
UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

December 3, 2025
Date of Report (Date of earliest event reported)



lululemon athletica inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33608
(Commission
File Number)

20-3842867
(IRS Employer
Identification No.)

1818 Cornwall Avenue
Vancouver, British Columbia
Canada, V6J 1C7
(Address of principal executive offices, including Zip Code)

Registrant's telephone number, including area code: (604) 732-6124

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

<u>Title of each class</u>	<u>Trading symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.005 per share	LULU	Nasdaq Global Select Market

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 2.02. Results of Operations and Financial Condition.

On December 11, 2025, lululemon athletica inc. (the "Company") issued a press release announcing its financial results for the third quarter ended November 2, 2025 and certain other information. A copy of the Company's press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference. As previously announced, the Company has scheduled a conference call for 4:30 p.m. Eastern time on December 11, 2025 to discuss its financial results.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On December 11, 2025, the board of directors of lululemon and Calvin McDonald mutually agreed that Mr. McDonald will step down from his position as Chief Executive Officer, effective January 31, 2026. To support an orderly transition of his responsibilities, Mr. McDonald will continue with lululemon in a senior advisor capacity through March 31, 2026. Mr. McDonald is also stepping down as a member of lululemon's board of directors, effective January 31, 2026.

In connection with these changes, the board of directors appointed Marti Morfitt, currently serving as chair of the board of directors, to serve as executive chair, effective immediately. The board of directors also appointed Meghan Frank, lululemon's chief financial officer, and Andre Maestrini, lululemon's president and chief commercial officer, to serve as interim co-Chief Executive Officers, effective January 31, 2026, while lululemon conducts a search for a permanent CEO. The board of directors has established a CEO search committee to oversee the process of identifying a permanent CEO and the search has commenced.

In connection with Mr. McDonald's departure, lululemon and Mr. McDonald have entered into a separation agreement and release under which Mr. McDonald agreed to a general release of claims in favor of lululemon. In exchange for this release and other covenants, following the separation date Mr. McDonald will receive the severance benefits provided under his employment agreement, payment of his bonus for fiscal 2025, a lump sum cash payment of \$3.05 million, and specified treatment of his outstanding equity awards, including continued vesting and an extended exercise period for his stock options and retirement treatment of his outstanding PSUs. All such consideration is conditioned on Mr. McDonald's execution of a second release of claims upon separation and his continuing compliance with various restrictive covenants, including covenants relating to non-competition, non-solicitation, non-disparagement and confidentiality.

In connection with Ms. Frank's appointment as interim co-CEO, the People, Culture and Compensation Committee of the board of directors approved an increase in annual salary to \$950,000 and an increase in target annual equity grants to \$4.5 million. Ms. Frank will receive a one-time retention deferred cash bonus in the amount of \$1.5 million, payable at the earlier of the start date of a permanent CEO and December 11, 2026, subject to her continued employment through that payment date. Ms. Frank will also receive a one-time retention equity award with a value of \$4.0 million, which consists of stock options vesting over a four-year period and RSUs vesting over three years.

In connection with Mr. Maestrini's appointment as interim co-CEO, he will receive a one-time retention deferred cash bonus in the amount of \$750,000, payable at the earlier of the start date of a permanent CEO and December 11, 2026, subject to his continued employment through that payment date. Mr. Maestrini will also receive a one-time retention equity award with a value of \$4.0 million, which consists of stock options vesting over a four-year period and RSUs vesting over three years.

The retention equity awards for the interim co-CEOs will remain outstanding and subject to continued vesting and an extended exercise period in the event the interim co-CEO's employment is terminated without cause within 12 months of the start date of a permanent CEO, subject to customary release and restrictive covenants.

The foregoing summary of the separation agreement and release does not purport to be complete and is qualified in its entirety by reference to the separation agreement and release, a copy of which is attached as Exhibit 10.1 and is incorporated herein by reference. A copy of the press release lululemon issued about this matter is attached as Exhibit 99.2.

Item 8.01. Other Events.

On December 3, 2025, the board of directors approved a \$1.0 billion increase to the Company's existing stock repurchase program. This program does not have an expiration date or require a minimum number of shares to be repurchased. Repurchases may be made on the open market at prevailing prices or through privately negotiated transactions, including under plans pursuant to Rule 10b5-1 and Rule 10b-18 of the Securities Exchange Act of 1934. The timing and amount of repurchases will depend on market conditions, trading eligibility, and other factors.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Separation Agreement and Release, dated December 11, 2025
99.1	Earnings release issued on December 11, 2025.
99.2	CEO succession plan press release issued on December 11, 2025
104	Cover Page Interactive Data File (formatted in iXBRL)

SIGNATURES

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

lululemon athletica inc.

Dated: December 11, 2025

/s/ MEGHAN FRANK

Meghan Frank

Chief Financial Officer

SEPARATION AGREEMENT AND RELEASE

This separation agreement and release is dated December 11, 2025, and is between lululemon athletica inc., a Delaware corporation (the “Company”), and Calvin McDonald, an individual (“Executive”).

Executive and the Company entered into an Executive Employment Agreement dated July 18, 2018 (the “Employment Agreement”). Capitalized terms used but not otherwise defined in this agreement have the meanings given those terms in the Employment Agreement.

The board of directors of the Company and Executive have agreed that Executive will (1) cease serving as a member of the board of directors of the Company effective as of the Transition Date (as defined below), (2) cease serving as the Company’s Chief Executive Officer effective as of January 31, 2026 (that date, the “Transition Date”), and (3) continue as a senior advisor to the Company through March 31, 2026 (that date, the “Separation Date”), at which time Executive’s employment with the Company will terminate.

The parties acknowledge and agree that Executive’s termination of employment on the Separation Date will be treated as a termination by the Company without Cause under the Employment Agreement.

The parties desire to settle all claims and issues that have, or could have, been raised, in relation to Executive’s employment with the Company and arising out of or in any way related to the acts, transactions or occurrences between Executive and the Company to date, including, but not limited to, Executive’s employment with the Company or Executive’s termination of that employment, on the terms set forth below.

The Company and Executive therefore agree as follows:

1. Executive hereby ceases serving (1) as a member of the board of directors of the Company, effective as of the Transition Date, (2) as Chief Executive Officer of the Company, effective as of the Transition Date, and (3) in any and all other positions that Executive holds with the Company or any affiliated entity (other than as a member of the board of directors of the Company and Chief Executive Officer through the Transition Date and as a Senior Advisor through the Separation Date as described below), effective immediately. Executive will sign any documentation that the Company reasonably requests to confirm such resignations. If for any reason this paragraph is deemed insufficient to effect these resignations, Executive hereby authorizes the Company to execute any documents or instruments consistent with this paragraph that the Company deems necessary or desirable to effect those resignations, and to act as Executive’s attorney-in-fact with respect thereto.

