

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO**

Individually and on Behalf of All Others
Similarly Situated,

Plaintiff,

v.

BATH & BODY WORKS, INC., GINA
BOSWELL, DANIEL HEAF, and EVA C.
BORATTO,

Defendants.

Case No.

**CLASS ACTION COMPLAINT FOR
VIOLATIONS OF THE FEDERAL
SECURITIES LAWS**

DEMAND FOR JURY TRIAL

Plaintiff Muralidhar Reddy Lingam (“Plaintiff”), individually and on behalf of all others similarly situated, by and through his attorneys, alleges the following upon information and belief, except as to those allegations concerning Plaintiff, which are alleged upon personal knowledge. Plaintiff’s information and belief is based upon, among other things, his counsel’s investigation, which includes without limitation: (a) review and analysis of regulatory filings made by Bath & Body Works, Inc. (“Bath & Body Works” or the “Company”) with the United States (“U.S.”) Securities and Exchange Commission (“SEC”); (b) review and analysis of press releases and media reports issued by and disseminated by Bath & Body Works; and (c) review of other publicly available information concerning Bath & Body Works.

NATURE OF THE ACTION AND OVERVIEW

1. This is a class action on behalf of persons and entities that purchased or otherwise acquired Bath & Body Works securities between June 4, 2024 and November 19, 2025, inclusive (the “Class Period”). Plaintiff pursues claims against the Defendants under the Securities Exchange Act of 1934 (the “Exchange Act”).

2. Bath & Body Works is a specialty retailer of home fragrance and body care products. Starting in fiscal year 2024, Bath & Body Works increasingly explored product categories, or “adjacencies,” beyond its core business. The Company’s four key adjacencies include products for men, lips, hair, and laundry. Throughout 2024 and 2025, the Company touted these adjacencies as a driver of growth.

3. On August 28, 2025, before the market opened, Bath & Body Works released its second quarter 2025 financial results. The Company reported, among other things, earnings per diluted share of \$0.30, ***a decline of 55.8% year over year***, missing the Company’s prior guidance on the low end by \$0.03. The Company further reported net income of \$64 million, ***a decline of***

57.9% year over year. The Company also announced it was cutting its full year guidance for earnings per diluted share by \$0.03 at the midpoint, to \$3.28 to \$3.53.

4. On this news, Bath & Body Works' stock price fell \$2.18, or 6.9%, to close at \$29.36 per share on August 28, 2025, on unusually heavy trading volume.

5. Then, on November 20, 2025, before the market opened, Bath & Body Works released third quarter 2025 financial results. The Company reported revenue declined 1% year over year, missing Company's guidance of 1-3% growth for the quarter. Net income also declined, **falling 26%** to \$77 million. Finally, the Company announced it was slashing full year guidance for net sales from a previously positive 1.5%-2.7% to a negative "high single digits." The Company also cut expected earnings per diluted share from \$3.28 to \$3.53 to "at least \$2.83."

6. In an investor presentation published the same day, the Company announced a new business strategy and admitted its strategy of "**adjacencies, collaborations and promotions**" had "**not grown our total customer base.**" The Company also offered a "diagnosis" of its underperformance, including that the focus on adjacencies had "reduced focus on investing in our core categories;" that collaborations "have been used to carry quarters;" and that the Company had become "overly reliant on deeper and more frequent promotions to drive growth." The Company announced would exit certain adjacencies and instead focus on core categories.

7. On this news, Bath & Body Works' stock price fell \$5.22, or 24.8%, to close at \$15.82 per share on November 20, 2025, on unusually heavy trading volume.

8. Throughout the Class Period, Defendants made materially false and/or misleading statements, as well as failed to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, Defendants failed to disclose to investors: (1) the Company's strategy of pursuing "adjacencies, collaborations and promotions" was not growing

the customer base and/or delivering the level of growth in net sales touted; (2) as the Company's strategy of "adjacencies, collaborations and promotions" faltered, the Company relied on brand collaborations "to carry quarters" and obfuscate otherwise weak underlying financial results; (3) as a result, the Company was unlikely to meet its own previously issued financial guidance; (4) that, as a result of the foregoing, Defendants' positive statements about the Company's business, operations, and prospects were materially misleading and/or lacked a reasonable basis.

9. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiff and other Class members have suffered significant losses and damages.

JURISDICTION AND VENUE

10. The claims asserted herein arise under Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

11. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331 and Section 27 of the Exchange Act (15 U.S.C. § 78aa).

12. Venue is proper in this Judicial District pursuant to 28 U.S.C. § 1391(b) and Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)). Substantial acts in furtherance of the alleged fraud or the effects of the fraud have occurred in this Judicial District. Many of the acts charged herein, including the dissemination of materially false and/or misleading information, occurred in substantial part in this Judicial District. In addition, the Company's principal executive offices are located in this District.

13. In connection with the acts, transactions, and conduct alleged herein, Defendants directly and indirectly used the means and instrumentalities of interstate commerce, including the

United States mail, interstate telephone communications, and the facilities of a national securities exchange.

PARTIES

14. Plaintiff Muralidhar Reddy Lingam, as set forth in the accompanying certification, incorporated by reference herein, purchased Bath & Body Works securities during the Class Period, and suffered damages as a result of the federal securities law violations and false and/or misleading statements and/or material omissions alleged herein.

15. Defendant Bath & Body Works is incorporated under the laws of Delaware with its principal executive offices located in Columbus, Ohio. Bath & Body Works's common shares trade on the New York Stock Exchange ("NYSE") exchange under the symbol "BBWI."

16. Defendant Gina Boswell ("Boswell") was the Company's Chief Executive Officer ("CEO") from December 1, 2022 until May 16, 2025.

17. Defendant Daniel Heaf ("Heaf") has been the Company's CEO since May 16, 2025.

18. Defendant Eva C. Boratto ("Boratto") was the Company's Chief Financial Officer ("CFO") at all relevant times.

19. Defendants Boswell, Heaf, and Boratto (together, the "Individual Defendants"), because of their positions with the Company, possessed the power and authority to control the contents of the Company's reports to the SEC, press releases and presentations to securities analysts, money and portfolio managers and institutional investors, i.e., the market. The Individual Defendants were provided with copies of the Company's reports and press releases alleged herein to be misleading prior to, or shortly after, their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their positions and access to material non-public information available to them, the Individual Defendants knew that the adverse facts specified herein had not been disclosed to, and were being concealed from, the public,

and that the positive representations which were being made were then materially false and/or misleading. The Individual Defendants are liable for the false statements pleaded herein.

