

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

Form 10-Q

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

For the quarterly period ended August 1, 2026

OR

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

Ollie's Bargain Outlet Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-37501
(Commission File Number)

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

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

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

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

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

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

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

The number of shares of the registrant's common stock, \$0.001 par value, outstanding as of August 26, 2026 was 59,402,403.

INDEX

	<u>Page</u>
<u>PART I - FINANCIAL INFORMATION</u>	
<u>Item 1. Financial Statements</u>	1
<u>Condensed Consolidated Statements of Income for the thirteen and twenty-six weeks ended August 1, 2026 and August 2, 2025</u>	1
<u>Condensed Consolidated Balance Sheets as of August 1, 2026, January 31, 2026, and August 2, 2025</u>	2
<u>Condensed Consolidated Statements of Stockholders' Equity for the thirteen and twenty-six weeks ended August 1, 2026 and August 2, 2025</u>	3
<u>Condensed Consolidated Statements of Cash Flows for the twenty-six weeks ended August 1, 2026 and August 2, 2025</u>	4
<u>Notes to Condensed Consolidated Financial Statements</u>	5
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	19
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	29
<u>Item 4. Controls and Procedures</u>	29
<u>PART II - OTHER INFORMATION</u>	
<u>Item 1. Legal Proceedings</u>	30
<u>Item 1A. Risk Factors</u>	30
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	30
<u>Item 5. Other Information</u>	31
<u>Item 6. Exhibits</u>	32

ITEM 1 – CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

OLLIE’S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Income

(In thousands, except per share amounts)

(Unaudited)

	Thirteen weeks ended		Twenty-six weeks ended	
	August 1, 2026	August 2, 2025	August 1, 2026	August 2, 2025
Net sales	\$ 741,305	\$ 679,556	\$ 1,400,233	\$ 1,256,323
Cost of sales	419,140	408,218	802,104	747,954
Gross profit	322,165	271,338	598,129	508,369
Selling, general, and administrative expenses	197,213	175,476	385,895	340,308
Depreciation and amortization expenses	11,274	9,916	22,557	19,273
Pre-opening expenses	5,203	8,972	11,645	15,628
Operating income	108,475	76,974	178,032	133,160
Interest income, net	(6,142)	(4,534)	(11,108)	(9,322)
Income before income taxes	114,617	81,508	189,140	142,482
Income tax expense	29,163	20,198	47,286	33,612
Net income	\$ 85,454	\$ 61,310	\$ 141,854	\$ 108,870
Earnings per common share:				
Basic	\$ 1.42	\$ 1.00	\$ 2.35	\$ 1.77
Diluted	\$ 1.42	\$ 0.99	\$ 2.34	\$ 1.76
Weighted average common shares outstanding:				
Basic	60,097	61,340	60,490	61,342
Diluted	60,236	61,796	60,713	61,806

See accompanying notes to the condensed consolidated financial statements.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

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

	August 1, 2026	January 31, 2026	August 2, 2025
Assets			
Current assets:			
Cash and cash equivalents	\$ 120,765	\$ 259,680	\$ 231,163
Short-term investments	66,737	36,628	85,893
Inventories	704,433	650,260	637,236
Accounts receivable	7,801	3,805	1,810
Prepaid expenses and other assets	17,187	13,692	11,716
Total current assets	916,923	964,065	967,818
Property and equipment, net of accumulated depreciation of \$297,207, \$271,267 and \$252,468, respectively	419,234	382,242	360,836
Operating lease right-of-use assets	694,113	663,848	652,341
Goodwill	444,850	444,850	444,850
Trade name	230,559	230,559	230,559
Long-term investments	319,592	266,455	143,206
Other assets	2,325	2,934	2,242
Total assets	\$ 3,027,596	\$ 2,954,953	\$ 2,801,852
Liabilities and Stockholders' Equity			
Current liabilities:			
Current portion of long-term debt	\$ 809	\$ 569	\$ 518
Accounts payable	190,207	169,345	165,629
Income taxes payable	5,755	9,823	129
Current portion of operating lease liabilities	99,157	108,854	103,122
Accrued expenses and other	115,656	111,857	98,968
Total current liabilities	411,584	400,448	368,366
Long-term debt	1,420	974	912
Deferred income taxes	94,733	89,924	85,640
Long-term operating lease liabilities	624,260	575,531	561,024
Total liabilities	1,131,997	1,066,877	1,015,942
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; 67,948, 67,840 and 67,700 shares issued, respectively	68	68	68
Additional paid-in capital	764,299	761,300	745,636
Retained earnings	1,750,163	1,608,309	1,476,583
Treasury - common stock, at cost; 8,399, 6,750 and 6,371 shares, respectively	(618,931)	(481,601)	(436,377)
Total stockholders' equity	1,895,599	1,888,076	1,785,910
Total liabilities and stockholders' equity	\$ 3,027,596	\$ 2,954,953	\$ 2,801,852

See accompanying notes to the condensed consolidated financial statements.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Stockholders' Equity

(In thousands)

(Unaudited)

	Thirteen weeks ended August 1, 2026 and August 2, 2025						
	Common stock		Treasury stock		Additional paid-in capital	Retained earnings	Total stockholders' equity
	Shares	Amount	Shares	Amount			
Balance as of May 2, 2026	67,939	\$ 68	(7,292)	\$ (534,967)	\$ 760,276	\$ 1,664,709	\$ 1,890,086
Stock-based compensation expense	—	—	—	—	3,728	—	3,728
Proceeds from stock options exercised	8	—	—	—	359	—	359
Vesting of restricted stock	2	—	—	—	—	—	—
Common shares withheld for taxes	(1)	—	—	—	(64)	—	(64)
Shares repurchased	—	—	(1,107)	(83,964)	—	—	(83,964)
Net income	—	—	—	—	—	85,454	85,454
Balance as of August 1, 2026	<u>67,948</u>	<u>\$ 68</u>	<u>(8,399)</u>	<u>\$ (618,931)</u>	<u>\$ 764,299</u>	<u>\$ 1,750,163</u>	<u>\$ 1,895,599</u>
Balance as of May 3, 2025	67,650	\$ 68	(6,273)	\$ (424,861)	\$ 739,333	\$ 1,415,273	\$ 1,729,813
Stock-based compensation expense	—	—	—	—	3,360	—	3,360
Proceeds from stock options exercised	47	—	—	—	3,180	—	3,180
Vesting of restricted stock	5	—	—	—	—	—	—
Common shares withheld for taxes	(2)	—	—	—	(237)	—	(237)
Shares repurchased	—	—	(98)	(11,516)	—	—	(11,516)
Net income	—	—	—	—	—	61,310	61,310
Balance as of August 2, 2025	<u>67,700</u>	<u>\$ 68</u>	<u>(6,371)</u>	<u>\$ (436,377)</u>	<u>\$ 745,636</u>	<u>\$ 1,476,583</u>	<u>\$ 1,785,910</u>

