our occupancy costs and difficulty in identifying economically suitable new store locations could have significant negative consequences to our business, including without limitation:

- requiring that a greater portion of our available cash be applied to pay our rental obligations, thus reducing cash available for other purposes and reducing profitability;
- increasing our vulnerability to general adverse economic and industry conditions; and
- limiting our flexibility in planning for, or reacting to changes in, our business, or in the industry in which we compete.

We depend on cash flows from operations to pay our lease expenses and to fulfill our other cash needs. If our business does not generate sufficient cash flows from operating activities to fund these expenses and needs and sufficient funds are not otherwise available to us, we may not be able to service our lease expenses, grow our business, respond to competitive challenges, or fund our other liquidity and capital needs, which could harm our business. Additional sites that we lease may be subject to long-term non-cancelable leases if we are unable to negotiate our current standard lease terms. If an existing or future store is not profitable, and we decide to close it, we may nonetheless be committed to perform our obligations under the applicable lease including, among other things, paying the base rent for the balance of the lease term. Moreover, even if a lease has an early cancellation clause, we may not satisfy the contractual requirements for early cancellation under that lease. In addition, if we are not able to enter into new leases or renew existing leases on terms acceptable to us, this could have a material adverse effect on our business, financial condition, and results of operations.

If we fail to open new profitable stores on a timely basis, successfully enter new markets, or implement other elements of our long-term growth strategy, our financial performance could be materially adversely affected.

Our primary growth strategy is to open new profitable stores and expand our operations into new geographic regions. Our ability to timely open new stores depends in part on several factors, many of which are beyond our control, including the availability of attractive rents and store locations; the absence of occupancy delays; the ability to negotiate and enter into leases, or acquire ownership of properties, on acceptable terms; our ability to obtain and retain permits and licenses; our ability to hire, train, and retain new personnel, especially store opening teams and store managers, in a cost effective manner; our ability to adapt and grow our distribution and other operational and management systems to an increasing and ever evolving network of stores; the availability of capital funding for expansion; our ability to respond to the demographic shifts and general economic conditions in the many different geographic markets where our stores and distribution centers are located. See “Item 1. Business (Growth Strategy)” and “Item 7. MD&A” for more information.

We may not anticipate all of the challenges imposed by the expansion of our business operations into new geographic markets. Some new stores may be located in areas with different competitive and market conditions, customer demographics and tastes, and discretionary spending patterns than our existing markets. We may face a higher cost of entry, difficulties attracting labor, alternative customer demands, reduced brand recognition, and minimal operating experience in these geographic markets. Although we are extremely sensitive to cannibalizing existing stores, opening new stores in our established markets may also result in inadvertent oversaturation, sales volume transfer from existing stores to new stores, and reduced comparable store sales, thus adversely affecting our overall results of operations and financial performance. We may not manage our expansion effectively, and our failure to achieve or properly execute our expansion plans could limit our growth or have a material adverse effect on our business, financial condition, and results of operations.

The failure to timely acquire, develop, open, and operate, or the loss of, disruption to, or interruption in the operations of, our centralized distribution centers could materially adversely affect our business and operations.

With limited exceptions, inventory is shipped directly from suppliers to our distribution centers in York, PA, Commerce, GA, Lancaster, TX, and Princeton, IL, where the inventory is processed, sorted, and shipped to our stores. We depend in large part on the orderly operation of this receiving and distribution process, which depends, in turn, on adherence to shipping schedules and effective management of our distribution centers. Increases in transportation costs (including increases in fuel and other variable costs), supplier-side delays, reductions in the capacity of carriers, changes in shipping companies, the impact of pandemics or health crises on our workforce, labor strikes, or shortages in the transportation industry, war, civil unrest, geopolitical tensions, trade wars, and other unexpected delivery interruptions also have the potential to derail our orderly distribution process. We also may not anticipate changing demands on our distribution system or timely develop and open any necessary additional facilities. In addition, events beyond our control, such as disruptions in operations due to fire or other catastrophic events or labor disagreements, may result in delays in the delivery of merchandise to our stores. While we maintain business interruption insurance, in the event one or more of our distribution centers are disrupted or shut down for any reason, such insurance may not be sufficient, and any related insurance proceeds may not be timely paid to us. In addition, our new stores receiving shipments may be further away from our distribution centers, which may increase transportation costs and may create transportation scheduling strains. Any repeated, intermittent, or long-term disruption in the operations of our distribution centers would hinder our ability to provide merchandise to our stores and could have a material adverse effect on our business, financial condition, and results of operations.

Our new store growth is dependent on our ability to successfully expand our distribution network capacity, and failure to achieve or sustain these plans could adversely affect our performance.

We maintain distribution centers in York, PA, Commerce, GA, Lancaster, TX, and Princeton, IL, to support our existing and new stores as well as our store growth objectives. We continuously assess ways to maximize the productivity and efficiency of our existing distribution centers and evaluate opportunities for additional distribution centers. Processing delays or difficulties in operations at our existing distribution centers or delays in opening, processing delays, or difficulties in operations at our new distribution centers, could adversely affect our current operations by causing existing stores to have insufficient inventory, and could adversely affect future operations by slowing store growth, which could, in turn, reduce sales growth. In addition, any distribution-related construction or expansion projects entail risks which could cause delays and cost overruns, such as shortages of materials, shortages of skilled labor, work stoppages, unforeseen construction issues, scheduling, engineering, environmental or geological problems, or other pandemics or types of contagion, weather interference, fires or other casualty losses, and unanticipated cost increases. The completion date and ultimate cost of future projects could differ significantly from initial expectations due to construction-related or other reasons. We cannot guarantee that any project will be completed on time or within established budgets.

If we are not successful in managing our inventory balances, it could have a material adverse effect on our business, financial condition, and results of operations.

Efficient inventory management is a key component of our profitability and ability to generate revenue. To be successful, we must maintain sufficient inventory levels and an appropriate product mix to meet our customers' demands without allowing those levels to increase to such an extent that the costs to store and hold merchandise adversely impact our results of operations. If our buying decisions do not accurately correspond to customer preferences, if we inappropriately price merchandise, or if our expectations about customer confidence or spending levels are inaccurate, we may have to take unanticipated markdowns to dispose of any excess inventory, which could have a material adverse effect on our business, financial condition, and results of operations. We continue to focus on ways to reduce these risks, but we cannot ensure that we will be successful in our inventory management.

Inventory shrinkage could have a material adverse effect on our business, financial condition, and results of operations.

We are subject to the risk of inventory loss and theft. We cannot ensure that actual rates of inventory loss and theft in the future will be within our estimates or that the measures we are taking will effectively reduce the problem of inventory shrinkage. Although some level of inventory shrinkage is an unavoidable cost of doing business, if we were to experience higher rates of inventory shrinkage or incur increased security costs and other costs to combat inventory theft, it could have a material adverse effect on our business, financial condition, and results of operations.

Labor shortages and increased turnover or increases in employee and employee-related costs could have adverse effects on our profitability.

We have experienced in the past, and expect to continue to experience, increased labor shortages at some of our stores and distribution centers. While we have historically experienced some level of ordinary course turnover of employees, a number of factors have had and may continue to have adverse effects on the labor force available to us, including reduced employment pools, federal unemployment subsidies, and other government regulations, which include laws and regulations related to workers' health and safety, wage and hour practices, and immigration. Labor shortages and increased turnover rates involving our team members have led to, and could in the future lead to, increased costs, such as increased overtime to meet demand and increased wage rates to attract and retain employees and could negatively affect our ability to efficiently operate our facilities or otherwise operate at full capacity. An overall or prolonged labor shortage, lack of skilled labor, increased turnover, or labor inflation could have a material adverse effect on our business, financial condition, and results of operations.

Our success depends on our executive officers, our merchant team, and other key personnel. If we lose key personnel or are unable to hire additional qualified personnel, it could have a material adverse effect on our business, financial condition, and results of operations.

Our success depends to a significant degree on the skills, experience and efforts of our executive officers, our merchant team, support center and field management, and other key personnel. The unexpected loss of services of any of our executive officers, senior members of our merchant team, or senior management could materially, adversely affect our business and operations. Competition for skilled and experienced management in the retail industry is intense, and our future success will depend on our ability to attract and retain qualified personnel, including our merchant team, which is responsible for purchasing, and negotiating the terms of, our merchandise. Failure to attract new and retain existing qualified personnel could have a material adverse effect on our business, financial condition, and results of operations.

If we are unable to attract, train, and retain highly qualified managerial personnel and sales associates in our stores and our distribution centers, our sales, financial performance, and business operations may be materially adversely affected.

We focus on providing our customers with a memorable and engaging shopping experience. To grow our operations and meet the needs and expectations of our customers, we must attract, train, and retain a large number of highly qualified store management personnel and sales associates, while controlling labor costs. Our ability to control labor costs is subject to numerous external factors and compliance with laws and regulatory structures, including competition for, and availability of, qualified personnel in a given market, unemployment levels within those markets, governmental regulatory bodies such as the Equal Employment Opportunity Commission (“EEOC”) and the National Labor Relations Board (“NLRB”), prevailing wage rates and wage and hour laws, minimum wage laws, the impact of legislation governing labor and employee relations or benefits, such as the Affordable Care Act (“ACA”), costs of health insurance and other health benefits, healthcare costs, and our ability to maintain good relations with our associates. We compete with many other retail businesses for many of our store management personnel, and sales associates in hourly and part-time positions. These positions have had historically high turnover rates, which lead to increased training and retention costs. The accelerated pace at which we have been, and plan to continue, opening new stores, both in existing and new markets, could make it increasingly difficult to recruit, hire, and retain employees that will be able to properly execute our business goals and offer our customers a quality experience in those new stores. Further, changes in immigration laws, regulations, and enforcement could adversely affect the pool of candidates legally available to fill positions.

We also rely on associates in our distribution centers to ensure the efficient processing and delivery of merchandise from our suppliers to our stores. If we are unable to attract and retain quality associates and management personnel, fail to comply with the regulations and laws impacting personnel, or have difficulty accurately predicting employee-related costs (including healthcare costs), and establishing accurate budgetary reserves for such costs, it could have a material adverse effect on our business, financial condition, and results of operations.

Our success depends on our marketing, advertising, and promotional efforts. If we are unable to implement those efforts successfully, or if our competitors engage in more effective marketing, advertising, and promotional efforts than we are, it could have a material adverse effect on our business, financial condition, and results of operations.

We use marketing and promotional programs to attract customers to our stores and to encourage purchases by our customers. Although we use various media for our promotional efforts, including regular and Ollie’s Army mailers, email campaigns, radio and television advertisements, and sports marketing, we primarily advertise our in-store offerings through printed flyers. In 2025, over 40% of our advertising spend was for the printing and distribution of flyers. If the efficacy of printed flyers as an advertising medium declines, or if we fail to successfully develop and implement new marketing, advertising, and promotional strategies, such as an effective social media strategy, our competitors may be able to attract the interest of our customers, which could reduce customer traffic in our stores. Changes in the amount and degree of promotional intensity or merchandising strategy by our competitors could cause us to have difficulties in retaining existing customers and attracting new customers. Further, social media allows for an increased speed at which publicity, both positive and negative, can be transmitted. Information spread over social media, whether based on actual or perceived conditions or events, could be disseminated before we can meaningfully investigate and respond to the underlying issue, if any. Negative online postings or comments about our business, including as a result of inaccurate, fictitious, or even malicious postings or social media content, could adversely affect our business and cause damage to the value of our brand.

If the efficacy of our marketing or promotional activities declines, if such activities of our competitors are more effective than ours, or if for any other reason we lose the loyalty of our customers, including our Ollie’s Army members, it could have a material adverse effect on our business, financial condition, and results of operations.

Because our business is seasonal, with the highest volume of net sales during the holiday season, adverse events during our fourth fiscal quarter could materially adversely affect our business, operations, cash flows, and financial condition.

We generally recognize our highest volume of net sales in connection with the holiday sales season, which occurs in the fourth quarter of our fiscal year. In anticipation of the holiday sales season, we purchase substantial amounts of seasonal inventory and hire many part-time associates. Because a significant percentage of our net sales and operating income are generated in our fourth fiscal quarter, we have limited ability to compensate for shortfalls in our fourth fiscal quarter sales or earnings by changing our operations or strategies in other fiscal quarters. Adverse events, such as deteriorating economic conditions, higher unemployment, higher gas prices, public transportation disruptions, errors in anticipating consumer demand for our merchandise, or unanticipated adverse or unseasonable weather conditions could result in lower than planned sales during the holiday sales season. If our fourth fiscal quarter sales results were substantially below expectations, we would realize less cash flows from operations, and may be forced to mark down our merchandise, especially our seasonal merchandise, which could have a material adverse effect on our business, financial condition, and results of operations.

Risks associated with the current geopolitical climate could adversely affect our business, financial condition, and results of operations.

Our business, financial condition, and results of operations may differ materially as we cannot predict the impact of the current geopolitical climate. Risks associated with heightened geopolitical instability include, among others, reductions in consumer confidence, heightened inflation, production disruptions, cyber disruptions or attacks, higher natural gas costs, higher manufacturing costs, and higher supply chain costs.

Climate-related conditions and changes, natural disasters, unusual weather conditions, epidemic or pandemic outbreaks, terrorist acts, and political events could disrupt our business and result in lower sales and otherwise adversely affect our financial performance.

There are inherent climate-related risks wherever our business is conducted. Changes in market dynamics, shareholder expectations, local, national, and international climate change policies, and the frequency and intensity of extreme weather events on critical infrastructure in the United States and abroad, all have the potential to disrupt our business and operations. The occurrence of one or more natural disasters, such as tornadoes, hurricanes, fires, floods, and earthquakes, epidemic outbreaks, and unusual weather conditions in regions where our stores are located could adversely affect our business and result in lower sales. Additionally, climate-related events and circumstances have resulted, and likely will continue to result, in increased costs for property insurance policies. Severe weather, such as heavy snowfall or extreme temperatures, may discourage or restrict customers in a particular region from traveling to our stores, thereby reducing our sales and profitability. If severe weather conditions occur during the second or fourth quarter of our fiscal year, the adverse impact to our sales and profitability could be even greater than at other times during the year because we generate a larger portion of our sales and profits during these periods. The frequency and/or severity of such natural disasters, such as tornadoes, hurricanes, floods, and earthquakes, may be unpredictable, and we have a growing number of stores in areas that may be impacted by weather events and natural disasters such as the types listed above. To the extent that such weather events or natural disasters may damage our stores or other operations, we may be unable to operate stores or other facilities and our consolidated financial results may be materially adversely affected. Epidemic or pandemic outbreaks, terrorist attacks, war, protests, civil unrest, and disruptive political events in regions where our stores are located could impact our management and sales associates, our inventory supply, our delivery schedules, or our ability to keep our stores open due to mandatory governmental restrictions or may cause our customers to avoid shopping at brick-and-mortar retailers or reduce the number of trips they will make to our stores. Also, to the extent these events impact one or more of our key suppliers or result in the closure of one or more of our distribution centers or our corporate headquarters, we may be unable to maintain delivery schedules or provide other support functions to our stores. These conditions could have a sustained material adverse effect on our business, financial condition, and results of operations.

LEGAL AND REGULATORY

We are subject to governmental regulations, requirements, and procedures. A significant change in, or noncompliance with, these regulations, requirements, and procedures could have a material adverse effect on our business, financial condition, and results of operations.

We routinely incur significant costs in complying with federal, state, and local laws and regulations. The complexity of the regulatory environment in which we operate, and the related costs of compliance, are increasing due to expanding and additional legal and regulatory requirements and increased or uncertain enforcement efforts. New laws or regulations, including, but not limited to those dealing with healthcare and healthcare reform, product compliance and safety, consumer credit, privacy and information security, the environment, and labor and employment, among others, or changes in existing federal, state, and local laws and regulations, particularly those governing the sale of merchandise and food safety and quality (including changes in labeling or disclosure requirements), federal or state wage requirements, employee rights, health care, social welfare or entitlement programs such as health insurance, paid leave programs, other changes in workplace regulation, and compliance with laws regarding public access to our stores, may result in significant added expenses or may require extensive system and operating changes that may be difficult to implement and/or could materially increase our cost of doing business. Untimely compliance or noncompliance with applicable laws or regulations or untimely or incomplete execution of a mandated governmental action, such as a product recall, can result in the imposition of penalties, including loss of licenses or significant fines or monetary penalties, store or distribution center closures, or class action litigation or other litigation, in addition to reputational damage. Additionally, changes in tax laws, the interpretation of existing laws, or our failure to sustain our reporting positions on examination could materially adversely affect our effective tax rate and could have a material adverse effect on our business, financial condition, and results of operations.

We rely on manufacturers located in foreign countries for merchandise and a significant amount of our domestically-purchased merchandise is manufactured abroad. Our business may be materially adversely affected by legal and regulatory risks associated with international trade.

We purchase merchandise from suppliers located outside of the United States. During fiscal 2025, the majority of our private label inventory purchases were imports. Additionally, a significant amount of our domestically purchased merchandise is manufactured in foreign countries. Our ability to identify qualified suppliers and to access merchandise in a timely and efficient manner is a significant challenge, especially with respect to merchandise sourced outside of North America. Global sourcing and foreign trade involve numerous factors and uncertainties beyond our control, including possible changes to U.S. trade policy, increased shipping costs, the timing of shipments, increased import duties, more restrictive quotas, loss of most favored nation trading status, currency exchange rates, work stoppages, transportation delays, port of entry issues, economic uncertainties such as inflation, foreign government regulations, civil and political unrest, natural disasters, war, terrorism, trade restrictions, political instability, the financial stability of vendors, merchandise quality issues, unexpected contagion, existing viruses or illnesses, and tariffs or trade sanctions, as well as international trade disputes or changes in trading relationships resulting from current and future political environments. Moreover, negative press or reports about internationally manufactured merchandise may sway public opinion, and thus customer confidence, away from affected merchandise sold in our stores. Although we have implemented and maintain policies and procedures to promote our suppliers' compliance with laws and regulations relating to foreign markets and imports, and to monitor the compliance of our suppliers, this does not guarantee that suppliers and other third parties with whom we do business will not actually or allegedly violate such laws or regulations, or our policies. These and other issues affecting our international vendors could have a material adverse effect on our business, financial condition, and results of operations.

The cost of compliance with product safety regulations and risks related to product liability claims, lawsuits, and product recalls could damage our reputation, increase our cost of doing business, and have a material adverse effect on our business, financial condition, and results of operations.

Federal and state legislation, including new product safety laws and regulations, may negatively impact our operations. Future changes in product safety laws or regulations may lead to product recalls and the disposal or write-off of merchandise. While we work to comply in all material respects with applicable laws and regulations, and to execute product recalls in a timely manner, if our merchandise does not meet applicable governmental safety standards or our customers' expectations regarding quality or safety, we could experience lost sales and increased costs, be exposed to legal and reputational risk, and face fines or penalties which could materially adversely affect our financial results. We also purchase a material portion of our merchandise on a closeout basis. Some of this merchandise is obtained through brokers or intermediaries rather than directly from manufacturers. The closeout nature of a portion of our business sometimes makes it more difficult for us to investigate all aspects of this merchandise. Furthermore, customers have asserted claims, and may in the future assert claims, that they have sustained injuries from merchandise purchased from us, and we may be subject to lawsuits relating to these claims. There is a risk that these claims may exceed, or fall outside the scope of, our insurance coverage. Even with adequate insurance and indemnification from third-party suppliers, such claims, even if unsuccessful or not fully pursued, could significantly damage our reputation and customer confidence in our merchandise. If this occurs, it may be difficult for us to regain lost sales, which could have a material adverse effect on our business, financial condition, and results of operations.

Our current insurance program may expose us to unexpected costs and negatively affect our financial performance.

Our insurance coverage reflects deductibles, self-insured retentions, limits of liability, and similar provisions that we believe are prudent based on the nature of our operations. However, there are types of losses we may incur but against which we cannot be insured or which we believe are not economically reasonable to insure, such as losses due to acts of war, employee and certain other crimes, wage and hour claims, and certain other employment-related claims, public accommodation claims, class actions, shareholder claims, and some natural disasters. If we incur these losses and they are material, our business could suffer. Certain material events may result in sizable losses for the insurance industry and adversely impact the availability of adequate insurance coverage or result in excessive premium increases. To offset negative insurance market trends, we may elect to self-insure, accept higher deductibles, or reduce the amount of coverage in response to these market changes. In addition, we self-insure a significant portion of expected losses under our workers' compensation, general liability, and group health insurance programs. Unanticipated changes in any applicable actuarial assumptions and management estimates underlying our recorded liabilities for these losses, including expected increases in medical and indemnity costs, could result in materially different expenses than expected under these programs, which could have a material adverse effect on our results of operations and financial condition. We maintain insurance for catastrophic events at our store support center, distribution centers, and stores. In addition, because of ongoing changes in healthcare law, among other items, we may experience an increase in participation in our group health insurance programs, which may lead to a greater number of medical and related claims. While we have coverage for some cyber-related incidents, the nature and scope of any potential attack or breach may result in substantial costs that could exceed the scope of coverage or limits of coverage. If we experience a greater number of these losses than we anticipate, it could have a material adverse effect on our business, financial condition, and results of operations.

We face litigation risks from customers, associates, suppliers, stockholders, and other third parties in the ordinary course of business.

Our business is subject to the risk of litigation by customers, current and former associates, suppliers, stockholders, intellectual property rights holders, government agencies, and others, through private actions, class actions, collective actions, administrative proceedings, regulatory actions, or other litigation. From time to time, such lawsuits are filed against us and the outcome of any litigation, particularly class or collective action lawsuits and regulatory actions, is difficult to assess or quantify. Plaintiffs in these types of lawsuits may seek recovery of very large or indeterminate amounts, and the magnitude of the potential losses relating to such lawsuits may remain unknown for substantial periods of time. The cost to defend any such lawsuits may be significant and may negatively affect our operating results if changes to our business operations are required. There may also be negative publicity associated with litigation that could decrease customer acceptance of merchandise offerings, regardless of whether the allegations are valid or whether we are ultimately found liable. As a result, litigation could have a material adverse effect on our business, financial condition, liquidity, and results of operations.

If we fail to protect our intellectual property portfolio, including without limitation brand names and other trademarks, the value of these assets may be diluted.

We may be unable or unwilling to strictly enforce our intellectual property in each jurisdiction in which we do business. For example, we may not always be able to successfully enforce our trademarks against competitors or against challenges by others, and our failure to successfully protect our trademarks could diminish the value and efficacy of our brand recognition and may cause customer confusion. Any failure to adequately protect or manage our intellectual property portfolio could have a material adverse effect on our business, financial condition, and results of operations.

TECHNOLOGY AND CYBERSECURITY

Any disruptions to our information technology systems or breaches of our network security could disrupt or interrupt our operations, compromise our reputation, expose us to litigation, government enforcement actions, and costly response measures and may have a material adverse effect on our business, financial condition, and results of operations.

We rely on the integrity, security, and successful functioning of our information technology systems and network infrastructure across our operations, including point-of-sale processing at our stores. In connection with sales, we make every effort not to transmit confidential credit and debit card information. Instead, we work with a third-party processing agent to provide us with a token to use in our payment process, in lieu of having to store such information. In doing so, we must rely on our third-party provider's uninterrupted and secure services, and if there is a failure or disruption in that process, there may be limited circumstances in which we are required to transmit encrypted confidential information.

We are compliant with the Payment Card Industry Data Security Standard ("PCI") issued by the Payment Card Industry Security Standards Council. However, there can be no assurance that in the future we will be able to operate our facilities and our customer service and sales operations in accordance with PCI or other industry recommended or contractually required practices. We expect to incur additional expenses, and the time and effort of our information technology staff, to maintain PCI compliance. Even though we are compliant with such standards, we still may not be able to prevent or timely detect security breaches.

An increasingly significant portion of our sales depends on the continuing operation of our information technology and communications systems, including, but not limited to, our point-of-sale system and our credit card processing systems. Our information technology, communications systems, and electronic data may be vulnerable to damage or interruption from malicious code, phishing, smishing, artificial intelligence deepfakes, computer viruses, other malware attacks, ransomware attacks, loss of data, unauthorized data breaches, usage errors by our associates or our contractors, or other attempts to harm our systems, including cyber-security attacks or other breaches of cardholder data, earthquakes, acts of war or terrorist attacks, floods, fires, tornadoes, hurricanes, power loss and outages, and computer and telecommunications failures. Some of our systems are not fully redundant, and our disaster recovery planning cannot account for all eventualities. The nature and scope of threats from artificial intelligence, in particular, represents a new, unpredictable frontier. The occurrence of intentional sabotage, unauthorized access, natural disaster, or other unanticipated problems could result in lengthy interruptions in our service. Any errors or vulnerabilities in our systems, or damage to or failure of our systems, could result in interruptions in our services, non-compliance with certain regulations, substantial remediation costs, and liability for lost or stolen information, any of which could have a material adverse effect on our business, financial condition, and results of operations.

Data protection requirements increase our operating costs, and a breach of information privacy or other related risks could negatively impact our operations.

We have access to collect or maintain private or confidential information regarding our customers, associates, and suppliers, as well as our business. The protection of our customer, associate, supplier, and company data is critical to us. In recent years, there has been increasing regulation, enforcement, and litigation activity in the area of privacy, data protection, and information security in the United States and in various other countries, with the frequent imposition of new and changing requirements across the many states in which we conduct our business. State privacy laws and regulations, such as The Connecticut Data Privacy Act, The New York Privacy Act, The California Consumer Privacy Act of 2018, The California Privacy Rights Act, and others, have imposed and likely will impose additional data protection obligations on companies considered to be doing business in such applicable states and provides for substantial fines for non-compliance and, in some cases, a private right of action to consumers who are victims of data breaches. Privacy regulations in particular may shift from federal to state-level regimes, resulting in additional time, effort, and costs to navigate the inconsistent regulatory landscape for multi-state operators. Complying with existing laws and similar emerging and changing privacy, data protection, and information security requirements may cause us to incur substantial costs or compliance risks due to, among other things, system changes and the development of new processes and business initiatives. Our failure to comply with privacy, data protection, and information security laws could result in potentially significant regulatory and/or governmental investigations and/or actions, litigation, fines, sanctions, ongoing regulatory monitoring, and customer attrition.

In addition, our customers have a high expectation that we will adequately protect their personal information from cyber-attack or other security breaches. We have procedures in place to evaluate the integrity of our systems, and to safeguard such data and information. However, the landscape is evolving at a rapid pace, and we may be unable to effectively anticipate or respond to attacks to or breaches of our security systems or implement adequate preventative measures. A breach of customer, employee, supplier, or company data could attract a substantial amount of negative media attention, damage our customer and supplier relationships and our reputation, and result in lost sales, costly fines, other expenses, and/or lawsuits, any of which could have a material adverse effect on our business, financial condition, and results of operations.

If we are unable to maintain or upgrade our information technology systems or if we are unable to convert to alternate systems in an efficient and timely manner, our operations may be disrupted or become less efficient.

We depend on a variety of information technology systems for the efficient functioning of our business. We rely on certain hardware, telecommunications, and software vendors to maintain and periodically upgrade many of these systems so that we can continue to support our business. Various components of our information technology systems, including hardware, networks, and software, are licensed to us by third-party vendors. We rely extensively on our information technology systems to process transactions, summarize results, and manage our business. We are in compliance with PCI. Compliance with PCI and implementing related procedures, technology and information security measures requires significant resources and ongoing attention. Costs and potential problems and interruptions associated with the implementation of new or upgraded systems and technology such as those necessary to achieve compliance with PCI or with maintenance or adequate support of existing systems could also disrupt or reduce the efficiency of our operations. Any material interruptions or failures in our payment-related systems, including in connection with our co-branded credit card program, could have a material adverse effect on our business, financial condition, and results of operations.

If our information technology systems are damaged or cease to function properly, we may have to make a significant investment to fix or replace them. If there are amendments to PCI, the cost of re-compliance could also be substantial, and we may suffer loss of critical data and interruptions or delays in our operations as a result. In addition, we may have to upgrade our existing information technology systems from time to time in order for such systems to withstand the increasing needs of our expanding business. Costs and potential interruptions associated with the implementation of new or upgraded systems and technology or with maintenance or adequate support of our existing systems could disrupt or reduce the efficiency of our business.

We may not adopt technological advancements, such as AI, as quickly or effectively as our competitors, or we may rely on such technological advancements to too great an extent, in either case such that there is an adverse effect on our operations.

Like many other businesses, and retailers specifically, we may from time to time adopt technological advancements such as AI, including without limitation generative AI, and engage with vendors that use AI in providing their respective goods and services. We currently have an AI policy established to support the responsible use of AI technologies in our operations, with a focus on enhancing business effectiveness while managing ethical, legal, cybersecurity, data privacy, and other technology-related risks. If we fail to incorporate AI into our business operations as quickly or effectively as our competitors do, such failure could impair our ability to compete effectively, and our operations could suffer accordingly. Alternatively, we may integrate new technology such as AI into key operational and/or administrative aspects of our business too quickly, such that, if the AI we rely on is ultimately determined to be deficient, inaccurate, or otherwise flawed, our reliance on such AI could be materially adverse to our business operations. The ongoing evolution of AI's capabilities, as well as potential government regulation of AI, presents an uncertain landscape, and we may misallocate resources to developing, testing, maintaining, or backtracking our implementation of AI. Further, new AI technologies could increase the risk of data breaches, intellectual property misappropriation, and cyber-attacks. We might not be able to sufficiently ward against, or remediate thereafter, such attacks, which may cause disruption to business operations and harm our cash flows, operations, financial condition, and reputation.

ACCOUNTING AND FINANCIAL MATTERS

If our estimates or judgments relating to our significant accounting policies prove to be incorrect, our operating results could be adversely affected.

The preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles ("GAAP") requires management to make estimates and assumptions that affect the amounts reported in the accompanying consolidated financial statements and notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities, and equity, and the amount of revenue and expenses that are not readily apparent from other sources. Our operating results may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our operating results to fall below the expectations of securities analysts and investors, resulting in a decline in our stock price.