SUBSTANTIVE ALLEGATIONS

Background

20. Bath & Body Works is a specialty retailer of home fragrance and body care products. Starting in fiscal year 2024, Bath & Body Works increasingly explored product categories, or “adjacencies,” beyond its core business. The Company’s four key adjacencies include products for men, lips, hair, and laundry.

Materially False and Misleading

Statements Issued During the Class Period

21. The Class Period begins on June 4, 2024.¹ On that day, Bath & Body Works issued a press release setting forth its first quarter 2024 financial results. The press release touted the Company’s alleged financial results, and further touted that the Company’s financial results were driven by, in part by a “shifted fiscal calendar” and purportedly negatively impacted merely by “weaker than expected results from certain international markets.” Specifically, the press release stated as follows, in relevant part:

Bath & Body Works Reports First Quarter 2024 Results

Net Sales of \$1.4 Billion Exceeded Guidance

Diluted Earnings Per Share of \$0.38 Exceeded Guidance,

up 9% on a GAAP Basis and 15% on an Adjusted Basis Compared to Prior Year

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First Quarter 2024 Results

¹ Unless otherwise stated, all emphasis in bold and italics hereinafter is added, and all footnotes are omitted.

The company reported earnings per diluted share of \$0.38 for the first quarter 2024, compared to \$0.35 for the same period of the prior year. First quarter operating income was \$187 million compared to \$181 million last year, and net income was \$87 million compared to \$81 million last year.

22. On June 4, 2024, the Company published an investor presentation setting forth financial results for the first quarter 2024. The investor presentation affirmed the Company's financial results, and further touted that results were driven by, in part, "strong floorsets" strong execution within our fulfilment operations," and purportedly negatively impacted by "weaker-than-expected wholesale revenue." The investor presentation further touted the "year-over-year growth drivers included: Lip, Hair, Men's and Fine Fragrance Mist" asserted "Men's continued to be one of our fastest growing categories in Body Care." Locally, the investor presentation stated as follows, in relevant part:

Q1 2024 Financial Results Exceeded Expectations

\$1.4B

Net Sales

Down 0.9% YoY¹

43.8%

Gross Margin

Up 110bp to LY

13.5%

Operating Margin

Up 60bp to LY

\$0.38

Diluted EPS

**Up 15% to LY
Adjusted EPS**

We delivered solid financial results exceeding our expectations for both Net Sales & EPS

- ✓ Net sales outperformance was driven by strong floorsets in March that reflected the newness in the quarter, partially offset by weaker-than-expected International wholesale revenue², which is generated by the product we sell to our franchise partners
- ✓ EPS outperformance was driven by better-than-expected net sales and, to a lesser extent, buying and occupancy costs, which were fueled by strong execution within our fulfillment operations

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Body Care

**Sales Up Low-Single
Digits while we
maintained market
share**

- Body Care outperformed the shop. Year-over-year growth drivers included: Lip, Hair, Men's and Fine Fragrance Mist.
- Limited launch of Everyday Luxuries collection of fine fragrance, approximately one-third of our U.S. stores.
 - Fine fragrance mist outperformed the shop during that period.
 - Slightly younger and more diverse set of customers.
 - Will relaunch this line across the full North American fleet in the Fall.
- Men's continued to be one of our fastest growing categories in Body Care and benefited from new forms introduced last year, including grooming and antiperspirant deodorant, and the newness we infused into the core collection in the first quarter.
- Travel outpaced the shop as we continue to take advantage of the trial and travel mindset.
- Our new lip fixture and expanded assortment is doubling sales of Lip in stores with the fixture and we are on track to complete the rollout to nearly all North American stores by July.

23. On June 4, 2024, the Company submitted its quarterly report for the period ended May 4, 2024 on a Form 10-Q filed with the SEC, affirming the previously reported financial results and reporting its net sales in disaggregated form. The quarterly report touted that the Company's outlook for growth was supported by the Company's strategy, including "*continued focus on our new category adjacencies.*" Specifically, the quarterly report stated as follows, in relevant part:

Outlook

We anticipate continuing macroeconomic pressures as well as continuing post-pandemic normalization of candles and sanitizers in fiscal 2024. We expect the normalization to moderate as we move through the year. *We plan to deliver growth from our core categories, supported by newness and seasonal storytelling and continued focus on our new category adjacencies, including men's, hair, lip, and laundry, to reach new customers.*

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	First Quarter	
	2024	2023
	(in millions)	
Stores - U.S. and Canada (a)	\$ 1,065	\$ 1,034
Direct - U.S. and Canada	261	280
International (b)	58	82
Total Net Sales	\$ 1,384	\$ 1,396

(a) Results include fulfilled buy online-pick up in store orders.

(b) Results include royalties associated with franchised stores and wholesale sales.

The Company's net sales outside of the U.S. include sales from Company-operated stores and its e-commerce site in Canada, royalties associated with franchised stores and wholesale sales. Certain of these sales are subject to the impact of fluctuations in foreign currency. The Company's net sales outside of the U.S. totaled \$126 million and \$145 million for the first quarters of 2024 and 2023, respectively.

24. On August 28, 2024, Bath & Body Works issued a press release announcing second quarter 2024 financial results. The press release touted the Company's alleged financial results as follows, in relevant part:

Bath & Body Works Reports Second Quarter 2024 Results

Net Sales of \$1.5 Billion, In Line with Guidance

Earnings Per Diluted Share of \$0.68; Adjusted Earnings Per Diluted Share of \$0.37, Exceeded Guidance

Updates Fiscal Year 2024 Guidance

Increases Full-Year Expected Share Repurchases to \$400 million from \$300 million

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Second Quarter 2024 Results

The company reported net sales of \$1,526 million for the quarter ended August 3, 2024, a decrease of 2.1% compared to net sales of \$1,559 million for the quarter ended July 29, 2023.

The company reported earnings per diluted share of \$0.68 for the second quarter 2024, compared to \$0.43 for the same period of the prior year. Second quarter operating income was \$183 million compared to \$188 million last year, and net income was \$152 million compared to \$99 million last year.