	Twenty-six weeks ended August 1, 2026 and August 2, 2025						
	Common stock		Treasury stock		Additional paid-in capital	Retained earnings	Total stockholders' equity
	Shares	Amount	Shares	Amount			
Balance as of January 31, 2026	67,840	\$ 68	(6,750)	\$ (481,601)	\$ 761,300	\$ 1,608,309	\$ 1,888,076
Stock-based compensation expense	—	—	—	—	7,129	—	7,129
Proceeds from stock options exercised	16	—	—	—	748	—	748
Vesting of restricted stock	145	—	—	—	—	—	—
Common shares withheld for taxes	(53)	—	—	—	(4,878)	—	(4,878)
Shares repurchased	—	—	(1,649)	(137,330)	—	—	(137,330)
Net income	—	—	—	—	—	141,854	141,854
Balance as of August 1, 2026	<u>67,948</u>	<u>\$ 68</u>	<u>(8,399)</u>	<u>\$ (618,931)</u>	<u>\$ 764,299</u>	<u>\$ 1,750,163</u>	<u>\$ 1,895,599</u>
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	—	—	—	—	6,524	—	6,524
Proceeds from stock options exercised	145	—	—	—	9,335	—	9,335
Vesting of restricted stock	143	1	—	—	—	—	1
Common shares withheld for taxes	(50)	—	—	—	(5,507)	—	(5,507)
Shares repurchased	—	—	(258)	(28,623)	—	—	(28,623)
Net income	—	—	—	—	—	108,870	108,870
Balance as of August 2, 2025	<u>67,700</u>	<u>\$ 68</u>	<u>(6,371)</u>	<u>\$ (436,377)</u>	<u>\$ 745,636</u>	<u>\$ 1,476,583</u>	<u>\$ 1,785,910</u>

See accompanying notes to the condensed consolidated financial statements.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

(In thousands)

(Unaudited)

	Twenty-six weeks ended	
	August 1, 2026	August 2, 2025
Cash Flows from Operating Activities:		
Net income	\$ 141,854	\$ 108,870
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of property and equipment	29,826	26,261
Amortization of debt issuance costs	26	26
Gain on sale of assets	(191)	(102)
Deferred income tax provision	4,809	4,516
Stock-based compensation expense	7,129	6,524
Other	(908)	(597)
Changes in operating assets and liabilities:		
Inventories	(54,173)	(84,694)
Accounts receivable	(3,996)	542
Prepaid expenses and other assets	(2,932)	(1,519)
Accounts payable	21,679	36,511
Income taxes payable	(4,068)	(1,578)
Accrued expenses and other liabilities	14,570	14,654
Net cash provided by operating activities	<u>153,625</u>	<u>109,414</u>
Cash Flows from Investing Activities:		
Capital expenditures	(68,783)	(53,156)
Proceeds from sale of property and equipment	466	102
Purchases of investments	(161,424)	(232,148)
Maturities of investments	79,085	227,192
Net cash used in investing activities	<u>(150,656)</u>	<u>(58,010)</u>
Cash Flows from Financing Activities:		
Repayments on finance leases	(424)	(570)
Proceeds from stock option exercises	748	9,336
Common shares withheld for taxes	(4,878)	(5,507)
Payment for shares repurchased	(137,330)	(28,623)
Net cash used in financing activities	<u>(141,884)</u>	<u>(25,364)</u>
Net increase (decrease) in cash and cash equivalents	(138,915)	26,040
Cash and cash equivalents, beginning of the period	259,680	205,123
Cash and cash equivalents, end of the period	<u>\$ 120,765</u>	<u>\$ 231,163</u>
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	\$ 244	\$ 248
Income taxes	\$ 46,546	\$ 30,674
Non-cash investing activities:		
Accrued purchases of property and equipment	\$ 9,216	\$ 10,999

See accompanying notes to the condensed consolidated financial statements.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

August 1, 2026 and August 2, 2025

(Unaudited)

(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 to enhance its offerings in select key merchandise categories.

Since its first store opened in 1982, the Company has grown to 686 retail locations in 36 states as of August 1, 2026. Ollie's retail locations are located in Alabama, Arkansas, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New Mexico, 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 "fiscal year 2026" or "fiscal 2026" refer to the period from February 1, 2026 to January 30, 2027 and references to "fiscal year 2025" or "fiscal 2025" refer to the period from February 2, 2025 to January 31, 2026. Both periods consist of 52 weeks. References to the thirteen weeks ended August 1, 2026 and August 2, 2025 refer to the thirteen weeks from May 3, 2026 to August 1, 2026 and from May 4, 2025 to August 2, 2025, respectively. References to the twenty-six weeks ended August 1, 2026 and August 2, 2025 refer to the twenty-six weeks from February 1, 2026 to August 1, 2026 and from February 2, 2025 to August 2, 2025, respectively.

(c) Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and applicable rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting. The condensed consolidated financial statements reflect all normal recurring adjustments which management believes are necessary to present fairly the Company's results of operations, financial condition, and cash flows for all periods presented. The Company's business is seasonal in nature and results of operations for the interim periods presented are not necessarily indicative of the results expected for the full fiscal year or any other period. All intercompany accounts, transactions, and balances have been eliminated in consolidation.