2. Effective as of the Transition Date, Executive is appointed to serve as a Senior Advisor to the Company and will continue in that capacity through the Separation Date (such period, the “Transition Period”). Executive’s continued employment during this period is limited to such Senior Advisor role. Executive’s employment will end on the Separation Date, and Executive will sign any documentation the Company reasonably requests to confirm these

changes. If confirmation is required, Executive hereby authorizes the Company to execute and documents or instruments consistent with this paragraph that the Company deems necessary or desirable to effect these changes, and to act as Executive's attorney-in-fact with respect thereto. Executive acknowledges and agrees that Executive no longer has any authority or power to bind the Company or any affiliated entity, or to act on behalf of the Company or any affiliated entity in any manner from and after the Transition Date. As Senior Advisor during the Transition Period, Executive shall report to the Interim Chief Executive Officers of the Company and shall provide services to assist in the transition of the Chief Executive Officer role. Executive shall not be required to travel during the Transition Period, but shall continue to have support of an administrative assistant.

3. Executive's separation shall be treated as a termination by the Company without Cause for purposes of the Employment Agreement. The Company shall provide Executive with the severance payments and other benefits expressly provided under Section 5.03 of the Employment Agreement, in each case subject to and in accordance with the terms and conditions of the Employment Agreement and this agreement.

4. The Company shall pay Executive's Base Salary and continue to provide the benefits to which Executive is entitled to as of immediately prior to the date hereof, in each case, through the Separation Date, and the Company shall pay Executive the value of Executive's accrued, unused vacation leave, pro-rated for that portion of the calendar year up to the Separation Date, on the first payroll period following the Separation Date, in each case subject to all applicable withholdings and deductions. For the avoidance of doubt, Executive shall continue to be covered with respect to all periods through the Separation Date under indemnification and advancement of expenses to the extent provided under the Company's bylaws, any written indemnification agreement with the Company, or otherwise under applicable law, and/or coverage under any applicable directors and officers insurance policy, both through the Separation Date and thereafter to the same extent as other former officers and directors of the Company are covered under such indemnification arrangements or directors and officers insurance policies then in effect.

5. In exchange for and subject to the releases and other covenants of Executive included in this agreement, in addition to the severance payments (\$2,100,000) and other benefits expressly provided under Section 5.03 of the Employment Agreement (which shall include reimbursement for any expenses incurred by Executive prior to the Separation Date in accordance with the Company's reimbursement policies and procedures and if properly submitted by Executive), the Company shall provide Executive with (1) a lump sum cash payment equal to the amount of the fiscal 2025 bonus Executive would have been entitled to receive if Executive were employed on the date fiscal 2025 bonuses are paid (the "Bonus Payment Date"), notwithstanding Executive's termination of employment prior to such date (subject to the terms of the plan, without the application of any negative discretion, and with any subjective factors being determined in a manner no less favorable to Executive than the determinations applicable to other similarly situated executives of the Company), and (2) a lump cash payment equal to \$3,050,000 (those payments, the "Consideration"). The Consideration will be paid as soon as practicable after the later to occur of the Effective Date described in paragraph

11 and the Bonus Payment Date, in each case subject to regular and statutory withholdings and deductions. Executive acknowledges that Executive would not otherwise be entitled to receive the Consideration if Executive did not enter into this agreement. The Consideration is subject to and conditioned on (1) Executive's execution of a full general release of claims in substantially the form of the release in paragraph 10 releasing all claims, known or unknown, that Executive may have against the Company arising out of or any way related to Executive's employment or termination of employment with the Company as of the Separation Date (and which the Company shall provide to Executive within five (5) days following the Separation Date), (2) Executive's compliance in all material respects with the Restrictive Covenant Agreement, and (3) Executive not engaging in conduct constituting Cause on or before the Separation Date (those conditions, the "Consideration Conditions") and, accordingly, the Consideration will be forfeited if Executive fails to comply with the Consideration Conditions. The Consideration is in U.S. Dollars. The Company shall provide Executive with written notice of any alleged failure to comply with the Consideration Conditions and not less than ten business days to cure such failure (if curable and subject to Executive's good faith efforts to do so). For the avoidance of doubt, the Company shall pay Executive (or Executive's estate, if applicable) the Consideration (and shall provide the benefits in Section 6 below) in the event Executive's employment terminates prior to the Separation Date as a result of (x) termination by the Company without Cause, (y) Executive's death or disability or (z) Executive's termination following a material breach of this agreement by the Company, which breach is not cured within 10 business days following written notice from the Executive; provided, that, for death Executive shall have any more favorable treatment in the award agreement, and, if Executive is terminated without Cause, the Company shall pay the base salary through the scheduled Separation Date.

6. Subject to Executive's compliance with the Consideration Conditions: (1) if not previously vested prior to the Separation Date, the PSUs with a performance period ending in March 2026 shall be vested, (2) Executive's rights under Executive's other outstanding PSU awards will be determined in accordance with Section 5.7 (Termination by Reason of Retirement) of the applicable PSU award agreement, and (3) Executive's outstanding stock option awards will be determined in accordance with Section 7.1(d) (Termination by Reason of Retirement) of the applicable option agreement, except that the post-termination vesting continuation period under that section will be 48 months following the Separation Date and the post-termination exercise period under that section will end on the earlier to occur of four years after the Separation Date or the Option Expiration Date (as defined in the applicable option agreement). Executive acknowledges that Executive would not otherwise be entitled to receive the benefits provided in this paragraph if Executive did not enter into this agreement, and that these benefits will be forfeited if Executive fails to comply with the Consideration Conditions. Other than as specifically stated herein or in the applicable equity award agreement, Executive acknowledges that Executive will not be entitled to receive any additional cash or equity awards or vesting on any existing cash or equity awards from the Company (other than any dividends or dividend equivalents, if applicable).

7. Notwithstanding Article 3 of the Restrictive Covenant Agreement attached as Schedule A to the Employment Agreement (the "Restrictive Covenant Agreement"), Executive hereby consents to the Statements (as defined in the Restrictive Covenant Agreement) made or to

be made by the Company contained in the draft press release provided to Executive on or prior to the date hereof, and any other Statements materially consistent with those Statements (and the Company shall only make Statements consisting of the press release or additional Statements materially consistent with the press release), and agrees that any such Statements do not violate the Restrictive Covenant Agreement. Furthermore, nothing in this paragraph or the Restrictive Covenant Agreement will preclude the Company from disclosing information required under applicable law or in response to a subpoena duly issued by a court of law or a government agency having jurisdiction or power to compel such disclosure, or from giving full, truthful and cooperative answers in response to a duly issued subpoena.