Changes to accounting rules or regulations could have a material adverse effect on our business, financial condition, and results of operations.

Changes to existing accounting rules or regulations may impact our future results of operations or cause the perception that we are more highly leveraged. Other new accounting rules or regulations and varying interpretations of existing accounting rules or regulations have occurred and may occur in the future. Future changes to accounting rules or regulations could have a material adverse effect on our business, financial condition, and results of operations.

OWNERSHIP OF OUR COMMON STOCK AND CORPORATE GOVERNANCE

Because we are a public company, our management is required to devote substantial time to compliance and governance initiatives and issues.

The Sarbanes-Oxley Act and rules implemented by the SEC and the NASDAQ Stock Market LLC ("NASDAQ") have imposed various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Implementing and maintaining internal controls is both time-consuming and costly. If we fail to maintain an effective internal control environment or to comply with the numerous legal and regulatory requirements imposed on public companies, we could make material errors in, and be required to restate, our financial statements. Any such restatement could result in a loss of public confidence in the reliability of our financial statements and sanctions imposed on us by the SEC. If we are unable to satisfy our obligations as a public company, we could be subject to, among other items, the delisting of our common stock, fines, sanctions, and other regulatory actions, as well as potential civil litigation and reputational harm.

Our business and reputation may be adversely affected by environmental, social, and governance matters.

Investor and regulatory focus has intensified with respect to certain environmental, social, and governance ("ESG") matters. These matters include, among others, efforts and mitigation of the impact of climate change, human rights matters, ethics and compliance with law, diversity, equity and inclusion, and the role of the Board in supervising various ESG and sustainability issues. Additionally, in the retail industry, the materials used in the merchandise we sell as well as where we source our merchandise are of particular importance.

Further, investment in funds that specialize in companies that perform well in ESG assessments have both gained popularity and been subject to criticism, and several major institutional investors and advisors, as well as government actors, including the executive branch, have publicly emphasized or disfavored the importance of ESG measures to their investment decisions and recommendations. Investors who are focused on ESG matters may look either positively or negatively upon enhanced ESG disclosures or implementation of ESG policies and procedures, and our response may fall short of expectations in either case. There can be no assurances that shareholders will not advocate, via proxy contests, media campaigns, or by other public or private means, for us to either take more ESG focused actions on an accelerated timeline or not to do so. There can be no certainty that we will successfully navigate or manage all of the ESG issues, or that we will successfully meet the expectations of investors or others. Further, our ESG initiatives may garner the positive or negative attention of the administration. In each case, such negative attention could have a material adverse effect on our reputation with governments, customers, employees, other third parties and the communities and industries in which we operate, as well as on our business, share price, financial condition, access to capital, or results of operations.

If securities analysts or industry analysts downgrade our shares, publish negative research or reports, or do not publish reports about our business, our share price and trading volume could decline.

The trading market for our common stock is to some extent influenced by the research and reports that industry or securities analysts publish about us, our business, and our industry. If no or few analysts commence coverage of us, the trading price of our stock could decrease. Even if we do obtain analyst coverage, if one or more analysts adversely change their recommendation regarding our shares or our competitors' stock, our share price might decline. If one or more analysts cease coverage of us or fail to regularly publish reports on us, we might lose visibility in the financial markets, which, in turn, could cause our share price or trading volume to decline.

Future sales of our common stock in the public market could cause the market price of our common stock to decrease significantly.

Sales of substantial amounts of our common stock in the public market by our existing stockholders or upon the exercise of outstanding stock options or grant of stock options or restricted stock units in the future may cause the market price of our common stock to decrease significantly. As of January 31, 2026, we have an aggregate of 932,904 shares of common stock issuable upon exercise of outstanding options and the vesting of restricted stock units under the 2015 Equity Incentive Plan (the "2015 Plan") and the 2025 Equity Incentive Plan (the "2025 Plan", and together with the 2015 Plan, the "Equity Plans") (261,863 of which are fully vested).

The perception that such sales could occur could also depress the market price of our common stock. Any such sales could also create public perception of difficulties or problems with our business and might also make it more difficult for us to raise capital through the sale of equity securities in the future at a time and price that we deem appropriate.

Our stock price has been and may continue to be volatile.

The market price of our common stock has fluctuated substantially in the past and may continue to fluctuate significantly. For example, during the fiscal year ended January 31, 2026, our stock price fluctuated from a high of \$141.74 to a low of \$94.88. Future announcements or disclosures concerning us or any of our competitors, our strategic initiatives, our sales and profitability, our financial condition, any quarterly variations in actual or anticipated operating results or comparable sales, any failure to meet analysts' expectations and sales of large blocks of our common stock, among other factors, could cause the market price of our common stock to fluctuate substantially. In addition, the stock market has experienced price and volume fluctuations that have affected the market price of many retail and other stocks that have often been unrelated or disproportionate to the operating performance of these companies.

We are a holding company and rely on dividends and other payments, advances, and transfers of funds from our subsidiaries to meet our obligations and pay any dividends.

We have no direct operations and no significant assets other than ownership of 100% of the capital stock of our subsidiaries. Because we conduct operations through our subsidiaries, we depend on those entities for dividends and other payments to generate the funds necessary to meet our financial obligations and to pay any dividends with respect to our common stock. Legal and contractual restrictions in the Credit Facility (defined below) and other agreements which may govern future indebtedness of our subsidiaries, as well as the financial condition and operating requirements of our subsidiaries, may limit our ability to obtain cash from our subsidiaries. The earnings from, or other available assets of, our subsidiaries might not be sufficient to pay dividends or make distributions or loans to enable us to pay any dividends on our common stock or other obligations. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations, and cash flows.

We do not expect to pay any cash dividends for the foreseeable future.

The continued operation and expansion of our business will require substantial funding. We do not anticipate that we will pay any dividends to holders of our common stock for the foreseeable future. Any payment of cash dividends will be at the discretion of our Board and will depend on our financial condition, capital requirements, legal requirements, earnings, and other factors. Our ability to pay dividends is restricted by the terms of our Credit Facility and might be restricted by the terms of any indebtedness that we incur in the future. Accordingly, realization of any gain on our common stock will depend on the appreciation of the price of the shares of our common stock, which may never occur.

Anti-takeover provisions in our third amended and restated certificate of incorporation and fourth amended and restated bylaws, and under Delaware law, could make an acquisition of us more difficult, limit attempts by our stockholders to replace or remove our current management, and limit the market price of our common stock.

Provisions in our third amended and restated certificate of incorporation and fourth amended and restated bylaws may have the effect of delaying or preventing a change of control or changes in our management. Our third amended and restated certificate of incorporation and fourth amended and restated bylaws include provisions that:

- authorize the Company's Board of Directors (the "Board") to issue, without further action by the stockholders, up to 50,000,000 shares of undesignated preferred stock;
- subject to certain exceptions, require that any action to be taken by our stockholders be affected at a duly called annual or special meeting of stockholders, and not by written consent;
- specify that special meetings of our stockholders can be called only by a majority of our Board, or upon the request of the Chairperson of the Board or the Chief Executive Officer;
- establish an advance notice procedure for stockholder proposals to be brought before an annual meeting, including proposed nominations of persons for election to our Board;
- prohibit cumulative voting in the election of directors; and
- provide that vacancies on our Board may be filled only by a majority of directors then in office, even though less than a quorum.

These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our Board, which is responsible for appointing the members of our management.

Our third amended and restated certificate of incorporation designates the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation that may be initiated by our stockholders, which could increase costs of bringing a claim, discourage claims, or limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.

The Company's certificate of incorporation provides that, unless we consent in writing in advance to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the sole and exclusive forum, to the fullest extent provided by law, for the following types of actions or proceedings:

- any derivative action or proceeding brought on behalf of the Company;
- any action asserting a claim of breach of a fiduciary duty owed by, or any wrongdoing by, any director, officer, or employee of the Company to the Company, or the Company's stockholders;
- any action asserting a claim arising pursuant to any provision of the Delaware General Corporate Law, the certificate of incorporation (as it may be amended from time to time), or the fourth amended and restated bylaws;
- any action to interpret, apply, enforce, or determine the validity of our certificate of incorporation or the fourth amended and restated bylaws; or
- any action asserting a claim governed by the internal affairs doctrine.

Application of the choice of forum provision may be limited in some instances by law. Section 27 of the Securities Exchange Act of 1934 (“Exchange Act”) provides for exclusive federal court jurisdiction over Exchange Act claims. Accordingly, to the extent the exclusive forum provision is held to cover a shareholder derivative action asserting claims under the Exchange Act, such claims could not be brought in the Delaware Court of Chancery and would instead be within the jurisdiction of the federal district court for the District of Delaware. Section 22 of the Securities Act of 1933 (“Securities Act”) creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. Moreover, our stockholders will not be deemed by operation of our choice of forum provision to have waived our compliance with the federal securities laws and the regulations promulgated thereunder. It is also possible that, notwithstanding the forum selection clause, a court could rule that such a provision is inapplicable or unenforceable, which could have a material adverse effect on our business, financial condition, and adversely impact our results of operations, financial position, and cash flows.

INDEBTEDNESS AND CAPITALIZATION

Indebtedness may limit our ability to invest in the ongoing needs of our business, and if we are unable to comply with our financial covenants, it could have a material adverse effect on our liquidity and our business, financial condition, and results of operations.

The Company’s credit facility (the “Credit Facility”) provides for a five-year \$100.0 million revolving credit facility, which includes a \$45.0 million sub-facility for letters of credit and a \$25.0 million sub-facility for swingline loans (the “Revolving Credit Facility”). As of January 31, 2026, we had no outstanding borrowings on the Revolving Credit Facility, with \$86.5 million of borrowing availability. We may, from time to time, incur additional indebtedness.

The agreements governing our Credit Facility place certain conditions on us, including restrictions that may, among other items:

- increase our vulnerability to adverse general economic or industry conditions;
- limit our flexibility in planning for, or reacting to, changes in our business or the industries in which we operate;
- make us more vulnerable to increases in interest rates, as borrowings under our Credit Facility are at variable rates;
- limit our ability to obtain additional financing in the future for working capital or other purposes;
- require us to utilize our cash flows from operations to make payments on indebtedness, reducing the availability of our cash flows to fund working capital, capital expenditures, development activity, and other general corporate purposes; and
- place us at a competitive disadvantage compared to our competitors that have less indebtedness.

Our Credit Facility places certain limitations on our ability to incur additional indebtedness. However, subject to the qualifications and exceptions in our Credit Facility, we may be permitted to incur substantial additional indebtedness and may incur obligations that do not constitute indebtedness under the terms of the Credit Facility. Our Credit Facility also places certain limitations on, among other items, our ability to enter into certain types of transactions, financing arrangements and investments, to make certain changes to our capital structure, and to guarantee certain indebtedness. Our Credit Facility also places certain restrictions on the payment of dividends and distributions, as well as certain management fees. These restrictions limit or prohibit, among other things, our ability to:

- pay dividends on, redeem, or repurchase our stock, or make other distributions;
- incur or guarantee additional indebtedness;
- sell stock in our subsidiaries;
- create or incur liens;
- make acquisitions or investments;
- transfer or sell certain assets or merge or consolidate with or into other companies;
- make certain payments or prepayments of indebtedness subordinated to our obligations under our Credit Facility; and
- enter into certain transactions with our affiliates.

Failure to comply with certain covenants or the occurrence of a change of control under our Credit Facility could result in the acceleration of our obligations under the Credit Facility, which could materially adversely affect our liquidity, capital resources, and results of operations.

Under certain circumstances, our Credit Facility requires us to comply with certain financial covenants regarding our fixed charge coverage ratio. Failure to comply could result in a default and an acceleration of our obligations under the Credit Facility, which could have a material adverse effect on our liquidity and our business, financial condition, and results of operations. See “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources - Credit Facilities.”

We may be unable to generate sufficient cash flows to satisfy debt service obligations, which could have a material adverse effect on our business, financial condition, and results of operations.

Our ability to make principal and interest payments on and to refinance indebtedness will depend on our ability to generate cash in the future and is subject to general economic, financial, competitive, legislative, regulatory, and other factors that are beyond our control. If our business does not generate sufficient cash flows from operations, in the amounts projected or at all, or if future borrowings are not available to us in amounts sufficient to fund our other liquidity needs, our business, financial condition, and results of operations could be materially adversely affected. If we cannot generate sufficient cash flows from operations to make scheduled principal and interest payments in the future, we may need to refinance all or a portion of indebtedness on or before maturity, sell assets, delay capital expenditures, or seek additional equity. The terms of future debt agreements, including our Credit Facility, may also restrict us from affecting any of these alternatives. Further, changes in the credit and capital markets, including market disruptions and interest rate fluctuations, may increase the cost of financing, make it more difficult to obtain favorable terms, or restrict our access to these sources of future liquidity. If we are unable to refinance indebtedness on commercially reasonable terms or at all or to affect any other action relating to indebtedness on satisfactory terms or at all, it could have a material adverse effect on our business, financial condition, and results of operations.

We cannot guarantee that our share repurchase program will be fully consummated or that it will enhance long-term stockholder value.

We are not obligated to repurchase a specified number or dollar value of shares under our share repurchase program, and all repurchase decisions are made in our sole discretion. Even if our share repurchase program is fully executed, it may not enhance long-term stockholder value. Also, the amount, timing, and execution of our share repurchase program may fluctuate based on our priorities for the use of cash for other purposes and because of changes in cash flows, tax laws, and the market price of our common stock.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

The Board recognizes the importance of maintaining the trust and confidence of our customers, associates, vendors, and other business partners through the effective management of Company enterprise risks. The Board, through its Audit Committee, oversees the Company’s risk management program, and cybersecurity represents an important component of the Company’s overall approach to enterprise risk management (“ERM”). Cybersecurity policies, standards, processes, and practices comprise an integral part of the Company’s ERM program and are based on recognized frameworks established by the National Institute of Standards and Technology, the Payment Card Industry Data Security Standard, and other applicable industry standards. In general, the Company addresses cybersecurity risks through a comprehensive, cross-functional approach focused on preserving the confidentiality, security, and availability of the information that the Company collects and stores by, first, identifying, preventing, and mitigating cybersecurity threats and, when needed, effectively responding to cybersecurity incidents.

Risk Management and Strategy

The Company's cybersecurity program focuses on the following key areas:

- As discussed in more detail under the heading "Governance," the Board oversees the Company's ERM functions through its Audit Committee (the "Audit Committee"). The Audit Committee, in turn, oversees the Company's Risk Management Committee (the "Risk Committee"), which includes the Company's Chief Information Officer ("CIO"), who fulfills the role of Chief Information Security Officer ("CISO"), other members of management, and select personnel from key departments. The Risk Committee regularly meets to discuss, evaluate, and address the ever-changing landscape of enterprise risks. The Risk Committee then reports to, and solicits direction and input from, the Audit Committee.
- The Company has implemented a comprehensive, cross functional approach to identifying, mitigating, and preventing cybersecurity threats and incidents, while also implementing controls and procedures that provide for the prompt escalation of certain cybersecurity incidents, so that management can make decisions regarding the public disclosure and reporting of such incidents in a timely manner. The Board, Company management, other key associates, and outside vendors and service providers work together and diligently at all levels of the ERM function.
- The Company deploys technical safeguards that are designed to protect the Company's information systems from cybersecurity threats, including firewalls, intrusion prevention and detection systems, anti-malware functionality, and access controls, which the Company evaluates and improves through vulnerability assessments and cybersecurity threat intelligence.
- The Company has established and maintains comprehensive incident response and recovery plans that fully address the Company's response to a cybersecurity incident. Such plans are tested and evaluated on a regular basis.
- The Company maintains a comprehensive, risk-based approach to identifying and overseeing cybersecurity risks presented by third parties (including vendors, service providers, and other external users of the Company's systems) as well as the systems of third parties that could adversely impact the Company's business in the event of a cybersecurity incident affecting those third-party systems.
- The Company conducts regular training for its associates regarding cybersecurity threats, as means to equip the Company's associates with effective tools to address cybersecurity threats and to communicate the Company's evolving information security policies, standards, processes, and practices.
- The Company has established an Artificial Intelligence ("AI") policy to support the responsible use of AI technologies in the Company's operations, with a focus on enhancing business effectiveness while managing ethical, legal, cybersecurity, data privacy, and other technology-related risks.

The Company regularly assesses and tests the Company's policies, standards, processes, and practices that are designed to address cybersecurity threats and incidents. These efforts include a wide range of activities, including audits, assessments, tabletop exercises, threat modeling, vulnerability testing, and other exercises focused on evaluating the effectiveness of our cybersecurity measures. The Company regularly engages third parties to perform assessments on our cybersecurity measures, including information security maturity assessments, audits, and independent reviews of our information security control environment and operating effectiveness. The CIO's team reports the results of such assessments, audits, and reviews to the Risk Committee and the Audit Committee on a quarterly basis, and the Company adjusts its cybersecurity policies, standards, processes, and practices as necessary based on the valuable information gleaned during these assessments, audits, and reviews.

Governance and Board Oversight

The Board, through its Audit Committee, pursuant to the Audit Committee's charter, and in coordination with the Company's Risk Committee, oversees the Company's ERM process, including the management of risks arising from cybersecurity threats. The Risk Committee solicits regular presentations and reports on cybersecurity risks from various departments within the Company, expressly seeking a wide range of input and viewpoints on the ERM process. The Risk Committee considers topics such as recent developments, evolving standards, vulnerability assessments, third-party and independent reviews, the threat environment, technological trends, and information security considerations arising with respect to the Company's peers and third parties.

On a quarterly basis, the Risk Committee meets to discuss ERM, including cybersecurity processes, keeping adequate records of its consideration of the applicable ERM topics. The Risk Committee reports quarterly to the Board's Audit Committee, responding to the comments, questions, directives, and input from the members thereof, and engaging in a fulsome discussion of the Company's approach to, among other things, cybersecurity risk management.

Company Management

The CIO, in coordination with the Company's IT Security and Compliance ("ITSEC") team works collaboratively across the Company to implement a program designed to protect the Company's information systems from cybersecurity threats and to promptly respond to any cybersecurity incidents in accordance with the Company's incident response and recovery plans.

The CIO has served various roles in information technology for over 34 years, including 18 years with responsibility in overseeing cybersecurity efforts in large publicly traded companies. The ITSEC team includes a dedicated manager and security analysts. The ITSEC team also has access to two dedicated consultants who each have over 20 years' experience managing cybersecurity risk and infrastructure security in large publicly-traded companies.

The Company's Incident Response Team, which includes the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, CIO, and General Counsel, receives prompt and timely information regarding any cybersecurity incident that meets established reporting thresholds, as well as ongoing updates regarding any such incident until it has been addressed.

To facilitate the success of the Company's cybersecurity components of the ERM program, multidisciplinary teams throughout the Company are deployed to address cybersecurity threats and to respond to cybersecurity incidents. Through ongoing communications with these teams, the CIO and the ITSEC team monitor the prevention, detection, mitigation, and remediation of cybersecurity threats and incidents in real time and report such threats and incidents to the Risk Committee and Audit Committee when appropriate.

Cybersecurity Risks

Despite the security measures we have implemented, certain cybersecurity incidents could disrupt our operational systems if our IT resources are compromised by an intentional attack which results in the loss of trade secrets or other proprietary or competitively sensitive information; compromises personally identifiable information regarding customers or employees; delays our ability to deliver products to customers; jeopardizes the security of our facilities; or causes other damage.

During the fiscal year ended January 31, 2026, we did not experience any material impact to our business, financial position, or operations resulting from previously identified cyberattacks or other information security incidents, but we cannot provide assurance that they will not be materially affected in the future by such risks or any future material breaches. While our lack of an online shopping option or an omnichannel customer experience may pose risks to our business, the same aspect of our operations insulates us from the same level of cybersecurity risks relative to those peers.

We continuously seek to maintain a robust program of information security and controls, but the impact of a material cybersecurity incident could have an adverse effect on our competitive position, reputation, results of operations, financial condition, and cash flows.

Additionally, while we have a cybersecurity program designed to protect and preserve the confidentiality, integrity, and availability of our information systems, we also maintain cybersecurity insurance to manage potential liabilities resulting from specific cyber-attacks. Although we maintain cybersecurity insurance, there can be no guarantee that our insurer(s) will cover specific claims, pay the full costs of an incident, or provide payment in a timely manner. For more information, please see "Item 1A – Risk Factors – Technology and Cybersecurity."

Item 2. Properties

As of January 31, 2026, we operated 645 retail stores across 34 states in the eastern and central United States. We lease the majority of our retail stores, often in second generation sites ranging in size from 18,000 to 50,000 square feet.

Our corporate headquarters, located in Harrisburg, PA, is 58,200 square feet and is leased under an agreement that expires in February 2033, with options to renew for three successive five-year periods. Our owned corporate data center and additional office space is 19,800 square feet.

We operate the following distribution centers, which we own or lease as indicated:

Distribution Center Location	Owned or Leased	Approximate Square Footage
Commerce, GA	Leased	962,000
York, PA	Leased	804,000
Lancaster, TX	Owned	615,000
Princeton, IL	Owned	615,000

The original terms of the leases for our distribution centers range from 10 to 15 years with options to renew for successive five-year periods.

In fiscal 2024, we completed construction of our fourth distribution center in Princeton, IL and began shipping product in July 2024.

We maintain a focused and disciplined approach to entering lease arrangements. All leases are approved by our real estate committee, which is comprised of senior management and executive officers. Our leases generally have an initial term of approximately seven years with options to renew for three to five successive five-year periods and may require us to pay a proportionate share of real estate taxes, insurance, and common area or other charges.

Item 3. Legal Proceedings

From time to time we are involved in claims and legal actions that arise in the ordinary course of our business. We cannot predict the outcome of any litigation or lawsuit to which we are a party. However, we do not believe that an unfavorable decision of any of the current claims or legal actions against us, individually or in the aggregate, will have a material adverse effect on our financial position, results of operations, liquidity or capital resources.

Item 4. Mine Safety Disclosures

Not applicable.

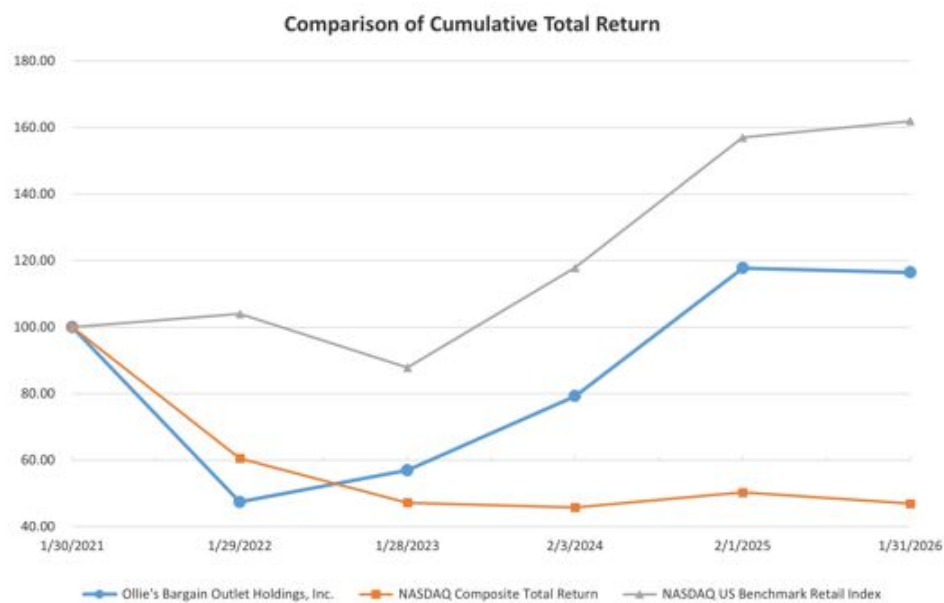
PART II**Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

Our common stock is traded on NASDAQ under the symbol “OLLI.”

As of January 31, 2026, we had approximately 164,950 stockholders of record.

Stock Performance Graph

The graph set forth below compares the cumulative stockholder return on our common stock between January 30, 2021 and January 31, 2026 to the cumulative return of (i) the NASDAQ Composite Total Return Index and (ii) the NASDAQ US Benchmark Retail Index over the same period. This graph assumes an initial investment of \$100 on January 30, 2021 in our common stock, the NASDAQ Composite Total Return Index and the NASDAQ US Benchmark Retail Index and assumes the reinvestment of dividends, if any. Such returns are based on historical results and are not intended to suggest future performance.



	1/30/21	1/29/22	1/28/23	2/3/24	2/1/25	1/31/26
Ollie’s Bargain Outlet Holdings, Inc.	100.00	47.43	56.97	79.25	117.71	116.45
NASDAQ Composite Total Return Index	100.00	60.53	47.20	45.81	50.29	46.92
NASDAQ US Benchmark Retail Index	100.00	103.94	87.83	117.87	157.01	161.92

Dividends

Our common stock began trading on July 16, 2015. Since then, we have not declared any cash dividends nor do we expect to in the foreseeable future as we intend to retain our earnings to finance the development and growth of our business and operations.

The Credit Facility contains a number of restrictive covenants that, among other things and subject to certain exceptions, restrict Ollie’s Bargain Outlet, Inc.’s and Ollie’s Holdings, Inc.’s (together the “Borrowers”) ability and the ability of their subsidiaries to pay dividends on our capital stock or redeem, repurchase or retire our capital stock.

Securities Authorized for Issuance under Equity Compensation Plans

The information required by this Item will be set forth in the Proxy Statement and is incorporated herein by reference.

Information on Share Repurchases

Information regarding shares of common stock the Company repurchased during the thirteen weeks ended January 31, 2026 is as follows:

Period	Total number of shares repurchased (1)	Average price paid per share (2)	Total number of shares purchased as part of publicly announced plans or programs (3)	Approximate dollar value of shares that may yet be purchased under the plans or programs (3)
November 2, 2025 through November 29, 2025	41,276	\$ 124.00	41,276	\$ 287,282,253
November 30, 2025 through January 3, 2026	130,155	\$ 113.92	130,155	\$ 272,517,253
January 4, 2026 through January 31, 2026	119,177	\$ 114.39	119,177	\$ 258,799,484
Total	<u>290,608</u>		<u>290,608</u>	

(1) Consists of shares repurchased under the publicly announced share repurchase program.

(2) Includes commissions for the shares repurchased under the share repurchase program.

(3) In December 2020, the Company’s Board of Directors authorized common stock repurchases under a share repurchase program. The authorized amount of the program, which has been increased from time to time, is authorized for up to \$700.0 million of the Company’s stock as of January 31, 2026. The share repurchase program is effective through March 31, 2029. As of January 31, 2026, the Company had approximately \$258.8 million remaining under its share repurchase program. For further discussion on the share repurchase program, see “Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations, Liquidity and Capital Resources, Share Repurchase Program.”

Item 6. [Reserved]**Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

You should read the following discussion together with the financial statements and related notes included elsewhere in this Annual Report on Form 10-K. The statements in this discussion regarding expectations of our future performance, liquidity and capital resources and other non-historical statements are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described in “Item 1A, Risk Factors” and “Cautionary note regarding forward-looking statements.” Our actual results may differ materially from those contained in or implied by any forward-looking statements.

We operate on a fiscal calendar widely used by the retail industry that results in a given fiscal year consisting of a 52- or 53-week period ending on the Saturday nearer January 31 of the following year. References to “2025” refer to the 52-week fiscal year ended January 31, 2026 and references to “2024” refer to the 52-week fiscal year ended February 1, 2025. References to “2026” refer to the 52-week fiscal year ending January 30, 2027.

Overview

Ollie’s Bargain Outlet is a leading off-price retailer of brand name household products. Since our founding in 1982, the Company’s mission has been to sell Good Stuff Cheap®. We do this through a flexible buying model that focuses on closeout merchandise and excess inventory from suppliers and manufacturers around the world. Our stores offer Real Brands! Real Bargains! ® in a treasure hunt shopping environment at prices up to 70% below traditional retailers.

Our highly experienced merchandise team is constantly scouring the market and leveraging deep, long-standing relationships across the supply chain to find the best products at the best prices. We focus on buying cheap and selling cheap, and source products as unique buying opportunities present themselves. While the individual products sold in our stores are constantly changing, our overall merchandise mix is designed to save people money on a wide variety of brand name household products that they need and use in their everyday lives.

Our primary point of differentiation against other retailers is the pricing of our products. Our goal is to be the lowest priced retailer of any product offered by our stores. We believe our flexible business model, opportunistic buying strategy, low cost structure, experienced merchant team with deep relationships across the vendor community, and long history of experience of buying and selling closeout merchandise and excess inventory differentiates us from traditional retailers.

Since the founding of Ollie’s in 1982, our principal growth strategy has been the opening of new stores. Historically, we have expanded our store base by opening new stores organically. More recently, we have expanded our store base through acquiring former store locations of bankrupt retailers through the bankruptcy auction process. Our growth strategy continuously evaluates the best opportunities in the marketplace and combines organic new store openings with the acquisition of store locations. We follow a contiguous unit growth strategy that combines backfilling existing markets and states with entering new markets and states in a contiguous manner. As of January 31, 2026 we have grown to 645 stores in 34 states.

While we are focused on driving comparable store sales and managing our expenses, the biggest driver of our net sales and profitability growth has historically been the opening of new stores. As we continue to grow, we believe we will have greater access to brand name closeout merchandise and an increased deal selection, resulting in more potential offerings for our customers.

Our ability to grow and our results of operations may be impacted by additional factors and uncertainties, such as consumer spending levels, which are subject to macroeconomic conditions and changes in discretionary income. Our customers’ discretionary income is impacted by changes in wages, gasoline and energy prices, interest rates, inflation, housing prices, rental rates, and consumer trends and preferences. The potential consolidation of our competitors or other changes in our competitive landscape could also impact our results of operations or our ability to grow. However, because we offer a broad selection of merchandise at extreme values, we believe we are generally less impacted than other retailers by economic cycles that correspond with declines in general consumer spending habits. We believe we also benefit from periods of increased consumer spending.