The Company's balance sheet as of January 31, 2026, presented herein, has been derived from the audited balance sheet included in the Company's Annual Report on Form 10-K for fiscal 2025 as filed with the SEC on March 19, 2026 and referred to herein as the "Annual Report", but does not include all disclosures required by GAAP. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for fiscal 2025 and footnotes thereto included in the Annual Report.

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.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

August 1, 2026 and August 2, 2025

(Unaudited)

(d) Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(e) 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.

The Company'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. The carrying amount of the Company's credit facilities approximates its fair value because the interest rates are adjusted regularly based on current market conditions. 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, asset-backed securities, municipal, and corporate bonds are Level 2 and generally have counterparties with high-quality, investment-grade credit ratings. 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.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

August 1, 2026 and August 2, 2025

(Unaudited)

As of August 1, 2026, January 31, 2026, and August 2, 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 August 1, 2026			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
	(in thousands)			
Short-term:				
Treasury Bonds	\$ 39,700	\$ 3	\$ (28)	\$ 39,675
U.S. Agency Bonds	17,713	2	(49)	17,666
Corporate Bonds	8,759	—	(136)	8,623
Asset-Backed Securities	565	—	(1)	564
Total	<u>\$ 66,737</u>	<u>\$ 5</u>	<u>\$ (214)</u>	<u>\$ 66,528</u>
Long-term:				
Corporate Bonds	\$ 174,435	\$ 219	\$ (2,922)	\$ 171,732
Asset-Backed Securities	58,685	1	(112)	58,574
U.S. Agency Bonds	45,578	—	(302)	45,276
Treasury Bonds	40,894	—	(964)	39,930
Total	<u>\$ 319,592</u>	<u>\$ 220</u>	<u>\$ (4,300)</u>	<u>\$ 315,512</u>
	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>

OLLIE’S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

August 1, 2026 and August 2, 2025

(Unaudited)

		As of August 2, 2025		
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
(in thousands)				
Short-term:				
Treasury Bonds	\$ 47,008	\$ 5,945	\$ (5,936)	\$ 47,017
Municipal Bonds	14,913	37	(29)	14,921
Corporate Bonds	23,972	53	(270)	23,755
Total	<u>\$ 85,893</u>	<u>\$ 6,035</u>	<u>\$ (6,235)</u>	<u>\$ 85,693</u>
Long-term:				
Municipal Bonds	\$ 20,131	\$ —	\$ (149)	\$ 19,982
Corporate Bonds	\$ 123,075	\$ 199	\$ (279)	\$ 122,995
Total	<u>\$ 143,206</u>	<u>\$ 199</u>	<u>\$ (428)</u>	<u>\$ 142,977</u>

Short-term investment securities as of August 1, 2026, January 31, 2026, and August 2, 2025 all mature in one year or less. Long-term investment securities as of August 1, 2026 all mature after one year but in less than three years.

(f) Recently Issued Accounting Pronouncements

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.

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.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

August 1, 2026 and August 2, 2025

(Unaudited)

(2) Net Sales
Revenue Recognition

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.

Ollie's Army

The Company operates a customer loyalty program called Ollie's Army. 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 it is 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:

	Twenty-six weeks ended	
	August 1, 2026	August 2, 2025
	(in thousands)	
Beginning balance	\$ 13,100	\$ 13,239
Revenue deferred	16,617	12,870
Revenue recognized	(17,922)	(11,220)
Ending balance	<u>\$ 11,795</u>	<u>\$ 14,889</u>

Gift Card Breakage

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:

	Twenty-six weeks ended	
	August 1, 2026	August 2, 2025
	(in thousands)	
Beginning balance	\$ 2,889	\$ 2,766
Gift card issuances	2,508	2,136
Gift card redemption and breakage	(2,661)	(2,351)
Ending balance	<u>\$ 2,736</u>	<u>\$ 2,551</u>

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

August 1, 2026 and August 2, 2025

(Unaudited)

Co-Branded Credit Card

The Company offers a co-branded credit card that can be used by customers for 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.

(3) 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.

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

	Thirteen weeks ended		Twenty-six weeks ended	
	August 1, 2026	August 2, 2025	August 1, 2026	August 2, 2025
	(in thousands, except per share amounts)		(in thousands, except per share amounts)	
Net income	\$ 85,454	\$ 61,310	\$ 141,854	\$ 108,870
Weighted average number of common shares outstanding – Basic	60,097	61,340	60,490	61,342
Incremental shares from the assumed exercise of outstanding stock options and vesting of restricted stock units	139	456	223	464
Weighted average number of common shares outstanding – Diluted	60,236	61,796	60,713	61,806
Earnings per common share-Basic	\$ 1.42	\$ 1.00	\$ 2.35	\$ 1.77
Earnings per common share-Diluted	\$ 1.42	\$ 0.99	\$ 2.34	\$ 1.76

The effect of the weighted average assumed exercise of stock options outstanding totaling 357,194 and 105,588 for the thirteen weeks ended August 1, 2026 and August 2, 2025, and 267,458 and 89,102 for the twenty-six weeks ended August 1, 2026 and August 2, 2025, 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 216,486 and 546 for the thirteen weeks ended August 1, 2026 and August 2, 2025, and 120,465 and 17,373 for the twenty-six weeks ended August 1, 2026 and August 2, 2025, respectively, were excluded from the calculation of diluted weighted average common shares outstanding because the effect would have been antidilutive.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

August 1, 2026 and August 2, 2025

(Unaudited)

(4) Leases

The Company generally leases its stores, offices, and distribution facilities under operating leases that expire at various dates through the year 2043. 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. Many of the Company's lease agreements provide options to extend the lease term beyond the initial non-cancelable period. Most of the leases contain options to renew for three to five successive five-year periods. 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 selling, general, and administrative expenses ("SG&A") and distribution center lease costs are classified in cost of sales on the condensed consolidated statements of income.

The following table summarizes the maturity of the Company's operating lease liabilities by fiscal year as of August 1, 2026:

	August 1, 2026
	(in thousands)
Remainder of 2026	\$ 53,460
2027	151,464
2028	137,277
2029	116,631
2030	93,627
Thereafter	330,477
Total undiscounted lease payments ⁽¹⁾	882,936
Less: Imputed interest	(159,519)
Total lease obligations	723,417
Less: Current obligations under leases	(99,157)
Long-term lease obligations	\$ 624,260

(1) Lease obligations exclude \$35.9 million of minimum lease payments for leases signed but not commenced.