8. The Restrictive Covenant Agreement is hereby modified to add the following:

a. At the end of Section 3.1: The Company shall permanently refrain from making any Statements that a reasonable person would regard as materially disparaging of the character or reputation of Executive. Either party may make truthful statements (a) to the extent reasonably necessary to rebut false or misleading statements made by the other party, or (b) as required by applicable law or in response to a court order, subpoena, or a governmental or regulatory investigation.

b. At end of Section 4.1(a): For the avoidance of doubt the term “Competing Business” will not include entities that offer athletic apparel or accessories as part of a broader product offering where such athletic apparel or accessories do not comprise more than 5% of such companies’ total revenues (e.g., Amazon, Walmart, Target, sports teams or leagues, etc.). Further, nothing in this section will prohibit Executive from providing services to a portfolio entity of a private equity firm or venture capital fund if such portfolio entity is not engaged in a Competing Business notwithstanding that such private equity firm or venture capital fund may own other entities which engage in a Competing Business, in each case so long as Executive does not provide services to, advise, support, or otherwise have any responsibilities relating to (including strategic, operational, or advisory responsibilities) any portfolio company or other entity that engages in a Competing Business, and does not provide any strategic or operational direction to the investment entity with respect to any such portfolio company or entity.

c. At end of Section 4.2: Nothing herein shall prohibit Executive from being a passive owner of not more than 5% of the outstanding equity interest in any entity, so long as Executive has no active participation in the business of such entity, or from making investments in hedge funds or private equity funds or similar managed vehicles so long as Executive does not have managerial or operational control of, or advisory responsibilities with respect to, any portfolio company that engages in a Competing Business and provided that Executive has no right to control or materially influence investment decisions of such vehicle.

9. Executive understands and agrees that the Company is neither providing tax nor legal advice, nor is the Company making representations regarding tax obligations or consequences, if any, related to this agreement. Executive further agrees that Executive will assume and hereby assumes any such tax obligations or consequences that may arise from this agreement, and that Executive may not seek any indemnification from the Company in this regard. Executive agrees that, in the event that any taxing body determines that additional taxes

are due from Executive, Executive acknowledges and assumes all responsibility for the payment of any such taxes and agrees to indemnify, defend, and hold the Company harmless from the payment of such taxes, except to the extent arising from the Company's failure to comply with its statutory obligation to withhold and remit applicable taxes. Executive agrees that Executive is responsible for the payment of any applicable taxes on compensation paid or provided to Executive under this agreement and Executive hereby releases and discharges the Company from any claim related to the payment of any such taxes, except to the extent arising from the Company's failure to comply with its statutory obligation to withhold and remit applicable taxes, including with respect to any taxes under Section 409A of the Internal Revenue Code. Executive further agrees to pay, on the Company's behalf, any interest or penalties imposed as a consequence of such tax obligations, and to pay any judgments, penalties, taxes, costs, and attorneys' fees incurred by the Company as a consequence of Executive's failure to pay any taxes due, other than to the extent arising from the Company's failure to comply with its statutory obligation to withhold and remit applicable taxes.

10. Executive agrees that the Consideration and the benefits described in paragraph 6 represents settlement in full of all outstanding obligations owed to Executive by the Company. THIS IS A GENERAL RELEASE OF ALL CLAIMS. Executive unconditionally, irrevocably and absolutely releases and discharges the Company, and any parent and subsidiary corporations, divisions and affiliated corporations, partnerships or other affiliated entities of the Company, past and present, as well as the Company's current and former officers, directors, agents, employees, successors and assigns (collectively, the "Released Parties"), from all claims related to the transactions or occurrences between them to the date of this agreement, to the fullest extent permitted by law, related to Executive's employment with the Company, the termination of Executive's employment, and all other losses, liabilities, claims, charges, demands and causes of action, known or unknown, suspected or unsuspected, arising out of Executive's employment with the Company, whether under the laws of the United States prior to the Relocation (as defined in the Employment Agreement) or the laws of British Columbia (collectively, "Claims"). This release is intended to have the broadest possible application and includes, but is not limited to, any tort, contract, common law, constitutional or other statutory claims arising under local, provincial, state or federal law, including, but not limited to alleged violations of the British Columbia Employment Standards Act, the British Columbia Human Rights Code and the U.S. federal Age Discrimination in Employment Act of 1967, as amended ("ADEA") (if applicable), and all claims for attorneys' fees, costs, penalties, interest and expenses. Executive expressly waives Executive's right to recovery of any type, including damages or reinstatement, in any administrative or court action, whether provincial, state or federal, and whether brought by Executive or on Executive's behalf, related in any way to the matters released herein. Executive acknowledges that Executive may discover facts or law different from, or in addition to, the facts or law that Executive knows or believes to be true with respect to the claims released in this agreement and agrees, nonetheless, that this agreement and the release contained in it is and remains effective in all respects notwithstanding such different or additional facts or the discovery of them. Executive declares and represents that Executive intends this agreement to be complete and not subject to any claim of mistake, and that the release herein expresses a full and complete release and Executive intends the release herein to be final and complete. Executive executes this release with the full knowledge that this release covers all possible Claims against

the Released Parties, to the fullest extent permitted by law. Notwithstanding the foregoing, nothing in this agreement shall be deemed a waiver or release of: (1) any rights, remedies or claims Executive may have in enforcing the terms of this agreement; (2) any claims related to Executive's vested or accrued employee benefits; (3) any claims related to Executive's rights as a stockholder or equity award holder of the Company; (4) Executive's eligibility for, or right to receive, indemnification and advancement of expenses to the extent provided under the Company's bylaws, any written indemnification agreement with the Company, or otherwise under applicable law, and/or coverage under any applicable directors and officers insurance policy; or (5) any rights that cannot be waived as a matter of law.

11. To the extent Executive performed any services in California during Executive's employment with the Company, Executive expressly waives any right or benefit available to Executive in any capacity under the provisions of California Civil Code section 1542, which provides as follows: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

12. Executive will comply in all material respects with continuing covenants and obligations contained in the Restrictive Covenant Agreement and the Employment Agreement in accordance with their terms.

13. By entering into this agreement, neither Executive nor the Released Parties make any admission that Executive or any Released Party has engaged, or is now engaging, in any unlawful conduct. The parties understand and acknowledge that this agreement is not an admission of liability and may not be used or construed as such in any legal or administrative proceeding. Executive has been advised to consult with an attorney before executing this agreement.