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	Second Quarter	
	2024	2023
Net Sales	\$ 1,526	\$ 1,559
Costs of Goods Sold, Buying and Occupancy	(900)	(937)
Gross Profit	626	622
General, Administrative and Store Operating Expenses	(443)	(434)
Operating Income	183	188
Interest Expense	(77)	(86)
Other Income	47	25
Income Before Income Taxes	153	127
Provision for Income Taxes	1	28
Net Income	\$ 152	\$ 99
Net Income per Diluted Share	\$ 0.68	\$ 0.43
Weighted Average Diluted Shares Outstanding	223	229

25. On August 28, 2024, the Company published an investor presentation regarding financial results for the second quarter 2024. The investor presentation affirmed the Company's alleged financial results, and further touted that the Company's financial results were driven by, in part, "semi-annual sale (SAS) performance" and "solid execution on our Fuel for Growth initiatives" and purportedly negatively impacted merely by a "*more value-conscious consumer due to choppy macroeconomic environment.*" The investor presentation further touted the Company's strategy of driving growth through adjacencies and stated "*Men's, Hair, Lip and Laundry performing well.*" Specifically, the investor presentation stated as follows, in relevant part:

Taking actions to drive growth in our core portfolio, extend our reach to new adjacencies and markets, use our agile model to adapt to a dynamic environment, and optimize our business to reduce costs and expand margin

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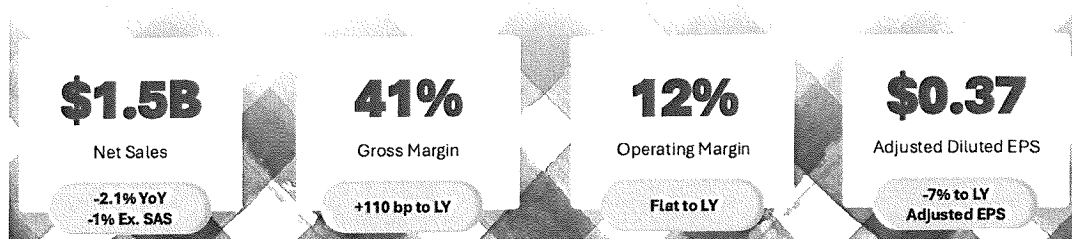
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Q2 2024 Financial Results

Delivered net sales in line with guidance and adjusted EPS exceeded expectations

Net sales results driven by semi-annual sale (SAS) performance and more value-conscious consumer due to choppy macroeconomic environment

Adjusted EPS outperformance driven by continued improvements in merchandise margin and solid execution on our Fuel for Growth initiatives



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EXTEND *Our Reach*



Growing new categories, opening new store locations, and expanding internationally

Men's, Hair, Lip and Laundry performing well, particularly with existing customers, but taking time to build brand awareness and attract greater number of "new to brand" customers

North American real estate portfolio remains healthy, with approximately 55% of stores now in off-mall locations

Nearly 500 international locations as of the end of Q2; accelerating growth to now expecting approximately 50 net new locations in 2024 from prior plan of at least 35

26. On August 28, 2024, the Company submitted its quarterly report for the period ended August 3, 2024 on a Form 10-Q filed with the SEC, affirming the previously reported financial results as well as additional net sales by disaggregation. The quarterly report alleged the Company's decline in net sales value was attributable primarily to customers selecting 'buy online pick up in store' options and "customers becom[ing] increasingly cautious in their spending." The quarterly report nonetheless touted that the Company's outlook for growth was supported by the

Company's strategy, including "*extending our reach through new category adjacencies.*"

Specifically, the quarterly report stated as follows, in relevant part:

Outlook

As we look ahead to the remainder of the year, we anticipate continuing pressures given the first-half sales trends and the choppy macroeconomic environment. We are focused on executing with precision, continuing to bring newness to customers and demonstrating our strong value proposition across our product assortment. ***Our strategic priorities remain our core categories, supported by newness and innovation, and extending our reach through new category adjacencies, including men's, hair, lip, and laundry, and expansion of off-mall and international locations.***

	*	*	*
	2024	2023	% Change
	(in millions)		
Stores - U.S. and Canada (a)	\$ 1,140	\$ 1,144	(0.3 %)
Direct - U.S. and Canada	297	329	(9.7 %)
International (b)	89	86	2.2 %
Total Net Sales	\$ 1,526	\$ 1,559	(2.1 %)

(a) Results include fulfilled buy online-pick up in store ("BOPIS") orders.

(b) Results include royalties associated with franchised stores and wholesale sales.

For the second quarter of 2024, Net Sales decreased \$33 million, or 2.1%, to \$1.526 billion, compared to the second quarter of 2023. ***Direct Net Sales decreased \$32 million, or 9.7%,*** driven by a decline in fulfilled orders, which was ***primarily due to our customers continuing to select our BOPIS option (which is recognized as store Net Sales) and a decline in website traffic.*** Stores Net Sales decreased \$4 million, or 0.3%, due to a decline in total transactions as we have seen our ***customers become increasingly cautious in their spending.*** International Net Sales increased \$3 million, or 2.2%, driven by increased product shipments.

27. On November 25, 2024, Bath & Body Works issued a press release setting forth its third quarter 2024 financial results. The press release touted the Company's alleged financial results, as follows, in relevant part:

Bath & Body Works Reports Third Quarter 2024 Results

Net Sales of \$1.6 Billion, Increased 3%; Earnings Per Diluted Share of \$0.49, Both Exceeding Guidance

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Third Quarter 2024 Results

The company reported net sales of \$1,610 million for the quarter ended November 2, 2024, an increase of 3.0% compared to net sales of \$1,562 million for the quarter ended October 28, 2023.

The company reported earnings per diluted share of \$0.49 for the third quarter 2024, compared to \$0.52 last year. Third quarter operating income was \$218 million compared to \$221 million last year, and net income was \$106 million compared to \$119 million last year.