Management looks at a number of financial and operating measures in assessing the performance of the business, including new store openings, net sales, comparable store sales, gross profit and gross margin, operating expenses, operating income, earnings per share, EBITDA, and Adjusted EBITDA.

The number of new stores reflects the number of stores opened during a particular reporting period. Before we open new stores, we incur pre-opening expenses described below under “Pre-Opening Expenses” and we make an initial investment in inventory. We also make initial capital investments in fixtures and equipment, which we amortize over time. Sales of new stores are typically strong in the first few months of operation because of the advertising and marketing spending associated with a new store grand opening and the word of mouth in the local community.

Comparable store sales measure performance of a store during the current reporting period against the performance of the same store in the corresponding period of the previous year. Comparable store sales consist of net sales from our stores beginning on the first day of the sixteenth full fiscal month following the store’s opening, which is when we believe comparability is achieved. Stores that remain open during a remodel or refresh process, stores that are relocated within the same trade area, and stores that changed in size are generally classified in the same way as the original store, and we believe that the impact to our change in consolidated comparable store sales percentage is immaterial. Comparable store sales are also referred to as “same-store” sales by other retail companies.

Gross profit is equal to our net sales less our cost of sales. Included in cost of sales are: merchandise costs, inventory markdowns, inventory shrinkage and transportation, distribution, and warehousing costs, including wages, benefits, and depreciation and amortization.

Selling, general, and administrative (SG&A) expenses are comprised of wages and benefits for store, field support, and support center associates. SG&A expenses also include marketing and advertising expense, occupancy and operating costs for stores and the store support center, insurance, corporate infrastructure, and other general expenses.

Pre-opening expenses consist of all expenses associated with the opening of new stores and distribution centers, as well as all expenses associated with the remodel and/or closing of an existing store.

The method of calculating comparable store sales, gross profit, SG&A and pre-opening expenses varies across the retail industry. As a result, our calculation of these items may not necessarily be compatible with similarly titled measures reported by other retail companies.

EBITDA and Adjusted EBITDA are key metrics used by management and our Board to assess our financial performance. EBITDA and Adjusted EBITDA are also frequently used by analysts, investors, and other interested parties to evaluate companies in our industry. We use Adjusted EBITDA to supplement GAAP measures of performance to evaluate the effectiveness of our business strategies, to make budgeting decisions, to evaluate our performance in connection with compensation decisions and to compare our performance against that of other peer companies using similar measures. Management believes it is useful to investors and analysts to evaluate these non-GAAP measures on the same basis as management uses to evaluate the Company’s operating results. We believe that excluding items from operating income, net income, and net income per diluted share that may not be indicative of, or are unrelated to, our core operating results, and that may vary in frequency or magnitude, enhances the comparability of our results and provides a better baseline for analyzing trends in our business.

We define EBITDA as net income before net interest income or expense, depreciation and amortization expenses, and income taxes. Adjusted EBITDA represents EBITDA as further adjusted for non-cash stock-based compensation expense and gains on insurance settlements. EBITDA and Adjusted EBITDA are non-GAAP measures and may not be comparable to similar measures reported by other companies. EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them in isolation or as a substitute for analysis of our results as reported under GAAP. In the future we may incur expenses or charges such as those added back to calculate Adjusted EBITDA. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by these items. For further discussion of EBITDA and Adjusted EBITDA and for reconciliations of net income, the most directly comparable GAAP measure, to EBITDA and Adjusted EBITDA, see “Results of Operations.”

Results of Operations

This section includes comparisons of certain 2025 financial information to the same information for 2024. Year-to-year comparisons of the 2024 financial information to the same information for fiscal 2023, the 53-week period ended February 3, 2024 (“2023”), are contained in Item 7 of our Form 10-K for 2024 filed with the SEC on March 26, 2025, as amended on April 11, 2025, and available through the SEC’s website at <https://www.sec.gov/edgar/searchedgar/companysearch.html>.

The following tables summarize key components of our results of operations for 2025 and 2024, both in dollars and as a percentage of our net sales.

We derived the consolidated statements of income for 2025 and 2024 from our consolidated financial statements and related notes. Our historical results are not necessarily indicative of the results that may be expected in the future.

	2025	2024
	(dollars in thousands)	
Net sales	\$ 2,649,198	\$ 2,271,705
Cost of sales	1,576,254	1,357,253
Gross profit	1,072,944	914,452
Selling, general, and administrative expenses	709,002	612,406
Depreciation and amortization expenses	40,996	33,224
Pre-opening expenses	25,281	19,319
Operating income	297,665	249,503
Interest income, net	(18,719)	(16,311)
Income before income taxes	316,384	265,814
Income tax expense	75,788	66,052
Net income	\$ 240,596	\$ 199,762
Percentage of net sales⁽¹⁾:		
Net sales	100.0%	100.0%
Cost of sales	59.5	59.7
Gross profit	40.5	40.3
Selling, general, and administrative expenses	26.8	27.0
Depreciation and amortization expenses	1.5	1.5
Pre-opening expenses	1.0	0.9
Operating income	11.2	11.0
Interest income, net	(0.7)	(0.7)
Income before income taxes	11.9	11.7
Income tax expense	2.9	2.9
Net income	9.1%	8.8%
Select operating data:		
Number of new stores	86	50
Number of store closings	-	(3)
Number of stores open at end of period	645	559
Average net sales per store ⁽²⁾	\$ 4,325	\$ 4,271
Comparable stores sales change	3.7%	2.8%

(1) Components may not add to totals due to rounding.

(2) Average net sales per store represents the weighted average of total net weekly sales divided by the number of stores open at the end of each week for the respective periods presented.

The following table provides a reconciliation of our net income to Adjusted EBITDA for the periods presented:

	2025	2024
	(dollars in thousands)	
Net income	\$ 240,596	\$ 199,762
Interest income, net	(18,719)	(16,311)
Depreciation and amortization expenses ⁽¹⁾	55,236	44,128
Income tax expense	75,788	66,052
EBITDA	352,901	293,631
Non-cash stock-based compensation expense	13,060	19,445
Adjusted EBITDA	\$ 365,961	\$ 313,076

(1) Includes depreciation and amortization relating to our distribution centers, which is included within cost of sales on our consolidated statements of income.

2025 Compared with 2024

Net Sales

Net sales increased to \$2.649 billion in 2025 from \$2.272 billion in 2024, an increase of \$377.0 million, or 16.6%. The increase in net sales was the result of new store unit growth and a comparable store sales increase of 3.7%.

Comparable store sales increased 3.7% in 2025 compared with a 2.8% increase in 2024. The increase in comparable store sales consisted of an increase in the number of transactions and basket size.

Gross Profit and Gross Margin

Gross profit increased to \$1.073 billion in 2025 from \$914.5 million in 2024, an increase of \$158.5 million, or 17.3%. Gross margin increased 20 basis points to 40.5% in 2025 from 40.3% in 2024. The increase in gross margin in fiscal 2025 is primarily due to higher merchandise margins, partially offset by higher supply chain costs, including incremental tariff expense.

Selling, General, and Administrative Expenses

SG&A increased to \$709.0 million in 2025 from \$612.4 million in 2024, an increase of \$96.6 million, or 15.8%. Excluding a one-time expense of \$5.5 million for the accelerated expense resulting from the modification of existing equity awards for our Executive Chairman in 2024, SG&A increased 16.8% to \$709.0 million in 2025 from \$606.9 million in 2024. This increase was primarily driven by higher selling expenses related to new store growth. As a percentage of net sales, SG&A, exclusive of the one-time stock awards expense, increased 10 basis points to 26.8% in 2025 from 26.7% in 2024. This increase is primarily the result of higher medical and casualty claims, partially offset by the leverage of fixed costs from higher sales and optimization efforts in marketing.

Depreciation and Amortization Expenses

Depreciation and amortization expenses increased to \$41.0 million in 2025 from \$33.2 million in 2024, an increase of \$7.8 million, or 23.4%, resulting from the increased asset base due to new store growth and investments in existing stores.

Pre-Opening Expenses

Pre-opening expenses increased to \$25.3 million in 2025 from \$19.3 million in 2024, an increase of \$6.0 million, or 30.9%. The increase was primarily driven by new store growth and dark rent expense of \$5.2 million associated with the bankruptcy acquired stores. We opened 86 stores in 2025 compared to 50 stores opened and three stores closed in 2024. Of the 86 store openings, 63 of these were bankruptcy acquired leases that carried higher levels of dark rent. As a percentage of net sales, pre-opening expenses increased 10 basis points to 1.0% in 2025 from 0.9% in 2024.

Interest Income, Net

Interest income, net was \$18.7 million in 2025 compared with \$16.3 million in 2024. The increase in interest income, net in 2025 is primarily due to higher average cash and cash equivalent and investments balances, partially offset by lower interest rates.

Income Tax Expense

Income tax expense increased to \$75.8 million in 2025 from \$66.1 million in 2024, an increase of \$9.7 million, or 14.7%. The effective tax rates for 2025 and 2024 were 24.0% and 24.9%, respectively. The decrease in the effective tax rate was driven by the impact of discrete items recognized, primarily lower excess tax benefits related to stock-based compensation, partially offset by the impact of higher non-deductible compensation. For further information, see Note 8 under “Notes to Consolidated Financial Statements.”

Net Income

As a result of the foregoing, net income increased to \$240.6 million in 2025 from \$199.8 million in 2024, an increase of \$40.8 million, or 20.4%.

Adjusted EBITDA

Adjusted EBITDA increased to \$366.0 million in 2025 from \$313.1 million in 2024, an increase of \$52.9 million, or 16.9%. Adjusted EBITDA margin was 13.8% for 2025 and 2024.

Liquidity and Capital Resources**Overview**

Our primary sources of liquidity are net cash flows provided by operating activities and available borrowings under our \$100.0 million Revolving Credit Facility. As of January 31, 2026, we had \$296.3 million of cash and cash equivalents and short-term investments on hand and \$86.5 million available to borrow under our Revolving Credit Facility. For further information regarding our Revolving Credit Facility, see Note 7 under “Notes to the Consolidated Financial Statements.”

Our primary cash needs are for capital expenditures and working capital. Additionally, we have made and may continue to make discretionary share repurchases (see “Share Repurchase Program” below for further discussion).

Our capital expenditures are primarily related to new store openings, lease acquisitions, and related build-out costs, store resets, which consist of improvements to stores as they are needed, expenditures related to our distribution centers, and infrastructure-related investments, including investments related to upgrading and maintaining our information technology systems. We spent \$101.9 million and \$120.6 million for capital expenditures in 2025 and 2024, respectively. We opened 86 new stores in 2025.

Capital expenditures in 2026 are planned to be approximately \$103 to \$113 million, primarily for the opening of 75 new stores, store-level initiatives at our existing stores, the expansion of two existing distribution centers, as well as general corporate capital expenditures, including information technology. We have experienced, and may continue to experience, delays in construction and permitting of new stores and other projects.

Our primary working capital requirements are for the purchase of merchandise inventories, payroll, store rent associated with our operating leases, other store operating costs, distribution costs, and general and administrative costs. Our working capital requirements fluctuate during the year, rising in our third fiscal quarter as we increase quantities of inventory in anticipation of our peak holiday sales season in our fourth fiscal quarter. Fluctuations in working capital are also driven by the timing of new store openings.

A financial instrument which potentially subjects the Company to a concentration of credit risk is cash. Ollie’s currently maintains its day-to-day operating cash balances with major financial institutions. The Company’s operating cash balances are in excess of the Federal Deposit Insurance Corporation (“FDIC”) insurance limit. From time to time, Ollie’s invests temporary excess cash in overnight investments with expected minimal volatility, such as money market funds. Although the Company maintains balances which exceed the FDIC insured limit, it has not experienced any losses related to these balances.

We believe our cash and cash equivalents and short-term investments position, net cash provided by operating activities and availability under our Revolving Credit Facility will be adequate to finance our planned capital expenditures, working capital requirements, debt service, and other financing activities over the next 12 months. If cash provided by operating activities and borrowings under our Revolving Credit Facility are not sufficient or available to meet our capital requirements, we will be required to obtain additional equity or debt financing in the future. There can be no assurance equity or debt financing will be available to us when needed or, if available, the terms will be satisfactory to us and not dilutive to our then-current stockholders.

Share Repurchase Program

In December 2020, our Board of Directors authorized common stock repurchases under a share repurchase program. The authorized amount of the program, which has been increased from time to time, is authorized for up to \$700.0 million of the Company's stock as of January 31, 2026. The share repurchase program is effective through March 31, 2029. The shares to be repurchased may be purchased from time to time in open market conditions (including blocks), privately negotiated transactions, accelerated share repurchase programs or other derivative transactions, issuer self-tender offers or any combination of the foregoing. The timing of repurchases and the actual amount purchased will depend on a variety of factors, including the market price of our shares, general market, economic and business conditions, and other corporate considerations. Repurchases may be made pursuant to plans intended to comply with Rule 10b5-1 under the Securities Exchange Act of 1934, which could allow us to purchase our shares during periods when we otherwise might be prevented from doing so under insider trading laws or because of self-imposed trading blackout periods. Repurchases are expected to be funded from cash on hand or through the utilization of our Revolving Credit Facility. The repurchase authorization does not require the purchase of a specific number of shares and is subject to suspension or termination by our Board at any time.

During 2025, we repurchased 636,640 shares of our common stock for \$73.8 million, inclusive of transaction costs, pursuant to our share repurchase program, and during 2024, we repurchased 639,788 shares of our common stock for \$53.0 million, inclusive of transaction costs. These expenditures were funded by cash generated from operations. As of January 31, 2026, we had approximately \$258.8 million remaining under our share repurchase authorization. There can be no assurances that any additional repurchases will be completed, or as to the timing or amount of any repurchases.

Summary of Cash Flows

A summary of our cash flows from operating, investing, and financing activities is presented in the following table:

	2025	2024
	(in thousands)	
Net cash provided by operating activities	\$ 296,539	\$ 227,454
Net cash used in investing activities	(179,925)	(255,341)
Net cash used in financing activities	(62,057)	(33,252)
Net increase (decrease) in cash and cash equivalents	<u>\$ 54,557</u>	<u>\$ (61,139)</u>

Cash Provided by Operating Activities

Net cash provided by operating activities in 2025 totaled \$296.5 million compared with \$227.5 million in 2024. Operating cash flow was positively impacted by higher net income, the timing of merchandise payments, and higher operating expense related accruals, partially offset by an increase in inventory resulting from new store growth.

Cash Used in Investing Activities

Net cash used in investing activities totaled \$179.9 million in 2025 compared with \$255.3 million in 2024. Cash used in investing activities includes purchases of property and equipment of \$101.9 million and purchases of investments, net of maturities, of \$78.3 million.

Cash Used in Financing Activities

Net cash used in financing activities totaled \$62.1 million in 2025 compared with \$33.3 million in 2024. Cash used in financing activities reflects payments of \$73.8 million for the repurchase of common stock, partially offset by \$18.7 million of proceeds from stock option exercises.

Credit Facilities

The Company's Credit Facility provides for a five-year \$100.0 million revolving credit facility, which includes a \$45.0 million sub-facility for letters of credit and a \$25.0 million sub-facility for swingline loans (the "Revolving Credit Facility"). In addition, the Company may at any time add term loan facilities or additional revolving commitments up to \$150.0 million pursuant to terms and conditions set out in the Credit Facility. On January 9, 2024, the Company refinanced its Credit Facility, pursuant to which the maturity date for any loans under the revolving credit facility was extended for a period of five years and a zero percent (0.0%) interest rate floor was added to the option for the SOFR Loan Rate (as defined in the Amendment). Loans under the Revolving Credit Facility mature on January 9, 2029.

The interest rates for the Credit Facility are calculated as follows: for ABR Loans, the highest of the Prime Rate, the Federal Funds Effective Rate plus 0.50% and Term SOFR with a term of one-month in effect on such day plus the SOFR Spread Adjustment plus 1.0%, plus the Applicable Margin, or, for SOFR Loans, the SOFR Loan Rate plus the Applicable Margin plus the SOFR Spread Adjustment. The Applicable Margin will vary from 0.00% to 0.50% for an ABR Loan and 1.00% to 1.50% for a SOFR Loan, based on availability under the Credit Facility. The SOFR Loan Rate is subject to a 0% floor.

Under the terms of the Revolving Credit Facility, as of January 31, 2026, we could borrow up to 90.0% of the most recent appraised value (valued at cost, discounted for the current net orderly liquidation value) of our eligible inventory, as defined, up to \$100.0 million.

As of January 31, 2026, we had no outstanding borrowings under the Revolving Credit Facility, with \$86.5 million of borrowing availability, outstanding letters of credit commitments of \$13.3 million and \$0.2 million of rent reserves. The Revolving Credit Facility also contains a variable unused line fee ranging from 0.125% to 0.250% per annum. We incurred unused line fees of approximately \$0.1 million in each of 2025 and 2024.

The Credit Facility is collateralized by the Company's assets and equity and contains a financial covenant, as well as certain business covenants, including restrictions on dividend payments, which we must comply with during the term of the agreement. The financial covenant is a consolidated fixed charge coverage ratio test of at least 1.0 to 1.0 applicable during a covenant period, based on reference to availability. We were in compliance with all terms of the Credit Facility during 2025.

The provisions of the Credit Facility restrict all of the net assets of the Company's consolidated subsidiaries, which constitutes all of the net assets on our consolidated balance sheet as of January 31, 2026, from being used to pay any dividends or make other restricted payments to the Company without prior written consent from the financial institutions that are a party to the Credit Facility, subject to material exceptions including proforma compliance with the applicable conditions described in the Credit Facility.

Contractual Obligations

We enter into long-term contractual obligations and commitments in the normal course of business, primarily operating leases. The following table summarizes our material cash requirements over the next several periods from known contractual obligations, including contractual lease obligations:

	<u>Less than 1 year</u>	<u>1-3 Years</u>	<u>3-5 Years</u>	<u>Thereafter</u>	<u>Total</u>
	(in thousands)				
Operating leases ⁽¹⁾	\$ 125,797	\$ 258,926	\$ 179,703	\$ 267,503	\$ 831,929
Finance leases	842	646	-	-	1,488
Purchase obligations ⁽²⁾	20,683	-	-	-	20,683
Total	<u>\$ 147,322</u>	<u>\$ 259,572</u>	<u>\$ 179,703</u>	<u>\$ 267,503</u>	<u>\$ 854,100</u>

⁽¹⁾ Operating lease payments exclude \$49.7 million of legally binding minimum lease payments for leases signed but not yet commenced.

⁽²⁾ Purchase obligations are primarily for materials and construction agreements for new store build-outs and distribution center expansion as well as purchase commitments for material handling equipment at the Company's distribution centers.

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Seasonality

Our business is seasonal in nature and demand is generally the highest in our fourth fiscal quarter due to the holiday sales season. To prepare for the holiday sales season, we must order and keep in stock more merchandise than we carry during other times of the year and generally engage in additional marketing efforts. We expect inventory levels, along with accounts payable and accrued expenses, to reach their highest levels in our third and fourth fiscal quarters in anticipation of increased net sales during the holiday sales season. As a result of this seasonality, and generally because of variation in consumer spending habits, we experience fluctuations in net sales and working capital requirements during the year. Because we offer a broad selection of merchandise at extreme values, we believe we are generally less impacted than other retailers by economic cycles which correspond with declines in general consumer spending habits and we believe we still benefit from periods of increased consumer spending.

Critical Accounting Estimates

Our consolidated financial statements have been prepared in accordance with GAAP. A summary of our significant accounting policies can be found in Note 1 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K. The preparation of these consolidated financial statements requires us to make judgments and estimates that affect the reported amounts of assets, liabilities, revenues, expenses, and related disclosures. These judgments and estimates are based on historical and other factors believed to be reasonable under the circumstances. We have identified the policies below as critical to our business operations and understanding of our results of operations.

Inventories

Inventories are stated at the lower of cost or market determined using the retail inventory method on a first-in, first-out basis. The cost of inventories includes the merchandise cost, transportation costs, and certain distribution and storage costs. Such costs are thereafter expensed as cost of sales upon the sale of the merchandise.

Under the retail inventory method, which is widely used in the retail industry, inventory is segregated into departments of merchandise having similar characteristics. The valuation of inventories and the resulting gross profit is derived by applying a calculated cost-to-retail ratio to the retail value of inventories for each department.

Inherent in the retail inventory method are certain management judgments and estimates including, among others, merchandise markups, the amount and timing of permanent markdowns, and shrinkage, which may significantly impact both the ending inventory valuation and gross profit.

Factors considered in the determination of permanent markdowns include uncertainties related to inventory obsolescence, excess inventories, current and anticipated demand, age of the merchandise and customer preferences. A significant increase in the demand for merchandise could result in a short-term increase in inventory purchases while a significant decrease in demand could result in an increase in the amount of excess inventory quantities on-hand. If our inventory is determined to be overvalued in the future, we would be required to recognize such costs in cost of sales and reduce operating income at the time of such determination. Therefore, although every effort is made to ensure the accuracy of forecasts of merchandise demand, any significant unanticipated changes in demand or in economic conditions within our markets could have a significant impact on the value of our inventory and reported operating results. Similarly, if higher than anticipated levels of shrinkage were to occur, it could have a material effect on our results of operations. We calculate our shrink provision based on actual physical inventory results during the fiscal period and an accrual for estimated shrink occurring subsequent to a physical inventory through the end of the fiscal reporting period. This accrual is calculated as a percentage of sales for each retail store, at a department level, based on the Company's most recent historical shrink rate adjusted, if necessary, for current economic conditions and business trends. To the extent that subsequent physical inventories yield different results than the estimated accrual, our effective shrink rate for a given reporting period will include the impact of adjusting to the actual results.

We have not made any material changes in the methodology used to recognize permanent markdowns or inventory shrinkage in the financial periods presented nor do we anticipate material changes in assumptions we use for permanent markdowns or shrinkage. As previously stated, however, if our actual experience does not accurately reflect our assumptions and forecasts, we may be exposed to losses or gains that could be material. We believe a 10% change in our assumptions as of January 31, 2026 would have impacted net income by approximately \$1.6 million in 2025.

Goodwill/Intangible Assets

We amortize intangible assets over their useful lives unless we determine such lives to be indefinite. Goodwill and intangible assets having indefinite useful lives are not amortized to earnings, but instead are subject to annual impairment testing or more frequently if events or circumstances indicate that the value of goodwill or intangible assets having indefinite useful lives might be impaired.

Goodwill and intangible assets having indefinite useful lives are tested for impairment annually in the fiscal month of October. We have the option to evaluate qualitative factors to determine if it is more likely than not that the carrying amount of our sole reporting unit or our nonamortizing intangible assets (consisting of a tradename) exceed their implied respective fair value and whether it is necessary to perform a quantitative analysis to determine impairment. As part of this qualitative assessment, we weigh the relative impact of factors that are specific to our sole reporting unit or our nonamortizing intangible assets as well as industry, regulatory and macroeconomic factors that could affect the inputs used to determine the fair value of the assets.

If management determines a quantitative goodwill impairment test is required, or it elects to perform a quantitative test, the test is performed by determining the fair value of our sole reporting unit. Fair value is determined based on our public market capitalization. The carrying value of goodwill is considered impaired when the reporting unit's fair value is less than its carrying value and the Company would record an impairment loss equal to the difference, not to exceed the total amount of goodwill allocated to the reporting unit.

If management determines a quantitative analysis of intangible assets having indefinite useful lives is required, the test is performed using the discounted cash flow method based on management's projection of future revenues and an estimated royalty rate to determine the fair value of the asset, specifically, our tradename. An impairment loss is recognized for any excess of the carrying amount of the asset over the implied fair value of that asset.

Our impairment calculations contain uncertainties as they require management to make assumptions and apply judgment to qualitative factors as well as estimate future cash flows by forecasting financial performance. Our policy is to conduct impairment testing based on our most current business plans, which reflect anticipated changes in the economy and the retail industry. Should significant changes in our overall business strategy, future results or economic events cause us to adjust our projected cash flows, future estimates of fair value may not support the carrying amount of these assets. If actual results prove inconsistent with our assumptions and judgments, we could be exposed to an impairment charge.

For 2025 and 2024, we completed an impairment test of our goodwill and determined that no impairment of goodwill existed. Similarly, for 2025 and 2024, we completed an impairment test of our tradename and determined that no impairment of the asset existed.

Item 7A. Quantitative and Qualitative Disclosures about Market Risks

Interest Rate Risk

Our operating results are subject to risk from interest rate fluctuations on our Credit Facility, which carries variable interest rates. As of January 31, 2026, our Credit Facility consisted solely of a Revolving Credit Facility with advances tied to a borrowing base. Because our Credit Facility bears interest at a variable rate, we are exposed to market risks relating to changes in interest rates. As of January 31, 2026, we had no outstanding variable rate debt under our Revolving Credit Facility. We do not use derivative financial instruments for speculative or trading purposes, but this does not preclude our adoption of specific hedging strategies in the future.

Impact of Inflation

Our results of operations and financial condition are presented based on historical cost. While it is difficult to accurately measure the impact of inflation due to the imprecise nature of the estimates required, we believe the effects of inflation, if any, on our historical results of operations and financial condition have been immaterial. We cannot be assured that our results of operations and financial condition will not be materially impacted by inflation in the future.

Item 8. Financial Statements and Supplementary Data.**OLLIE’S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES**
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Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Ollie's Bargain Outlet Holdings, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Ollie's Bargain Outlet Holdings, Inc. and subsidiaries (the Company) as of January 31, 2026 and February 1, 2025, the related consolidated statements of income, stockholders' equity, and cash flows for each of the fiscal years in the three-year period ended January 31, 2026, and the related notes and financial statement schedule I - condensed financial information of registrant (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of January 31, 2026 and February 1, 2025, and the results of its operations and its cash flows for each of the fiscal years in the three-year period ended January 31, 2026, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of January 31, 2026, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated March 19, 2026 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Estimation of store shrink

As discussed in Note 1(h) to the consolidated financial statements, inventories are valued at the lower of cost or market determined using the retail inventory method on a first-in, first-out basis. The retail inventory method is based on a number of factors such as markups, markdowns, and shrinkage (or shrink). The Company calculates the shrink provision based on actual physical inventory results during the fiscal period and estimated shrink occurring subsequent to a physical inventory through the end of the fiscal reporting period. This accrual is calculated as a percentage of sales for each retail store, at a department level, based on the Company's most recent historical shrink rate adjusted, if necessary, for current economic conditions and business trends. The Company's inventories were \$650.3 million as of January 31, 2026.

We identified the evaluation of the estimation of store shrink occurring between the physical inventory counts and the fiscal year-end as a critical audit matter. Evaluation of the Company's estimation of shrink at the end of the fiscal year involved subjective auditor judgment due to the estimation uncertainty associated with the shrink rate assumption.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the estimation of store shrink. We evaluated the appropriateness of the Company's shrink accrual at the end of the fiscal year by (1) evaluating the shrink rate used by comparing to historical shrink rates, (2) testing the application of the method and certain assumptions used, and (3) performing a sensitivity analysis over the shrink reserve estimate.

/s/ KPMG LLP

We have served as the Company's auditor since 2009.