OLLIE’S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

August 1, 2026 and August 2, 2025

(Unaudited)

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

	Twenty-six weeks ended	
	August 1, 2026	August 2, 2025
	(dollars in thousands)	
Cash paid for operating leases	\$ 86,801	\$ 68,299
Operating lease cost	73,451	66,184
Variable lease cost	11,704	9,731
Non-cash right-of-use assets obtained in exchange for lease obligations	52,805	101,390
Weighted-average remaining lease term	8.1 years	8.3 years
Weighted-average discount rate	4.6 %	4.5 %

(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 claim or legal action 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.

IEEPA Tariff Refunds

In February 2026, the U.S. Supreme Court issued a ruling that certain tariffs previously imposed under the International Emergency Economic Powers Act (“IEEPA”) were invalid, and in March 2026, the U.S. Court of International Trade ruled that the U.S. Customs and Border Protection (“CBP”) must refund duties imposed under IEEPA. In April 2026, the CBP launched a platform for submitting IEEPA tariff refund claims. During the second quarter of fiscal 2026, the Company received \$29.4 million in tariff refunds, of which \$28.3 million was included in cost of sales and \$1.1 million was included in interest income.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

August 1, 2026 and August 2, 2025

(Unaudited)

(6) Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consist of the following:

	August 1, 2026	January 31, 2026 (in thousands)	August 2, 2025
Compensation and benefits	\$ 19,664	\$ 23,216	\$ 17,955
Deferred revenue	17,886	16,558	17,443
Freight	16,058	15,939	6,007
Sales and use tax	14,397	10,063	13,078
Insurance	12,496	11,722	10,516
Advertising	7,642	6,636	3,811
Property and equipment	6,707	8,763	9,323
Real estate related	5,624	6,250	6,287
Other	15,182	12,710	14,548
	<u>\$ 115,656</u>	<u>\$ 111,857</u>	<u>\$ 98,968</u>

(7) Debt Obligations and Financing Arrangements

Long-term debt consists of finance leases.

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"). 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.

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.

Under the terms of the Revolving Credit Facility, as of August 1, 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 August 1, 2026, the Company had no outstanding borrowings under the Revolving Credit Facility, with \$88.4 million of borrowing availability, outstanding letters of credit commitments of \$11.3 million and \$0.3 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 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

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

August 1, 2026 and August 2, 2025

(Unaudited)

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 the twenty-six weeks ended August 1, 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 August 1, 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 effective income tax rates for the thirteen weeks ended August 1, 2026 and August 2, 2025 were 25.4% and 24.8%, respectively. The effective income tax rates for the twenty-six weeks ended August 1, 2026 and August 2, 2025 were 25.0% and 23.6%, respectively. The change in the effective income tax rate was driven by the impact of discrete items recognized, primarily excess tax benefits related to stock-based compensation and the expiration of the Work Opportunity Tax Credit.

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.

The Company is subject to tax in the United States. The Company files a consolidated U.S. income tax return for federal income tax purposes. The Company is no longer subject to income tax examinations by U.S. federal, or state and local tax authorities for tax years prior to 2022.

Management believes that an adequate provision has been made for any adjustments that may result from tax examinations. However, the outcome of tax audits cannot be predicted with certainty. If any issues arise as a result of a tax audit and are resolved in a manner not consistent with management's expectations, the Company could be required to adjust its provision for income taxes in the period such resolution occurs.

(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.

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,

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

August 1, 2026 and August 2, 2025

(Unaudited)

and professional service providers, pursuant to agreements and subject to vesting and other restrictions as determined by the Board of Directors.

As of August 1, 2026, there were 4,663,457 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 for the twenty-six weeks ended August 1, 2026 follows:

	Number of options	Weighted average exercise price	Weighted average remaining contractual term (years)
	(in thousands, except share and per share amounts)		
Outstanding at January 31, 2026	594,421	68.42	
Granted	139,001	92.62	
Forfeited	(34,368)	72.37	
Exercised	(15,745)	47.49	
Outstanding at August 1, 2026	683,309	73.64	7.0
Exercisable at August 1, 2026	381,756	61.10	5.7

The weighted average grant date fair value per option for options granted during the twenty-six weeks ended August 1, 2026 and August 2, 2025 was \$40.65 and \$53.80, 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:

	Twenty-six weeks ended	
	August 1, 2026	August 2, 2025
Risk-free interest rate	3.92 %	4.08 %
Expected dividend yield	—	—
Expected life	5.06 years	5.32 years
Expected volatility	44.29 %	48.20 %

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.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

August 1, 2026 and August 2, 2025

(Unaudited)

A summary of the Company's RSU activity and related information for the twenty-six weeks ended August 1, 2026 is as follows:

	Number of shares	Weighted average grant date fair value
Nonvested balance at January 31, 2026	338,483	\$ 80.56
Granted	162,037	91.77
Forfeited	(20,274)	84.10
Vested	(145,055)	71.83
Nonvested balance at August 1, 2026	335,191	\$ 89.52

Stock-Based Compensation Expense

The compensation cost for stock options and RSUs which have been recorded within selling, general, and administrative expenses related to the Company's equity incentive plans was \$3.7 million and \$3.4 million for the thirteen weeks ended August 1, 2026 and August 2, 2025, respectively, and \$7.1 million and \$6.5 million for the twenty-six weeks ended August 1, 2026 and August 2, 2025, respectively.

As of August 1, 2026, there was \$34.4 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 2.9 years. Compensation costs related to awards are recognized using the straight-line method.

(10) 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 a share repurchase program, which has subsequently been increased and extended from time to time. Through August 1, 2026, the Board had authorized an aggregate of \$700.0 million for share repurchases under the program. The current authorization is effective through March 31, 2029.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
August 1, 2026 and August 2, 2025
(Unaudited)

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 of Directors at any time.