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	Third Quarter		Year-to-Date	
	2024	2023	2024	2023
Net Sales	\$ 1,610	\$ 1,562	\$ 4,520	\$ 4,517
Costs of Goods Sold, Buying and Occupancy	(910)	(880)	(2,587)	(2,618)
Gross Profit	700	682	1,933	1,899
General, Administrative and Store Operating Expenses	(482)	(461)	(1,345)	(1,310)
Operating Income	218	221	588	589
Interest Expense	(77)	(84)	(236)	(259)
Other Income	4	22	65	68
Income Before Income Taxes	145	159	417	398
Provision for Income Taxes	39	40	72	99
Net Income	<u>\$ 106</u>	<u>\$ 119</u>	<u>\$ 345</u>	<u>\$ 299</u>
Net Income per Diluted Share	<u>\$ 0.49</u>	<u>\$ 0.52</u>	<u>\$ 1.55</u>	<u>\$ 1.31</u>
Weighted Average Diluted Shares Outstanding	<u>219</u>	<u>228</u>	<u>223</u>	<u>229</u>

28. On November 25, 2024, the Company published an investor presentation regarding financial results for the third quarter 2024. The investor presentation affirmed the Company's alleged financial results, and further touted that the Company's financial results were driven by, in part, "*customers responding favorable to innovation*" including "*adjacencies*" of men's, lip, and laundry. The investor presentation further touted the Company's strategy of driving growth through adjacencies. Specifically, the investor presentation stated as follows, in relevant part:

EXTEND *Our Reach*



Growing new adjacent categories, opening new store locations, and expanding internationally

Our adjacent categories of Men's, Hair, Lip and Laundry continue to perform well and year-to-date, represent approximately 10% of our business

North American real estate portfolio remains healthy, with approximately 55% of stores now in off-mall locations

510 International locations as of the end of Q3; 50 net new store locations expected in 2024

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Customers Responding Favorably to Innovation



MEN'S

Men's is our largest adjacency, and we see significant opportunity as we continue to increase awareness



LIP

Lip sales nearly doubled in the quarter, and you can expect additional launches of products like gloss and lipstick



LAUNDRY

Laundry rolled out to all U.S. stores in September, we believe it is an exciting platform for long-term growth

29. On November 26, 2024, the Company submitted its quarterly report for the period ended November 2, 2024 on a Form 10-Q filed with the SEC, affirming the previously reported financial results and further reporting net sales by disaggregation, which attributed a decline in certain net sales to “*customers continuing to select our BOPIS option*” and a “*franchise partners affected by the war in the Middle East.*” The quarterly report nonetheless continued to tout the

Company's outlook for growth was supported by the Company's strategy, including "***extending our reach by expanding and diversifying our product portfolio through category adjacencies.***"

Specifically, the quarterly report stated as follows, in relevant part:

Outlook

As we look ahead to the fourth quarter, the market remains competitive with a value conscious consumer. Our strategic priorities are focused on driving revenue growth through our core categories, supported by newness and innovation to create customer demand and convey the quality and value of our products. ***We are also focused on extending our reach by expanding and diversifying our product portfolio through category adjacencies, including men's, hair, lip, and laundry, and expansion of off-mall stores and international geographies.***

	*	*	*
	2024	2023	% Change
	(in millions)		
Stores - U.S. and Canada (a)	\$ 1,220	\$ 1,168	4.4 %
Direct - U.S. and Canada	321	317	1.5 %
International (b)	69	77	(11.1 %)
Total Net Sales	<u>\$ 1,610</u>	<u>\$ 1,562</u>	<u>3.0 %</u>

(a) Results include fulfilled buy online-pick up in store ("BOPIS") orders.

(b) Results include royalties associated with franchised stores and wholesale sales.

For the third quarter of 2024, Net Sales increased \$48 million, or 3.0%, to \$1.610 billion, compared to the third quarter of 2023. Stores Net Sales increased \$52 million, or 4.4%, due to new store growth, an increase in BOPIS fulfilled orders and the benefit of the shifted fiscal calendar, partially offset by the decline in average dollar sale. Direct Net Sales increased \$4 million, or 1.5%, primarily driven by an increased average order size, partially offset by a ***decline in fulfilled orders, which was primarily due to our customers continuing to select our BOPIS option (which is recognized as store Net Sales).*** International Net Sales decreased \$8 million, or 11.1%, driven by a ***decline in wholesale shipments to our franchise partners affected by the war in the Middle East.***

30. On February 27, 2025, Bath & Body Works issued a press release setting forth its financial results for the fourth quarter and full-year 2024. The press release touted the Company's alleged financial results, and further touted the Company's "***strategy is working, and we are driving topline growth through***" among other things "***category adjacencies.***" The press release

purported to assure investors financial results were only negatively impacted merely by a change to a “52-week fiscal year.” Finally, the press release issued guidance for the full fiscal year 2025.

Specifically, the press release stated as follows, in relevant part:

**Bath & Body Works Reports 2024 Fourth Quarter and Full-Year Results
and Provides 2025 Guidance**

•*Fourth quarter 2024 net sales of \$2.8 billion and earnings per diluted share of \$2.09, both exceeding guidance*

•*Fourth quarter net sales performance driven by strong traffic and conversion, building on Q3 momentum*

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Gina Boswell, CEO of Bath & Body Works, commented, “Our team delivered strong performance that exceeded expectations on both the top and bottom line in the critical fourth quarter. This success was driven by our product innovation, strong execution and the outstanding customer experience provided by our associates.”

Boswell added, “*Our strategy is working, and we are driving topline growth through product innovation, enhanced marketing and technology, and by extending our reach through category adjacencies and international expansion.* Despite complex challenges facing the broader retail sector, we ended the second half of the year strong. As we enter 2025, we have a lot to be excited about, and we are eager to build on our momentum.”

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Full-Year 2024 Results

Net sales decreased 1.6% to \$7,307 million for the 52-week fiscal year ended February 1, 2025, compared to \$7,429 million for the 53-week fiscal year ended February 3, 2024. *The 53rd week in fiscal 2023 represents a headwind of approximately 100 basis points to the net sales change in fiscal 2024.*

The company reported earnings per diluted share of \$3.61 for the year, compared to \$3.84 in 2023. Full-year operating income was \$1,266 million compared to \$1,285 million last year, and net income was \$798 million compared to \$878 million last year.