Harrisburg, Pennsylvania
March 19, 2026

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Consolidated Statements of Income
(In thousands, except per share amounts)

	Fiscal year ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Net sales	\$ 2,649,198	\$ 2,271,705	\$ 2,102,662
Cost of sales	1,576,254	1,357,253	1,270,297
Gross profit	1,072,944	914,452	832,365
Selling, general, and administrative expenses	709,002	612,406	562,672
Depreciation and amortization expenses	40,996	33,224	27,819
Pre-opening expenses	25,281	19,319	14,075
Operating income	297,665	249,503	227,799
Interest income, net	(18,719)	(16,311)	(14,686)
Income before income taxes	316,384	265,814	242,485
Income tax expense	75,788	66,052	61,046
Net income	\$ 240,596	\$ 199,762	\$ 181,439
Earnings per common share:			
Basic	\$ 3.92	\$ 3.26	\$ 2.94
Diluted	\$ 3.89	\$ 3.23	\$ 2.92
Weighted average common shares outstanding:			
Basic	61,322	61,339	61,741
Diluted	61,773	61,767	62,068

See accompanying Notes to the Consolidated Financial Statements.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Consolidated Balance Sheets
(In thousands, except per share amounts)

Assets	January 31, 2026	February 1, 2025
Current assets:		
Cash and cash equivalents	\$ 259,680	\$ 205,123
Short-term investments	36,628	223,546
Inventories	650,260	552,542
Accounts receivable	3,805	2,352
Prepaid expenses and other assets	13,692	10,228
Total current assets	964,065	993,791
Property and equipment, net	382,242	334,961
Operating lease right-of-use assets	663,848	554,737
Goodwill	444,850	444,850
Trade name	230,559	230,559
Long-term investments	266,455	-
Other assets	2,934	2,247
Total assets	\$ 2,954,953	\$ 2,561,145
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$ 569	\$ 556
Accounts payable	169,345	130,279
Income taxes payable	9,823	1,707
Current portion of operating lease liabilities	108,854	83,944
Accrued expenses and other	111,857	87,855
Total current liabilities	400,448	304,341
Revolving credit facility	-	-
Long-term debt	974	1,040
Deferred income taxes	89,924	81,124
Long-term operating lease liabilities	575,531	479,330
Total liabilities	1,066,877	865,835
Stockholders' equity:		
Preferred stock - 50,000 shares authorized at \$0.001 par value; no shares issued	-	-
Common stock - 500,000 shares authorized at \$0.001 par value; 67,840 and 67,462 shares issued, respectively	68	67
Additional paid-in capital	761,300	735,284
Retained earnings	1,608,309	1,367,713
Treasury - common stock, at cost; 6,750 and 6,113 shares, respectively	(481,601)	(407,754)
Total stockholders' equity	1,888,076	1,695,310
Total liabilities and stockholders' equity	\$ 2,954,953	\$ 2,561,145

See accompanying Notes to the Consolidated Financial Statements.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Consolidated Statements of Stockholders' Equity

(In thousands)

	Common stock		Treasury stock		Additional	Retained	Total
	Shares	Amount	Shares	Amount	paid-in capital	earnings	stockholders' equity
Balance as of January 28, 2023	66,672	67	(4,664)	(302,204)	677,694	986,512	1,362,069
Stock-based compensation expense	-	-	-	-	12,237	-	12,237
Proceeds from stock options exercised	180	-	-	-	6,686	-	6,686
Vesting of restricted stock	103	-	-	-	-	-	-
Common shares withheld for taxes	(28)	-	-	-	(1,658)	-	(1,658)
Shares repurchased	-	-	(809)	(52,541)	-	-	(52,541)
Net income	-	-	-	-	-	181,439	181,439
Balance as of February 3, 2024	66,927	67	(5,473)	(354,745)	694,959	1,167,951	1,508,232
Stock-based compensation expense	-	-	-	-	19,445	-	19,445
Proceeds from stock options exercised	454	-	-	-	23,995	-	23,995
Vesting of restricted stock	120	-	-	-	-	-	-
Common shares withheld for taxes	(39)	-	-	-	(3,115)	-	(3,115)
Shares repurchased	-	-	(640)	(53,009)	-	-	(53,009)
Net income	-	-	-	-	-	199,762	199,762
Balance as of February 1, 2025	67,462	67	(6,113)	(407,754)	735,284	1,367,713	1,695,310
Stock-based compensation expense	-	-	-	-	13,060	-	13,060
Proceeds from stock options exercised	284	-	-	-	18,657	-	18,657
Vesting of restricted stock	146	1	-	-	-	-	1
Common shares withheld for taxes	(52)	-	-	-	(5,701)	-	(5,701)
Shares repurchased	-	-	(637)	(73,847)	-	-	(73,847)
Net income	-	-	-	-	-	240,596	240,596
Balance as of January 31, 2026	67,840	\$ 68	(6,750)	\$ (481,601)	\$ 761,300	\$ 1,608,309	\$ 1,888,076

See accompanying Notes to the Consolidated Financial Statements.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(In thousands)

	Fiscal year ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Cash Flows from Operating Activities:			
Net income	\$ 240,596	\$ 199,762	\$ 181,439
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of property and equipment	55,236	43,958	34,936
Amortization of debt issuance costs	52	52	267
Gain on sale of assets	(64)	(131)	(304)
Deferred income tax provision	8,800	9,247	1,245
Stock-based compensation expense	13,060	19,445	12,237
Other	(1,191)	(1,377)	(723)
Changes in operating assets and liabilities:			
Inventories	(97,718)	(46,752)	(35,256)
Accounts receivable	(1,453)	(129)	151
Prepaid expenses and other assets	(4,243)	(186)	341
Accounts payable	38,576	4,053	38,250
Income taxes payable	8,116	(13,037)	11,688
Accrued expenses and other liabilities	36,772	12,549	10,226
Net cash provided by operating activities	296,539	227,454	254,497
Cash Flows from Investing Activities:			
Capital expenditures	(101,879)	(120,554)	(124,404)
Proceeds from sale of property and equipment	300	402	409
Purchases of investments	(406,683)	(482,690)	(273,522)
Maturities of investments	328,337	347,501	247,430
Net cash used in investing activities	(179,925)	(255,341)	(150,087)
Cash Flows from Financing Activities:			
Repayments on finance leases	(1,167)	(1,123)	(1,027)
Payment of debt issuance costs	—	—	(204)
Proceeds from stock option exercises	18,658	23,995	6,686
Common shares withheld for taxes	(5,701)	(3,115)	(1,658)
Payment for shares repurchased	(73,847)	(53,009)	(52,541)
Net cash used in financing activities	(62,057)	(33,252)	(48,744)
Net (decrease) increase in cash and cash equivalents	54,557	(61,139)	55,666
Cash and cash equivalents, beginning of the period	205,123	266,262	210,596
Cash and cash equivalents, end of the period	\$ 259,680	\$ 205,123	\$ 266,262
Supplemental disclosure of cash flow information:			
Cash paid during the year for:			
Interest	\$ 457	\$ 451	\$ 419
Income taxes	\$ 59,403	\$ 70,353	\$ 48,601
Non-cash investing activities:			
Accrued purchases of property and equipment	\$ 12,089	\$ 8,407	\$ 11,270

See accompanying Notes to the Consolidated Financial Statements.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(1) Basis of Presentation and Summary of Significant Accounting Policies**(a) Description of Business**

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries (collectively referred to as the "Company" or "Ollie's") is a leading off-price retailer of brand name household products. The Company principally buys and sells overproduced, overstocked, and closeout merchandise from manufacturers, wholesalers, and other retailers. In addition, the Company augments its name-brand closeout deals with directly sourced private label products featuring names exclusive to Ollie's in order to provide consistently value-priced goods in select key merchandise categories.

Since its first store opened in 1982, the Company has grown to 645 retail locations in 34 states as of January 31, 2026. Ollie's Bargain Outlet retail locations are located in Alabama, Arkansas, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, West Virginia, and Wisconsin.

(b) Fiscal Year

Ollie's follows a 52/53-week fiscal year, which ends on the Saturday nearer to January 31st of the following calendar year. References to the fiscal year ended January 31, 2026 refer to the 52-week period from February 2, 2025 to January 31, 2026 ("2025"). References to the fiscal year ended February 1, 2025 refer to the 52-week period from February 4, 2024 to February 1, 2025 ("2024"). References to the fiscal year ended February 3, 2024 refer to the 53-week period from January 29, 2023 to February 3, 2024 ("2023").

(c) Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries. Intercompany transactions have been eliminated in consolidation.

(d) 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 and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(e) Cash, Cash Equivalents, and Short-term Investments

The Company considers cash on hand in stores, bank deposits, credit card receivables, and all highly liquid investments such as money market funds, treasury bonds, corporate bonds, U.S. agency bonds, and municipal bonds with maturities of three months or less at the date of acquisition to be cash and cash equivalents. Investments with maturities greater than three months, but less than 1 year at the date of acquisition are classified as short-term investments. Amounts receivable from debit card and credit card issuers are typically converted to cash within one to two business days of the original sales transaction.

(f) Fair Value Disclosures

Fair value is defined as the price which the Company would receive to sell an asset or pay to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date. In determining fair value, GAAP establishes a three-level hierarchy used in measuring fair value, as follows:

- Level 1 inputs are quoted prices available for identical assets and liabilities in active markets.
- Level 2 inputs are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets and liabilities in active markets or other inputs that are observable or can be corroborated by observable market data.
- Level 3 inputs are unobservable, developed using the Company's estimates and assumptions, which reflect those that market participants would use.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Ollie's financial instruments consist of cash and cash equivalents, investment securities, accounts receivable, accounts payable, and the Company's credit facilities. The carrying amounts of cash and cash equivalents, accounts receivable, and accounts payable are representative of their respective fair value because of their short-term nature. Under the fair value hierarchy, the fair market values of cash equivalents and the investments in treasury bonds are Level 1 while the investments in U.S agency bonds, municipal, and corporate bonds are Level 2. Since quoted prices in active markets for identical assets are not available, these prices are determined by a third-party pricing service using observable market information such as quotes from less active markets and quoted prices of similar securities.

As of January 31, 2026 and February 1, 2025, the Company's investment securities are classified as held-to-maturity since the Company has both the intent and ability to hold the investments to maturity. Such securities are carried at amortized cost plus accrued interest and consist of the following:

	As of January 31, 2026			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
	(in thousands)			
Short-term:				
Treasury Bonds	\$ 25,827	\$ 3	\$ -	\$ 25,830
Corporate Bonds	10,801	111	(89)	10,823
Total	<u>\$ 36,628</u>	<u>\$ 114</u>	<u>\$ (89)</u>	<u>\$ 36,653</u>
Long-term:				
Treasury Bonds	\$ 48,447	\$ -	\$ (554)	\$ 47,893
U.S. Agency Bonds	15,090	-	(83)	15,007
Corporate Bonds	202,918	2,967	(939)	204,946
Total	<u>\$ 266,455</u>	<u>\$ 2,967</u>	<u>\$ (1,576)</u>	<u>\$ 267,846</u>
	As of February 1, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
	(in thousands)			
Short-term:				
Treasury Bonds	\$ 141,324	\$ 48	\$ (7)	\$ 141,365
Municipal Bonds	28,028	2	(131)	27,899
Corporate Bonds	54,194	321	(174)	54,341
Total	<u>\$ 223,546</u>	<u>\$ 371</u>	<u>\$ (312)</u>	<u>\$ 223,605</u>

Short-term investment securities as of January 31, 2026 and February 1, 2025 all mature in one year or less. Long-term investment securities as of January 31, 2026 all mature after one year but within three years.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(g) Concentration of Credit Risk

A financial instrument which potentially subjects the Company to a concentration of credit risk is cash. Ollie's currently maintains its day-to-day operating cash balances with major financial institutions. The Company's operating cash balances are in excess of the FDIC insurance limit. Ollie's invests temporary excess cash in overnight investments with expected minimal volatility, such as money market funds. Although the Company maintains balances which exceed the FDIC insured limit, it has not experienced any losses related to these balances.

(h) Inventories

Inventories are stated at the lower of cost or market determined using the retail inventory method on a first-in, first-out basis. The cost of inventories includes the merchandise cost, transportation costs, and certain distribution and storage costs. Such costs are thereafter expensed as cost of sales upon the sale of the merchandise.

Inherent in the retail inventory method are certain management judgments and estimates including, among others, merchandise markups, the amount and timing of permanent markdowns, and shrinkage, which may significantly impact both the ending inventory valuation and gross profit.

Factors considered in the determination of permanent markdowns include inventory obsolescence, excess inventories, current and anticipated demand, age of the merchandise, and customer preferences. Pursuant to the retail inventory method, permanent markdowns result in the devaluation of inventory and the resulting gross profit reduction is recognized in the period in which the markdown is recorded.

The Company calculates its shrink provision based on actual physical inventory results during the fiscal period and an accrual for estimated shrink occurring subsequent to a physical inventory through the end of the fiscal reporting period. This accrual is calculated as a percentage of sales for each retail store, at a department level, based on the Company's most recent historical shrink rate adjusted, if necessary, for current economic conditions and business trends.

(i) Property and Equipment

Property and equipment are stated at original cost less accumulated depreciation and amortization. Depreciation and amortization are calculated over the estimated useful lives of the related assets. Leasehold improvements are amortized on a straight-line basis over the shorter of their estimated useful lives or the related lease term. The lease term used for amortization includes renewal extension periods when the Company is reasonably certain that such lease will be extended. Expenditures for additions, renewals, and betterments are capitalized; expenditures for maintenance and repairs are charged to expense as incurred. Depreciation is computed on the straight-line method for financial reporting purposes.

The useful lives for the purpose of computing depreciation and amortization are as follows:

Software	3 - 5 years
Automobiles	2 - 5 years
Computer equipment	5 years
Furniture, fixtures, and equipment	7 - 10 years
Buildings	40 years

The Company capitalizes direct internal and external development costs associated with internal-use software. These costs will be depreciated over the useful life of the software on a straight-line basis. Neither preliminary evaluation costs nor costs associated with the software after implementation are capitalized. For 2025, 2024, and 2023, the Company capitalized costs of approximately \$2.1 million, \$1.2 million, and \$0.8 million, respectively.

(j) Goodwill/Intangible Assets

The Company amortizes intangible assets over their useful lives unless it determines such lives to be indefinite. Goodwill and intangible assets having indefinite useful lives are not amortized to earnings, but instead are subject to annual impairment testing or more frequently if events or circumstances indicate that the value of goodwill or intangible assets having indefinite useful lives might be impaired.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES**Notes to Consolidated Financial Statements**

Goodwill and intangible assets having indefinite useful lives are tested for impairment annually in the fiscal month of October. The Company has the option to evaluate qualitative factors to determine if it is more likely than not that the carrying amount of its sole reporting unit or its nonamortizing intangible assets (consisting of a tradename) exceed their implied respective fair value and whether it is necessary to perform a quantitative analysis to determine impairment. As part of this qualitative assessment, the Company weighs the relative impact of factors that are specific to its sole reporting unit or its nonamortizing intangible assets as well as industry, regulatory and macroeconomic factors that could affect the inputs used to determine the fair value of the assets.

If management determines a quantitative goodwill impairment test is required, or it elects to perform a quantitative test, the test is performed by determining the fair value of the Company's sole reporting unit. Fair value is determined based on the Company's public market capitalization. The carrying value of goodwill is considered impaired when the reporting unit's fair value is less than its carrying value and the Company would record an impairment loss equal to the difference, not to exceed the total amount of goodwill allocated to the reporting unit.

For 2025, 2024, and 2023, the Company completed an impairment test of its goodwill and determined that no impairment of goodwill existed.

If management determines a quantitative analysis of intangible assets having indefinite useful lives is required, the test is performed using the discounted cash flow method based on management's projections of future revenues and an estimated royalty rate to determine the fair value of the asset, specifically, the Company's tradename. An impairment loss is recognized for any excess of the carrying amount of the asset over the implied fair value of that asset.

For 2025, 2024, and 2023, the Company completed an impairment test of its tradename and determined that no impairment of the asset existed.

(k) *Impairment of Long-Lived Assets*

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or asset group be tested for possible impairment, the Company first compares undiscounted cash flows expected to be generated by that asset or asset group to its carrying value. If the carrying value of the long-lived asset or asset group is not recoverable on an undiscounted cash flow basis, impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques, including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary.

(l) *Stock-Based Compensation*

The Company measures the cost of employee services received in exchange for stock-based compensation based on the grant date fair value of the employee stock award. For stock option awards, the Company estimates grant date fair value using the Black-Scholes option pricing model. For restricted stock unit awards, grant date fair value is determined based on the closing trading value of the Company's stock on the date of grant. In both cases, stock-based compensation is recorded on a straight-line basis over the vesting period for the entire award.

(m) *Cost of Sales*

Cost of sales includes merchandise costs, inventory markdowns, shrinkage and transportation, distribution and warehousing costs, including depreciation and amortization.

(n) *Selling, General, and Administrative Expenses*

Selling, general, and administrative expenses ("SG&A") are comprised of payroll and benefits for stores, field support, and support center associates. SG&A also include marketing and advertising expense, occupancy costs for stores and the store support center, insurance, corporate infrastructure, and other general expenses.

(o) *Advertising Costs*

Advertising costs primarily consist of print flyers, digital media, email campaigns, and media broadcasts and are generally expensed the first time the advertising occurs. Advertising expense for 2025, 2024, and 2023 was \$77.3 million, \$69.8 million, and \$64.5 million, respectively.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(p) Operating Leases

The Company generally leases its store locations, distribution centers, and office facilities. Many of the lease agreements contain rent holidays, rent escalation clauses, and contingent rent provisions – or some combination of these items. For leases of store locations and the store support centers, the Company recognizes rent expense in SG&A. For leases of distribution centers, the Company recognizes rent expense within cost of sales. All rent expense is recorded on a straight-line basis over the accounting lease term, which includes lease renewals determined to be reasonably certain.

The Company recognizes operating lease assets and liabilities at the lease commencement date in accordance with ASC 842, Leases (Topic 842). Operating lease liabilities represent the present value of lease payments not yet paid. Operating lease assets represent the Company's right to use an underlying asset for the lease term. The Company's lessors do not provide an implicit rate, nor is one readily available, therefore the Company uses its incremental borrowing rate based on the portfolio approach, which applies one rate to leases within a given period. The incremental borrowing rate is used to discount future cash flows and is an estimate which is determined by an analysis of the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and current market conditions.

(q) Pre-Opening Expenses

Pre-opening expenses consist of expenses of opening new stores and distribution centers, as well as store remodel and store closing costs. For opening new stores, pre-opening expenses include grand opening advertising costs, payroll expenses, travel expenses, employee training costs, rent expenses, and store setup costs. Pre-opening expenses for new stores are expensed as they are incurred. For opening distribution centers, pre-opening expenses primarily include inventory transportation costs, employee travel expenses, and occupancy costs. Store remodel costs primarily consist of payroll expenses, travel expenses, and store setup costs expensed as they are incurred. Store closing costs primarily consist of insurance deductibles, rent, and store payroll.

(r) Self-Insurance

Under a number of the Company's insurance programs, which include the Company's employee health insurance program, its workers' compensation and general liability insurance programs, the Company is liable for a portion of its losses. The Company estimates the accrued liabilities for its self-insurance programs using historical claims experience and loss reserves. To limit the Company's exposure to losses, a stop-loss coverage is maintained through third-party insurers.

(s) Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating losses and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized.

Ollie's files consolidated federal and state income tax returns. For tax years prior to 2022, the Company is no longer subject to U.S. federal income tax examinations. State income tax returns are filed in various state tax jurisdictions, as appropriate, with varying statutes of limitation and remain subject to examination for varying periods up to three to four years depending on the state.

(t) Earnings per Common Share

Basic earnings per common share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per common share is computed by dividing net income by the weighted average number of common shares outstanding, after giving effect to the potential dilution, if applicable, from the assumed exercise of stock options into shares of common stock as if those stock options were exercised and the assumed lapse of restrictions on restricted stock units.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

The following table summarizes those effects for the diluted earnings per common share calculation:

	Fiscal year ended		
	January 31, 2026	February 1, 2025 (in thousands)	February 3, 2024
Weighted average number of common shares outstanding – Basic	61,322	61,339	61,741
Incremental shares from the assumed exercise of outstanding stock options and vesting of restricted stock units	451	428	327
Weighted average number of common shares outstanding – Diluted	61,773	61,767	62,068

The effect of the weighted average assumed exercise of stock options outstanding, totaling 97,336, 262,523, and 582,645 as of January 31, 2026, February 1, 2025, and February 3, 2024, respectively, were excluded from the calculation of diluted weighted average common shares outstanding because the effect would have been antidilutive.

The effect of weighted average non-vested restricted stock units outstanding, totaling 9,284, 1,239, and 11,717 as of January 31, 2026, February 1, 2025, and February 3, 2024, respectively, were excluded from the calculation of diluted weighted average common shares outstanding because the effect would have been antidilutive.

(u) Recently Issued Accounting Standards*Recently Adopted Accounting Pronouncements*

In December 2023, the FASB issued ASU 2023-09, “Improvements to Income Tax Disclosures,” which modifies the disclosure requirements for income taxes. This ASU requires disclosure of tabular statutory to effective rate reconciliation in both percentages and dollars, additional disaggregated rate reconciliation categories, and disaggregation of both income taxes paid and income tax expense by jurisdiction. The Company adopted this ASU for the fiscal year ended January 31, 2026 on a prospective basis. See Note 8 “Income Taxes” in the accompanying notes to the consolidated financial statements for further detail.

In November 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-07, “Improvements to Reportable Segment Disclosures”. This new guidance is intended to improve reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses. The Company adopted this ASU in fiscal 2024.

Recent Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03 “Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses” (“ASU 2024-03”) which requires disaggregated disclosure of certain costs and expenses, including purchases of inventory, employee compensation, depreciation, amortization and depletion, within relevant income statement captions. This guidance is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06 “Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software.” This ASU modernizes the capitalization criteria for internal-use software by eliminating references to project stages and clarifying the threshold applied to begin capitalizing costs. This guidance is effective for fiscal years beginning after December 15, 2027 and interim reporting periods within those annual reporting periods. Early adoption is permitted as of the beginning of an annual reporting period. The Company is currently evaluating the impact of ASU 2025-06 on its consolidated financial statements.

OLLIE’S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

In December 2025, the FASB issued ASU 2025-11 “Interim Reporting (Topic 270): Narrow-Scope Improvements.” This ASU amends Topic 270 to clarify interim reporting requirements and enhance consistency. It is not intended to significantly change interim reporting or expand or reduce interim disclosure requirements. This ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

In December 2025, the FASB issued ASU 2025-12 “Codification Improvements” to correct, clarify, and otherwise improve U.S. GAAP. This ASU includes 33 improvements that span a wide range of topics and is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods within those annual reporting periods. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

(2) Net Sales

Ollie’s recognizes retail sales in its stores when merchandise is sold and the customer takes possession of merchandise. Also included in net sales is revenue allocated to certain redeemed discounts earned via the Ollie’s Army loyalty program, revenue from Ollie’s co-branded credit card, and gift card breakage. Net sales are presented net of returns and sales tax. The Company provides an allowance for estimated retail merchandise returns based on prior experience.

Revenue Recognition

Revenue is deferred for the Ollie’s Army loyalty program where members accumulate points that can be redeemed for discounts on future purchases. The Company has determined it has an additional performance obligation to Ollie’s Army members at the time of the initial transaction. The Company allocates the transaction price to the initial transaction and the discount awards based upon its relative standalone selling price, which considers historical redemption patterns for the award. Revenue is recognized as those discount awards are redeemed. Discount awards issued upon the achievement of specified point levels are subject to expiration. Unless temporarily extended, the maximum redemption period is 45 days. At the end of each fiscal period, unredeemed discount awards and accumulated points to earn a future discount award are reflected as a liability. Discount awards are combined in one homogeneous pool and are not separately identifiable. Therefore, the revenue recognized consists of discount awards redeemed that were included in the deferred revenue balance at the beginning of the period as well as discount awards issued during the current period. The following table is a reconciliation of the liability related to this program:

	Fiscal year ended		
	January 31, 2026	February 1, 2025	February 3, 2024
	(in thousands)		
Beginning balance	\$ 13,239	\$ 10,159	\$ 8,130
Revenue deferred	29,088	19,952	16,141
Revenue recognized	(29,227)	(16,872)	(14,112)
Ending balance	<u>\$ 13,100</u>	<u>\$ 13,239</u>	<u>\$ 10,159</u>

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Gift card breakage for gift card liabilities not subject to escheatment is recognized as revenue in proportion to the redemption of gift cards. Gift cards do not expire. The rate applied to redemptions is based upon a historical breakage rate. Gift cards are combined in one homogeneous pool and are not separately identifiable. Therefore, the revenue recognized consists of gift cards that were included in the liability at the beginning of the period as well as gift cards that were issued during the period. The following table is a reconciliation of the gift card liability:

	Fiscal year ended		
	January 31, 2026	February 1, 2025	February 3, 2024
		(in thousands)	
Beginning balance	\$ 2,766	\$ 2,650	\$ 2,527
Gift card issuances	5,098	5,568	5,150
Gift card redemption and breakage	(4,975)	(5,452)	(5,027)
Ending balance	<u>\$ 2,889</u>	<u>\$ 2,766</u>	<u>\$ 2,650</u>

Sales return allowance is recorded on a gross basis on the consolidated balance sheets as a refund liability and an asset for recovery. The allowance for estimated retail merchandise returns is based on prior experience. The following table provides a reconciliation of the activity related to the Company's sales returns allowance:

	Fiscal year ended		
	January 31, 2026	February 1, 2025	February 3, 2024
		(in thousands)	
Beginning balance	\$ 878	\$ 1,070	\$ 1,170
Provisions	59,852	56,742	57,684
Sales returns	(59,885)	(56,934)	(57,784)
Ending balance	<u>\$ 845</u>	<u>\$ 878</u>	<u>\$ 1,070</u>

In fiscal 2024, the Company launched a co-branded credit card that can be used by customers for making purchases at Ollie's and everywhere else the co-branded credit card is accepted, and credit is extended to such customers by a third-party financial institution on a non-recourse basis to the Company. The co-branded credit card includes a performance obligation for the Company which includes marketing and promoting the program on behalf of the bank and the operation of the Company's loyalty rewards program. Loyalty members earn points through purchases made using the card.

The third party reimburses the Company for certain credit card program costs such as advertising and loyalty points, which help promote the credit card program. The Company recognizes revenue when collectability is reasonably assured, under the assumption the amounts are not constrained and it is probable that a significant revenue reversal will not occur in future periods, which is generally the time at which the actual usage of the credit cards or specified transaction occurs.

Under the program, the Company receives a percentage of the sales generated by Ollie's co-branded credit card, in exchange for primary marketing functions. As a result, all amounts associated with the program are recognized within net sales on the consolidated statements of income. Additionally, the Company is entitled to certain bonuses based on performance of the program.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(3) Property and Equipment

Property and equipment consists of the following:

	January 31, 2026	February 1, 2025
	(in thousands)	
Land	\$ 13,742	\$ 13,736
Buildings	77,246	77,240
Furniture, fixtures and equipment	377,666	333,275
Leasehold improvements	171,011	121,019
Automobiles	4,096	3,567
Construction in Progress	9,748	12,673
	653,509	561,510
Less: Accumulated depreciation and amortization	(271,267)	(226,549)
	<u>\$ 382,242</u>	<u>\$ 334,961</u>

Depreciation and amortization expense of property and equipment was \$55.2 million, \$44.0 million, and \$34.9 million in 2025, 2024, and 2023, respectively, of which \$41.0 million, \$33.2 million, and \$27.8 million is included in the depreciation and amortization expenses in 2025, 2024, and 2023, respectively, on the consolidated statements of income. The remainder, as it relates to the Company's distribution centers, is included within cost of sales on the consolidated statements of income.

(4) Leases

The Company generally leases its stores, offices, and distribution facilities under operating leases that expire at various dates through 2038. These leases generally provide for fixed annual rentals; however, several provide for minimum annual rentals plus contingent rentals based on a percentage of annual sales. A majority of the Company's leases also require a payment for all or a portion of common-area maintenance, insurance, real estate taxes, water and sewer costs, and repairs, on a fixed or variable payment basis. Most of the leases contain options to renew for three to five successive five-year periods. Many of the Company's lease agreements provide options to extend the lease term beyond the initial non-cancelable period. At lease commencement, the Company generally includes only the initial term in the lease liability and right-of-use asset, as it has determined that renewal options are not reasonably certain to be exercised. Renewal decisions are generally at the Company's sole discretion. Upon renewal of an expiring lease, the Company reassesses the terms and includes in the lease term any extension periods that are reasonably certain to be exercised. For leases acquired through bankruptcy proceedings, the Company typically includes option periods in the lease term, as the economic penalty associated with the acquisition cost makes renewal reasonably certain. The Company's lease agreements generally do not contain any material residual value guarantees or material restrictive covenants.

The Company determines if an arrangement contains a lease at the inception of a contract. All of the Company's leases are classified as operating leases and the associated assets and liabilities are presented as separate captions in the consolidated balance sheets. Operating lease assets represent the Company's right to use an underlying asset for the lease term and operating lease liabilities represent the Company's obligation to make lease payments arising from the lease.

Store and office lease costs are classified in SG&A and distribution center lease costs are classified in cost of sales on the consolidated statements of income.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

The following table summarizes the maturity of the Company's operating lease liabilities by fiscal year as of January 31, 2026:

	January 31, 2026
	(in thousands)
2026	\$ 125,797
2027	137,081
2028	121,845
2029	101,508
2030	78,195
Thereafter	267,503
Total undiscounted lease payments ⁽¹⁾	831,929
Less: Imputed interest	(147,544)
Total lease obligations	684,385
Less: Current obligations under leases	(108,854)
Long-term lease obligations	\$ 575,531

⁽¹⁾ Lease obligations exclude \$49.7 million of minimum lease payments for leases signed, but not commenced.

The following table summarizes other information related to the Company's operating leases as of and for the respective periods:

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
	(dollars in thousands)		
Cash paid for operating leases	\$ 127,310	\$ 118,715	\$ 114,184
Operating lease cost	136,013	115,592	106,302
Variable lease cost	21,078	16,832	12,463
Non-cash right-of-use assets obtained in exchange for lease obligations	134,514	106,663	53,138
Weighted-average remaining lease term	8.04 years	7.38 years	6.52 years
Weighted-average discount rate	4.5%	4.3%	3.9%

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(5) Commitments and Contingencies

Contingencies

From time to time the Company may be involved in claims and legal actions that arise in the ordinary course of its business. The Company cannot predict the outcome of any litigation or suit to which it is a party. However, the Company does not believe that an unfavorable decision of any of the current claims or legal actions against it, individually or in the aggregate, will have a material adverse effect on its financial position, results of operations, liquidity, or capital resources.

(6) Accrued Expenses

Accrued expenses consist of the following:

	January 31, 2026	February 1, 2025
	(in thousands)	
Compensation and benefits	\$ 23,216	\$ 20,605
Deferred revenue	16,558	16,006
Freight	15,939	7,258
Insurance	11,722	8,495
Sales and use taxes	10,063	9,034
Property and equipment	8,763	5,570
Advertising	6,636	2,178
Real estate related	6,250	5,114
Other	12,710	13,595
	<u>\$ 111,857</u>	<u>\$ 87,855</u>

(7) Debt Obligations and Financing Arrangements

Long-term debt consists of finance leases.

The Company's Credit Facility provides for a five-year \$100.0 million revolving credit facility, which includes a \$45.0 million sub-facility for letters of credit and a \$25.0 million sub-facility for swingline loans (the "Revolving Credit Facility"). In addition, the Company may at any time add term loan facilities or additional revolving commitments up to \$150.0 million pursuant to terms and conditions set out in the Credit Facility. On January 9, 2024, the Company refinanced its Credit Facility, pursuant to which the maturity date for any loans under the revolving credit facility was extended for a period of five years from the effective date of January 9, 2024 and a zero percent (0.0%) interest rate floor was added to the option for the SOFR Loan Rate (as defined in the Amendment). Loans under the Revolving Credit Facility mature on January 9, 2029.