14. Executive acknowledges and agrees that (1) Executive has read and understands the terms of this agreement and had 21 days to review this agreement; (2) Executive has been advised in writing to consult with an attorney before executing this agreement; (3) Executive has obtained and considered such legal counsel as Executive deems necessary; (4) by signing this agreement, Executive acknowledges that Executive does so freely, knowingly, and voluntarily; and (5) Executive has seven days following Executive's execution of this agreement to revoke the release of any claims under ADEA, if Executive sends notice by certified mail to the Company, attention Executive Chair. If Executive does not revoke acceptance within the seven-day period, Executive's acceptance of this agreement will become binding and enforceable on the eighth day following execution or, if the seven-day revocation period is not applicable to Executive, the date hereof (that date, the "Effective Date"). This agreement does not waive or release any rights or claims that Executive may have under ADEA that arise after the execution of this agreement. In addition, this agreement does not prohibit Executive from challenging the validity of this agreement's waiver and release of claims under ADEA.

15. Executive understands and agrees that, to the fullest extent permitted by law, Executive is precluded from filing or pursuing any legal claim of any kind against any of the

Released Parties at any time in the future, in any federal, state, provincial, or municipal court, administrative agency, or other tribunal, arising out of any of the Claims, which Executive has waived by virtue of executing this agreement. Executive agrees not to file or pursue any such legal claims and, if Executive does pursue such legal Claims, Executive waives any right to receive monetary recovery. By Executive's signature below, Executive represents that Executive has not filed any such legal Claims against any of the Released Parties in any federal, state, provincial, or municipal court, administrative agency, or other tribunal. Nothing in this agreement will be construed to waive any claims that cannot be waived as a matter of law. In addition, this agreement does not prevent Executive from filing an administrative charge against any Released Parties that may not be released as a matter of law; however, Executive agrees that Executive will not be entitled to recover any monetary payments or other individual benefits in any such proceeding. This release does not waive any rights or claims that may arise after the date that Executive executed this agreement, and nothing in this agreement will affect the ability of Executive or the Company to enforce rights or entitlements specifically provided for under this agreement as stated herein. Executive agrees that Executive will not counsel or assist any attorneys or their clients in the presentation or prosecution of any disputes, differences, grievances, claims, charges, or complaints by any third party against the Company or any current or former officer, director, employee, agent, representative, shareholder, or attorney of the Company related to information obtained by Executive pursuant to Executive's employment with the Company, unless under a subpoena or other court order to do so or as otherwise required by applicable law, or as otherwise reasonably appropriate in connection with Executive's duties as an executive, board member or consultant of an entity (unless Executive was retained by such entity for the purpose of providing such counsel or assistance). Nothing in this agreement is to be construed to prohibit Executive from reporting conduct to, providing truthful information to or participating in any investigation or proceeding conducted by any federal or state government agency or self-regulatory organization or from engaging in any legal process with the Company with respect to a future dispute with regard to the terms of this agreement or from exercising any rights that cannot be waived under applicable law.

16. In consideration for the Consideration and all other promises stated above, for 36 months following the Separation Date, Executive will provide to the Company, and to any or all of its subsidiaries, divisions, and affiliated companies, such cooperation in legal proceedings as is reasonably requested, including by furnishing information and/or testimony in connection with such legal proceedings. During such 36-month period, Executive expressly agrees to reasonably cooperate with the Company and its subsidiaries (including the Company's outside counsel) in connection with the preparation of SEC filings as they pertain to periods through the Separation Date and the contemplation, prosecution and defense of all phases of existing, past and future litigation, regulatory or administrative actions about which the Company reasonably believes Executive may have knowledge or information as a result of information obtained by Executive during Executive's employment with the Company. Executive also agrees to appear without the necessity of a subpoena to testify truthfully in any legal proceedings in which the Company calls Executive as a witness. Any cooperation hereunder shall be subject to reasonable written notice from the Company and to Executive's business and personal commitments. The Company agrees to reimburse Executive for any reasonable travel expenses incurred at the request of the Company (at the same travel class as of the date hereof) and other reasonable out of pocket

expenses and fees that pre-approved by the Company that Executive incurs in connection with this 16, including reasonably incurred legal fees if Executive in good faith believes independent counsel to be appropriate and subject to the good faith approval of the Company's general counsel which shall not be unreasonably conditioned, delayed or denied. Executive further agrees that Executive will not voluntarily provide information to or otherwise cooperate with any individual or private entity that is contemplating or pursuing litigation or any type of action or claim against the Company, its successors or affiliates, except as required by law or regulation or as otherwise reasonably appropriate in connection with Executive's duties as an executive, board member or consultant of an entity (unless Executive was retained by such entity for the purpose of providing such cooperation). Nothing within this paragraph 16 will require Executive to waive Executive's constitutional rights.

17. All remedies at law or in equity will be available to the Executive and the Released Parties for the enforcement of this agreement. This agreement may be pleaded as a full bar to the enforcement of any claim that Executive may assert against the Released Parties related to the Claims released under this agreement.

18. Executive understands and agrees that as a condition of receiving the Consideration, Executive shall return on or prior to the Separation Date all Company property, data and information belonging to the Company, including information of whatever nature, as well as any other materials, keys, passcodes, access cards, credit cards, computers/laptops, cellular phones, hard or external drives, documents or information, including but not limited to confidential information in Executive's possession or control (other than *de minimis* items). Further, Executive represents that Executive has not retained and will not retain any copies thereof, including electronic copies, and agrees that Executive will not use or disclose to others any confidential or proprietary information of the Company, including but not limited to employee information, marketing information, trade secret information, client or customer data or contact information, strategic plans, financial information, correspondence, and training materials. To the extent Executive at any point discovers Company property that Executive failed to return, Executive will return any and all such Company property as soon as practicable. The Company agrees to return Executive's personal property on or prior to the Separation Date. Notwithstanding the foregoing, Executive will be provided with an electronic copy of Executive's Outlook contacts or comparable electronic rolodex and personal correspondence. In addition, Executive will be permitted to retain Executive's laptop computer and mobile phone once both such devices have been scrubbed clean of Company proprietary information by the Company's information technology department, unless the parties mutually agree that the scrubbing is not necessary. Executive shall be permitted to retain the printer(s) in Executive's possession.

19. Executive understands and acknowledges that the promises in this agreement are a material inducement for Released Parties to enter this agreement and are of the essence of this agreement. Executive therefore agrees that if Executive should breach in any material respect any of the provisions of the aforementioned paragraphs, Executive will be obligated to return to the Company the Consideration on an after-tax basis, to the extent permitted by applicable law. The Company shall provide Executive with written notice of any alleged breach and not less than

ten business days to cure such failure, if curable and subject to Executive's good-faith efforts to do so.