During the twenty-six weeks ended August 1, 2026, the Company repurchased 1,649,889 shares of its common stock for \$137.3 million, inclusive of transaction costs, pursuant to its share repurchase program. The repurchases were funded by cash generated from operations. As of August 1, 2026, the Company had \$121.5 million remaining under its share repurchase authorization. There can be no assurance that any additional repurchases will be completed, or as to the timing or amount of any repurchases. The share repurchase program may be discontinued at any time.

(11) 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 period presented:

	Thirteen weeks ended				Twenty-six weeks ended			
	August 1, 2026		August 2, 2025		August 1, 2026		August 2, 2025	
	(in thousands)				(in thousands)			
Consumables	\$ 225,119	30.4 %	\$ 197,814	29.1 %	\$ 452,062	32.3 %	\$ 386,724	30.8 %
Home	186,754	25.2 %	181,853	26.8 %	374,245	26.7 %	354,525	28.2 %
Seasonal	186,955	25.2 %	164,408	24.2 %	304,966	21.8 %	266,891	21.2 %
Other	142,477	19.2 %	135,481	19.9 %	268,960	19.2 %	248,183	19.8 %
Total	\$ 741,305	100.0 %	\$ 679,556	100.0 %	\$ 1,400,233	100.0 %	\$ 1,256,323	100.0 %

The Company's single segment net sales, net income, and significant expenses are as follows for the thirteen and twenty-six weeks ended August 1, 2026 and August 2, 2025:

	Thirteen weeks ended		Twenty-six weeks ended	
	August 1, 2026	August 2, 2025	August 1, 2026	August 2, 2025
Net sales	\$ 741,305	\$ 679,556	\$ 1,400,233	\$ 1,256,323

OLLIE'S BARGAIN OUTLET HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

August 1, 2026 and August 2, 2025

(Unaudited)

Cost of sales	419,140	408,218	802,104	747,954
Selling, general, and administrative expenses other	132,070	119,664	260,154	232,186
Occupancy	39,472	35,032	77,821	68,461
Advertising expenses ⁽¹⁾	21,943	17,420	40,791	33,137
Depreciation and amortization expenses ⁽²⁾	11,274	9,916	22,557	19,273
Stock-based compensation expense	3,728	3,360	7,129	6,524
Pre-opening expenses	5,203	8,972	11,645	15,628
Interest income, net	(6,142)	(4,534)	(11,108)	(9,322)
Income tax expense	29,163	20,198	47,286	33,612
Segment income	85,454	61,310	141,854	108,870
Reconciliation of profit or loss:				
Adjustments and reconciling items	—	—	—	—
Consolidated net income	<u>\$ 85,454</u>	<u>\$ 61,310</u>	<u>\$ 141,854</u>	<u>\$ 108,870</u>

(1) Expenses reported in operating expenses exclude advertising expenses recorded as pre-opening expenses.

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

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

The following discussion and analysis of the financial condition and results of our operations should be read together with the financial statements and related notes of Ollie's Bargain Outlet Holdings, Inc. included in Item 1 of this Quarterly Report on Form 10-Q and with our audited financial statements and the related notes included in our Annual Report on Form 10-K for the fiscal year ended January 31, 2026, filed with the Securities and Exchange Commission, or SEC, on March 19, 2026 ("Annual Report"). As used in this Quarterly Report on Form 10-Q, except where the context otherwise requires or where otherwise indicated, the terms "Ollie's," the "Company," "we," "our," and "us" refer to Ollie's Bargain Outlet Holdings, Inc. and subsidiaries.

We operate on a fiscal calendar widely used by the retail industry that results in a fiscal year consisting of a 52- or 53-week period ending on the Saturday nearer to January 31st of the following year. References to "fiscal year 2026" or "fiscal 2026" refer to the 52-week period of February 1, 2026 to January 30, 2027. References to "fiscal year 2025" or "fiscal 2025" refer to the 52-week period of February 2, 2025 to January 31, 2026. References to the "second quarter of fiscal 2026" and the "second quarter of fiscal 2025" refer to the thirteen weeks of May 3, 2026 to August 1, 2026 and May 4, 2025 to August 2, 2025, respectively. Year-to-date periods ended August 1, 2026 and August 2, 2025 refer to the twenty-six weeks of February 1, 2026 to August 1, 2026 and February 2, 2025 to August 2, 2025, respectively. Historical results are not necessarily indicative of the results to be expected for any future period and results for any interim period may not necessarily be indicative of the results that may be expected for a full year.

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q 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. 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; 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, cost increases, and energy prices; the risks associated with doing business with international manufacturers and suppliers including, but not limited to, potential increases or changes in tariffs on imported goods; our inability to operate our stores due to civil unrest and related 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 terms for our properties; the failure to timely acquire, develop, open and operate, or the loss of, disruption or interruption in the operations of, any of our centralized distribution centers; risks associated with our lack of operations in the growing online retail marketplace; risks associated with litigation, 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, whether or not caused by climate change; outbreak of viruses, global health epidemics, pandemics, or widespread illness; changes in government regulations, procedures, and requirements; and our ability to service indebtedness and to comply with our financial covenants together with each of the other factors set forth under "Item 1A – Risk Factors" contained herein and in our filings with the SEC, including our Annual Report. Any forward-looking statement made by us in this Quarterly Report on Form 10-Q speaks only as of the date on which such statement is made. 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 SEC filings.

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 extensive experience of buying and selling closeout merchandise and excess inventory differentiate 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. In fiscal 2024 and fiscal 2025, we expanded our store base by 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 August 1, 2026 we operated 686 stores in 36 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 their impact on the percentage change in consolidated comparable store sales 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. Cost of sales includes: merchandise costs, inventory markdowns, inventory shrinkage and tariff, transportation, distribution, and warehousing costs, including wages, benefits, and depreciation and amortization.

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 be comparable to 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.”

Factors Affecting the Comparability of our Results of Operations

Our results over the past two years have been affected by the following factors, which must be understood in order to assess the comparability of our period-to-period financial performance and condition.

Historical Results

Historical results are not necessarily indicative of the results to be expected for any future period.