As a result of the anticipated discontinuation of LIBOR in 2023, on January 24, 2023, the Company amended its Credit Facility to replace the LIBOR-based interest rates included therein with SOFR-based interest rates and to modify the provisions for determining an alternative rate of interest upon the occurrence of certain events relating to the availability of interest rate benchmarks. The interest rates for the Credit Facility are calculated as follows: for ABR Loans, the highest of the Prime Rate, the Federal Funds Effective Rate plus 0.50% and Term SOFR with a term of one-month in effect on such day plus the SOFR Spread Adjustment plus 1.0%, plus the Applicable Margin, or, for SOFR Loans, the SOFR Loan Rate plus the Applicable Margin plus the SOFR Spread Adjustment. The Applicable Margin will vary from 0.00% to 0.50% for an ABR Loan and 1.00% to 1.50% for a SOFR Loan, based on availability under the Credit Facility. The SOFR Loan Rate is subject to a 0% floor.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Under the terms of the Revolving Credit Facility, as of January 31, 2026, the Company could borrow up to 90.0% of the most recent appraised value (valued at cost, discounted for the current net orderly liquidation value) of its eligible inventory, as defined, up to \$100.0 million.

As of January 31, 2026, the Company had no outstanding borrowings under the Revolving Credit Facility, with \$86.5 million of borrowing availability, outstanding letters of credit commitments of \$13.3 million, and \$0.2 million of rent reserves. The Revolving Credit Facility also contains a variable unused line fee ranging from 0.125% to 0.250% per annum. The Company incurred unused line fees of \$0.1 million in each of the years ended 2025, 2024, and 2023.

The Credit Facility is collateralized by the Company's assets and equity and contains a financial covenant, as well as certain business covenants, including restrictions on dividend payments, which the Company must comply with during the term of the agreement. The financial covenant is a consolidated fixed charge coverage ratio test of at least 1.0 to 1.0 applicable during a covenant period, based on reference to availability. The Company was in compliance with all terms of the Credit Facility during 2025.

The provisions of the Credit Facility restrict all of the net assets of the Company's consolidated subsidiaries, which constitutes all of the net assets on the Company's consolidated balance sheet as of January 31, 2026, from being used to pay any dividends or make other restricted payments to the Company without prior written consent from the financial institutions that are a party to the Credit Facility, subject to material exceptions including proforma compliance with the applicable conditions described in the Credit Facility.

(8) Income Taxes

The components of the income tax provision (benefit) are as follows:

	Fiscal year ended		
	January 31, 2026	February 1, 2025	February 3, 2024
		(in thousands)	
Current:			
Federal	\$ 51,013	\$ 43,127	\$ 45,871
State	15,975	13,678	13,930
	<u>66,988</u>	<u>56,805</u>	<u>59,801</u>
Deferred:			
Federal	10,095	8,571	1,915
State	(1,295)	676	(670)
	<u>8,800</u>	<u>9,247</u>	<u>1,245</u>
Income tax expense	<u>\$ 75,788</u>	<u>\$ 66,052</u>	<u>\$ 61,046</u>

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

As further described in Note 1 “Recently Adopted Accounting Pronouncements,” the Company has elected to prospectively adopt the guidance in ASU 2023-09, “Income Taxes (Topic 740): Improvements to Income Taxes Disclosures,” or ASU 2023-09. The following table is a reconciliation of the U.S. federal statutory rate of 21.0% to the Company’s effective income tax rate for the year ended January 31, 2026 in accordance with the guidance in ASU No. 2023-09:

	Fiscal year ended January 31, 2026	
	Amount (in thousands)	Percent
Provision for income taxes at U.S. federal statutory rate	\$ 66,445	21.0%
State and local income taxes, net of federal benefit ^(a)	11,597	3.7
Excess tax benefits related to stock-based compensation	(3,461)	(1.1)
Tax credits	(2,117)	(0.7)
Nontaxable/nondeductible items	3,324	1.1
Total tax provision and effective tax rate	<u>\$ 75,788</u>	<u>24.0%</u>

(a) During the year ended January 31, 2026, state and local income taxes in Pennsylvania, New York, Florida, Georgia, Virginia, Tennessee, and Michigan comprised greater than 50% of the tax effect in this category.

As previously disclosed for the years ended February 1, 2025 and February 3, 2024, prior to the adoption of ASU 2023-09, the following table is a reconciliation of the U.S. federal statutory rate of 21.0% to the Company’s effective income tax rate:

	Fiscal year ended	
	February 1, 2025	February 3, 2024
Statutory federal rate	21.0%	21.0%
State taxes, net of federal benefit	4.3	4.3
Excess tax benefits related to stock-based compensation	(1.1)	(0.3)
Other	0.7	0.2
	<u>24.9%</u>	<u>25.2%</u>

The following table presents income taxes paid (net of refunds received) for the year ended January 31, 2026 (in thousands):

	Income Taxes Paid
U.S. Federal	\$ 43,222
U.S. State	
Pennsylvania	3,950
Other	12,231
U.S. State Subtotal	<u>16,181</u>
Total	<u>\$ 59,403</u>

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Deferred income taxes reflect the effect of temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the carrying amounts used for income tax reporting purposes. Significant components of deferred tax assets and liabilities are as follows:

	January 31, 2026	February 1, 2025
	(in thousands)	
Deferred tax assets:		
Inventory reserves	\$ 1,332	\$ 999
Lease liabilities	169,746	141,654
Stock-based compensation	2,921	3,746
Deferred revenue	3,368	3,329
Other	3,228	3,548
Total deferred tax assets	<u>180,595</u>	<u>153,276</u>
Deferred tax liabilities:		
Tradename	(57,160)	(57,964)
Depreciation	(48,642)	(36,932)
Operating lease right-of-use assets	(164,717)	(139,504)
Total deferred tax liabilities	<u>(270,519)</u>	<u>(234,400)</u>
Net deferred tax liabilities	<u>\$ (89,924)</u>	<u>\$ (81,124)</u>

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent on the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected future taxable income, and tax-planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income and the scheduled reversal of deferred liabilities over the periods in which the deferred tax assets are deductible, management believes it is more likely than not that the Company will realize the benefits of these deductible differences as of January 31, 2026 and February 1, 2025.

Ollie's has no material accrual for uncertain tax positions or interest or penalties related to income taxes on the Company's consolidated balance sheets as of January 31, 2026 or February 1, 2025, and has not recognized any material uncertain tax positions or interest or penalties related to income taxes in the consolidated statements of income for 2025, 2024 or 2023.

On July 4, 2025, the U.S. federal government enacted the "One Big Beautiful Bill Act" resulting in significant changes to the federal tax code, most notably the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act of 2017 and the restoration of favorable tax treatment for certain business provisions. The Company has evaluated and incorporated the effects of the legislation in its income tax provision for the fifty-two weeks ended January 31, 2026.

(9) Equity Incentive Plans

In connection with its initial public offering, the Company adopted the 2015 equity incentive plan (the "2015 Plan") pursuant to which the Company's Board of Directors may grant stock options, restricted shares or other awards to employees, directors and consultants. The 2015 Plan allowed for the issuance of up to 5,250,000 shares. Awards were made pursuant to agreements and are subject to vesting and other restrictions as determined by the Board of Directors or the Compensation Committee of the Board. The Company uses authorized and unissued shares to satisfy share award exercises. After adoption of the 2025 Plan as described below, no additional equity grants were made under the 2015 Plan, although equity grants made under the 2015 Plan will continue to be governed by the 2015 Plan.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

As of June 12, 2025, upon stockholder approval of the same at the Company's annual meeting, the Company adopted a new 2025 Equity Incentive Plan (the "2025 Plan"). Pursuant to the 2025 Plan, the Company's Board of Directors may grant stock options, restricted shares, restricted stock units, or other awards to officers, directors, key employees, and professional service providers, pursuant to agreements and subject to vesting and other restrictions as determined by the Board of Directors.

As of January 31, 2026, there were 4,909,853 shares available for grant under the 2025 Plan.

Stock Options

The exercise price for stock options is determined at the fair value of the underlying stock on the date of grant. The vesting period for awards granted is generally set at four years (25% ratably per year). Awards are subject to employment for vesting, expire 10 years from the date of grant, and are not transferable other than upon death.

A summary of the Company's stock option activity and related information follows for 2023, 2024 and 2025:

	Number of options	Weighted average exercise price	Weighted average remaining contractual term (years)	Aggregate intrinsic value
	(in thousands, except share and per share amounts)			
Outstanding at January 28, 2023	1,209,251	\$ 53.92		
Granted	144,630	57.91		
Forfeited	(54,119)	62.90		
Exercised	(180,278)	37.09		
Outstanding at February 3, 2024	1,119,484	56.71		
Granted	126,683	75.37		
Forfeited	(8,645)	65.72		
Exercised	(453,859)	52.87		
Outstanding at February 1, 2025	783,663	61.85		
Granted	99,718	111.16		
Forfeited	(3,982)	56.61		
Exercised	(284,978)	65.47		
Outstanding at January 31, 2026	594,421	68.42	6.9	\$ 25,112
Exercisable at January 31, 2026	261,863	58.77	5.7	\$ 13,497

The intrinsic value of stock options exercised for 2025, 2024 and 2023 was \$16.3 million, \$19.6 million and \$5.8 million, respectively.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

The weighted average grant date fair value per option for options granted during 2025, 2024 and 2023 was \$53.80, \$39.27, and \$29.07, respectively. The fair value of each option award is estimated on the date of grant using the Black-Scholes option-pricing model that used the weighted average assumptions in the following table:

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Risk-free interest rate	4.08%	4.27%	3.36%
Expected dividend yield	—	—	—
Expected life	5.32 years	6.25 years	6.25 years
Expected volatility	48.20%	47.63%	47.16%

To estimate the expected life of stock options, the Company uses its historical information to develop reasonable expectations about future exercise patterns and post-vesting employment termination behavior for its stock option grants. For expected volatility, the Company uses its historical information over the expected life of the option granted to calculate the fair value of option grants. The risk-free interest rate is based on U.S. Treasury notes with a term approximating the expected life of the option.

Restricted Stock Units

Restricted stock units (“RSUs”) are issued at the closing price of the Company’s common stock on the date of grant. RSUs outstanding generally vest ratably over four years or cliff vest in one or four years. Awards are subject to employment for vesting and are not transferable other than upon death.

A summary of the Company’s RSU activity and related information for 2023, 2024 and 2025 is as follows:

	Number of shares	Weighted average grant date fair value
Nonvested balance at January 28, 2023	276,278	50.32
Granted	205,663	58.10
Forfeited	(27,783)	53.24
Vested	(103,354)	52.70
Nonvested balance at February 3, 2024	350,804	53.94
Granted	173,376	74.90
Forfeited	(18,682)	61.89
Vested	(120,376)	54.26
Nonvested balance at February 1, 2025	385,122	62.89
Granted	121,126	113.38
Forfeited	(21,294)	78.56
Vested	(146,471)	61.53
Nonvested balance at January 31, 2026	338,483	80.56

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Stock-Based Compensation Expense

The compensation cost for stock options and RSUs, which have been recorded within selling, general, and administrative expenses on the condensed consolidated statements of income, related to the Company's equity incentive plans, was \$13.1 million, \$19.4 million, and \$12.2 million for 2025, 2024, and 2023, respectively.

As of January 31, 2026, there was \$23.6 million of total unrecognized compensation cost related to non-vested stock-based compensation arrangements. That cost is expected to be recognized over a weighted average period of 2.5 years. Compensation costs related to awards are recognized using the straight-line method.

(10) Employee Benefit Plans

Ollie's sponsors a defined contribution plan (the "Plan"), qualified under Internal Revenue Code ("IRC") Section 401(k), for the benefit of employees. An employee becomes eligible to participate in the Plan upon attaining at least 21 years of age and completing three months of full-time employment. An employee may elect to contribute annual compensation up to the maximum allowable under the IRC. The Company assumes all administrative costs of the Plan. Beginning January 2024, the Company transitioned to a safe harbor plan and increased matches for employee contributions to 100% of the first 3% contributed of employee's annual compensation, and 50% of the next 2% contributed for a total match of up to 4%. Prior to the transition, the Company matched employee's contributions up to 25% of the first 6% of their annual compensation and the portion that the Company matched vested ratably over six years. The enhancements under the safe harbor plan also include 100% immediate vesting of the portion that the Company matches. The employer matching contributions to the Plan were \$1.9 million, \$1.6 million, and \$0.4 million for 2025, 2024, and 2023, respectively.

In addition to the regular matching contribution, the Company may elect to make a discretionary matching contribution. Discretionary contributions shall be allocated as a percentage of compensation of eligible participants for the Plan year. There were no discretionary contributions in 2025, 2024 or 2023.

(11) Common StockCommon Stock

The Company's capital structure consists of a single class of common stock with one vote per share. The Company has authorized 500,000,000 shares at \$0.001 par value per share. Additionally, the Company has authorized 50,000,000 shares of preferred stock at \$0.001 par value per share; to date, however, no preferred shares have been issued. Treasury stock, which consists of the Company's common stock, is accounted for using the cost method.

Share Repurchase Program

In December 2020, the Company's Board of Directors authorized common stock repurchases under a share repurchase program. The authorized amount of the program, which has been increased from time to time, is authorized for up to \$700.0 million of shares of the Company's stock as of January 31, 2026. The share repurchase program is effective through March 31, 2029.

The shares to be repurchased may be purchased from time to time in open market conditions (including blocks), privately negotiated transactions, accelerated share repurchase programs or other derivative transactions, issuer self-tender offers, or any combination of the foregoing. The timing of repurchases and the actual amount purchased will depend on a variety of factors, including the market price of the Company's shares, general market, economic and business conditions, and other corporate considerations. Repurchases may be made pursuant to plans intended to comply with Rule 10b5-1 under the Securities Exchange Act of 1934, which could allow the Company to purchase its shares during periods when it otherwise might be prevented from doing so under insider trading laws or because of self-imposed trading blackout periods. Repurchases are expected to be funded from cash on hand or through the utilization of the Company's Revolving Credit Facility. The repurchase authorization does not require the purchase of a specific number of shares and is subject to suspension or termination by the Company's Board at any time.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

During 2025, the Company repurchased 636,640 shares of its common stock for \$73.8 million, inclusive of transaction costs, pursuant to its share repurchase program. During 2024, the Company repurchased 639,788 shares of its common stock for \$53.0 million, inclusive of transaction costs, and during 2023, the Company repurchased 808,669 shares of its common stock for \$52.5 million, inclusive of transaction costs. These expenditures were funded by cash generated from operations. As of January 31, 2026, the Company had \$258.8 million remaining under its share repurchase authorization. There can be no assurances that any additional repurchases will be completed, or as to the timing or amount of any repurchases.

(12) Segment Reporting and Entity-Wide Information

For purposes of the disclosure requirements for segments of a business enterprise, it has been determined that the Company is comprised of one operating segment and one reportable segment. The Company's chief operating decision maker (the "CODM") is the Chief Executive Officer. The CODM regularly reviews operations and financial performance at a consolidated level, for purposes of assessing performance and allocating resources.

The CODM uses net income to allocate resources for the single segment to make decisions regarding annual budget, new store openings, landlord and vendor negotiations, marketing decisions, pursuing new business ventures, and driving the Company's values. The CODM reviews asset information on a consolidated basis.

The following table summarizes the percentage of net sales by each product group for each year presented:

	Fiscal Year Ended					
	January 31, 2026		February 1, 2025		February 3, 2024	
	(in thousands)					
Consumables (1)	\$ 846,305	31.9%	\$ 726,344	31.9%	\$ 635,820	30.3%
Home (1)	749,159	28.3%	635,871	28.0%	614,729	29.2%
Seasonal	506,096	19.1%	435,471	19.2%	393,563	18.7%
Other	547,638	20.7%	474,019	20.9%	458,550	21.8%
Total	\$ 2,649,198	100.0%	\$ 2,271,705	100.0%	\$ 2,102,662	100.0%

⁽¹⁾ In fiscal 2024, the Company reclassified certain products out of the Home category and into the Consumables category. These products included cleaning supplies, floor care, and other products such as paper goods. Prior periods have been adjusted for comparability.

OLLIE’S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Our single segment net sales, net income, and significant expenses are as follows for fiscal 2025, 2024, and 2023:

	January 31, 2026	February 1, 2025	February 3, 2024
Net sales	\$ 2,649,198	\$ 2,271,705	\$ 2,102,662
Cost of sales	1,576,254	1,357,253	1,270,297
Selling, general, and administrative expenses other	480,283	403,002	376,289
Occupancy	142,123	121,902	111,741
Advertising expenses ⁽¹⁾	73,536	68,057	62,405
Depreciation and amortization expenses ⁽²⁾	40,996	33,224	27,819
Stock-based compensation expense	13,060	19,445	12,237
Pre-opening expenses	25,281	19,319	14,075
Interest income, net	(18,719)	(16,311)	(14,686)
Income tax expense	75,788	66,052	61,046
Segment income	<u>240,596</u>	<u>199,762</u>	<u>181,439</u>
Reconciliation of profit or loss:			
Adjustments and reconciling items	-	-	-
Consolidated net income	<u>\$ 240,596</u>	<u>\$ 199,762</u>	<u>\$ 181,439</u>

(1) Expenses reported in operating expenses, excludes advertising expenses recorded in pre-opening.

(2) Expenses reported in operating expenses, excludes depreciation and amortization recorded in cost of sales.

(13) Subsequent Event

U.S. Tariff Update

On February 20, 2026, the United States Supreme Court issued a ruling striking down certain tariffs previously imposed under the International Emergency Economic Powers Act (“IEEPA”). The ultimate availability, timing, and amount of any potential refunds of such tariffs remain highly uncertain and are subject to further legal, regulatory, and administrative developments. Following the Supreme Court’s decision, the U.S. presidential administration announced its intention to invoke other laws to collect tariffs and announced new tariffs on imports from all countries, in addition to any existing non-IEEPA tariffs. 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, and the impacts of such actions on the Company. The Company continues to monitor and evaluate these developments and assess their potential impact on its business, financial condition, and results of operations.

**Schedule I - Condensed Financial Information of Registrant
Ollie's Bargain Outlet Holdings, Inc. (parent company only)**

**Condensed Balance Sheets
(In thousands)**

	January 31, 2026	February 1, 2025
	<u> </u>	<u> </u>
Assets		
Total current assets	\$ -	\$ -
Long-term assets:		
Investment in subsidiaries	1,888,076	1,695,310
Total assets	<u>\$ 1,888,076</u>	<u>\$ 1,695,310</u>
Liabilities and stockholders' equity		
Total current liabilities	\$ -	\$ -
Total long-term liabilities	-	-
Total liabilities	<u>-</u>	<u>-</u>
Stockholders' equity:		
Common stock	68	67
Additional paid-in capital	761,300	735,284
Retained earnings	1,608,309	1,367,713
Treasury stock, at cost	(481,601)	(407,754)
Total stockholders' equity	<u>1,888,076</u>	<u>1,695,310</u>
Total liabilities and stockholders' equity	<u>\$ 1,888,076</u>	<u>\$ 1,695,310</u>

See accompanying Notes to Condensed Financial Statements.

Schedule I - Condensed Financial Information of Registrant
Ollie's Bargain Outlet Holdings, Inc. (parent company only)

Condensed Statements of Income
(In thousands)

	Fiscal year ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Net sales	\$ -	\$ -	\$ -
Cost of sales	-	-	-
Gross profit	-	-	-
Selling, general, and administrative expenses	-	-	-
Depreciation and amortization expenses	-	-	-
Pre-opening expenses	-	-	-
Operating income	-	-	-
Interest expense, net	-	-	-
Income before income taxes and equity in net income of subsidiaries	-	-	-
Income tax expense	-	-	-
Income before equity in net income of subsidiaries	-	-	-
Net income of subsidiaries	240,596	199,762	181,439
Net income	<u>\$ 240,596</u>	<u>\$ 199,762</u>	<u>\$ 181,439</u>

See accompanying Notes to Condensed Financial Statements.

Schedule I - Condensed Financial Information of Registrant
Ollie's Bargain Outlet Holdings, Inc. (parent company only)

Notes to Condensed Financial Statements

1. Basis of presentation

In the parent-company-only condensed financial statements, Ollie's Bargain Outlet Holdings, Inc.'s (the "Company") investment in subsidiaries is stated at cost plus equity in undistributed earnings of subsidiaries since the date of acquisition. The parent-company-only condensed financial statements should be read in conjunction with the Company's consolidated financial statements. A condensed statement of cash flows was not presented because Ollie's Bargain Outlet Holdings, Inc. had no cash flow activities during 2025, 2024 or 2023.

2. Guarantees and restrictions

On January 9, 2024, Ollie's Bargain Outlet, Inc., a subsidiary of the Company, completed a transaction in which it refinanced its Credit Facility. The Credit Facility provides for a five-year \$100.0 million revolving credit facility, which includes a \$45.0 million sub-facility for letters of credit and a \$25.0 million sub-facility for swingline loans (the "Revolving Credit Facility"). The loans under the Revolving Credit Facility mature on January 9, 2029. In addition, Ollie's Bargain Outlet, Inc. may at any time add term loan facilities or additional revolving commitments up to \$150.0 million pursuant to the terms and conditions set out in the Credit Facility. Under the terms of the Credit Facility, Bargain Parent, Inc., a subsidiary of the Company, guaranteed the payment of all principal and interest. In the event of a default under the Credit Facility, Bargain Parent, Inc. will be directly liable to the debt holders.

As of January 31, 2026, Ollie's Bargain Outlet, Inc. had \$86.5 million available for borrowing under its Revolving Credit Facility.

The Credit Facility is collateralized by the Company's assets and equity and contains a financial covenant, as well as certain business covenants, including restrictions on dividend payments, which the Company must comply with during the term of the agreement. The Company was in compliance with all terms of the agreement during and as of the fiscal year ended January 31, 2026.

The provisions of the Credit Facility restrict all of the net assets of the Company's consolidated subsidiaries, which constitutes all of the net assets on the Company's consolidated balance sheet as of January 31, 2026, from being used to pay any dividends or make other restricted payments without prior written consent from the lenders under the Credit Facility, subject to certain exceptions.

Item 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure*

None.

Item 9A. *Controls and Procedures*

Changes in Internal Control over Financial Reporting

There were no changes in the Company’s internal controls over financial reporting that occurred during the quarterly period ended January 31, 2026 that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Evaluation of Disclosure Controls and Procedures

The Company maintains a system of disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) designed to ensure that the information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and is accumulated and communicated to the Company’s management, including its Chief Executive Officer (principal executive officer) and its Chief Financial Officer (principal financial and accounting officer), as appropriate, to allow timely decisions regarding required disclosure.

The Company’s management, with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company’s disclosure controls and procedures under the Exchange Act as of January 31, 2026, the end of the period covered by this Annual Report on Form 10-K. Based on that evaluation, the Company’s Chief Executive Officer and Chief Financial Officer concluded that, as of January 31, 2026, the Company’s disclosure controls and procedures are effective.

Management’s Annual Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. The Company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Management, including the Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of internal control over financial reporting as of January 31, 2026. Management based this assessment on criteria for effective internal control over financial reporting described in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management determined that, as of January 31, 2026, the Company maintained effective internal control over financial reporting at a reasonable assurance level.

The effectiveness of the Company’s internal control over financial reporting as of January 31, 2026 has been audited by KPMG LLP, our independent registered public accounting firm, as stated in their report dated March 19, 2026 that appears below.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors
Ollie's Bargain Outlet Holdings, Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited Ollie's Bargain Outlet Holdings, Inc. and subsidiaries' (the Company) internal control over financial reporting as of January 31, 2026, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of January 31, 2026, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of January 31, 2026 and February 1, 2025, the related consolidated statements of income, stockholders' equity, and cash flows for each of the fiscal years in the three-year period ended January 31, 2026, and the related notes and financial statement schedule I - condensed financial information of registrant (collectively, the consolidated financial statements), and our report dated March 19, 2026 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Harrisburg, Pennsylvania
March 19, 2026

Item 9B. Other Information**Trading Arrangements of Directors and Executive Officers**

During the thirteen weeks ended January 31, 2026, certain of our executives entered into written plans for the purchase or sale of our securities through a broker that are intended to satisfy the conditions specified in Rule 10b5-1(c) under the Exchange Act for an affirmative defense against liability for trading in securities on the basis of material nonpublic information.

The material terms of these trading plans are set forth in the table below.

Director/Officer	Action & Date of Action	Commencement of Trading Period	Scheduled Termination of Trading Period ⁽¹⁾	Security Covered	Maximum Number of Securities to be Purchased or Sold Pursuant to the Rule 10b5-1 Trading Plan ⁽²⁾	Covers Purchase or Sale?
Robert Helm, Executive Vice President and Chief Financial Officer	Adoption December 11, 2025	March 24, 2026 ⁽³⁾	April 11, 2027	Common Stock	6,566 ⁽⁴⁾	Sale

(1) The plan is subject to earlier termination under certain circumstances specified in the plans, including upon the sale of all shares subject to the plan and upon either party to a plan giving notice of termination within the time prescribed under the plan.

(2) Subject to adjustments for stock splits, stock combinations, stock dividends and other similar changes to our common stock.

(3) Based on a fiscal 2025 Form 10-K filing date of March 19, 2026.

(4) The actual number of shares subject to be sold under the Rule 10b5-1 trading arrangement will be net of the number of shares withheld to satisfy certain costs and tax withholding obligations arising from the vesting of such awards and is not yet determinable.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item will be contained in the Company's definitive proxy statement in connection with the 2026 Annual Meeting of Stockholders (the "Proxy Statement"), which is expected to be filed with the SEC not later than 120 days after the end of the fiscal year ended January 31, 2026, and is incorporated herein by reference.

In addition, the Company's Board of Directors has adopted a Code of Ethical Business Conduct that applies to all of its directors, employees and officers, including the Chief Executive Officer and Chief Financial Officer. The current version of the Code of Ethical Business Conduct is available on the Company's website under the Investor Relations section at www.ollies.com. In accordance with the rules adopted by the SEC and NASDAQ, the Company intends to promptly disclose any amendments to certain provisions of the Code of Ethical Business Conduct, or waivers of such provisions granted to executive officers and directors, on its website under the Investor Relations section at www.ollies.com. The information contained on or accessible through the Company's website is not incorporated by reference into this Annual Report on Form 10-K.

The Company has adopted an insider trading policy governing the purchase, sale, and/or disposition of its securities by its directors, officers, employees, and other covered persons. The Company believes this policy is reasonably designed to promote compliance with insider trading laws, rules and regulations, and the Nasdaq listing standards. A copy of this policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K. Additionally, the Company's policy is to only engage in transactions of the Company securities in compliance with insider trading laws.

Item 11. Executive Compensation

The information required by this Item will be set forth in the Proxy Statement and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this Item will be set forth in the Proxy Statement and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this Item will be set forth in the Proxy Statement and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information required by this Item will be set forth in the Proxy Statement and is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules**Financial Statements and Financial Statement Schedules**

See “Index to Consolidated Financial Statements” in Item 8 of this Annual Report on Form 10-K. Financial statement schedules have been omitted because they are not required or are not applicable or because the information required in those schedules either is not material or is included in the consolidated financial statements or the accompanying notes.

Exhibits

The exhibits listed in the accompanying index to exhibits are filed or incorporated by reference as part of this Annual Report on Form 10-K.

Exhibit no.	Description
3.1 [†]	Third Amended and Restated Certificate of Incorporation of Ollie’s Bargain Outlet Holdings, Inc., as effective June 25, 2019 (incorporated by reference to Exhibit 3.1 to the Current Report filed on Form 8-K by the Company on July 1, 2019 (No. 001-37501)).
3.2 [†]	Fourth Amended and Restated Bylaws of Ollie’s Bargain Outlet Holdings, Inc., as effective June 25, 2019 (incorporated by reference to Exhibit 3.2 to the Current Report filed on Form 8-K by the Company on July 1, 2019 (No. 001-37501)).
4.1 [†]	Form of Certificate of Common Stock (incorporated by reference to Exhibit 4.1 to Amendment No. 3 to the Form S-1 Registration Statement filed by the Company on July 8, 2015 (No. 333-204942)).
4.2 [†]	Description of the Registrant’s Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.2 to the Form 10-K filed by the Company on March 24, 2021 (No. 001-37501)).
10.1 [†]	Amended and Restated Credit Agreement, dated May 22, 2019, among Bargain Parent, Inc., OBO Ventures, Inc. and certain subsidiaries, as borrowers, Manufacturers and Traders Trust Company, as Administrative Agent, and certain lenders party thereto (incorporated by reference to Exhibit 10.1 to the Current Report filed on Form 8-K by the Company on May 24, 2019 (No. 001-37501)).
10.2 [†]	First Amendment, dated as of January 24, 2023, to Amended and Restated Credit Agreement, among Bargain Parent, Inc., OBO Ventures, Inc. and certain subsidiaries, as borrowers, Manufacturers and Traders Trust Company, as Administrative Agent, and certain lenders party thereto (incorporated by reference to Exhibit 10.1 to the Current Report filed on Form 8-K by the Company on January 26, 2023 (No. 001-37501)).
10.3 [†]	Second Amendment, dated as of January 9, 2024, to Amended and Restated Credit Agreement, among Bargain Parent, Inc., OBO Ventures, Inc. and certain subsidiaries, as borrowers, Manufacturers and Traders Trust Company, as Administrative Agent, and certain lenders party thereto (incorporated by reference to Exhibit 10.1 to the Current Report filed on Form 8-K by the Company on January 9, 2024 (No. 001-37501)).
10.4 [†]	Amended and Restated Guarantee and Collateral Agreement, dated May 22, 2019, Bargain Parent, Inc., Ollie’s Holdings, Inc., OBO Ventures, Inc. and certain subsidiaries, in favor of Manufacturers and Trading Trust Company, as Administrative Agent (incorporated by reference to Exhibit 10.2 to the Current Report filed on Form 8-K by the Company on May 24, 2019 (No. 001-37501)).
10.5 ^{†++}	Form of Director and Officer Indemnification Agreement (incorporated by reference to Exhibit 10.9.1 to Amendment No. 3 to the Form S-1 Registration Statement filed by the Company on July 8, 2015 (No. 333-204942)).
10.6 ^{†++}	Employment Agreement, dated January 31, 2025, by and between Ollie’s Bargain Outlet, Inc. and John W. Swygert, Jr. (incorporated by reference to Exhibit 10.1 to the Current Report filed on Form 8-K by the Company on February 3, 2025 (No. 001-37501)).
10.7 ^{†++}	Employment Agreement, dated May 12, 2014, by and between Ollie’s Bargain Outlet, Inc. and Kevin McLain (incorporated by reference to Exhibit 10.13 to the Form S-1 Registration Statement filed by the Company on June 15, 2015 (No. 333-204942)).