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2025 Guidance

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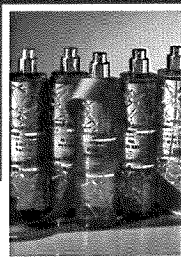
31. On February 27, 2025, the Company published an investor presentation setting financial results for the fourth quarter and full-year 2024. The investor presentation affirmed the Company's alleged financial results, and further touted that the Company's financial results were driven by, in part, "***growing adjacencies***" including "***expanded customer reach by growing adjacencies such as Men's, Hair, Lips and Laundry***." The investor presentation further affirmed the Company's full fiscal year 2025 guidance. Specifically, the investor presentation stated as follows, in relevant part:

BUILDING MOMENTUM IN FY '24

This past year can be best summarized as building momentum and establishing a strong foundation for long-term growth



Collaborations:
Launched collaborations with big names in pop culture



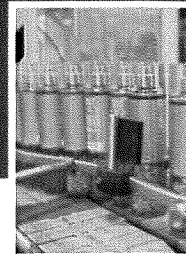
EDL:
Successfully rolled out Everyday Luxuries, our prestige-inspired line of fine fragrance mists



Loyalty:
Grew our active¹ loyalty membership 6% year over year



Adjacencies:
Expanded customer reach by growing adjacencies such as Men's, Hair, Lip and Laundry



Cost Savings:
Delivered ~\$155 million of incremental cost savings through our Fuel for Growth program

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ENTERING 2025 WITH MOMENTUM

We believe our strategy and actions position the company to achieve sustainable, profitable growth, and to drive long-term shareholder value.

- ♥ Poised to drive growth through our product innovation, marketing, and technology.
- ♥ Building on innovation platforms we launched in 2024 and extend our reach through adjacencies and international expansion.
- ♥ Turning to our 2025 outlook:
 - Net sales growth of 1% to 3%
 - Diluted EPS of \$3.25 to \$3.60



32. On March 14, 2025, the Company submitted its annual report for the fiscal year ended February 1, 2025 on a Form 10-K filed with the SEC, affirming the previously reported financial results and further reporting disaggregated net sales, including that a decline in net sales was attributed primarily to “*customers continuing to select our BOPIS option*” and a “*a decline in wholesale shipments to our franchise partners affected by the war in the Middle East.*” The annual report also touted that the Company’s “competitive strengths” included its “adjacencies” and “collaborations” and further touted the Company believes “*extending our reach through*

adjacencies” “*will accelerate Net Sales growth.*” Specifically, the annual report stated as follows, in relevant part:

Our Competitive Strengths

We believe the following competitive strengths contribute to our leading market position, differentiate us from our competitors and will drive future long-term sustainable growth:

* * *

We are continuously offering innovation and newness to customers through compelling product introductions paired with exciting marketing activities. During 2024, we rolled out Everyday Luxuries, our prestige-inspired line of fine fragrance mists, and we view it as a platform to drive long-term growth and expect to expand the collection in 2025. *We also believe that adjacencies are an opportunity to expand our product portfolio, applying our fragrance expertise and leadership to large addressable markets. Another key element across our core business is collaborations, which allow us to deliver highly differentiated storytelling that generates top-of-mind brand awareness with existing and new customers, drive traffic and enhance our cultural relevancy.* In 2024, we launched collaborations with leading brands in pop culture through partnerships and plan to continue to build upon this strategy in 2025.

* * *

	2024	2023	% Change
	(in millions)		
Stores - U.S. and Canada (a)	\$ 5,534	\$ 5,507	0.5 %
Direct - U.S. and Canada	1,474	1,582	(6.8 %)
International (b)	299	340	(11.8 %)
Total Net Sales	\$ 7,307	\$ 7,429	(1.6 %)

(a) Results include fulfilled BOPIS orders.

(b) Results include royalties associated with franchised stores and wholesale sales.

For 2024, total Net Sales decreased \$122 million to \$7.307 billion, and was negatively impacted by approximately 100 basis points due to the 53rd week in fiscal 2023.

Direct Net Sales decreased \$108 million, or 6.8%, *due to a decline in orders, which was primarily due to our customers continuing to select our BOPIS option* (which is recognized as store Net Sales) and the 53rd week in 2023, partially offset by an increased average order size. International Net Sales decreased \$41 million, or 11.8%, primarily driven by a *decline in wholesale shipments to our franchise*

partners affected by the war in the Middle East. Stores Net Sales increased \$27 million, which was effectively flat, primarily due to new store growth and the increase in BOPIS fulfilled orders offset by a decline in average dollar sales and the 53rd week in 2023.

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Fiscal 2025 Outlook

We believe our strategy and actions position the Company to achieve sustainable, profitable growth and to drive long-term shareholder value. *We believe our continued innovation across our core categories supported by compelling marketing and enhanced technology, building on innovation platforms we launched in 2024 and extending our reach through adjacencies and international expansion, will accelerate Net Sales growth.* We anticipate continuing macroeconomic pressures and do not anticipate improvement in consumer sentiment with the continued challenging backdrop of economic uncertainty in 2025.

33. On May 19, 2025, Bath & Body Works issued a press release announcing, among other things, certain financial results for the first quarter of 2025, and affirming the Company's full year guidance. Specifically, the press release stated as follows, in relevant part:

Company Pre-Announces First Quarter 2025 Net Sales and Earnings Per Diluted Share Results

In connection with today's announcement, the Company is pre-announcing its preliminary first quarter net sales and earnings per diluted share results. For the first quarter ended May 3, 2025, net sales were \$1,424 million, an increase of 3% compared to the prior year period. Earnings per diluted share were \$0.49 for the first quarter of 2025, compared to \$0.38 last year. First quarter 2025 sales were at the high end of the guidance range, and earnings per share exceeded the high end of the guidance range. *The Company maintains its initial full-year 2025 net sales guidance of 1% to 3% growth and \$3.25 to \$3.60 earnings per diluted share.*

34. On May 29, 2025, Bath & Body Works issued a press release setting forth financial results for the first quarter 2025. The press release touted the Company's alleged financial results, and further touted the Company's financial results were driven by, in part "compelling innovation." Finally, the press release affirmed guidance for the full fiscal year 2025, and issued guidance for the second quarter 2025. Specifically, the press release stated as follows, in relevant part:

Bath & Body Works Reports 2025 First Quarter Results and Maintains Fiscal Year 2025 Guidance

- *First quarter net sales up 3% to \$1.4 billion, at the high end of the guidance range, and earnings per diluted share up 29% to \$0.49, exceeding the high end of the guidance range*

- *Net sales performance driven by compelling innovation*

- *Company maintains 2025 net sales guidance of 1% to 3% growth and earnings per diluted share guidance of \$3.25 to \$3.60, inclusive of current tariff rates*

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First Quarter 2025 Results

The company reported net sales of \$1,424 million for the quarter ended May 3, 2025, an increase of 2.9% compared to net sales of \$1,384 million for the quarter ended May 4, 2024.

The company reported earnings per diluted share of \$0.49 for the first quarter of 2025, compared to \$0.38 last year.

First quarter operating income was \$209 million compared to \$187 million last year, and net income was \$105 million compared to \$87 million last year.