Store Openings and Closings

During the second quarter of fiscal 2026, we opened 15 new stores and closed one store due to storm-related damage, compared with 29 new store openings in the second quarter of fiscal 2025. Pre-opening expenses related to these store openings were \$5.2 million and \$9.0 million for the second quarters of fiscal 2026 and 2025, respectively.

During the twenty-six weeks ended August 1, 2026, we opened 42 new stores and closed one store, compared with 54 new store openings during the same period in fiscal 2025. Pre-opening expenses related to these store openings were \$11.6 million and \$15.6 million for the twenty-six weeks ended August 1, 2026 and August 2, 2025, respectively.

Seasonality

There is some seasonality to our business. Net sales are 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 holiday-related seasonality and other variations 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 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.

IEEPA Tariff Refunds

In February 2026, the U.S. Supreme Court issued a ruling that certain tariffs previously imposed under IEEPA were invalid, and in March 2026, the U.S. Court of International Trade ruled that the CBP must refund duties imposed under IEEPA. In April 2026, the CBP launched a platform for submitting IEEPA tariff refund claims. During the second quarter of fiscal 2026, we received \$29.4 million in tariff refunds, of which \$28.3 million was included in cost of sales and \$1.1 million was included in interest income.

Results of Operations

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

We derived the condensed consolidated statements of income for the thirteen and twenty-six weeks ended August 1, 2026 and August 2, 2025 from our unaudited condensed consolidated financial statements and related notes. Our historical results are not necessarily indicative of the results that may be expected in the future.

	Thirteen weeks ended		Twenty-six weeks ended	
	August 1, 2026	August 2, 2025	August 1, 2026	August 2, 2025
	(dollars in thousands)		(dollars in thousands)	
Condensed consolidated statements of income data:				
Net sales	\$ 741,305	\$ 679,556	\$ 1,400,233	\$ 1,256,323
Cost of sales	419,140	408,218	802,104	747,954
Gross profit	322,165	271,338	598,129	508,369
Selling, general and administrative expenses	197,213	175,476	385,895	340,308
Depreciation and amortization expenses	11,274	9,916	22,557	19,273
Pre-opening expenses	5,203	8,972	11,645	15,628
Operating income	108,475	76,974	178,032	133,160
Interest income, net	(6,142)	(4,534)	(11,108)	(9,322)
Income before income taxes	114,617	81,508	189,140	142,482
Income tax expense	29,163	20,198	47,286	33,612
Net income	\$ 85,454	\$ 61,310	\$ 141,854	\$ 108,870
Percentage of net sales ⁽¹⁾ :				
Net sales	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	56.5	60.1	57.3	59.5
Gross profit	43.5	39.9	42.7	40.5
Selling, general and administrative expenses	26.6	25.8	27.6	27.1
Depreciation and amortization expenses	1.5	1.5	1.6	1.5
Pre-opening expenses	0.7	1.3	0.8	1.2
Operating income	14.6	11.3	12.7	10.6
Interest income, net	(0.8)	(0.7)	(0.8)	(0.7)
Income before income taxes	15.5	12.0	13.5	11.3
Income tax expense	3.9	3.0	3.4	2.7
Net income	11.5 %	9.0 %	10.1 %	8.7 %
Select operating data:				
Number of new stores ⁽²⁾	15	29	42	54
Number of store closings	(1)	—	(1)	—
Number of stores open at end of period	686	613	686	613
Average net sales per store ⁽³⁾	\$ 1,091	\$ 1,138	\$ 2,088	\$ 2,147
Comparable stores sales change	(1.8)%	5.0 %	0.0 %	3.9 %

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

(2) Gross number that does not include any store closures in the period.

(3) 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:

	Thirteen weeks ended		Twenty-six weeks ended	
	August 1, 2026	August 2, 2025	August 1, 2026	August 2, 2025
	(in thousands)		(in thousands)	
Net income	\$ 85,454	\$ 61,310	\$ 141,854	\$ 108,870
Interest income, net	(6,142)	(4,534)	(11,108)	(9,322)
Depreciation and amortization expenses ⁽¹⁾	14,892	13,452	29,826	26,261
Income tax expense	29,163	20,198	47,286	33,612
EBITDA	123,367	90,426	207,858	159,421
Non-cash stock-based compensation expense	3,728	3,360	7,129	6,524
Adjusted EBITDA	\$ 127,095	\$ 93,786	\$ 214,987	\$ 165,945

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

Second Quarter of Fiscal 2026 Compared to Second Quarter of Fiscal 2025

Net Sales

Net sales increased to \$741.3 million in the second quarter of fiscal 2026 from \$679.6 million in the second quarter of fiscal 2025, an increase of \$61.7 million, or 9.1%. The increase in net sales was the result of new store unit growth, partially offset by a comparable store sales decrease of 1.8%.

Comparable store sales decreased 1.8% in the second quarter of fiscal 2026 compared with a 5.0% increase in the second quarter of fiscal 2025. The decrease in comparable store sales in the second quarter of fiscal 2026 was driven by a decrease in basket size.

Gross Profit and Gross Margin

Gross profit increased to \$322.2 million in the second quarter of fiscal 2026 from \$271.3 million in the second quarter of fiscal 2025, an increase of \$50.8 million, or 18.7%. Gross margin increased 360 basis points to 43.5% in the second quarter of fiscal 2026 from 39.9% in the second quarter of fiscal 2025. The increase in gross margin was driven by lower supply chain costs, primarily from IEEPA tariff refunds received and lower tariff rates incurred in the period.

Selling, General, and Administrative Expenses

SG&A expenses increased to \$197.2 million in the second quarter of fiscal 2026 from \$175.5 million in the second quarter of fiscal 2025, an increase of \$21.7 million, or 12.4%. As a percentage of net sales, SG&A increased 80 basis points to 26.6% in the second quarter of fiscal 2026 from 25.8% in the second quarter of fiscal 2025. The increase in SG&A as a percentage of net sales was primarily driven by the deleveraging of fixed costs from the decline in comparable store sales and higher marketing expense due to the timing shift of one merchandise flyer.