Exhibit no.	Description
10.8 ^{†+}	Amendment to Employment Agreement, dated July 15, 2015, by and between Ollie's Bargain Outlet, Inc. and Kevin McLain (incorporated by reference to Exhibit 10.26 to the Form S-1 Registration Statement filed by the Company on February 8, 2016 (No. 333-209420)).
10.9 ^{†+}	Amendment to Employment Agreement, dated April 11, 2021, by and between Ollie's Bargain Outlet, Inc. and Kevin McLain (incorporated by reference to Exhibit 10.1 to the Current Report filed on Form 8-K by the Company on April 15, 2021 (No. 001-37501)).
10.10 ^{†+}	Employment Agreement, dated January 30, 2025, by and between Ollie's Bargain Outlet, Inc. and Eric van der Valk (incorporated by reference to Exhibit 10.2 to the Current Report filed on Form 8-K by the Company on February 3, 2025 (No. 001-37501)).
10.11 ^{†+}	Employment Agreement, dated October 1, 2021, by and between Ollie's Bargain Outlet, Inc. and James Comitale (incorporated by reference to Exhibit 10.1 to the Quarterly Report filed on Form 10-Q by the Company on December 7, 2021 (No. 001-37501)).
10.12 ^{†+}	Employment Agreement, dated August 18, 2022, by and between Ollie's Bargain Outlet, Inc. and Lawrence Kraus (incorporated by reference to Exhibit 10.1 to the Current Report filed on Form 8-K by the Company on August 22, 2022 (No. 001-37501)).
10.13 ^{†+}	Employment Agreement, effective October 17, 2022, by and between Ollie's Bargain Outlet, Inc. and Robert F. Helm (incorporated by reference to Exhibit 10.1 to the Current Report filed on Form 8-K by the Company on October 17, 2022 (No. 001-37501)).
10.14 ^{†+}	Employment Agreement, dated May 20, 2024, by and between Ollie's Bargain Outlet, Inc. and Chris Zender (incorporated by reference to Exhibit 10.1 to the Quarterly Report filed on Form 10-Q by the Company on August 29, 2024 (No. 001-37501)).
10.15 ⁺ *	First Amendment to Employment Agreement, dated February 11, 2026 and effective February 1, 2026, by and between Ollie's Bargain Outlet, Inc. and John Swygert.
10.16 ^{†+}	2015 Equity Incentive Plan (incorporated by reference to Exhibit 4.1 to the Form S-8 Registration Statement filed by the Company on July 15, 2015 (No. 333-204942)).
10.17 ⁺ *	Form of Restricted Stock Unit Award Agreement under 2015 Equity Incentive Plan.
10.18 ⁺ *	Form of Stock Option Agreement under 2015 Equity Incentive Plan.
10.19 ^{†+}	Ollie's Bargain Outlet Holdings, Inc. 2025 Equity Incentive Plan (incorporated by reference to Exhibit 4.4 to the Form S-8 Registration Statement filed by the Company on June 18, 2025 (No. 333-288146)).
10.20 ⁺ *	Form of Restricted Stock Unit Award Agreement under 2025 Equity Incentive Plan.
10.21 ⁺ *	Form of Stock Option Agreement under 2025 Equity Incentive Plan.
19.1 [†]	Ollie's Bargain Outlet Holdings, Inc. Policy on Insider Trading and Communications with the Public (incorporated by reference to Exhibit 19.1 to the Annual Report on Form 10-K filed by the Company on March 26, 2025 (No. 001-37501)).
21.1 [†]	List of subsidiaries (incorporated by reference to Exhibit 21.1 to the Annual Report on Form 10-K filed by the Company on March 26, 2025 (No. 001-37501)).

Exhibit no.	Description
23.1 *	Consent of KPMG LLP
24.1 *	Power of Attorney (included on the signature pages herein).
31.1 *	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2 *	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
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.
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.
97.1 †+	Ollie's Bargain Outlet Holdings, Inc. Policy for Recoupment of Incentive Compensation (incorporated by reference to Exhibit 97 to the Annual Report filed on Form 10-K by the Company on March 27, 2024 (No. 001-37501)).
101.INS***	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL 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 Label Linkbase Document.
101.PRE***	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

* Filed herewith.

** Furnished herewith.

† Previously filed.

*** Submitted electronically with this report.

+ Indicates management contract or compensatory plan.

Item 16. Form 10-K Summary

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC.

Date: March 19, 2026

By: /s/ Robert Helm

Name: Robert Helm

Title: Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Eric van der Valk, Robert Helm, and James Comitale each or any one of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the United States Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Annual Report on Form 10-K has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Eric van der Valk</u> Eric van der Valk	President and Chief Executive Officer and Director (Principal Executive Officer)	March 19, 2026
<u>/s/ Robert Helm</u> Robert Helm	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	March 19, 2026
<u>/s/ John Swygert</u> John Swygert	Executive Chairman of the Board	March 19, 2026
<u>/s/ Alissa Ahlman</u> Alissa Ahlman	Director	March 19, 2026
<u>/s/ Mary Baglivo</u> Mary Baglivo	Director	March 19, 2026
<u>/s/ Robert Fisch</u> Robert Fisch	Director	March 19, 2026
<u>/s/ Stanley Fleishman</u> Stanley Fleishman	Director	March 19, 2026
<u>/s/ Thomas Hendrickson</u> Thomas Hendrickson	Director	March 19, 2026
<u>/s/ Abid Rizvi</u> Abid Rizvi	Director	March 19, 2026
<u>/s/ Stephen White</u> Stephen White	Director	March 19, 2026
<u>/s/ Richard Zannino</u> Richard Zannino	Director	March 19, 2026

OLLIE'S BARGAIN OUTLET, INC.
6295 ALLENTOWN BOULEVARD — SUITE A
HARRISBURG, PENNSYLVANIA 17112

February 11, 2026

John W. Swygert, Jr.
104 Arline Lane
Hummelstown, PA 17036

Re: First Amendment to John Swygert's January 30, 2025, Amended and Restated Employment Agreement.

Dear John:

This letter agreement (the "First Amendment") amends your January 30, 2025, Amended and Restated Employment Agreement (the "Swygert Employment Agreement") only as expressly provided herein. Except as expressly agreed upon in this First Amendment, the Swygert Employment Agreement continues in full force and effect in its entirety, and together with this First Amendment sets forth all of the terms of your continuing employment with Ollie's Bargain Outlet, Inc. (the "Company").

WHEREAS, the Ollie's Bargain Outlet Holdings' Board of Directors (the "Board"), approved your appointment as the Executive Chairman of the Board of the Company effective February 1, 2026, the "Effective Date") through February 11, 2027;

WHEREAS, the Company desires to continue to employ you, and you desire to continue to be employed by the Company, as Executive Chairman of the Board on the terms and conditions set forth in the Swygert Employment Agreement, as amended by this First Amendment.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the parties hereto agree to amend only the affected language within each of the following numbered paragraphs of the Swygert Employment Agreement:

1. Effective Date; Term. As of the Effective Date, this Agreement, which sets forth the terms of your employment as the Executive Chairman of the Board, unless sooner terminated in accordance with Section 6 hereof, will have a term from February 1, 2026 through February 11, 2027 (the "Term"). Prior to the end of the Term, you and the Board will review your expected role and time commitment for fiscal year 2027, if any, and determine whether or not to extend the Term on the same or amended terms.

5. Equity Awards; Benefits.

(a) As of February 10, 2026, you shall be granted a long-term incentive equity award with a value of \$1,200,000 (\$600,000 of the value in non-qualified stock options and \$600,000 of the value in restricted stock units) hereinafter (the "Second Grant").

(b) With regard to the acceleration of unvested equity in certain termination events, for the avoidance of doubt all references to the contractually defined "Grant" in this paragraph shall be amended to include the Second Grant and the term amended to "Grants", as of the Effective Date.

Except as expressly amended by this First Amendment, all other terms and conditions of the Swygert Employment Agreement remain in full force and effect and are hereby ratified and confirmed by the parties in all respects. In the event of any conflict between the terms of this First Amendment and the Swygert Employment Agreement, the terms of this First Amendment shall control.

[Signature Page to Follow]

Very truly yours,

OLLIE'S BARGAIN OUTLET, INC.

By: /s/ James J. Comitale

Name: James J. Comitale

Title: SVP, General Counsel, and Corporate Secretary

Accepted and Agreed To

By: /s/ John W. Swygert, Jr.

Name: John W. Swygert, Jr.

*Signature Page to the First Amendment to the Swygert Employment Agreement
(effective February 1, 2026)*

**OLLIE’S BARGAIN OUTLET HOLDINGS, INC.
2015 EQUITY INCENTIVE PLAN**

Restricted Stock Unit Award Agreement

This Restricted Stock Unit Award Agreement (this “Agreement”) is made by and between Ollie’s Bargain Outlet Holdings, Inc., a Delaware corporation (the “Company”), and ###PARTICIPANT_NAME### (the “Participant” or “Grantee”), effective as of the “Grant Date.”

RECITALS

WHEREAS, the Company has adopted the Ollie’s Bargain Outlet Holdings, Inc. 2015 Equity Incentive Plan (as the same may be amended and/or amended and restated from time to time, the “Plan”), which Plan is incorporated herein by reference and made a part of this Agreement, and capitalized terms not otherwise defined in this Agreement, or the Appendix hereto, will have the meanings ascribed to those terms in the Plan;

WHEREAS, the Participant is eligible to receive this Award in connection with his or her position with the Company at the time of the Grant Date (“Eligible Employee”); and

WHEREAS, the Committee has authorized and approved the grant of an Award to the Participant that will provide the Participant the opportunity to acquire shares of Common Stock (“Shares”) upon the settlement of restricted stock units, subject to the terms and conditions set forth in the Plan and this Agreement (“Restricted Stock Units”).

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth in this Agreement, the parties agree as follows:

1. Grant of Restricted Stock Unit Award. The Company hereby grants to the Grantee ###TOTAL_AWARDS### Restricted Stock Units, on the terms and conditions set forth in the Plan and this Agreement, subject to adjustment as forth in the Plan.
 2. Vesting of Restricted Stock Units. Subject to the terms and conditions set forth in the Plan and this Agreement, the Restricted Stock Units shall vest as follows:
 - (a) General. Except as otherwise provided in Section 2(b), twenty-five percent (25%) of the Restricted Stock Units shall vest on each of the first four (4) annual anniversaries of the Grant Date, subject to the Participant’s continued Service through the applicable vesting date.
 - (b) Termination Following Change in Control. Any unvested and outstanding portion of the Restricted Stock Units will become fully vested in connection with the termination of the Participant’s Service without Cause (or, if applicable, resignation with “Good Reason,” solely as and to the extent such term may be defined in the Participant’s then-effective Service agreement, if any, with the Company or one of its Subsidiaries) occurring upon or within twelve (12) months following a Change in Control. The vesting of the unvested and outstanding portion of the Restricted Stock Units pursuant to the immediately preceding sentence is conditioned, however, upon the Participant’s execution of a release of claims in a form provided by the Company (a “Release”), which Release must be executed, returned and, to the extent applicable, no longer subject to revocation, within thirty (30) days following the Participant’s termination of Service, and the unvested and outstanding portion of the Restricted Stock Unit shall vest on the 30th day following the termination of the Participant’s Service as set forth herein.
-

- (c) No Longer an Eligible Employee. Notwithstanding anything to the contrary in this Agreement or the Plan, in the event the Participant transfers or is transferred to a position in which Participant would no longer be an Eligible Employee (which the Administrator determines in its sole discretion), then the Administrator in its sole discretion may reduce the number of Restricted Stock Units subject to this Award, other than the Restricted Stock Units that have then satisfied the time-based vesting conditions, and such reduction shall be effective upon the date of the position transfer.

3. Payment.

- (a) Settlement. The Company shall deliver to the Participant within thirty (30) days following the vesting date of Restricted Stock Units a number of Shares equal to the aggregate number of Restricted Stock Units that vest on such date. The Company may deliver such shares either through book entry accounts held by, or in the name of, the Participant or cause to be issued a certificate or certificates representing the number of Shares to be issued in respect of the Restricted Stock Units, registered in the name of the Participant. No fractional Shares shall be delivered; the Company shall not pay cash in respect of any fractional Shares. Neither the Company nor the Committee will be liable to the Participant or any other Person for damages relating to any delays in issuing the Shares or any mistakes or errors in the issuance of the Shares.
- (b) Withholding Requirements. The Company shall have the power and the right to deduct or withhold automatically from any Shares deliverable under this Agreement, or to require the Participant or the Participant's representative to remit to the Company, the minimum statutory amount necessary to satisfy federal, state and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of this Agreement.

4. Adjustment of Shares. In the event of any change with respect to the outstanding shares of Common Stock contemplated by Section 4.5 of the Plan, the Restricted Stock Units may be adjusted in accordance with Section 4.5 of the Plan.

5. Restrictive Covenant Agreement. To the extent the Participant is not a party to an employment, severance or similar agreement with the Company or any of its affiliates which contains a covenant enforceable by the Company or one of its affiliates (i) prohibiting the Participant's competition, (ii) prohibiting the Participant's solicitation of service providers, (iii) prohibiting the Participant's disclosure of confidential information, (iv) prohibiting the Participant's disparagement of the Company and its affiliates, (v) providing for the Participant's assignment of intellectual property and (vi) providing for the Participant's return of property of the Company and its affiliates upon termination of Service (each of (i) through (vi), individually, a "*Separate Restrictive Covenant*"), the Participant agrees to be bound by the Restrictive Covenant Agreement attached hereto as Exhibit A (the "*Restrictive Covenant Agreement*"), in consideration of: (a) the Restricted Stock Units granted herein, irrespective of whether the Restricted Stock Units vest; (b) the Participant's ongoing Service with the Company or a Subsidiary; (c) the importance of protecting the confidential information of the Company and its Subsidiaries and their other legitimate interests, including, without limitation, the valuable confidential information and goodwill that they have developed or acquired; (d) the Participant's being granted access to trade secrets and other confidential information of the Company and its Subsidiaries; and (e) other good and valuable consideration.

6. Miscellaneous Provisions.

- (a) Securities Laws Requirements. No Shares will be issued or transferred pursuant to this Agreement unless and until all then applicable requirements imposed by federal and state securities and other laws, rules and regulations and by any regulatory agencies having jurisdiction, and by any exchanges upon which the Shares may be listed, have been fully met. As a condition precedent to the issuance of Shares pursuant to this Agreement, the Company may require the Participant to take any reasonable action to meet those requirements. The Committee may impose such conditions on any Shares issuable pursuant to this Agreement as it may deem advisable, including, without limitation, restrictions under the Securities Act, as amended, under the requirements of any exchange upon which shares of the same class are then listed and under any blue-sky or other securities laws applicable to those Shares.
- (b) Rights of a Shareholder of the Company. Prior to settlement of the Restricted Stock Units, neither the Participant nor the Participant's representative will have any rights as a shareholder of the Company with respect to any Shares underlying the Restricted Stock Units; provided that, if dividends or other distributions are paid in respect of the Shares underlying the Restricted Stock Units, then a dividend equivalent equal to the amount paid in respect of one Share shall accumulate and be paid with respect to each unvested Restricted Stock Unit within thirty (30) days following the date on which the unvested Restricted Stock Unit vests (and, for avoidance of doubt, shall be forfeited if such unvested Restricted Stock Unit fails to vest).
- (c) Transfer Restrictions. The Shares delivered hereunder will be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which such shares are listed, any applicable federal or state laws and any agreement with, or policy of, the Company or the Committee to which the Participant is a party or subject, and the Committee may cause orders or designations to be placed upon the books and records of the Company's transfer agent to make appropriate reference to such restrictions.

- (d) No Right to Continued Service. Nothing in this Agreement or the Plan confers upon the Participant any right to continue in Service for any period of specific duration or interferes with or otherwise restricts in any way the rights of the Company (or any Subsidiary employing or retaining the Participant) or of the Participant, which rights are hereby expressly reserved by each, to terminate the Participant's Service at any time and for any reason, with or without Cause.
- (e) Notification. Any notification required by the terms of this Agreement will be given by the Participant (i) in a writing addressed to the Company at its principal executive office, attention General Counsel, and will be deemed effective upon actual receipt when delivered by personal delivery or by registered or certified mail, with postage and fees prepaid, or (ii) by electronic transmission to the Company's e-mail address of the Company's General Counsel and will be deemed effective upon actual receipt. Any notification required by the terms of this Agreement will be given by the Company (x) in a writing addressed to the address that the Participant most recently provided to the Company and will be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid, or (y) by facsimile or electronic transmission to the Participant's primary work facsimile number or e-mail address (as applicable) and will be deemed effective upon confirmation of receipt by the sender of the facsimile transmission or when e-mail is deemed sent by the e-mail account of the sender (as applicable).
- (f) Entire Agreement. This Agreement and the Plan constitute the entire agreement between the parties hereto with regard to the subject matter of this Agreement. This Agreement and the Plan supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) that relate to the subject matter of this Agreement.
- (g) Waiver. No waiver of any breach or condition of this Agreement will be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.
- (h) Successors and Assigns. The provisions of this Agreement will inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Participant and the Participant's executor, personal representative(s), distributees, administrator, permitted transferees, permitted assignees, beneficiaries, and legatee(s), as applicable, whether or not any such person will have become a party to this Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.
- (i) Severability. The provisions of this Agreement are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, then the remaining provisions will nevertheless be binding and enforceable.

- (j) Amendment. Except as otherwise provided in the Plan, this Agreement will not be amended unless the amendment is agreed to in writing by both the Participant and the Company.
- (k) Choice of Law; Jurisdiction. This Agreement and all claims, causes of action or proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or relate to this Agreement will be governed by the internal laws of the State of Delaware, excluding any conflict- or choice-of-law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. Each party to this Agreement agrees that it will bring all claims, causes of action and proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or be related to the Plan and this Agreement exclusively in the Delaware Court of Chancery or, in the event (but only in the event) that such court does not have subject-matter jurisdiction over such claim, cause of action or proceeding, exclusively in the United States District Court for the District of Delaware (the "Chosen Court"), and hereby (i) irrevocably submits to the exclusive jurisdiction of the Chosen Court, (ii) waives any objection to laying venue in any such proceeding in the Chosen Court, (iii) waives any objection that the Chosen Court is an inconvenient forum or does not have jurisdiction over any party and (iv) agrees that service of process upon such party in any such claim or cause of action will be effective if notice is given in accordance with this Agreement.
- (l) Signature in Counterparts. This Agreement may be signed in counterparts, manually or electronically, each of which will be an original, with the same effect as if the signatures to each were upon the same instrument.
- (m) Electronic Signatures. The parties acknowledge and agree that this Agreement shall be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature.
- (n) Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions of the Plan and this Agreement and accepts the Restricted Stock Units subject to all of the terms and conditions of the Plan and this Agreement. In the event of a conflict between any term or provision contained in this Agreement and a term or provision of the Plan, the applicable term and provision of the Plan will govern and prevail.

[Signature Page Follows]

OLLIE’S BARGAIN OUTLET HOLDINGS, INC.

By: James J. Comitale
James J. Comitale, General Counsel

PARTICIPANT

Electronically Accepted

###PARTICIPANT_NAME###

###HOME_ADDRESS###

###EMPLOYEE_NUMBER###

###GRANT_DATE###

###ACCEPTANCE_DATE###

###MARKET_PRICE_AT_TIME_OF_GRANT###

EXHIBIT A

RESTRICTIVE COVENANT AGREEMENT

THIS AGREEMENT (this “**Restrictive Covenant Agreement**”) is made effective as of the Date of Grant by and between the Company and the Participant. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Restricted Stock Unit Award Agreement to which this Restrictive Covenant Agreement is attached as Exhibit “A” (the “**Award Agreement**”).

RECITALS

WHEREAS, the Company and the Participant have entered into the Award Agreement; and

WHEREAS the Award Agreement is conditional on the Participant entering into this Restrictive Covenant Agreement.

NOW THEREFORE, in consideration of the mutual covenants set forth in both the Award Agreement and herein, the Company and Participant agree as follows:

1. Definitions. For purposes of this Restrictive Covenant Agreement:

“**Business**” means (i) the retail sale, direct marketing or wholesale of discounted or closeout merchandise, (ii) any other business engaged in by the Company or any of its Subsidiaries within twelve (12) months prior to the Participant’s termination of Service with the Company or any of its Subsidiaries (or, if a termination of Service has not occurred, within the previous twelve (12) months), or (iii) any other business contemplated to be conducted by the Company or any of its Subsidiaries within twelve (12) months prior to the Participant’s termination of Service with the Company or any of its Subsidiaries (or, if a termination of Service has not occurred, within the previous twelve (12) months) as reflected in written business plans of the Company or any of its Subsidiaries.

“**Competitor**” means any person or entity, including but not limited to, participant or anyone acting participant’s behalf, that is engaged or preparing to be engaged in either: (a) the Business, or (b) the retail sale of discount and closeout merchandise, that includes the type of merchandise sold by the Company.

“**Confidential Information**” means the business and financial records, customer and supplier lists, business contacts, contracts, trade secrets, confidential methods of operations of the Company and its Subsidiaries. Confidential Information does not include any information which is or becomes publicly known through no action or inaction of the Participant. The Participant acknowledges that the Confidential Information is not generally known in the trade and that the Confidential Information provides the Company and its Subsidiaries with a competitive edge in its industry. The Participant acknowledges and agrees that the Company and its Subsidiaries have taken and are taking reasonable steps to protect the confidentiality of, and legitimate interest in, the Confidential Information.

“Person” means any natural person, corporation, division of a corporation, partnership, trust, joint venture, association, firm, company, estate or unincorporated organization.

“Vendor” means any Person who, within twelve (12) months prior to the Participant’s termination of Service with the Company or any of its Subsidiaries (or, if a termination of Service has not occurred, within the previous twelve (12) months): (a) has sold products or services to the Company or any of its Subsidiaries; or (b) has been directly or indirectly targeted, or was intended to be targeted, by the Company or any of its Subsidiaries to sell products or services to the Company or any of its Subsidiaries, as evidenced by a business, marketing or sales plan, strategy or report.

2. **Confidentiality.** The Participant recognizes and acknowledges that the Confidential Information constitutes valuable, special and unique assets of the Company and its Subsidiaries, access to and knowledge of which are essential to the performance of the duties of the Participant hereunder. The Participant agrees that Participant will not, during Participant’s Service, or after termination of Participant’s Service, directly or indirectly, disclose any of such Confidential Information to any Person for any reason or purpose whatsoever except in connection with the performance of Participant’s duties to the Company and its Subsidiaries, nor shall Participant make use of any such Confidential Information for Participant’s own purposes or for the benefit of any Person except the Company and its Subsidiaries.

Notwithstanding the foregoing, in the event that the Participant is requested or required, in connection with any proceeding by or before a governmental authority, to disclose Confidential Information, the Participant will give the Company prompt written notice of such request or requirement so that the Company or its Subsidiaries may seek a protective order or other appropriate relief. In the event that such protective order or other remedy is not obtained, or the Company waives the right to seek such an order or other remedy, the Participant may, without liability hereunder furnish only that portion of the Confidential Information which the Participant is legally required to disclose. Notwithstanding anything herein to the contrary, nothing in this Restrictive Covenant Agreement shall (a) prohibit the Participant from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Exchange Act or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of state or federal law or regulation, or (b) require notification or prior approval by the Company of any reporting described in clause (a).

Disclosure of Confidential Information may also subject the Participant to civil and criminal sanctions pursuant to the Defense of Trade Secrets Act, 18 U.S.C. §1832, et. seq. Pursuant to 18 U.S.C § 1833(b)(1), however, the Participant is immune from such sanctions if the disclosure (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

3. Non-Competition. Participant agrees that he/she is prohibited from working for a Competitor from any location providing services to, or within the United States of America for twenty-four (24) months following the termination of Participant's employment. In addition, during, or at any time during, the twenty-four (24) months following termination of the Participant's Service for whatever reason and whether with or without Cause, the Participant shall not in any manner whatsoever (other than (i) as required by Participant's Service, (ii) holding of less than two percent (2%) of the shares of a company listed on a public stock exchange in Canada or the United States of America, or (iii) as a result of Participant being a shareholder of the Company (if applicable)) within North America, directly or indirectly:

- (a) carry on, engage in, or be concerned with or interested in, the Business;
- (b) assist (as principal, beneficiary, director, shareholder, partner, nominee, executor, trustee, agent, servant, employee, independent contractor, supplier, consultant, lender, guarantor, financier or in any other capacity whatsoever) any Person to carry on, engage in or be concerned with or interested in the Business; or
- (c) have any interest or concern (as principal, beneficiary, director, shareholder, partner, nominee, executor, trustee, agent, servant, employee, consultant, independent contractor or in any other capacity whatsoever) in or with any Person, if any part of the activities of such Person consists of the Business.

4. Non-Solicitation. During or at any time during the twenty-four (24) months following termination of the Participant's Service for whatever reason and whether with or without Cause, the Participant shall not in any manner whatsoever, directly or indirectly,

- (a) employ or engage, or seek to employ or engage (whether for the benefit of the Participant or any other Person), any Person that is or within the preceding twenty-four (24) months was an employee or independent contractor of the Company or any of its Subsidiaries or otherwise solicit, encourage or entice any such Person to terminate his or her service relationship with the Company or any of its Subsidiaries; or
- (b) induce or attempt to induce (whether for the benefit of the Participant or any other Person) any Vendor to (i) curtail, cancel or not commence any business it transacts or may transact with the Company or any of its Subsidiaries or (ii) sell products or provide services to any Person carrying on or engaged in the Business.

5. Non-Disparagement. The Participant shall not at any time, directly or indirectly, orally, in writing or through any medium, disparage, defame or assail the reputation, integrity or professionalism of the Company or any of its Subsidiaries or their respective officers, directors, employees or shareholders. Notwithstanding the foregoing, this prohibition does not apply to statements made in the course of sworn testimony in administrative, judicial or arbitral proceedings.

6. Return of Documents and Property. Upon the termination of Participant's Service or at such other time that the Company may request, the Participant shall forthwith return and deliver to the Company, and shall not retain, any originals or copies of, any books, papers or price lists of the Company or any of its Subsidiaries, customer lists, employee roster, vendor lists, files, books of account, notes and other documents and data or other writings, tapes or records of the Company or any of its Subsidiaries maintained by or in the possession of the Participant (and all of the same are hereby acknowledged and agreed to be the property of the Company and its Subsidiaries).

7. Inventions and Patents. The Participant hereby assigns to the Company all right, title and interest to all patents and patent applications, all inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports and all similar or related information (in each case whether or not patentable), all copyrights and copyrightable works, all trade secrets, confidential information and know-how, and all other intellectual property rights that both (a) are conceived, reduced to practice, developed or made by the Participant while in Service with the Company or any of its Subsidiaries and (b) either (i) relate to the Company's or any of its Subsidiaries' actual or anticipated business, research and development or existing or future products or services, or (ii) are conceived, reduced to practice, developed or made using any equipment, supplies, facilities, assets or resources of the Company or any of its Subsidiaries' (including but not limited to, any intellectual property rights) ("Work Product"). The Participant shall promptly disclose such Work Product to the Company and, at the Company's expense, perform all actions reasonably requested by the Company (whether during or after the period of Service) to establish and confirm the Company's ownership thereof (including, without limitation, assignments, consents, powers of attorney, applications and other instruments).

8. Covenants Reasonable. The Participant acknowledges and unequivocally agrees with the Company that:

- (a) the covenants in this Restrictive Covenant Agreement are reasonable in the circumstances, narrow in scope and duration, and protect a legitimate business interest of the Company;
- (b) the Participant is being provided with the opportunity to receive a substantial financial benefit as a result of Award Agreement;
- (c) the covenants of the Participant contained in this Restrictive Covenant Agreement were a material inducement for the Company to enter into the Award Agreement and the execution and delivery of this Restrictive Covenant Agreement is a condition to the Company's obligation pursuant to the Award Agreement; and

9. Tolling. If the Participant violates any of the terms of the restrictive covenant obligations in this Agreement, the obligation at issue will begin to run from the first date on which the Participant ceases to be in violation of the obligation, the restriction period outlined in Section 3 and 4 shall automatically be extended by the period the Participant was in violation of them.

10. Notice to New Employer. If and when Participant's employment with Company terminates, whether voluntarily or involuntarily, Participant agrees to provide to any subsequent employer a copy of this Agreement. In addition, Participant authorizes Company to provide a copy of this Agreement to third parties, including but not limited to, Participant's subsequent, anticipated, or possible future employer.