20. Executive represents that, as of the date hereof, Executive has no knowledge of any wrongdoing by the Company involving improper or false claims against a federal or state governmental agency. The Company acknowledges that it is not aware of any claims it or others may have against the Executive for any actions or inactions through the date of this agreement.

21. The parties will bear their own attorneys' fees and costs associated with negotiation and execution of this agreement. In addition, either party is entitled to seek all available legal remedies to enforce this agreement, including seeking injunctive or declaratory relief in any jurisdiction, notwithstanding paragraph 22.

22. If any provision of this agreement is found unenforceable, the unenforceable provision is to be deemed deleted and the validity and enforceability of the remaining provisions is not to be affected thereby. This agreement may be pled as a full and complete defense to, and may be used as a basis for an injunction against, any action, suit or other proceeding that may be prosecuted, instituted or attempted by Executive in breach hereof. The validity, interpretation and performance of this agreement shall be construed and interpreted according to the laws of the State of Delaware without regard to the conflict of law principles of any jurisdiction, and any action or proceeding arising out of or in connection with this agreement may be brought only in the courts of competent jurisdiction in the State of Delaware. This Agreement does not grant Executive any rights with respect to continued employment by the Company after the Separation Date. This agreement is intended to be the entire agreement between the parties and supersedes and cancels all other and prior agreements, written or oral, between the parties regarding this subject matter, except that this agreement does not supersede, cancel or limit sections 4.03 (Policies, Rules and Regulations), 4.04 (Conflicts of Interest), 4.06 (Restrictive Covenants), 4.08 (Employee Handbook and Anti-Bribery), 4.10 (Confidential Information), 5.05 (Fair and Reasonable), 5.07 (No Termination Claims), 5.08 (Resignation as Director and Officer) or 5.09 (Provisions which Operate Following Termination) or Article 6 (Miscellaneous) of the Employment Agreement; the Restrictive Covenant Agreement (except as expressly provided herein); the Company's equity incentive plans and all applicable award agreements thereunder; the Company's Executive Bonus Plan or any other obligations specifically preserved under this agreement. This agreement may be amended only by a written instrument executed by all parties hereto. The parties may sign this agreement in several counterparts, each of which will be deemed an original but all of which together will constitute one instrument.

[Signature page follows]

The parties are signing this separation and release agreement on the date stated in the introductory clause.

lululemon athletica inc.

/s/ MARTI MORFITT

By: Marti Morfitt
Its: Board Chair

/s/ CALVIN MCDONALD

Calvin McDonald



**LULULEMON ATHLETICA INC. ANNOUNCES THIRD QUARTER FISCAL 2025 RESULTS
BOARD OF DIRECTORS AUTHORIZES \$1.0 BILLION INCREASE IN ITS STOCK REPURCHASE PROGRAM**

Revenue increased 7% to \$2.6 billion
Comparable sales increased 1%, or 2% on a constant dollar basis
Diluted EPS of \$2.59

Vancouver, British Columbia – December 11, 2025 – lululemon athletica inc. (NASDAQ:LULU) today announced financial results for the third quarter of fiscal 2025, which ended on November 2, 2025.

Calvin McDonald, Chief Executive Officer, stated: "In the third quarter, our teams remained focused on driving improvements within our U.S. business and maintaining momentum in our international regions. We are beginning to make progress against our action plan and continue to expect to see the impact of this work in 2026. As we enter the holiday season, we are encouraged by our early performance, and I would like to thank all our lululemon team members for their hard work and dedication to our guests and communities."

For the third quarter of 2025, compared to the third quarter of 2024:

- Net revenue increased 7% to \$2.6 billion.
 - Americas net revenue decreased 2%.
 - International net revenue increased 33%.
- Comparable sales increased 1%, or 2% on a constant dollar basis.
 - Americas comparable sales decreased 5%.
 - International comparable sales increased 18%.
- Gross profit increased 2% to \$1.4 billion and gross margin decreased 290 basis points to 55.6%.
- Income from operations decreased 11% to \$435.9 million and operating margin decreased 350 basis points to 17.0%.
- The effective income tax rate for the third quarter of 2025 was 30.5% compared to 30.2% for the third quarter of 2024.
- Diluted earnings per share were \$2.59 compared to \$2.87 in the third quarter of 2024.
- The Company opened 12 net new company-operated stores during the third quarter, ending with 796 stores.

Meghan Frank, Chief Financial Officer, stated: "We delivered better-than-expected revenue and EPS in the third quarter as a result of our disciplined execution and ongoing strength internationally. Looking forward, we will continue to leverage our strong financial position to invest in our growth initiatives, while maintaining operational rigor. In addition, we are pleased our Board of Directors recently increased our share repurchase authorization, which demonstrates our collective confidence in the opportunities ahead for our brand."

Stock Repurchase Program

During the third quarter of 2025, the Company repurchased 1.0 million shares of its common stock for a cost of \$189.0 million.

On December 3, 2025, the board of directors approved a \$1.0 billion increase to the Company's stock repurchase program. Including this increase, as of December 11, 2025, the Company had approximately \$1.6 billion remaining authorized on its stock repurchase program.

Balance Sheet Highlights

The Company ended the third quarter of 2025 with \$1.0 billion in cash and cash equivalents and the capacity under its committed revolving credit facility was \$593.0 million.



Inventories at the end of the third quarter of 2025 increased 11% to \$2.0 billion compared to \$1.8 billion at the end of the third quarter of 2024. On a unit basis, inventories increased 4%.

2025 Outlook

For the fourth quarter of 2025, the Company expects net revenue to be in the range of \$3.500 billion to \$3.585 billion, representing a decline of 3% to 1%, or growth of 2% to 4% excluding the 53rd week of 2024. Diluted earnings per share are expected to be in the range of \$4.66 to \$4.76 for the quarter. This assumes a tax rate of approximately 30%.

For 2025, the Company now expects net revenue to be in the range of \$10.962 billion to \$11.047 billion, representing growth of 4%, or 5% to 6% excluding the 53rd week of 2024. Diluted earnings per share are now expected to be in the range of \$12.92 to \$13.02 for the year. This assumes a tax rate of approximately 30%.

The guidance for 2025 includes an estimated reduction in income from operations of approximately \$210 million, net of currently anticipated mitigation efforts, including vendor savings, and pricing actions, reflecting our current assumptions about higher levels of tariffs on imports into the United States and the removal of the de minimis exemption. Actual results could differ materially from these estimates if tariff rates, sourcing savings, consumer demand, or the timing of regulatory changes vary from our current assumptions, or if our mitigation initiatives are less effective than currently expected.

The guidance does not reflect potential future repurchases of the Company's shares.