Pre-Opening Expenses

Pre-opening expenses decreased to \$5.2 million in the second quarter of fiscal 2026 from \$9.0 million in the second quarter of fiscal 2025, a decrease of \$3.8 million, or 42.0%. The decline was primarily driven by fewer new store openings. We opened 15 stores in the second quarter of fiscal 2026, compared with 29 stores in the prior-year period. As a percentage of net sales, pre-opening expenses decreased to 0.7% in the second quarter of fiscal 2026 compared to 1.3% in the second quarter of fiscal 2025.

Interest Income, Net

Interest income, net was \$6.1 million in the second quarter of fiscal 2026 compared with \$4.5 million in the second quarter of fiscal 2025. The increase was primarily due to tariff interest received in the quarter and higher investment balances, partially offset by lower interest rates.

Income Tax Expense

Income tax expense in the second quarter of fiscal 2026 was \$29.2 million compared to \$20.2 million in the second quarter of fiscal 2025. The effective tax rates for the second quarters of fiscal 2026 and fiscal 2025 were 25.4% and 24.8%, respectively. The change in the effective income tax rate was driven by the impact of discrete items recognized, primarily excess tax benefits related to stock-based compensation and the expiration of the Work Opportunity Tax Credit.

Net Income

As a result of the foregoing, net income increased to \$85.5 million in the second quarter of fiscal 2026 from \$61.3 million in the second quarter of fiscal 2025, an increase of \$24.2 million or 39.4%.

Adjusted EBITDA

Adjusted EBITDA increased to \$127.1 million in the second quarter of fiscal 2026 from \$93.8 million in the second quarter of fiscal 2025, an increase of \$33.3 million, or 35.5%.

Year-to-Date Fiscal 2026 Compared to Year-to-Date Fiscal 2025

Net Sales

Net sales increased to \$1.400 billion in the twenty-six weeks ended August 1, 2026 from \$1.256 billion in the twenty-six weeks ended August 2, 2025, an increase of \$143.9 million, or 11.5%. The increase in net sales was the result of new store unit growth.

Comparable store sales were flat in the twenty-six weeks ended August 1, 2026 compared with a 3.9% increase in the twenty-six weeks ended August 2, 2025.

Gross Profit and Gross Margin

Gross profit increased to \$598.1 million in the twenty-six weeks ended August 1, 2026 from \$508.4 million in the twenty-six weeks ended August 2, 2025, an increase of \$89.7 million, or 17.7%. Gross margin increased 220 basis points to 42.7% in the twenty-six weeks ended August 1, 2026 from 40.5% in the twenty-six weeks ended August 2, 2025. The increase in gross margin was driven by lower supply chain costs, primarily from IEEPA tariff refunds received and lower tariff rates incurred in the second quarter.

Selling, General, and Administrative Expenses

SG&A expenses increased to \$385.9 million in the twenty-six weeks ended August 1, 2026 from \$340.3 million in the twenty-six weeks ended August 2, 2025, an increase of \$45.6 million, or 13.4%. As a percentage of net sales, SG&A increased 50 basis points to 27.6% in the twenty-six weeks ended August 1, 2026 from 27.1% in the twenty-six weeks ended August 2, 2025. The increase in SG&A as a percentage of net sales was primarily driven by the deleveraging of fixed costs from the decline in comparable store sales in the second quarter and higher marketing expense due to the timing shift of one merchandise flyer.

Pre-Opening Expenses

Pre-opening expenses decreased to \$11.6 million in the twenty-six weeks ended August 1, 2026 from \$15.6 million in the twenty-six weeks ended August 2, 2025, a decrease of \$4.0 million, or 25.5%. The decline was primarily driven by fewer new store openings. We opened 42 stores in the twenty-six weeks ended August 1, 2026, compared with 54 stores in the prior-year period. As a percentage of net sales, pre-opening expenses decreased to 0.8% in the twenty-six weeks ended August 1, 2026 compared to 1.2% in the twenty-six weeks ended August 2, 2025.

Interest Income, Net

Interest income, net increased to \$11.1 million in the twenty-six weeks ended August 1, 2026 from \$9.3 million in the twenty-six weeks ended August 2, 2025. The increase was primarily due to tariff interest received in the second quarter and higher investment balances, partially offset by lower interest rates.

Income Tax Expense

Income tax expense in the twenty-six weeks ended August 1, 2026 was \$47.3 million compared to \$33.6 million in the twenty-six weeks ended August 2, 2025. The effective tax rates for the twenty-six weeks ended August 1, 2026 and August 2, 2025 were 25.0% and 23.6%, respectively. The change in the effective income tax rate was driven by the impact of discrete items recognized, primarily excess tax benefits related to stock-based compensation and the expiration of the Work Opportunity Tax Credit.

Net Income

As a result of the foregoing, net income increased to \$141.9 million in the twenty-six weeks ended August 1, 2026 from \$108.9 million in the twenty-six weeks ended August 2, 2025, an increase of \$33.0 million or 30.3%.

Adjusted EBITDA

Adjusted EBITDA increased to \$215.0 million in the twenty-six weeks ended August 1, 2026 from \$165.9 million in the twenty-six weeks ended August 2, 2025, an increase of \$49.0 million, or 29.6%.

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. Our primary cash needs are for capital expenditures and working capital. As of August 1, 2026, we had \$88.4 million available to borrow under our Revolving Credit Facility and \$187.5 million of cash and cash equivalents and short-term investments on hand. For further information regarding our Revolving Credit Facility, see Note 7 under “Notes to Unaudited Condensed Consolidated Financial Statements.”

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 \$43.3 million and \$26.4 million for capital expenditures during the second quarters of fiscal 2026 and fiscal 2025, respectively. For the twenty-six weeks ended August 1, 2026, we spent \$68.8 million for capital expenditures compared to \$53.2 million for the twenty-six weeks ended August 2, 2025. We opened 15 new stores during the second quarter of fiscal 2026 and opened 29 new stores during the second quarter of fiscal 2025.

Capital expenditures in fiscal 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 one existing distribution center, 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.

Historically, we have funded our capital expenditures and working capital requirements during the fiscal year with cash flows from operations.