11. Remedies. The Participant agrees that the Company or any of its Subsidiaries or affiliates shall be entitled to seek all available legal and equitable remedies and that they may obtain, and the Participant agrees not to oppose a request for, interim, interlocutory and permanent injunctive relief and other equitable relief to prevent a breach or continued breach of the provisions of this Restrictive Covenant Agreement, as well as an accounting of all profits and benefits that arise out of such violation, which rights and remedies shall be cumulative in addition to any other rights or remedies to which the Company or any of its Subsidiaries may be entitled in law. Accordingly, in addition to any other remedies available at law or in equity, the Company may immediately obtain injunctive relief without bond. The provisions of this section shall not derogate from any other remedy which the Company or any of its Subsidiaries may have in the event of such a breach. If the Participant breaches the terms of this Restrictive Covenant Agreement, then Company shall be entitled to recovery of all fees, expenses and costs, including attorneys' fees, incurred in enforcing the terms of this Restrictive Covenant Agreement. An action related to the terms of this Restrictive Covenant Agreement must be brought in exclusively in the Delaware Court of the Chancery. In the event that said court does not have subject matter jurisdiction over such claim, cause of action or proceeding, the action shall be brought in the United States District of Delaware (Chosen Court). The parties agree that this Restrictive Covenant Agreement will be governed exclusively by the laws of the State of Delaware, regardless of any choice of law or conflict of law principle to the contrary. The participant (i) irrevocably submits to the exclusive jurisdiction of the Court of Chancery, or, if the Court of Chancery does not have jurisdiction, then the Chosen Court, (ii) waives any objection to laying venue in any such proceeding in the Chosen Court, (iii) waives any objection that the Chosen Court is an inconvenient forum or does not have jurisdiction over any party and (iv) agrees that service of process upon such party in any such claim or cause of action will be effective if notice is given in accordance with the terms of the incorporated Stock Options Award Agreement. Participant agrees and affirms specifically and unequivocally without reservation that the restrictions in this Restrictive Covenant Agreement are the subject of negotiation, he or she had an opportunity to bargain for the terms of this Restrictive Covenant Agreement, the Restrictive Covenant Agreement is reasonable in scope and duration, the Restrictive Covenant Agreement protects a legitimate business interest of the Company, and the balance of the equities will compel enforcement of this Restrictive Covenant Agreement.

12. Severability. In the event that a court of competent jurisdiction determines that any term or provision of this Restrictive Covenant Agreement is illegal, invalid or unenforceable in any jurisdiction, such illegality, invalidity or unenforceability of that term or provision will not affect: (a) the legality, validity or enforceability of the remaining terms and provisions of this Restrictive Covenant Agreement and (b) the legality, validity or enforceability of such term or provision in any other jurisdiction. Further, to the extent that any provision hereof is deemed unenforceable by virtue of its scope in terms of territory, length of time, scope of activities or otherwise, but may be made enforceable by limitations or revisions thereon, the parties agree that such limitations or revisions may be made so that the same shall, nevertheless, be enforceable to the fullest extent permitted by law. The parties waive any objection to "blue-penciling."

13. Notices. Any notice or other communication provided for herein or given hereunder to a party hereto shall be made or provided as required or permitted pursuant to Section 10(e) of the Award Agreement.

14. Entire Agreement. Except as otherwise provided in Section 5 of the Award Agreement, this Restrictive Covenant Agreement constitutes the entire agreement and understanding among the parties hereto in respect of the subject matter hereof and supersedes all prior and contemporaneous arrangements, agreements and understandings, whether oral or written and whether express or implied, and whether in term sheets, presentations or otherwise, among the parties hereto, or between any of them, with respect to the subject matter hereof.

15. Amendment; Waiver. No amendment or modification of any term of this Restrictive Covenant Agreement shall be effective unless signed in writing by or on behalf of the Company and the Participant. No waiver of any breach or condition of this Restrictive Covenant Agreement shall be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature.

16. Successors and Assigns; No Third-Party Beneficiaries. The provisions of this Restrictive Covenant Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns. The Participant may not assign his/her obligations set forth in this Restrictive Covenant Agreement. The Company may assign its rights and interests under this Restrictive Covenant Agreement.

17. Signature in Counterparts. This Restrictive Covenant Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

18. Electronic Signatures. The parties acknowledge and agree that this Agreement shall be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Restrictive Covenant Agreement.

OLLIE’S BARGAIN OUTLET HOLDINGS, INC.

By: James J. Comitale (signed)
James J. Comitale, General Counsel

PARTICIPANT

Electronically Accepted

###PARTICIPANT_NAME###

###HOME_ADDRESS###

###ACCEPTANCE_DATE###

[Signature Page to Restrictive Covenant – Restricted Stock Unit Award Agreement]

**OLLIE’S BARGAIN OUTLET HOLDINGS, INC.
2015 EQUITY INCENTIVE PLAN**

Stock Option Award Agreement

This Stock Option Award Agreement (this “*Agreement*”) is made by and between Ollie’s Bargain Outlet Holdings, Inc., a Delaware corporation (the “*Company*”), and ###PARTICIPANT_NAME### (the “*Participant*”), effective as of the “*Grant Date*”.

RECITALS

WHEREAS, the Company has adopted the Ollie’s Bargain Outlet Holdings, Inc. 2015 Equity Incentive Plan (as the same may be amended and/or amended and restated from time to time, the “*Plan*”), which Plan is incorporated herein by reference and made a part of this Agreement, and capitalized terms not otherwise defined in this Agreement, will have the meanings ascribed to those terms in the Plan;

WHEREAS, the Participant is eligible to receive this Award in connection with his or her position with the Company at the time of the Grant Date (“*Eligible Employee*”); and

WHEREAS, the Committee has authorized and approved the grant of an Award to the Participant of a Stock Option to purchase shares of Common Stock (“*Shares*”), subject to the terms and conditions set forth in the Plan and this Agreement.

NOW THEREFORE, in consideration of the premises and mutual covenants set forth in this Agreement, the parties agree as follows:

1. Grant of Stock Option Award. The Company has granted to the Participant, effective as of the Date of Grant, the right and option to purchase, on the terms and conditions set forth in the Plan and this Agreement, all or any part of an aggregate of the number of Shares set forth herein, ###TOTAL_AWARDS###, subject to adjustment as set forth in the Plan (the “*Option*”). The Option is intended to be a Nonqualified Stock Option.
2. Exercise Price. The exercise price of the Option is the ###GRANT_PRICE###, subject to adjustment as set forth in the Plan (the “*Exercise Price*”).
3. Vesting of Option. Subject to the terms and conditions set forth in the Plan and this Agreement, the Option will vest as follows:
 - (a) General. Except as otherwise provided in Sections 3(b) and 4, the Option will vest and become exercisable in equal annual installments of 25% of the Shares over a four (4) year period on each anniversary of the Date of Grant, subject to the Participant’s continued Service through each applicable vesting date.

- (b) Termination Following Change in Control. Any unvested and outstanding portion of the Option will become fully vested and exercisable upon a termination of the Participant's Service without Cause (or, if applicable, resignation with Good Reason, solely as and to the extent such term may be defined in the Participant's then-effective Service agreement, if any, with the Company or one of its Subsidiaries) occurring upon or within twelve (12) months following a Change in Control. The vesting of the unvested and outstanding portion of the Option pursuant to the immediately preceding sentence is conditioned, however, upon the Participant's signing a release of claims in a form provided by the Company (a "*Release*"), which Release must be executed, returned and, to the extent applicable, no longer subject to revocation, within 30 days following the Participant's termination of Service (the date such Release has been executed, returned and, to the extent applicable, no longer subject to revocation, the "*Release Effective Date*"). Notwithstanding anything to the contrary contained in this Section 3(b), the unvested and outstanding portion of the Option shall vest on the Release Effective Date.

4. Forfeiture; Expiration.

- (a) Termination of Service. Any unvested portion of the Option will be forfeited immediately, automatically and without consideration upon a termination of the Participant's Service for any reason, subject to Section 3(b) hereof. In the event the Participant's Service is terminated for Cause, the vested portion of the Option will also be forfeited immediately, automatically and without consideration upon that termination for Cause. Without limiting the generality of the foregoing, the Option and the Shares (and any resulting proceeds) will continue to be subject to Section 13 of the Plan.
- (b) No Longer an Eligible Employee. Notwithstanding anything to the contrary in this Agreement or the Plan, in the event the Participant transfers or is transferred to a position in which Participant would no longer be an Eligible Employee (which the Administrator determines in its sole discretion), then the Administrator in its sole discretion may reduce the number of Shares subject to this Option, other than the Shares that have then satisfied the time-based vesting conditions, and such reduction shall be effective upon the date of the position transfer.
- (c) Expiration. Any unexercised portion of the Option will expire on the tenth (10th) anniversary of the Date of Grant (the "*Expiration Date*"), or earlier as provided in this Agreement (including Section 5 hereof) or the Plan.

5. Period of Exercise. Subject to the provisions of the Plan and this Agreement, the Participant may exercise all or any part of the vested portion of the Option at any time prior to the earliest to occur of:

- (a) the Expiration Date;
- (b) the date that is one (1) year following termination of the Participant's Service due to death or Disability;
- (c) the date that is ninety (90) days following termination of the Participant's Service without Cause (or, if applicable, for Good Reason, solely as and to the extent such term may be defined in the Participant's then-effective Service agreement, if any, with the Company or one of its Subsidiaries);

- (d) the date of termination of the Participant's Service for Cause; or
- (e) the date that is ninety (90) days following the termination of the Participant's Service for any reason other than pursuant to Section 5(b), 5(c) or 5(d) above.

6. Exercise of Option

- (a) Notice of Exercise. Subject to Sections 4 and 5, the Participant or, in the case of the Participant's death or Disability, the Participant's representative may exercise all or any part of the vested portion of the Option by submitting notice to the Company in an electronic or paper form satisfactory to the Committee at the time of exercise (a "*Notice of Exercise*"). The Notice of Exercise will be signed by the person exercising the Option. In the event that the Option is being exercised by the Participant's representative, the Notice of Exercise will be accompanied by proof satisfactory to the Committee of the representative's right to exercise the Option. The Participant or the Participant's representative will deliver to the Committee, at the time of delivery of the Notice of Exercise, payment in a form permissible under Section 7 hereof for the full amount of the Purchase Price and any applicable withholding taxes as provided below.
- (b) Issuance of Common Stock. After all requirements with respect to the exercise of the Option have been satisfied, the Committee will cause to be issued the Shares as to which the Option has been exercised (or, in the Committee's discretion, in uncertificated form, upon the books of the Company's transfer agent), registered in the name of the person exercising the Option (or in the names of such person and his or her spouse as community property or as joint tenants with right of survivorship). Neither the Company nor the Committee will be liable to the Participant or any other Person for damages relating to any delays in issuing the Shares or any mistakes or errors in the issuance of the Shares.
- (c) Withholding Requirements. The Company will have the power and the right to deduct or withhold automatically from any Shares deliverable under this Agreement, or to require the Participant or the Participant's representative to remit to the Company, the minimum statutory amount necessary to satisfy federal, state and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of this Agreement (collectively, "*Withheld Taxes*"); provided, that any obligations to pay Withheld Taxes may be satisfied in the manner in which the Purchase Price is permitted to be paid under Section 7 hereof or any other manner permitted by the Plan.

7. Payment for Shares. The "*Purchase Price*" will be the Exercise Price multiplied by the number of Shares with respect to which the Option is being exercised. All or part of the Purchase Price and any Withheld Taxes may be paid as follows:

- (a) Cash or Check. In cash or by bank-certified check.

- (b) Brokered Cashless Exercise. To the extent permitted by applicable law and unless otherwise provided by the Committee, from the proceeds of a sale through a broker on the date of exercise of some or all of the Shares to which the exercise relates. In that case, the Participant will provide the Company a properly executed Notice of Exercise, together with a copy of irrevocable instructions to a broker to deliver promptly to the Company the amount of sale proceeds to pay the aggregate purchase price and/or Withheld Taxes, as applicable. To facilitate the foregoing, the Company may, to the extent permitted by applicable law, enter into agreements or coordinate procedures with one or more brokerage firms.
- (c) Net Exercise. By reducing the number of Shares otherwise deliverable upon the exercise of the Option by the number of Shares having a Fair Market Value equal to the amount of the Purchase Price and/or Withheld Taxes, as applicable.
- (d) Surrender of Stock. In each instance, at the sole discretion of the Committee, by surrendering or attesting to the ownership of Shares that are already owned by the Participant free and clear of any restriction or limitation, unless the Committee specifically agrees to accept such Shares subject to such restriction or limitation. Such Shares will be surrendered to the Company in good form for transfer and will be valued by the Company at their Fair Market Value on the date of the applicable exercise of the Option or, to the extent applicable, on the date the amount of Withheld Taxes is to be determined. The Participant will not surrender or attest to the ownership of Shares in payment of the Purchase Price (or Withheld Taxes) if such action would cause the Company to recognize compensation expense (or additional compensation expense) with respect to this Option for financial reporting purposes that otherwise would not have been required to be recognized.
8. Adjustment to Option. In the event of any change with respect to the outstanding shares of Common Stock contemplated by Section 4.5 of the Plan, the Option may be adjusted in accordance with Section 4.5 of the Plan.
9. Restrictive Covenant Agreement. To the extent the Participant is not a party to an employment, severance or similar agreement with the Company or any of its affiliates which contains a covenant enforceable by the Company or one of its affiliates (i) prohibiting the Participant's competition, (ii) prohibiting the Participant's solicitation of service providers, (iii) prohibiting the Participant's disclosure of confidential information, (iv) prohibiting the Participant's disparagement of the Company and its affiliates, (v) providing for the Participant's assignment of intellectual property and (vi) providing for the Participant's return of property of the Company and its affiliates upon termination of Service (each of (i) through (vi), individually, a "*Separate Restrictive Covenant*"), the Participant agrees to be bound by the Restrictive Covenant Agreement attached hereto as Exhibit A (the "Restrictive Covenant Agreement") or the covenant in the Restrictive Covenant Agreement which corresponds to the Separate Restrictive Covenant to which the Participant is not otherwise bound, as applicable, in consideration of: (a) the Option granted herein, irrespective of whether the Option vests; (b) the Participant's ongoing Service with the Company or a Subsidiary; (c) the importance of protecting the confidential information of the Company and its Subsidiaries and their other legitimate interests, including, without limitation, the valuable confidential information and goodwill that they have developed or acquired; (d) the Participant's being granted access to trade secrets and other confidential information of the Company and its Subsidiaries; and (e) other good and valuable consideration.

- (a) Securities Laws Requirements. No Shares will be issued or transferred pursuant to this Agreement unless and until all then applicable requirements imposed by federal and state securities and other laws, rules and regulations and by any regulatory agencies having jurisdiction, and by any exchanges upon which the Shares may be listed, have been fully met. As a condition precedent to the issuance of Shares pursuant to this Agreement, the Company may require the Participant to take any reasonable action to meet those requirements. The Committee may impose such conditions on any Shares issuable pursuant to this Agreement as it may deem advisable, including, without limitation, restrictions under the Securities Act, as amended, under the requirements of any exchange upon which shares of the same class are then listed and under any blue-sky or other securities laws applicable to those Shares.
- (b) Rights of a Shareholder of the Company. Neither the Participant nor the Participant's representative will have any rights as a shareholder of the Company with respect to any Shares subject to the Option until the Participant or the Participant's representative becomes entitled to receive those Shares pursuant to the following actions: (i) the Participant or Participant's representative shall have submitted a Notice of Exercise, (ii) the Participant or Participant's representative shall have paid the Purchase Price and Withheld Taxes as provided in this Agreement, and the Company shall have actually received those amounts, (iii) the Company shall have issued those Shares and entered the name of the Participant in the register of shareholders of the Company as the registered holder of those Shares, and (iv) the Participant or Participant's representative shall have satisfied any other conditions as the Committee shall have reasonably required.
- (c) Transfer Restrictions. The Shares purchased by exercise of the Option will be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which such shares are listed, any applicable federal or state laws and any agreement with or policy of the Company or the Committee to which the Participant is a party or subject, and the Committee may cause orders or designations to be placed upon the books and records of the Company's transfer agent to make appropriate reference to such restrictions.
- (d) No Right to Continued Service. Nothing in this Agreement or the Plan confers upon the Participant any right to continue in Service for any period of specific duration or interferes with or otherwise restricts in any way the rights of the Company (or any Subsidiary employing or retaining the Participant) or of the Participant, which rights are hereby expressly reserved by each, to terminate the Participant's Service at any time and for any reason, with or without Cause.

- (e) Notification. Any notification required by the terms of this Agreement will be given by the Participant (i) in a writing addressed to the Company at its principal executive office, attention General Counsel, and will be deemed effective upon actual receipt when delivered by personal delivery or by registered or certified mail, with postage and fees prepaid, or (ii) by electronic transmission to the Company's e-mail address of the Company's General Counsel and will be deemed effective upon actual receipt. Any notification required by the terms of this Agreement will be given by the Company (x) in a writing addressed to the address that the Participant most recently provided to the Company and will be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid, or (y) by facsimile or electronic transmission to the Participant's primary work fax number or e-mail address (as applicable) and will be deemed effective upon confirmation of receipt by the sender of the facsimile transmission or when e-mail is deemed sent by the e-mail account of the sender (as applicable).
- (f) Entire Agreement. This Agreement and the Plan constitute the entire agreement between the parties hereto with regard to the subject matter of this Agreement. This Agreement and the Plan supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) that relate to the subject matter of this Agreement.
- (g) Waiver. No waiver of any breach or condition of this Agreement will be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature.
- (h) Successors and Assigns. The provisions of this Agreement will inure to the benefit of and be binding upon the Company and its successors and assigns and upon the Participant and the Participant's executor, personal representative(s), distributees, administrator, permitted transferees, permitted assignees, beneficiaries and legatee(s), as applicable, whether or not any such person will have become a party to this Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.
- (i) Severability. The provisions of this Agreement are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, then the remaining provisions will nevertheless be binding and enforceable.
- (j) Amendment. Except as otherwise provided in the Plan, this Agreement will not be amended unless the amendment is agreed to in writing by both the Participant and the Company.

- (k) Choice of Law; Jurisdiction. This Agreement and all claims, causes of action or proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or relate to this Agreement will be governed by the internal laws of the State of Delaware, excluding any conflict- or choice-of-law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. Each party to this Agreement agrees that it will bring all claims, causes of action and proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or be related to the Plan and this Agreement exclusively in the Delaware Court of Chancery or, in the event (but only in the event) that such court does not have subject-matter jurisdiction over such claim, cause of action or proceeding, exclusively in the United States District Court for the District of Delaware (the “*Chosen Court*”), and hereby (i) irrevocably submits to the exclusive jurisdiction of the Chosen Court, (ii) waives any objection to laying venue in any such proceeding in the Chosen Court, (iii) waives any objection that the Chosen Court is an inconvenient forum or does not have jurisdiction over any party and (iv) agrees that service of process upon such party in any such claim or cause of action will be effective if notice is given in accordance with this Agreement.
- (l) Signature in Counterparts. This Agreement may be signed in counterparts, manually or electronically, each of which will be an original, with the same effect as if the signatures to each were upon the same instrument.
- (m) Electronic Signatures. The parties acknowledge and agree that this Agreement shall be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature.
- (n) Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions of the Plan and this Agreement and accepts the Option subject to all of the terms and conditions of the Plan and this Agreement. In the event of a conflict between any term or provision contained in this Agreement and a term or provision of the Plan, the applicable term and provision of the Plan will govern and prevail.

[Signature page follows]

IN WITNESS WHEREOF, the Company and the Participant have executed this Stock Option Award Agreement as of the Date of Grant.

OLLIE’S BARGAIN OUTLET HOLDINGS, INC.

By: James J. Comitale (signed)
James J. Comitale, General Counsel

PARTICIPANT

Electronically Accepted

####PARTICIPANT_NAME###

####HOME_ADDRESS###

####EMPLOYEE_NUMBER###

####GRANT_DATE###

####ACCEPTANCE_DATE###

####MARKET_PRICE_AT_TIME_OF_GRANT###

RESTRICTIVE COVENANT AGREEMENT

THIS AGREEMENT (this “**Restrictive Covenant Agreement**”) is made effective as of the Date of Grant by and between the Company and the Participant. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Stock Option Award Agreement to which this Restrictive Covenant Agreement is attached as Exhibit “A” (the “**Award Agreement**”).

RECITALS

WHEREAS, the Company and the Participant have entered into the Award Agreement; and

WHEREAS the Award Agreement is conditional on the Participant entering into this Restrictive Covenant Agreement.

NOW THEREFORE, in consideration of the mutual covenants set forth in both the Award Agreement and herein, the Company and Participant agree as follows:

1. **Definitions.** For purposes of this Restrictive Covenant Agreement:

“**Business**” means (i) the retail sale, direct marketing or wholesale of discounted or closeout merchandise, (ii) any other business engaged in by the Company or any of its Subsidiaries within twelve (12) months prior to the Participant’s termination of Service with the Company or any of its Subsidiaries (or, if a termination of Service has not occurred, within the previous twelve (12) months), or (iii) any other business contemplated to be conducted by the Company or any of its Subsidiaries within twelve (12) months prior to the Participant’s termination of Service with the Company or any of its Subsidiaries (or, if a termination of Service has not occurred, within the previous twelve (12) months) as reflected in written business plans of the Company or any of its Subsidiaries.

“**Competitor**” means any person or entity, including but not limited to, participant or anyone acting participant’s behalf, that is engaged or preparing to be engaged in either: (a) the Business, or (b) the retail sale of discount and closeout merchandise, that includes the type of merchandise sold by the Company.

“**Confidential Information**” means the business and financial records, customer and supplier lists, business contacts, contracts, trade secrets, confidential methods of operations of the Company and its Subsidiaries. Confidential Information does not include any information which is or becomes publicly known through no action or inaction of the Participant. The Participant acknowledges that the Confidential Information is not generally known in the trade and that the Confidential Information provides the Company and its Subsidiaries with a competitive edge in its industry. The Participant acknowledges and agrees that the Company and its Subsidiaries have taken and are taking reasonable steps to protect the confidentiality of, and legitimate interest in, the Confidential Information.

“Person” means any natural person, corporation, division of a corporation, partnership, trust, joint venture, association, firm, company, estate or unincorporated organization.

“Vendor” means any Person who, within twelve (12) months prior to the Participant’s termination of Service with the Company or any of its Subsidiaries (or, if a termination of Service has not occurred, within the previous twelve (12) months): (a) has sold products or services to the Company or any of its Subsidiaries; or (b) has been directly or indirectly targeted, or was intended to be targeted, by the Company or any of its Subsidiaries to sell products or services to the Company or any of its Subsidiaries, as evidenced by a business, marketing or sales plan, strategy or report.

2. **Confidentiality.** The Participant recognizes and acknowledges that the Confidential Information constitutes valuable, special and unique assets of the Company and its Subsidiaries, access to and knowledge of which are essential to the performance of the duties of the Participant hereunder. The Participant agrees that Participant will not, during Participant’s Service, or after termination of Participant’s Service, directly or indirectly, disclose any of such Confidential Information to any Person for any reason or purpose whatsoever except in connection with the performance of Participant’s duties to the Company and its Subsidiaries, nor shall Participant make use of any such Confidential Information for Participant’s own purposes or for the benefit of any Person except the Company and its Subsidiaries.

Notwithstanding the foregoing, in the event that the Participant is requested or required, in connection with any proceeding by or before a governmental authority, to disclose Confidential Information, the Participant will give the Company prompt written notice of such request or requirement so that the Company or its Subsidiaries may seek a protective order or other appropriate relief. In the event that such protective order or other remedy is not obtained, or the Company waives the right to seek such an order or other remedy, the Participant may, without liability hereunder furnish only that portion of the Confidential Information which the Participant is legally required to disclose. Notwithstanding anything herein to the contrary, nothing in this Restrictive Covenant Agreement shall (a) prohibit the Participant from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Exchange Act or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of state or federal law or regulation, or (b) require notification or prior approval by the Company of any reporting described in clause (a).

Disclosure of Confidential Information may also subject the Participant to civil and criminal sanctions pursuant to the Defense of Trade Secrets Act, 18 U.S.C. §1832, et. seq. Pursuant to 18 U.S.C § 1833(b)(1), however, the Participant is immune from such sanctions if the disclosure (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

3. Non-Competition. Participant agrees that he/she is prohibited from working for a Competitor from any location providing services to, or within the United States of America for twenty-four (24) months following the termination of Participants' employment. In addition, during, or at any time during, the twenty-four (24) months following termination of the Participant's Service for whatever reason and whether with or without Cause, the Participant shall not in any manner whatsoever (other than (i) as required by Participant's Service, (ii) holding of less than two percent (2%) of the shares of a company listed on a public stock exchange in Canada or the United States of America, or (iii) as a result of Participant being a shareholder of the Company (if applicable)) within North America, directly or indirectly:

- (a) carry on, engage in, or be concerned with or interested in, the Business;
- (b) assist (as principal, beneficiary, director, shareholder, partner, nominee, executor, trustee, agent, servant, employee, independent contractor, supplier, consultant, lender, guarantor, financier or in any other capacity whatsoever) any Person to carry on, engage in or be concerned with or interested in the Business; or
- (c) have any interest or concern (as principal, beneficiary, director, shareholder, partner, nominee, executor, trustee, agent, servant, employee, consultant, independent contractor or in any other capacity whatsoever) in or with any Person, if any part of the activities of such Person consists of the Business.

4. Non-Solicitation. During or at any time during the twenty-four (24) months following termination of the Participant's Service for whatever reason and whether with or without Cause, the Participant shall not in any manner whatsoever, directly or indirectly,

- (a) employ or engage, or seek to employ or engage (whether for the benefit of the Participant or any other Person), any Person that is or within the preceding twenty-four (24) months was an employee or independent contractor of the Company or any of its Subsidiaries or otherwise solicit, encourage or entice any such Person to terminate his or her service relationship with the Company or any of its Subsidiaries; or
- (b) induce or attempt to induce (whether for the benefit of the Participant or any other Person) any Vendor to (i) curtail, cancel or not commence any business it transacts or may transact with the Company or any of its Subsidiaries or (ii) sell products or provide services to any Person carrying on or engaged in the Business.

5. Non-Disparagement. The Participant shall not at any time, directly or indirectly, orally, in writing or through any medium, disparage, defame or assail the reputation, integrity or professionalism of the Company or any of its Subsidiaries or their respective officers, directors, employees or shareholders. Notwithstanding the foregoing, this prohibition does not apply to statements made in the course of sworn testimony in administrative, judicial or arbitral proceedings.

6. Return of Documents and Property. Upon the termination of Participant's Service or at such other time that the Company may request, the Participant shall forthwith return and deliver to the Company, and shall not retain, any originals or copies of, any books, papers or price lists of the Company or any of its Subsidiaries, customer lists, employee roster, vendor lists, files, books of account, notes and other documents and data or other writings, tapes or records of the Company or any of its Subsidiaries maintained by or in the possession of the Participant (and all of the same are hereby acknowledged and agreed to be the property of the Company and its Subsidiaries).

7. Inventions and Patents. The Participant hereby assigns to the Company all right, title and interest to all patents and patent applications, all inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports and all similar or related information (in each case whether or not patentable), all copyrights and copyrightable works, all trade secrets, confidential information and know-how, and all other intellectual property rights that both (a) are conceived, reduced to practice, developed or made by the Participant while in Service with the Company or any of its Subsidiaries and (b) either (i) relate to the Company's or any of its Subsidiaries' actual or anticipated business, research and development or existing or future products or services, or (ii) are conceived, reduced to practice, developed or made using any equipment, supplies, facilities, assets or resources of the Company or any of its Subsidiaries' (including but not limited to, any intellectual property rights) ("Work Product"). The Participant shall promptly disclose such Work Product to the Company and, at the Company's expense, perform all actions reasonably requested by the Company (whether during or after the period of Service) to establish and confirm the Company's ownership thereof (including, without limitation, assignments, consents, powers of attorney, applications and other instruments).

8. Covenants Reasonable. The Participant acknowledges and unequivocally agrees with the Company that:

- (a) the covenants in this Restrictive Covenant Agreement are reasonable in the circumstances, narrow in scope and duration, and protect a legitimate business interest of the Company;
- (b) the Participant is being provided with the opportunity to receive a substantial financial benefit as a result of Award Agreement; and
- (c) the covenants of the Participant contained in this Restrictive Covenant Agreement were a material inducement for the Company to enter into the Award Agreement and the execution and delivery of this Restrictive Covenant Agreement is a condition to the Company's obligation pursuant to the Award Agreement.

9. Tolling. If the Participant violates any of the terms of the restrictive covenant obligations in this Agreement, the obligation at issue will begin to run from the first date on which the Participant ceases to be in violation of the obligation, the restriction period outlined in Section 3 and 4 shall automatically be extended by the period the Participant was in violation of them.

10. Notice to New Employer. If and when Participant's employment with Company terminates, whether voluntarily or involuntarily, Participant agrees to provide to any subsequent employer a copy of this Agreement. In addition, Participant authorizes Company to provide a copy of this Agreement to third parties, including but not limited to, Participant's subsequent, anticipated, or possible future employer.

11. Remedies. The Participant agrees that the Company or any of its Subsidiaries or affiliates shall be entitled to seek all available legal and equitable remedies and that they may obtain, and the Participant agrees not to oppose a request for, interim, interlocutory and permanent injunctive relief and other equitable relief to prevent a breach or continued breach of the provisions of this Restrictive Covenant Agreement, as well as an accounting of all profits and benefits that arise out of such violation, which rights and remedies shall be cumulative in addition to any other rights or remedies to which the Company or any of its Subsidiaries may be entitled in law. Accordingly, in addition to any other remedies available at law or in equity, the Company may immediately obtain injunctive relief without bond. The provisions of this section shall not derogate from any other remedy which the Company or any of its Subsidiaries may have in the event of such a breach. If the Participant breaches the terms of this Restrictive Covenant Agreement, then Company shall be entitled to recovery of all fees, expenses and costs, including attorneys' fees, incurred in enforcing the terms of this Restrictive Covenant Agreement. An action related to the terms of this Restrictive Covenant Agreement must be brought in exclusively in the Delaware Court of the Chancery. In the event that said court does not have subject matter jurisdiction over such claim, cause of action or proceeding, the action shall be brought in the United States District of Delaware (Chosen Court). The parties agree that this Restrictive Covenant Agreement will be governed exclusively by the laws of the State of Delaware, regardless of any choice of law or conflict of law principle to the contrary. The participant (i) irrevocably submits to the exclusive jurisdiction of the Court of Chancery, or, if the Court of Chancery does not have jurisdiction, then the Chosen Court, (ii) waives any objection to laying venue in any such proceeding in the Chosen Court, (iii) waives any objection that the Chosen Court is an inconvenient forum or does not have jurisdiction over any party and (iv) agrees that service of process upon such party in any such claim or cause of action will be effective if notice is given in accordance with the terms of the incorporated Stock Options Award Agreement. Participant agrees and affirms specifically and unequivocally without reservation that the restrictions in this Restrictive Covenant Agreement are the subject of negotiation, he or she had an opportunity to bargain for the terms of this Restrictive Covenant Agreement, the Restrictive Covenant Agreement is reasonable in scope and duration, the Restrictive Covenant Agreement protects a legitimate business interest of the Company, and the balance of the equities will compel enforcement of this Restrictive Covenant Agreement.