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2025 Guidance

The company is maintaining its full-year 2025 *net sales guidance of 1% to 3% growth*, compared to \$7,307 million in fiscal 2024, *and 2025 full-year earnings per diluted share guidance of \$3.25 to \$3.60*, compared to earnings per diluted share of \$3.61 and adjusted earnings per diluted share of \$3.29 in fiscal 2024. The company's full-year outlook includes the anticipated impact of all tariff rates currently in effect and levied by the U.S. government and other countries. Our outlook also includes the anticipated impact of approximately \$300 million of cash deployed towards share repurchases. In Fiscal 2025, we continue to expect to generate free cash flow of \$750 million to \$850 million.

The company expects second quarter 2025 net sales to be flat to up 2% compared to \$1,526 million in the second quarter of 2024. Second quarter 2025 earnings per diluted share is expected to be between \$0.33 and \$0.38, compared to earnings per diluted share of \$0.68 and adjusted earnings per diluted share of \$0.37 in the second quarter of 2024. Our second quarter 2025 outlook also includes the anticipated impact of all tariff rates as referenced above.

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	First Quarter	
	2025	2024
Net Sales	\$ 1,424	\$ 1,384
Costs of Goods Sold, Buying and Occupancy	(778)	(778)
Gross Profit	646	606
General, Administrative and Store Operating Expenses	(437)	(419)
Operating Income	209	187
Interest Expense	(71)	(82)
Other Income	8	13
Income Before Income Taxes	146	118
Provision for Income Taxes	(41)	(31)
Net Income	\$ 105	\$ 87
Net Income per Diluted Share	\$ 0.49	\$ 0.38
Weighted Average Diluted Shares Outstanding	215	226

35. On May 29, 2025, the Company published an investor presentation regarding financial results for the first quarter 2025. The investor presentation affirmed the Company's alleged financial results, and further touted that the Company's financial results were driven by, in part, *"our adjacent categories of Men's, Lips, Hair and Laundry."* The investor presentation further touted the *"Men's category remains a compelling avenue."* Finally, the investor presentation affirmed the Company's full year 2025 and second quarter 2025 guidance. Specifically, the investor presentation stated as follows, in relevant part:



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FY 2025 GUIDANCE

\$ in millions, except earnings per share

METRIC	GUIDANCE (May 29, 2025 ¹)	GUIDANCE (February 27, 2025 ²)
Net Sales	up 1% – up 3%	up 1% – up 3%
Gross Profit Rate	~44%	~44%
SG&A Expense Rate	~27.5%	~27%
Net Non-Operating Expense	~\$255	~\$255
Tax Rate	~26%	~26%
Weighted Average Diluted Shares Outstanding	~212 million	~213 million
Earnings Per Diluted Share	\$3.25 - \$3.60	\$3.25 - \$3.60
Capital Expenditures	\$250 - \$270	\$250 - \$270
Free Cash Flow	\$750 - \$850	\$750 - \$850
	*	*

Q2 2025 GUIDANCE

\$ in millions, except earnings per share

METRIC	GUIDANCE (May 29, 2025 ¹)
Net Sales	Flat to up 2%
Gross Profit Rate	~41%
SG&A Expense Rate	~30%
Net Non-Operating Expense	~\$65
Tax Rate	~29%
Weighted Average Diluted Shares Outstanding	~212 million
Earnings Per Diluted Share	\$0.33 - \$0.38

36. On May 29, 2024, the Company submitted its quarterly report for the period ended May 3, 2025 on a Form 10-Q filed with the SEC, affirming the previously reported financial results and further reporting disaggregated net sales, including that a decline in certain net sales was

attributed primarily to “customers continuing to select our BOPIS option” and an increase in others due to “timing of product shipments to our partners.” The quarterly report further touted that the Company’s outlook for growth was supported by the Company’s strategy, including “*extending our reach through adjacencies*” “*will continue to accelerate Net Sales growth over the long term.*” Specifically, the quarterly report stated as follows, in relevant part:

Outlook

We believe our strategy and actions position the Company to achieve sustainable, profitable growth and to drive long-term shareholder value. We believe our continued innovation across our core categories supported by compelling marketing and enhanced technology, building on innovation platforms we launched in 2024 and *extending our reach through adjacencies and international expansion, will continue to accelerate Net Sales growth over the long term.* Amid a challenging macroeconomic backdrop, we have remained disciplined and decisive in our actions which is evidenced in our current performance.

	*	*	*
	2025	2024	% Change
	(in millions)		
Stores - U.S. and Canada (a)	\$ 1,110	\$ 1,065	4.3 %
Direct - U.S. and Canada	250	261	(4.3 %)
International (b)	64	58	10.1 %
Total Net Sales	\$ 1,424	\$ 1,384	2.9 %

(a) Results include fulfilled buy online pick up in store (“BOPIS”) orders.

(b) Results include royalties associated with franchised stores and wholesale sales.

For the first quarter of 2025, total Net Sales were \$1,424 million and increased \$40 million, or 2.9%, compared to the first quarter of 2024. Stores Net Sales increased \$45 million, or 4.3%, primarily driven by an increase in transactions due to an increase in BOPIS fulfilled orders (which are recognized as store Net Sales) and new store growth, and an increase in average dollar sales. Direct Net Sales decreased \$11 million, or 4.3%, driven by a *decline in fulfilled orders, which was primarily due to our customers continuing to select our BOPIS option*, partially offset by an increase in average order size. International Net Sales increased \$6 million, or 10.1%, driven by *timing of product shipments to our partners.*

37. The above statements identified in ¶¶21-36 were materially false and/or misleading, and failed to disclose material adverse facts about the Company’s business, operations, and

prospects. Specifically, Defendants failed to disclose to investors: (1) the Company’s strategy of pursuing “adjacencies, collaborations and promotions” was not growing the customer base and/or delivering the level of growth in net sales touted; (2) as the Company’s strategy of “adjacencies, collaborations and promotions” faltered, the Company relied on brand collaborations “to carry quarters” and obfuscate otherwise weak underlying financial results; (3) as a result, the Company was unlikely to meet its own previously issued financial guidance; (4) that, as a result of the foregoing, Defendants’ positive statements about the Company’s business, operations, and prospects were materially misleading and/or lacked a reasonable basis.