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 then 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 a share repurchase program, which has subsequently been increased and extended from time to time. Through August 1, 2026, our Board had authorized an aggregate of \$700.0 million for share repurchases under the program. The current authorization 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 the twenty-six weeks ended August 1, 2026, we repurchased 1,649,889 shares of our common stock for \$137.3 million, inclusive of transaction costs, pursuant to our share repurchase program. During the twenty-six weeks ended August 2, 2025, we repurchased 257,434 shares of our common stock for \$28.6 million, inclusive of transaction costs, pursuant to our share repurchase program. The repurchases were funded by cash generated from operations. As of August 1, 2026, we had approximately \$121.5 million remaining under our share repurchase authorization. There can be no assurance 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:

	Twenty-six weeks ended	
	August 1, 2026	August 2, 2025
	(in thousands)	
Net cash provided by operating activities	\$ 153,625	\$ 109,414
Net cash used in investing activities	(150,656)	(58,010)
Net cash used in financing activities	(141,884)	(25,364)
Net increase (decrease) in cash and cash equivalents	<u>\$ (138,915)</u>	<u>\$ 26,040</u>

Cash Provided by Operating Activities

Net cash provided by operating activities was \$153.6 million for the twenty-six weeks ended August 1, 2026 as compared to \$109.4 million for the twenty-six weeks ended August 2, 2025. Operating cash flow was positively impacted by higher net income and higher operating expense related accruals, partially offset by an increase in inventory resulting from new store growth and the timing of merchandise payments.

Cash Used in Investing Activities

Net cash used in investing activities for the twenty-six weeks ended August 1, 2026 and August 2, 2025 was \$150.7 million and \$58.0 million, respectively. Cash used in investing activities includes capital expenditures of \$68.8 million and purchases of investments, net of maturities, of \$82.3 million.

Cash Used in Financing Activities

Net cash used in financing activities for the twenty-six weeks ended August 1, 2026 and August 2, 2025 was \$141.9 million and \$25.4 million, respectively. Cash used in financing activities reflects payments of \$137.3 million for the repurchase of common stock and \$4.9 million for taxes related to restricted stock vestings.

Contractual Obligations

We enter into long-term contractual obligations and commitments in the normal course of business, primarily operating leases. Except as set forth in Note 4 of the accompanying unaudited condensed consolidated financial statements, there have been no material changes to our contractual obligations as disclosed in our Annual Report, other than those which occur in the ordinary course of business.

Off-Balance Sheet Arrangements

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.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, and related disclosures. There have been no significant changes in the significant accounting policies and estimates.

Recently Issued Accounting Pronouncements

Not applicable.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

We are subject to interest rate risk in connection with borrowings under our Revolving Credit Facility, which bears interest at variable rates. As of August 1, 2026, we had no outstanding variable rate debt.

As of August 1, 2026, there were no material changes in the market risks described in the “Quantitative and Qualitative Disclosure of Market Risks” section of our Annual Report.

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 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management has evaluated, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, the effectiveness of our disclosure controls and procedures, as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as of the end of the period covered by this Quarterly Report on Form 10-Q pursuant to Rule 13a-15(b) of the Exchange Act. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q are effective at a reasonable assurance level in ensuring that information required to be disclosed in our Exchange Act reports is: (1) recorded, processed, summarized and reported in a timely manner, and (2) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures will prevent or detect all errors and all fraud. While our disclosure controls and procedures are designed to provide reasonable assurance of their effectiveness, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected.

Changes in Internal Control over Financial Reporting

There were no changes to our internal control over financial reporting during the second quarter of fiscal 2026 that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION**ITEM 1. LEGAL PROCEEDINGS**

From time to time we may be involved in claims and legal actions that arise in the ordinary course of our business. We cannot predict the outcome of any litigation or suit 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 1A. RISK FACTORS

See Item 1A in our Annual Report for a detailed description of risk factors affecting the Company. There have been no material changes from the risk factors previously disclosed in that filing.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**Information on Share Repurchases**

Information regarding shares of common stock the Company repurchased during the thirteen weeks ended August 1, 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)
May 3, 2026 through May 30, 2026	217,884	\$ 80.47	217,884	\$ 187,756,885
May 31, 2026 through July 4, 2026	607,300	74.55	607,300	139,676,359
July 5, 2026 through August 1, 2026	282,219	67.45	282,219	121,469,501
Total	1,107,403		1,107,403	

- (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, our Board of Directors authorized a share repurchase program, which has subsequently been increased and extended from time to time. Through August 1, 2026, our Board had authorized an aggregate of \$700.0 million for share repurchases under the program. The current authorization is effective through March 31, 2029. As of August 1, 2026, the Company had approximately \$121.5 million remaining under its share repurchase program. For further discussion on the share repurchase program, see “Part I, Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations, Liquidity and Capital Resources, Share Repurchase Program.”

ITEM 5. OTHER INFORMATION***Trading Arrangements of Directors and Executive Officers***

During the thirteen weeks ended August 1, 2026, one of our executives entered into a written plan for the sale of our securities through a broker that is 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 this trading plan 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?
John Swygert, Executive Chairman of the Board	Adoption June 12, 2026	September 11, 2026	June 12, 2027	Common Stock	106,758 (3)	Sale

- (1) The plan is subject to earlier termination under certain circumstances specified in the plan, 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) The actual number of shares to be sold under this 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 6. EXHIBITS

Exhibit No.	Description of Exhibits
*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.
**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).

† Previously filed.

* Filed herewith.

** Submitted electronically with this Report.

SIGNATURES

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

OLLIE’S BARGAIN OUTLET HOLDINGS, INC.

Date: September 2, 2026

/s/ Robert Helm

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

CERTIFICATIONS

I, Eric van der Valk, certify that:

1. I have reviewed this quarterly report on Form 10-Q 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: September 2, 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 quarterly report on Form 10-Q 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: September 2, 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 quarterly report of Ollie's Bargain Outlet Holdings, Inc. (the "Company") on Form 10-Q for the quarter ended August 1, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Eric van der Valk, President and 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: September 2, 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 quarterly report of Ollie's Bargain Outlet Holdings, Inc. (the "Company") on Form 10-Q for the quarter ended August 1, 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: September 2, 2026

/s/ Robert Helm

Robert Helm

Executive Vice President and Chief Financial Officer