12. Severability. In the event that a court of competent jurisdiction determines that any term or provision of this Restrictive Covenant Agreement is illegal, invalid or unenforceable in any jurisdiction, such illegality, invalidity or unenforceability of that term or provision will not affect: (a) the legality, validity or enforceability of the remaining terms and provisions of this Restrictive Covenant Agreement and (b) the legality, validity or enforceability of such term or provision in any other jurisdiction. Further, to the extent that any provision hereof is deemed unenforceable by virtue of its scope in terms of territory, length of time, scope of activities or otherwise, but may be made enforceable by limitations or revisions thereon, the parties agree that such limitations or revisions may be made so that the same shall, nevertheless, be enforceable to the fullest extent permitted by law. The parties waive any objection to "blue-penciling."

13. Notices. Any notice or other communication provided for herein or given hereunder to a party hereto shall be made or provided as required or permitted pursuant to Section 10(e) of the Award Agreement.

14. Entire Agreement. Except as otherwise provided in Section 9 of the Award Agreement, this Restrictive Covenant Agreement constitutes the entire agreement and understanding among the parties hereto in respect of the subject matter hereof and supersedes all prior and contemporaneous arrangements, agreements and understandings, whether oral or written and whether express or implied, and whether in term sheets, presentations or otherwise, among the parties hereto, or between any of them, with respect to the subject matter hereof.

15. Amendment; Waiver. No amendment or modification of any term of this Restrictive Covenant Agreement shall be effective unless signed in writing by or on behalf of the Company and the Participant. No waiver of any breach or condition of this Restrictive Covenant Agreement shall be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature.

16. Successors and Assigns; No Third-Party Beneficiaries. The provisions of this Restrictive Covenant Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns. The Participant may not assign his/her obligations set forth in this Restrictive Covenant Agreement. The Company may assign its rights and interests under this Restrictive Covenant Agreement.

17. Signature in Counterparts. This Restrictive Covenant Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

18. Electronic Signatures. The parties acknowledge and agree that this Agreement shall be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Restrictive Covenant Agreement.

OLLIE’S BARGAIN OUTLET HOLDINGS, INC.

By: James J. Comitale (signed)
James J. Comitale, General Counsel

PARTICIPANT

Electronically Accepted

###PARTICIPANT_NAME###

###HOME_ADDRESS###

###ACCEPTANCE_DATE###

[Signature Page to Restrictive Covenant – Stock Option Agreement]

Participant:	[•]
Number of Restricted Stock Units subject to Award:	[•]
Date of Grant:	[•]

**OLLIE’S BARGAIN OUTLET HOLDINGS, INC.
2025 EQUITY INCENTIVE PLAN**

RESTRICTED STOCK UNIT AWARD AGREEMENT

This agreement (this “**Agreement**”) evidences an Award of Restricted Stock Units granted by the Company to the individual named above (the “**Participant**”), pursuant to and subject to the terms of the Plan. Except as otherwise defined herein, all capitalized terms used herein have the same meaning as in the Plan.

1. **Grant of Restricted Stock Unit Award.** On the date of grant set forth above (the “**Date of Grant**”), the Company granted to the Participant a number of Restricted Stock Units giving the Participant the conditional right to receive, without payment and pursuant to and subject to the terms and conditions set forth in this Agreement and in the Plan, one share of Stock (a “**Share**”) with respect to each Restricted Stock Unit forming part of this Award, subject to adjustment pursuant to Section 7 of the Plan in respect of transactions occurring after the date hereof. The Participant is eligible to receive this Award in connection with his or her position with the Company at the time of the Date of Grant (“**Eligible Employee**”).

2. **Meaning of Certain Terms.** The following terms have the following meanings:

(a) “**Change in Control**” means the first to occur of any of the following events:

- (i) an event in which any “person” as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the “**1934 Act**”) (other than (A) the Company, (B) any subsidiary of the Company, (C) any trustee or other fiduciary holding securities under an employee benefit plan of the Company or of any subsidiary of the Company, and (D) any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), is or becomes the “beneficial owner” (as defined in Section 13(d) of the 1934 Act), together with all affiliates and associates (as such terms are used in Rule 12b-2 of the General Rules and Regulations under the 1934 Act) of such person, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities;
- (ii) the consummation of the merger or consolidation of the Company with any other company, other than (A) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary of the Company, more than 50% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation and (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) after which no “person” “beneficially owns” (with the determination of such “beneficial ownership” on the same basis as set forth in clause (i) of this definition) securities of the Company or the surviving entity of such merger or consolidation representing more than 50% of the combined voting power of the securities of the Company or the surviving entity of such merger or consolidation; or

- (iii) the complete liquidation of the Company or the sale or disposition by the Company of all or substantially all of the Company's assets.

A Change in Control must also constitute a Covered Transaction under the terms of the Plan. Further and for the avoidance of doubt, a transaction will not constitute a Change in Control if: (x) its sole purpose is to change the state of the Company's incorporation, or (y) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transaction.

(b) "Good Reason" shall have the same meaning as provided in the Participant's employment agreement with the Company or a subsidiary, which definition will apply for purposes of this Agreement for so long as such agreement is in effect; provided that if no such agreement exists or such agreement does not contain a definition of "Good Reason", the term "Good Reason" as used in this Agreement shall have no effect.

3. Vesting; Cessation of Employment; No Longer an Eligible Employee.

(a) Vesting. Unless earlier terminated, forfeited, relinquished or expired, the Restricted Stock Units will vest as follows, subject to the Participant remaining in continuous Employment from the Date of Grant through such vesting date.

(i) Except as provided in Section 3(a)(ii) below, [●]% of the Restricted Stock Units will vest on each of the first [●] anniversaries of the Date of Grant, with the number of Restricted Stock Units that vest on any such date being rounded down to the nearest whole Share and the Award becoming vested as to 100% of the Restricted Stock Units on the [●] anniversary of the Date of Grant; provided, however, that in no event will any portion of the Restricted Stock Units be scheduled to vest prior to the first anniversary of the Date of Grant, in accordance with Section 6(a)(4) of the Plan.

(ii) If provision is made to assume or substitute the Restricted Stock Units in connection with a Change in Control pursuant to Section 7(a)(1) of the Plan and the Company or successor to the Company terminates the Participant's Employment without Cause or for Good Reason as of or within the one-year period following the consummation of the Change in Control, the Restricted Stock Units, to the extent then unvested, will automatically vest upon such cessation of Employment. The vesting of the unvested and outstanding portion of this Award pursuant to the immediately preceding sentence is conditioned, however, upon the Participant's signing a release of claims in a form provided by the Company (a "Release"), which Release must be executed, returned and, to the extent applicable, no longer subject to revocation, within 60 days following the Participant's termination of Employment or such shorter period of time as provided in the Release (the "Release Period"); the date such Release has been executed, returned and, to the extent applicable, no longer subject to revocation, is the "Release Effective Date". Notwithstanding anything to the contrary contained in this Section 3(a)(ii), the unvested and outstanding portion of this Award shall remain outstanding during the Release Period and shall vest on the Release Effective Date, so long as the Release Effective Date occurs during the Release Period.

(b) Treatment of this Award Upon Cessation of Employment. Except as provided in Section 3(a)(ii) above, automatically and immediately upon the cessation of the Participant's Employment (i) the unvested portion of this Award will terminate and be forfeited for no consideration, (ii) the vested portion of this Award, if any, will terminate and be forfeited for no consideration if the Participant's Employment is terminated for Cause or occurs in circumstances that in the determination of the Administrator would have constituted grounds for the Participant's Employment to be terminated for Cause (in each case, without regard to the lapsing of any required notice or cure periods in connection therewith), and (iii) all portions of this Award (whether or not vested) will immediately terminate upon, to the maximum extent permitted under applicable law, the Participant's violation of any non-competition, non-solicitation, no-hire, non-disparagement, confidentiality, invention assignment, or other restrictive covenant in favor of the Company or any of its affiliates by which the Participant is bound, in accordance with Section 6(a)(4)(D)(ii) of the Plan.

(c) No Longer an Eligible Employee. Notwithstanding anything to the contrary in this Agreement or the Plan, in the event the Participant transfers or is transferred to a position in which Participant would no longer considered to be an Eligible Employee (which the Administrator determines in its sole discretion), then the Administrator in its sole discretion may reduce the number of Shares subject to the Award, other than the Shares that have then satisfied the time-based vesting conditions, and such reduction shall be effective upon the date of the position transfer.

4. Delivery of Shares. Subject to Section 5 below, the Company shall, as soon as practicable upon the vesting of any portion of the Award (but in no event later than thirty (30) days following the date on which such Restricted Stock Units vest), effect delivery of the Shares with respect to such vested Restricted Stock Units to the Participant (or, in the event of the Participant's death, to the person to whom the Award has passed by will or the laws of descent and distribution). No Shares will be issued pursuant to this Award unless and until all legal requirements applicable to the issuance or transfer of such Shares have been complied with to the satisfaction of the Administrator in accordance with Section 8 of the Plan.

5. Forfeiture; Recovery of Compensation. The Administrator may cancel, rescind, withhold or otherwise limit or restrict this Award at any time if the Participant is not in compliance with all applicable provisions of this Agreement and the Plan. By accepting, or being deemed to have accepted, this Award, the Participant expressly acknowledges and agrees that his or her rights, and those of any permitted transferee of this Award, under this Award, including the right to any Shares acquired under this Award and any amounts received in respect thereof, are subject to Section 6(a)(5) of the Plan (including any successor provision). The Participant further agrees to be bound by the terms of any clawback or recoupment policy of the Company, including the Policy for Recoupment of Incentive Compensation. Nothing in the preceding sentence will be construed as limiting the general application of Section 10 of this Agreement.

6. Restrictive Covenants. The Participant agrees to be bound by the Restrictive Covenant Agreement attached hereto as Exhibit A (the “**Restrictive Covenant Agreement**”) in consideration of: (a) the Restricted Stock Units granted herein, irrespective of whether the Award vests; (b) the Participant’s ongoing Employment with the Company or a subsidiary of the Company; (c) the importance of protecting the confidential information of the Company and its subsidiaries and their other legitimate interests, including, without limitation, the valuable confidential information and goodwill that they have developed or acquired; (d) the Participant’s being granted access to trade secrets and other confidential information of the Company and its subsidiaries; and (e) other good and valuable consideration. If the Participant breaches the Restrictive Covenant Agreement, in addition to any remedies that may be available to the Company or any of its affiliates, Section 6(a)(5) of the Plan shall apply.

7. Dividends; Other Rights. This Award may not be interpreted to bestow upon the Participant any equity interest or ownership in the Company or any subsidiary prior to the date on which the Company delivers Shares to the Participant. The Participant is not entitled to vote any Shares by reason of the granting of this Award or to receive or be credited with any dividends declared and payable on any Share prior to the date on which any such Share is delivered to the Participant hereunder. The Participant will have the rights of a shareholder only as to those Shares, if any, that are actually delivered under this Award.

8. Taxes.

(a) [The Participant expressly acknowledges and agrees that the Participant’s rights hereunder, including the right to be issued Shares upon settlement of this Award, are subject to the Participant promptly paying to the Company in cash or by check (or by such other means as may be acceptable to the Administrator in its discretion) all taxes and other amounts required to be withheld. No Shares will be delivered pursuant to this Award unless and until the Participant has remitted to the Company in cash or by check (or by such other means as may be acceptable to the Administrator) an amount sufficient to satisfy all taxes required to be withheld in connection with such vesting or settlement. The Participant authorizes the Company and its subsidiaries to withhold any amounts due in respect of any required tax withholdings or payments from any amounts otherwise owed to the Participant. Nothing in this Section 8, however, shall be construed as relieving the Participant from any liability for satisfying his or her obligation under the preceding provisions of this Section 8.]¹ [The Participant is responsible for satisfying and paying all taxes arising from or due in connection with the Award, its vesting and/or settlement and any disposition of any Shares acquired upon the vesting of the Award. The Company will have no liability or obligation related to the foregoing.]²

¹ Note to Draft: Include for employees.

² Note to Draft: Include for non-employee directors.

(b) This Award is intended to be exempt from Section 409A of the Code as a short-term deferral thereunder and shall be construed and administered in accordance with that intent. Notwithstanding the foregoing, in no event will the Company have any liability relating to the failure or alleged failure of any payment or benefit under this Agreement to comply with, or be exempt from, the requirements of Section 409A.

9. Effect on Employment. Neither the grant of this Award, nor the issuance of Shares upon the vesting of this Award, will give the Participant any right to be retained in the employ or service of the Company or any of its subsidiaries, affect the right of the Company or any of its subsidiaries to discharge or discipline the Participant at any time, or affect any right of the Participant to terminate his or her Employment at any time.

10. Provisions of the Plan. This Agreement is subject in its entirety to the provisions of the Plan, which are incorporated herein by reference. A copy of the Plan as in effect on the Date of Grant has been made available to the Participant. By accepting, or being deemed to have accepted, all or any portion of the Award, the Participant agrees to be bound by the terms of the Plan and this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan will control.

11. Acknowledgements. The Participant acknowledges and agrees that:

(a) The grant of the Restricted Stock Units is considered a one-time benefit and does not create a contractual or other right to receive any other award under the Plan, benefits in lieu of such awards or any other benefits in the future.

(b) The Plan is a voluntary program of the Company and future awards, if any, will be at the sole discretion of the Company, including, but not limited to, the timing of any award, the amount of any award, vesting provisions and purchase price, if any.

(c) The value of the Restricted Stock Units is an extraordinary item of compensation outside of the scope of the Participant's employment. As such, the Restricted Stock Units are not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-term service awards, pension or retirement benefits or similar payments. The future value of the Shares covered by this Award is unknown and cannot be predicted with certainty.

(d) The Participant authorizes the Company to use and disclose to any agent administering the Plan or providing recordkeeping services with respect to the Plan such information and data as the Company shall request in order to facilitate the grant of the Restricted Stock Units, the administration of the Restricted Stock Units and the administration of the Plan, and the Participant waives any data privacy rights he or she may have with respect to such information or the sharing of such information.

(e) (i) This Agreement may be executed in two or more counterparts, each of which will be an original and all of which together will constitute one and the same instrument, (ii) this Agreement may be executed and exchanged using facsimile, portable document format (PDF) or electronic signature, which, in each case, will constitute an original signature for all purposes hereunder, and (iii) such signature by the Company will be binding against the Company and will create a legally binding agreement when this Agreement is countersigned by the Participant.

12. Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement and each other provision of this Agreement will be severable and enforceable to the extent permitted by law.

[Signature page follows.]

The Company, by its duly authorized officer, and the Participant have executed this Agreement as of the Date of Grant.

Ollie’s Bargain Outlet Holdings, Inc.

By: _____

Name: _____

Title: _____

Agreed and Accepted:

By _____
[Participant’s Name]

Signature Page to Restricted Stock Unit Award Agreement

EXHIBIT A

RESTRICTIVE COVENANT AGREEMENT³

[*See attached.*]

³ Note to Draft: The RCA will be specific to the jurisdiction in which the participant is located to comply with the applicable laws.

Participant:	[•]
Number of Shares subject to the Stock Option:	[•]
Exercise Price Per Share:	\$[•]
Date of Grant:	[•]

**OLLIE’S BARGAIN OUTLET HOLDINGS, INC.
2025 EQUITY INCENTIVE PLAN**

NON-STATUTORY STOCK OPTION AGREEMENT

This agreement (this “**Agreement**”) evidences a stock option granted by the Company to the individual named above (the “**Participant**”), pursuant to and subject to the terms of the Plan. Except as otherwise defined herein, all capitalized terms used herein have the same meaning as in the Plan.

1. Grant of Stock Option. On the date of grant set forth above (the “**Date of Grant**”), the Company granted to the Participant a Stock Option to purchase, pursuant to and subject to the terms and conditions set forth in this Agreement and in the Plan, up to the number of shares of Stock set forth above (the “**Shares**”), with an exercise price per Share as set forth above, in each case subject to adjustment pursuant to Section 7 of the Plan in respect of transactions occurring after the date hereof. The Participant is eligible to receive this Stock Option in connection with his or her position with the Company at the time of the Date of Grant (“**Eligible Employee**”).

The Stock Option evidenced by this Agreement is a non-statutory option (that is, an option that is not intended to qualify as an incentive stock option) and is granted to the Participant in connection with the Participant’s Employment.

2. Meaning of Certain Terms. The following terms have the following meanings:

(a) “**Beneficiary**” means, in the event of the Participant’s death, the beneficiary named in the written designation (in form acceptable to the Administrator) most recently filed with the Administrator by the Participant prior to the Participant’s death and not subsequently revoked, or, if there is no such designated beneficiary, the executor or administrator of the Participant’s estate. An effective beneficiary designation will be treated as having been revoked only upon receipt by the Administrator, prior to the Participant’s death, of an instrument of revocation in form acceptable to the Administrator.

(b) “**Change in Control**” means the first to occur of any of the following events:

(i) an event in which any “person” as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the “**1934 Act**”) (other than (A) the Company, (B) any subsidiary of the Company, (C) any trustee or other fiduciary holding securities under an employee benefit plan of the Company or of any subsidiary of the Company, and (D) any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), is or becomes the “beneficial owner” (as defined in Section 13(d) of the 1934 Act), together with all affiliates and associates (as such terms are used in Rule 12b-2 of the General Rules and Regulations under the 1934 Act) of such person, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities;

(ii) the consummation of the merger or consolidation of the Company with any other company, other than (A) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary of the Company, more than 50% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation and (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) after which no “person” “beneficially owns” (with the determination of such “beneficial ownership” on the same basis as set forth in clause (i) of this definition) securities of the Company or the surviving entity of such merger or consolidation representing more than 50% of the combined voting power of the securities of the Company or the surviving entity of such merger or consolidation; or

(iii) the complete liquidation of the Company or the sale or disposition by the Company of all or substantially all of the Company’s assets.

A Change in Control must also constitute a Covered Transaction under the terms of the Plan. Further and for the avoidance of doubt, a transaction will not constitute a Change in Control if: (x) its sole purpose is to change the state of the Company’s incorporation, or (y) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Company’s securities immediately before such transaction.

(c) “**Good Reason**” shall have the same meaning as provided in the Participant’s employment agreement with the Company or a subsidiary, which definition will apply for purposes of this Agreement for so long as such agreement is in effect; provided that if no such agreement exists or such agreement does not contain a definition of “Good Reason”, the term “Good Reason” as used in this Agreement shall have no effect.

3. Vesting; Method of Exercise; Cessation of Employment; No Longer an Eligible Employee.

(a) Vesting. The term “vest” as used herein with respect to the Stock Option or any portion thereof means to become exercisable and the term “vested” as used herein with respect to the Stock Option (or any portion thereof) means that the Stock Option (or portion thereof) is then exercisable, subject in each case to the terms of the Plan. Unless earlier terminated, forfeited, relinquished or expired, the Stock Option will vest as follows, subject to the Participant remaining in continuous Employment from the Date of Grant through such vesting date.

(i) Except as provided in Section 3(a)(ii) below, the Stock Option will vest as to [●]% of the Shares on each of the first [●] anniversaries of the Date of Grant, with the number of Shares that vest on any such date being rounded down to the nearest whole Share and the Stock Option becoming vested as to 100% of the Shares on the [●] anniversary of the Date of Grant; provided, however, that in no event will any portion of the Stock Option be scheduled to vest or become exercisable prior to the first anniversary of the Date of Grant, in accordance with Section 6(a)(4) of the Plan.

(ii) If provision is made to assume or substitute the Stock Option in connection with a Change in Control pursuant to Section 7(a)(1) of the Plan and the Company or successor to the Company terminates the Participant's Employment without Cause or for Good Reason as of or within the one-year period following the consummation of the Change in Control, the Stock Option, to the extent then unvested, will automatically vest upon such cessation of Employment. The vesting of the unvested and outstanding portion of the Stock Option pursuant to the immediately preceding sentence is conditioned, however, upon the Participant's signing a release of claims in a form provided by the Company (a "**Release**"), which Release must be executed, returned and, to the extent applicable, no longer subject to revocation, within 60 days following the Participant's termination of Employment or such shorter period of time as provided in the Release (the "**Release Period**"); the date such Release has been executed, returned and, to the extent applicable, no longer subject to revocation, is the "**Release Effective Date**". Notwithstanding anything to the contrary contained in this Section 3(a)(ii), the unvested and outstanding portion of the Stock Option shall remain outstanding during the Release Period and shall vest on the Release Effective Date, so long as the Release Effective Date occurs during the Release Period.

(b) Exercise of the Stock Option. No portion of the Stock Option may be exercised until such portion vests. Each election to exercise any vested portion of the Stock Option will be subject to the terms and conditions of this Agreement and the Plan and must be in written or electronic form acceptable to the Administrator, signed (including by electronic signature) by the Participant or, if at the relevant time the Stock Option has passed to a Beneficiary or permitted transferee, the Beneficiary or permitted transferee. Each such written or electronic exercise election must be received by the Company at its principal office or at such other place or by such other party as the Administrator may prescribe and must be accompanied by payment in full of the exercise price by cash or check, through a broker-assisted exercise program acceptable to the Administrator, or as otherwise as provided in the Plan. Subject to earlier termination as set forth herein or in the Plan (including Section 6(a)(4) of the Plan), the latest date on which the Stock Option or any portion thereof may be exercised is the tenth (10th) anniversary of the Date of Grant and, if not exercised on or prior to such date, the Stock Option or any remaining portion thereof will thereupon immediately terminate.

(c) Treatment of the Stock Option Upon Cessation of Employment. Except as provided in Section 3(a)(ii) above, automatically and immediately upon the cessation of the Participant's Employment (i) the Stock Option, to the extent not already vested, will terminate and be forfeited for no consideration, (ii) the vested portion of the Stock Option that is then outstanding will remain exercisable for the period, if any, described in Section 6(a)(4) of the Plan, (iii) the Stock Option (whether or not vested or exercisable) will immediately terminate and be forfeited for no consideration if the Participant's Employment is terminated for Cause or occurs in circumstances that in the determination of the Administrator would have constituted grounds for the Participant's Employment to be terminated for Cause (in each case, without regard to the lapsing of any required notice or cure periods in connection therewith), and (iv) all portions of the Stock Option (whether or not vested or exercisable) will immediately terminate upon, to the maximum extent permitted under applicable law, the Participant's violation of any non-competition, non-solicitation, no-hire, non-disparagement, confidentiality, invention assignment, or other restrictive covenant in favor of the Company or any of its affiliates by which the Participant is bound, in accordance with Section 6(a)(4)(D)(ii) of the Plan.

(d) No Longer an Eligible Employee. Notwithstanding anything to the contrary in this Agreement or the Plan, in the event the Participant transfers or is transferred to a position in which Participant would no longer be considered to be an Eligible Employee (which the Administrator determines in its sole discretion), then the Administrator in its sole discretion may reduce the number of Shares subject to this Stock Option, other than the Shares that have then satisfied the time-based vesting conditions, and such reduction shall be effective upon the date of the position transfer.

4. Forfeiture; Recovery of Compensation. The Administrator may cancel, rescind, withhold or otherwise limit or restrict the Stock Option at any time if the Participant is not in compliance with all applicable provisions of this Agreement and the Plan. By accepting, or being deemed to have accepted, the Stock Option, the Participant expressly acknowledges and agrees that his or her rights, and those of any permitted transferee, with respect to the Stock Option, including the right to any Shares acquired under the Stock Option and any amounts received in respect thereof, are subject to Section 6(a)(5) of the Plan (including any successor provision). The Participant further agrees to be bound by the terms of any clawback or recoupment policy of the Company, including the Policy for Recoupment of Incentive Compensation. Nothing in the preceding sentence will be construed as limiting the general application of Section 8 of this Agreement.

5. Restrictive Covenants. The Participant agrees to be bound by the Restrictive Covenant Agreement attached hereto as Exhibit A (the “**Restrictive Covenant Agreement**”) in consideration of: (a) the Stock Option granted herein, irrespective of whether the Stock Option vests; (b) the Participant’s ongoing Employment with the Company or a subsidiary of the Company; (c) the importance of protecting the confidential information of the Company and its subsidiaries and their other legitimate interests, including, without limitation, the valuable confidential information and goodwill that they have developed or acquired; (d) the Participant’s being granted access to trade secrets and other confidential information of the Company and its subsidiaries; and (e) other good and valuable consideration. If the Participant breaches the Restrictive Covenant Agreement, in addition to any remedies that may be available to the Company or any of its affiliates, Section 6(a)(5) of the Plan shall apply.

6. Taxes. [The Participant expressly acknowledges and agrees that the Participant’s rights hereunder, including the right to be issued Shares upon exercise of the Stock Option, are subject to the Participant promptly paying to the Company in cash or by check (or by such other means as may be acceptable to the Administrator in its discretion) all taxes and other amounts required to be withheld. No Shares will be transferred pursuant to the exercise of this Stock Option unless and until the Participant or the Beneficiary has remitted to the Company in cash or by check (or by such other means as may be acceptable to the Administrator) an amount sufficient to satisfy all taxes required to be withheld in connection with such exercise. The Participant authorizes the Company and its subsidiaries to withhold any amounts due in respect of any required tax withholdings or payments from any amounts otherwise owed to the Participant. Nothing in this Section 6, however, shall be construed as relieving the Participant from any liability for satisfying his or her obligation under the preceding provisions of this Section 6.]¹ [The Participant is responsible for satisfying and paying all taxes arising from or due in connection with the Stock Option, its exercise or a disposition of any Shares acquired upon exercise of the Stock Option. The Company will have no liability or obligation related to the foregoing.]²

¹ Note to Draft: Include for employees.

² Note to Draft: Include for non-employee directors.

7. Effect on Employment. Neither the grant of the Stock Option, nor the issuance of Shares upon exercise of the Stock Option, will give the Participant any right to be retained in the employ or service of the Company or any of its subsidiaries, affect the right of the Company or any of its subsidiaries to discharge or discipline the Participant at any time, or affect any right of the Participant to terminate his or her Employment at any time.

8. Provisions of the Plan. This Agreement is subject in its entirety to the provisions of the Plan, which are incorporated herein by reference. A copy of the Plan as in effect on the Date of Grant has been made available to the Participant. By accepting, or being deemed to have accepted, all or any portion of the Stock Option, the Participant agrees to be bound by the terms of the Plan and this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan will control.

9. Acknowledgements. The Participant acknowledges and agrees that:

(a) The grant of the Stock Option is considered a one-time benefit and does not create a contractual or other right to receive any other award under the Plan, benefits in lieu of such awards or any other benefits in the future.

(b) The Plan is a voluntary program of the Company and future awards, if any, will be at the sole discretion of the Company, including, but not limited to, the timing of any award, the amount of any award, vesting provisions and purchase price, if any.

(c) The value of the Stock Option is an extraordinary item of compensation outside of the scope of the Participant's employment. As such, the Stock Option is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-term service awards, pension or retirement benefits or similar payments. The future value of the Shares covered by the Stock Option is unknown and cannot be predicted with certainty.

(d) The Participant authorizes the Company to use and disclose to any agent administering the Plan or providing recordkeeping services with respect to the Plan such information and data as the Company shall request in order to facilitate the grant of the Stock Option, the administration of the Stock Option and the administration of the Plan, and the Participant waives any data privacy rights he or she may have with respect to such information or the sharing of such information.

(e) (i) This Agreement may be executed in two or more counterparts, each of which will be an original and all of which together will constitute one and the same instrument, (ii) this Agreement may be executed and exchanged using facsimile, portable document format (PDF) or electronic signature, which, in each case, will constitute an original signature for all purposes hereunder; and (iii) such signature by the Company will be binding against the Company and will create a legally binding agreement when this Agreement is countersigned by the Participant.

10. Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement and each other provision of this Agreement will be severable and enforceable to the extent permitted by law.

[Signature page follows.]

The Company, by its duly authorized officer, and the Participant have executed this Agreement as of the Date of Grant.

Ollie’s Bargain Outlet Holdings, Inc.

By: _____

Name: _____

Title: _____

Agreed and Accepted:

By _____
[Participant’s Name]

Signature Page to Stock Option Agreement

EXHIBIT A

RESTRICTIVE COVENANT AGREEMENT³

[See attached.]

³ Note to Draft: The RCA will be specific to the jurisdiction in which the participant is located to comply with the applicable laws.

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-205685 and No. 333-288146) on Form S-8 and (No. 333-213514) on Form S-3 of our reports dated March 19, 2026, with respect to the consolidated financial statements of Ollie's Bargain Outlet Holdings, Inc. and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Harrisburg, Pennsylvania
March 19, 2026

CERTIFICATIONS

I, Eric van der Valk, certify that:

1. I have reviewed this annual report on Form 10-K of Ollie's Bargain Outlet Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 19, 2026

/s/ Eric van der Valk

Eric van der Valk
President and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATIONS

I, Robert Helm, certify that:

1. I have reviewed this annual report on Form 10-K of Ollie's Bargain Outlet Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 19, 2026

/s/ Robert Helm

Robert Helm
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

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

In connection with the annual report of Ollie’s Bargain Outlet Holdings, Inc. (the “Company”) on Form 10-K for the fiscal year ended January 31, 2026, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Eric van der Valk, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 19, 2026

/s/ Eric van der Valk

Eric van der Valk

President and Chief Executive Officer

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

In connection with the annual report of Ollie's Bargain Outlet Holdings, Inc. (the "Company") on Form 10-K for the fiscal year ended January 31, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert Helm, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 19, 2026

/s/ Robert Helm

Robert Helm
Executive Vice President and Chief Financial Officer