Disclosures at the End of the Class Period

38. On August 28, 2025, before the market opened, Bath & Body Works released its second quarter 2025 financial results. The Company reported, among other things, earnings per diluted share of \$0.30, *a decline of 55.8% year over year*, missing the Company’s prior guidance on the low end by \$0.03. The Company further reported net income of \$64 million, *a decline of 57.9% year over year*. The Company also announced it was cutting its full year guidance for earnings per diluted share by \$0.03 at the midpoint, to \$3.28 to \$3.53. Specifically, the press release stated as follows, in relevant part:

Bath & Body Works Reports 2025 Second Quarter Results and Updates Fiscal Year 2025 Guidance

- *Second quarter net sales up 1.5% to \$1.5 billion, at the high end of the guidance range*
- *Earnings per diluted share of \$0.30; adjusted earnings per diluted share of \$0.37, at the high end of the guidance range*
- *Full-year 2025 earnings per diluted share guidance of \$3.28 to \$3.53*

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Second Quarter 2025 Results

The company reported net sales of \$1,549 million for the quarter ended August 2, 2025, an increase of 1.5% compared to net sales of \$1,526 million for the quarter ended August 3, 2024.

The company reported earnings per diluted share of \$0.30 for the second quarter of 2025, compared to \$0.68 last year. Second quarter operating income was \$157 million compared to \$183 million last year, and net income was \$64 million compared to \$152 million last year.

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2025 Guidance

The company is narrowing its full-year 2025 net sales guidance from 1% to 3% growth to 1.5% to 2.7% growth, compared to \$7,307 million in fiscal 2024. ***Full-year 2025 earnings per diluted share is now expected to be between \$3.28 to \$3.53,*** compared to earnings per diluted share of \$3.61 in fiscal 2024.

* * *

The company expects third quarter 2025 net sales to be up 1% to 3%, compared to \$1,610 million in the third quarter of 2024. ***Third quarter 2025 earnings per diluted share is expected to be between \$0.37 and \$0.45,*** compared to \$0.49 in the third quarter of 2024. Our third quarter 2025 outlook also includes the anticipated impact of all tariff rates as referenced above.

39. On this news, Bath & Body Works' stock price fell \$2.18, or 6.9%, to close at \$29.36 per share on August 28, 2025, on unusually heavy trading volume.

40. On November 20, 2025, before the market opened, Bath & Body Works released its third quarter 2025 financial results. The Company reported revenue declined 1% year over year, missing Company's guidance of 1-3% growth for the quarter. Net income also declined, falling 26% to \$77 million. Finally, the Company announced it was slashing full year guidance for net sales from a previously positive 1.5%-2.7% to a negative "high single digits." The Company also cut expected earnings per diluted share from \$3.28 to \$3.53 to "at least \$2.83." Specifically, the press release stated as follows, in relevant part:

Bath & Body Works Outlines Strategic Transformation for Sustainable Growth and Reports 2025 Third Quarter Results

- *Launches the Consumer First Formula with four strategic priorities to drive sustainable long-term growth*
- *Third-quarter net sales of \$1.6 billion, down 1%. Earnings per diluted share of \$0.37; Adjusted earnings per diluted share of \$0.35*
- *Q4 and full-year 2025 guidance lowered reflecting current business trends and continuation of recent macro consumer pressures*

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Third Quarter 2025 Results

The company reported net sales of \$1,594 million for the quarter ended November 1, 2025, a decrease of 1% compared to net sales of \$1,610 million for the quarter ended November 2, 2024.

Earnings per diluted share were \$0.37 for the third quarter of 2025, compared to \$0.49 last year. Third quarter operating income was \$161 million compared to \$218 million last year, and net income was \$77 million compared to \$106 million last year

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2025 Guidance

The company is revising its full-year 2025 net sales guidance from 1.5 % to 2.7% growth to a decline of low single digits, compared to \$7,307 million in fiscal 2024. Full-year 2025 earnings per diluted share is now expected to be at least \$2.83, compared to earnings per diluted share of \$3.61 in fiscal 2024. Full-year 2025 adjusted earnings per diluted share is now expected to be at least \$2.87, compared to adjusted earnings per diluted share of \$3.29 in fiscal 2024.

41. In an investor presentation published the same day, the Company announced a new business strategy and admitted its strategy of ***“adjacencies, collaborations and promotions”*** had ***“not grown our total customer base.”*** The Company also offered a “diagnosis” of its underperformance, including that the focus on adjacencies had “reduced focus on investing in our core categories;” that collaborations “have been used to carry quarters;” and that the Company had become “overly reliant on deeper and more frequent promotions to drive growth.” The Company announced would exit certain adjacencies and instead focus on core categories. Specifically, the presentation stated as follows, in relevant part:

Diagnosis

Reduced Focus on the Core: Innovation was focused on new product adjacencies, and we reduced focus in investing in our core categories.

Collaboration Strategy: Collaborations that should be used to drive excitement, energy and equity into the brand, have been used to carry quarters.

Unsustainable Growth: We became overly reliant on deeper and more frequent promotions to drive growth. Great value and exciting deals have always been central to our brand, and that will not change.

Customer Base: Adjacencies, collaborations and promotions raised basket sizes with existing customers, but we have not grown our total customer base, and we have not attracted a younger consumer.

Failed to Keep Up With Consumers: Over the years, consumers have evolved. They seek greater efficacy, ingredient-led products, modern packaging, compelling storytelling, and elevated multi-channel experiences.

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The Consumer First Formula

Putting the consumer at the center, with focus on four largest revenue driving opportunities.

Create Disruptive & Innovative Products

Return to best-in-class product leadership in our core categories: body care, home fragrance, soaps, and sanitizers.

Reignite the Brand

Invest in marketing (influencers, store visuals, product franchises, bigger & bolder campaigns) to reclaim our place as a brand that shapes culture.

Win in the Marketplace

Expand access and ease of discovery through enhanced digital experiences, third-party channels (including Amazon), and refreshed in-store merchandising.

Operate with Speed & Efficiency

Fund growth through disciplined execution. Targeting ~\$250M in cost savings over two years, with over half identified in 2026, to reinvest in revenue-generating activities in product and brand.