The guidance and outlook forward-looking statements made in this press release are based on management's expectations as of the date of this press release and do not incorporate future unknown impacts, including tariffs and macroeconomic trends. The Company undertakes no duty to update or to continue to provide information with respect to any forward-looking statements or risk factors, whether as a result of new information or future events or circumstances or otherwise. Actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of risks and uncertainties, including those stated below.

Leadership Transition

In a separate press release today, lululemon also announced a CEO succession plan. For additional details, please visit: <https://corporate.lululemon.com/media/press-releases>.

Conference Call Information

A conference call to discuss third quarter results is scheduled for today, December 11, 2025, at 4:30 p.m. Eastern time. Those interested in participating in the call are invited to dial 1-833-752-3550 or 1-647-846-8290, if calling internationally, approximately 10 minutes prior to the start of the call. A live webcast of the conference call will be available online at: <https://corporate.lululemon.com/investors/news-and-events/events-and-presentations>. A replay will be made available online approximately two hours following the live call for a period of 30 days.

About lululemon athletica inc.

lululemon athletica inc. (NASDAQ:LULU) is a technical athletic apparel, footwear, and accessories company for yoga, running, training, and most other activities, creating transformational products and experiences that build meaningful connections, unlocking greater possibility and wellbeing for all. Setting the bar in innovation of fabrics and functional designs, lululemon works with yogis and athletes in local communities around the world for continuous research and product feedback. For more information, visit lululemon.com.



Shifted Calendar for Comparable Sales

Due to the 53rd week in 2024, comparable sales are calculated on a one-week shifted basis such that the 13 weeks ended November 2, 2025 is compared to the 13 weeks ended November 3, 2024 rather than October 27, 2024.

Non-GAAP Financial Measures

We report certain financial metrics on a constant dollar basis, which is a non-GAAP financial measure.

A constant dollar basis assumes the average foreign currency exchange rates for the period remained constant with the average foreign currency exchange rates for the same period of the prior year. The Company provides constant dollar changes in its results to help investors understand the underlying growth rate of net revenue excluding the impact of changes in foreign currency exchange rates. Management uses constant currency metrics internally when reviewing and assessing financial performance.

The Company's fiscal year ends on the Sunday closest to January 31st of the following year, typically resulting in a 52-week year, but occasionally giving rise to an additional week, resulting in a 53-week year. Fiscal 2024 was a 53-week year while 2025 will be a 52-week year. The expected net revenue change excluding the 53rd week excludes the net revenue for the 53rd week of 2024. This enables an evaluation of the expected year-over-year change in net revenue based on 52 weeks in each year.

These non-GAAP financial measures are provided in addition to, and not a substitute for, the corresponding financial measures calculated in accordance with GAAP. For more information on these non-GAAP financial measures, please see the section captioned "Reconciliation of Non-GAAP Financial Measures" included in the accompanying financial tables, which includes more detail on the GAAP financial measure that is most directly comparable to each non-GAAP financial measure, and the related reconciliations between these financial measures. The Company's non-GAAP financial measures may be calculated differently from, and therefore may not be directly comparable to, similarly titled measures reported by other companies.

Forward-Looking Statements:

This press release includes estimates, projections, statements relating to the Company's business plans, objectives, and expected operating results that are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. In many cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "outlook," "believes," "intends," "estimates," "predicts," "potential" or the negative of these terms or other comparable terminology. These forward-looking statements also include the Company's guidance and outlook statements. These statements are based on management's current expectations but they involve a number of risks and uncertainties. Actual results and the timing of events could differ materially from those anticipated in the forward-looking statements as a result of risks and uncertainties, which include, without limitation: the Company's ability to maintain the value and reputation of its brand; its highly competitive market and increasing competition; its ability to anticipate consumer preferences and successfully develop and introduce new, innovative and differentiated products; the acceptability of its products to guests; increasing costs and decreasing selling prices; its ability to accurately forecast guest demand for its products; its ability to expand in light of its limited operating experience and limited brand recognition in new international markets and new product categories; its ability to attract, manage, and retain highly qualified individuals; its ability to manage its growth and the increased complexity of its business effectively; changes in consumer shopping preferences and shifts in distribution channels; its leasing of retail and distribution space; seasonality; its ability to safeguard against security breaches with respect to its technology systems; its compliance with privacy and data protection laws; any material disruption of its information systems; its ability to have technology-based systems function effectively and grow its e-commerce business globally; changes to U.S. tariff and customs policy, including the elimination of the de minimis exemption; macroeconomic volatility, inflationary pressures, and shifts in consumer sentiment; global political and economic instability and related trade actions; changes to tariffs, customs rules, and other trade restrictions; changes in tax laws or unanticipated tax liabilities; its ability to comply with trade and other regulations; fluctuations in foreign currency exchange rates; global or regional health events such as the



COVID-19 pandemic and related government, private sector, and individual consumer responsive actions; disruptions of its supply chain; its reliance on a relatively small number of vendors to supply and manufacture a significant portion of its products; suppliers or manufacturers not complying with its Vendor Code of Ethics or applicable laws; fluctuating costs of raw materials; its ability to deliver its products to the market and to meet guest expectations if it has problems with its distribution system; increasing labor costs and other factors associated with the production of its products in South Asia and South East Asia; imitation by its competitors; its ability to protect its intellectual property rights; conflicting trademarks and patents and the prevention of sale of certain products; climate change and related pressures; heightened scrutiny and legal risks from competing pressures regarding ESG; its exposure to various types of litigation; and other risks and uncertainties set out in filings made from time to time with the United States Securities and Exchange Commission and available at www.sec.gov, including, without limitation, its most recent reports on Form 10-K and Form 10-Q. You are urged to consider these factors carefully in evaluating the forward-looking statements contained herein and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by these cautionary statements. The forward-looking statements made herein speak only as of the date of this press release and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances, except as may be required by law.

Contacts:

Investor Contacts:

lululemon athletica inc.

Howard Tubin

1-604-732-6124

or

ICR, Inc.

Joseph Teklits

1-203-682-8200

Media Contact:

lululemon athletica inc.

Madi Wallace

1-604-732-6124



lululemon athletica inc.

The fiscal year ending February 1, 2026 is referred to as "2025" and the fiscal year ended February 2, 2025 is referred to as "2024".

Condensed Consolidated Statements of Operations

Unaudited; Expressed in thousands, except per share amounts

	Third Quarter		First Three Quarters	
	2025	2024	2025	2024
Net revenue	\$ 2,565,920	\$ 2,396,660	\$ 7,461,799	\$ 6,976,629
Costs of goods sold	1,140,004	995,054	3,175,555	2,887,770
Gross profit	1,425,916	1,401,606	4,286,244	4,088,859
<i>As a percentage of net revenue</i>	55.6%	58.5%	57.4%	58.6%
Selling, general and administrative expenses	988,254	909,827	2,882,783	2,624,212
<i>As a percentage of net revenue</i>	38.5%	38.0%	38.6%	37.6%
Amortization of intangible assets	1,776	1,118	5,136	1,118
Income from operations	435,886	490,661	1,398,325	1,463,529
<i>As a percentage of net revenue</i>	17.0%	20.5%	18.7%	21.0%
Other income (expense), net	5,854	13,743	27,377	55,020
Income before income tax expense	441,740	504,404	1,425,702	1,518,549
Income tax expense	134,905	152,534	433,390	452,336
Net income	\$ 306,835	\$ 351,870	\$ 992,312	\$ 1,066,213
Basic earnings per share	\$ 2.59	\$ 2.87	\$ 8.30	\$ 8.57
Diluted earnings per share	\$ 2.59	\$ 2.87	\$ 8.29	\$ 8.55
Basic weighted-average shares outstanding	118,535	122,697	119,589	124,471
Diluted weighted-average shares outstanding	118,552	122,803	119,692	124,668



lululemon athletica inc.

*Condensed Consolidated Balance Sheets
Unaudited; Expressed in thousands*

	November 2, 2025	February 2, 2025	October 27, 2024
ASSETS			
Current assets			
Cash and cash equivalents	\$ 1,035,862	\$ 1,984,336	\$ 1,188,419
Inventories	1,997,844	1,442,081	1,800,893
Prepaid and receivable income taxes	430,303	182,253	257,388
Other current assets	459,652	371,632	358,589
Total current assets	3,923,661	3,980,302	3,605,289
Property and equipment, net	1,952,012	1,780,617	1,697,759
Right-of-use lease assets	1,600,385	1,416,256	1,360,589
Goodwill and intangible assets, net	182,990	171,191	178,185
Deferred income taxes and other non-current assets	296,144	254,926	241,847
Total assets	\$ 7,955,192	\$ 7,603,292	\$ 7,083,669
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Accounts payable	\$ 352,160	\$ 271,406	\$ 385,960
Accrued liabilities and other	621,155	559,463	561,615
Accrued compensation and related expenses	186,378	204,543	190,169
Current lease liabilities	317,482	275,154	290,368
Current income taxes payable	62,712	183,126	96,808
Unredeemed gift card liability	253,798	308,352	238,327
Other current liabilities	48,494	37,586	40,286
Total current liabilities	1,842,179	1,839,630	1,803,533
Non-current lease liabilities	1,445,312	1,300,637	1,223,733
Deferred income tax liability	111,590	98,188	33,231
Other non-current liabilities	54,088	40,790	37,440
Stockholders' equity	4,502,023	4,324,047	3,985,732
Total liabilities and stockholders' equity	\$ 7,955,192	\$ 7,603,292	\$ 7,083,669



lululemon athletica inc.

*Condensed Consolidated Statements of Cash Flows
Unaudited; Expressed in thousands*

	First Three Quarters	
	2025	2024
Cash flows from operating activities		
Net income	\$ 992,312	\$ 1,066,213
Adjustments to reconcile net income to net cash provided by operating activities	(532,706)	(194,890)
Net cash provided by operating activities	459,606	871,323
Net cash used in investing activities	(489,057)	(575,214)
Net cash used in financing activities	(938,996)	(1,328,510)
Effect of foreign currency exchange rate changes on cash and cash equivalents	19,973	(23,151)
Decrease in cash and cash equivalents	(948,474)	(1,055,552)
Cash and cash equivalents, beginning of period	1,984,336	2,243,971
Cash and cash equivalents, end of period	\$ 1,035,862	\$ 1,188,419



lululemon athletica inc.

*Reconciliation of Non-GAAP Financial Measures
Unaudited*

Constant dollar changes

The below changes show the change compared to the corresponding period in the prior year. Due to the 53rd week in 2024, the below changes in comparable sales are calculated on a one-week shifted basis such that the 13 weeks ended November 2, 2025 is compared to the 13 weeks ended November 3, 2024 rather than October 27, 2024.

Net Revenue	Third Quarter 2025		
	Change	Foreign exchange	Change in constant dollars
United States	(3)%	— %	(3)%
Canada	(1)	1	—
Mexico ⁽¹⁾	95	(9)	86
Americas	(2)	—	(2)
China Mainland	46	1	47
Rest of World	19	—	19
Total international	33	—	33
Total	7 %	— %	7 %

Comparable Sales ⁽²⁾	Third Quarter 2025		
	Change	Foreign exchange	Change in constant dollars
Americas	(5)%	— %	(5)%
China Mainland	24	1	25
Rest of World	9	—	9
Total international	18	—	18
Total	1 %	1 %	2 %

⁽¹⁾ On September 10, 2024, the Company acquired the lululemon branded retail locations and operations run by a third party in Mexico. Wholesale sales to the third party by lululemon athletica canada inc. prior to the acquisition are disclosed as net revenue recognized within Canada.

⁽²⁾ Comparable sales includes comparable company-operated store and e-commerce net revenue. Comparable company-operated stores have been open for at least 12 full fiscal months, or open for at least 12 full fiscal months after being significantly expanded. Comparable company-operated stores exclude stores which have been temporarily relocated for renovations or have been temporarily closed. Company-operated stores acquired as a result of the acquisition of the Mexico operations were considered comparable beginning October 2025, after 12 full fiscal months of sales from the date of acquisition.



Expected net revenue change excluding the 53rd week

The Company's fiscal year ends on the Sunday closest to January 31st of the following year, typically resulting in a 52-week year, but occasionally giving rise to an additional week, resulting in a 53-week year. Fiscal 2024 was a 53-week year while 2025 will be a 52-week year.

	Fourth Quarter 2025	Fiscal 2025
Expected net revenue change	(3)% to (1)%	4%
Impact of 53rd week	5%	1% to 2%
Expected net revenue change excluding the 53rd week (non-GAAP)	2% to 4%	5% to 6%

Fiscal 2025				
	Expected net revenue change	Impact of 53rd week	Foreign exchange	Expected net revenue change in constant dollars excluding the 53rd week (non-GAAP)
United States	(2)% to (3)%	1 %	— %	(1%) to (2%)
Canada	(2)%	2 %	— %	— %
Americas	(1)% to (2)%	1 %	— %	0% to (1)%
China Mainland	20% to 23%	2 %	— %	22% to 25%
Rest of World	17% to 19%	2 %	(2)%	17% to 19%



lululemon athletica inc.

Company-operated Store Count and Square Footage⁽¹⁾

Square footage expressed in thousands

	Number of Stores Open at the Beginning of the Quarter	Number of Stores Opened During the Quarter	Number of Stores Closed During the Quarter	Number of Stores Open at the End of the Quarter
4 th Quarter 2024	749	21	3	767
1 st Quarter 2025	767	5	2	770
2 nd Quarter 2025	770	15	1	784
3 rd Quarter 2025	784	14	2	796

	Total Gross Square Feet at the Beginning of the Quarter	Gross Square Feet Added During the Quarter⁽²⁾	Gross Square Feet Lost During the Quarter⁽²⁾	Total Gross Square Feet at the End of the Quarter
4 th Quarter 2024	3,231	153	12	3,372
1 st Quarter 2025	3,372	50	7	3,415
2 nd Quarter 2025	3,415	99	3	3,511
3 rd Quarter 2025	3,511	128	9	3,630

⁽¹⁾ Company-operated store count and square footage summary excludes retail locations operated by third parties under license and supply arrangements.

⁽²⁾ Gross square feet added/lost during the quarter includes net square foot additions for company-operated stores which have been renovated or relocated in the quarter.



lululemon athletica inc. Announces CEO Succession Plan

Calvin McDonald to Step Down as CEO

Board Conducting Comprehensive CEO Search Process

Board Chair Marti Morfitt Appointed Executive Chair

VANCOUVER, British Columbia – December 11, 2025 – lululemon athletica inc. (NASDAQ:LULU) today announced that Calvin McDonald plans to step down as Chief Executive Officer and member of the company’s Board of Directors, effective January 31, 2026. Mr. McDonald and the Board are working together to facilitate a smooth transition, and he will serve as a senior advisor to the company through March 31, 2026. The Board is conducting a comprehensive search process in partnership with a leading executive search firm to identify the company’s next CEO.

The company also announced that Marti Morfitt, Chair of the Board, will take on the expanded role of Executive Chair, effective immediately, to ensure the continued execution of the company’s near- and long-term growth strategy during the leadership transition. In addition, Meghan Frank, Chief Financial Officer, and André Maestrini, Chief Commercial Officer, will serve as interim co-CEOs following Mr. McDonald’s transition. Both interim co-CEOs bring extensive global retail experience and proven track records of driving growth at lululemon, and will support all aspects of the business through the conclusion of the search process.

Since joining lululemon in 2018, Mr. McDonald has guided the company through a period of significant growth and innovation. Under his leadership, lululemon has more than tripled its annual revenues, and the company expects to generate \$11 billion in annual revenue this fiscal year. He also broadened lululemon’s global reach to over 30 geographies and grew the company’s China Mainland business into its second largest market. Additionally, he expanded lululemon’s product portfolio, meaningfully growing its athletic and lifestyle categories, and formally expanding into new high-demand activities such as tennis and golf. As a result of these achievements, lululemon is well-positioned to continue its global category leadership and create value for shareholders over the long-term.

“Serving as CEO of lululemon has been the highlight of my career, and I am incredibly proud of everything our team has accomplished over the last seven years,” said Mr. McDonald. “Together, we have transformed the athletic apparel industry and the opportunity ahead for lululemon is substantial. I believe the outstanding product pipeline we’ve built, and action plan we’ve put into place, will yield positive results, and deliver value to shareholders in the months and years ahead. I am committed to fully supporting the transition and helping guide our leadership team in my advisory role as they execute against our strategy.”

“On behalf of the Board and the entire organization, I want to thank Calvin for his visionary leadership building lululemon into one of the strongest brands in retail,” said Ms. Morfitt. “During his tenure, Calvin led lululemon through a period of impressive revenue growth, with differentiated products and experiences that resonated with guests around the world. We are grateful for Calvin’s numerous contributions and appreciate his continued support over the coming months to facilitate a seamless transition.”

Ms. Morfitt added, “The Board is confident in our leadership transition plan, the strength of our teams across the company, and our ability to deliver on our strategy. lululemon has a strong foundation in place, and, as we look to the future, the Board is focused on identifying a leader with a track record of driving companies through periods of growth and transformation to guide the company’s next chapter of success. While the search is underway, I look forward to working closely with Meghan, André, and the rest of the Senior Leadership Team to execute on our strategy with a sense of urgency and meaningfully drive the business forward.”



Third Quarter Fiscal 2025 Results and Conference Call

In a separate press release issued today, lululemon released its third quarter fiscal 2025 financial results. The company will host a conference call to discuss these results at 4:30 p.m. Eastern Time today, December 11, 2025.

Those interested in participating in the call are invited to dial 1-833-752-3550 or 1-647-846-8290, if calling internationally, approximately 10 minutes prior to the start of the call. A live webcast of the conference call will be available online at: <https://corporate.lululemon.com/investors/news-and-events/events-and-presentations>. A replay will be made available online approximately two hours following the live call for a period of 30 days.

Biographies

Martha (Marti) Morfitt

Marti Morfitt joined the lululemon Board in 2008 and was appointed Chair in 2022. She has been a Principal at River Rock Partners since 2008. In addition, she held various senior leadership positions, including Chief Executive Officer of Airborne and President and Chief Executive Officer at CNS.

Meghan Frank

Meghan Frank has served as lululemon's Chief Financial Officer since 2020. She joined the company in 2016 as Senior Vice President, Financial Planning and Analysis. Prior to lululemon, she held senior finance and merchandise planning roles at Ross Stores and J. Crew.

André Maestrini

André Maestrini was appointed lululemon's President and Chief Commercial Officer in 2025. He joined the company in 2021 as Executive Vice President of International. Prior to lululemon, he spent 14 years at adidas in various senior roles around the globe.

About lululemon athletica inc.

lululemon athletica inc. (NASDAQ:LULU) is a technical athletic apparel, footwear, and accessories company for yoga, running, training, and most other activities, creating transformational products and experiences that build meaningful connections, unlocking greater possibility and wellbeing for all. Setting the bar in innovation of fabrics and functional designs, lululemon works with yogis and athletes in local communities around the world for continuous research and product feedback. For more information, visit lululemon.com.

Forward-Looking Statements

This press release contains forward-looking statements, which are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied, including those related to successful leadership integration, execution of business strategies, and other factors described in reports we file from time to time with the SEC, including Forms 8-K, 10-Q and 10-K. We undertake no obligation to update any forward-looking statements.



Investors:

lululemon athletica inc.
Howard Tubin
1-604-732-6124

or

ICR, Inc.
Joseph Teklits
1-203-682-8200

Media:

lululemon athletica inc.
Madi Wallace
1-604-732-6124