Build Winning Teams & Culture

42. In the Company's earnings call hosted the same day, the Company's CEO, Defendant Heaf, announced that "starting in the first half of next year" the Company would make *"selective category exits such as hair and men's grooming as we refocus on the core."* Heaf further clarified, "[t]he problem is those adjacencies haven't grown in the way that we had expected, and they are not significant the ones that we are starting to take out." Later in the call, Heaf stated "when it comes to adjacencies, I want to just clarify what I've said. *We are no longer going to invest in adjacencies.*" Specifically, during the earnings call, Defendant Heaf stated as follows, in relevant part:

Let me first give you the diagnosis in 4 clear points. *Firstly, we pursued adjacencies to attract new consumers, but that strategy has not delivered the growth we expected and it reduced focus in investing in our core categories. Secondly, collaborations that should have been used to drive excitement, energy and equity into our brand have been used to carry quarters.*

Thirdly, as these strategies and other tactics have not delivered growth, we have relied on deeper and more frequent promotions. Great value and exciting deals have been part of our brand, and that will not change. However, over reliance on promotion delivers diminishing returns and erodes brand equity, and that is what has happened here. *While all these efforts appeal to our existing consumers, they did not grow our customer base, and we have not attracted a younger consumer.*

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Starting in the first half of next year, you will see thoughtful edit to our assortment and *selective category exits such as hair and men's grooming as we refocus on the core.*

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The problem is those adjacencies haven't grown in the way that we had expected, and they are not significant the ones that we are starting to take out. So we're looking at every merchant does SKUs that are not contributing that much and SKUs that are not productive, and that's where we're starting in that long tail.

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And then when it comes to adjacencies, I want to just clarify what I've said. *We are no longer going to invest in adjacencies.* We are going to invest in our core. We have told you of 2 categories that we plan to exit in hair and men's grooming.

43. On this news, Bath & Body Works' stock price fell \$5.22, or 24.8%, to close at \$15.82 per share on November 20, 2025, on unusually heavy trading volume.

CLASS ACTION ALLEGATIONS

44. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class, consisting of all persons and entities that purchased or otherwise acquired Bath & Body Works securities between June 4, 2024 and November 19, 2025, inclusive, and who were damaged thereby (the "Class"). Excluded from the Class are Defendants, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors, or assigns, and any entity in which Defendants have or had a controlling interest.

45. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Bath & Body Works's shares actively traded on the NYSE. While the exact number of Class members is unknown to Plaintiff at this time and can only be ascertained through appropriate discovery, Plaintiff believes that there are at least hundreds or thousands of members in the proposed Class. Millions of Bath & Body Works shares were traded publicly during the Class Period on the NYSE. Record owners and other members of the Class may be identified from records maintained by Bath & Body Works or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

46. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law that is complained of herein.

47. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

48. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

(a) whether the federal securities laws were violated by Defendants' acts as alleged herein;

(b) whether statements made by Defendants to the investing public during the Class Period omitted and/or misrepresented material facts about the business, operations, and prospects of Bath & Body Works; and

(c) to what extent the members of the Class have sustained damages and the proper measure of damages.

49. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation makes it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

UNDISCLOSED ADVERSE FACTS

50. The market for Bath & Body Works's securities was open, well-developed and efficient at all relevant times. As a result of these materially false and/or misleading statements, and/or failures to disclose, Bath & Body Works's securities traded at artificially inflated prices during the Class Period. Plaintiff and other members of the Class purchased or otherwise acquired Bath & Body Works's securities relying upon the integrity of the market price of the Company's securities and market information relating to Bath & Body Works, and have been damaged thereby.

51. During the Class Period, Defendants materially misled the investing public, thereby inflating the price of Bath & Body Works's securities, by publicly issuing false and/or misleading

statements and/or omitting to disclose material facts necessary to make Defendants' statements, as set forth herein, not false and/or misleading. The statements and omissions were materially false and/or misleading because they failed to disclose material adverse information and/or misrepresented the truth about Bath & Body Works's business, operations, and prospects as alleged herein.

52. At all relevant times, the material misrepresentations and omissions particularized in this Complaint directly or proximately caused or were a substantial contributing cause of the damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about Bath & Body Works's financial well-being and prospects. These material misstatements and/or omissions had the cause and effect of creating in the market an unrealistically positive assessment of the Company and its financial well-being and prospects, thus causing the Company's securities to be overvalued and artificially inflated at all relevant times. Defendants' materially false and/or misleading statements during the Class Period resulted in Plaintiff and other members of the Class purchasing the Company's securities at artificially inflated prices, thus causing the damages complained of herein when the truth was revealed.

LOSS CAUSATION

53. Defendants' wrongful conduct, as alleged herein, directly and proximately caused the economic loss suffered by Plaintiff and the Class.

54. During the Class Period, Plaintiff and the Class purchased Bath & Body Works's securities at artificially inflated prices and were damaged thereby. The price of the Company's securities significantly declined when the misrepresentations made to the market, and/or the information alleged herein to have been concealed from the market, and/or the effects thereof, were revealed, causing investors' losses.

SCIENTER ALLEGATIONS

55. As alleged herein, Defendants acted with scienter since Defendants knew that the public documents and statements issued or disseminated in the name of the Company were materially false and/or misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the federal securities laws. As set forth elsewhere herein in detail, the Individual Defendants, by virtue of their receipt of information reflecting the true facts regarding Bath & Body Works, their control over, and/or receipt and/or modification of Bath & Body Works's allegedly materially misleading misstatements and/or their associations with the Company which made them privy to confidential proprietary information concerning Bath & Body Works, participated in the fraudulent scheme alleged herein.

APPLICABILITY OF PRESUMPTION OF RELIANCE

(FRAUD-ON-THE-MARKET DOCTRINE)

56. The market for Bath & Body Works's securities was open, well-developed and efficient at all relevant times. As a result of the materially false and/or misleading statements and/or failures to disclose, Bath & Body Works's securities traded at artificially inflated prices during the Class Period. On June 5, 2024 the Company's share price closed at a Class Period high of \$47.22 per share. Plaintiff and other members of the Class purchased or otherwise acquired the Company's securities relying upon the integrity of the market price of Bath & Body Works's securities and market information relating to Bath & Body Works, and have been damaged thereby.

57. During the Class Period, the artificial inflation of Bath & Body Works's shares was caused by the material misrepresentations and/or omissions particularized in this Complaint causing the damages sustained by Plaintiff and other members of the Class. As described herein,

during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about Bath & Body Works's business, prospects, and operations. These material misstatements and/or omissions created an unrealistically positive assessment of Bath & Body Works and its business, operations, and prospects, thus causing the price of the Company's securities to be artificially inflated at all relevant times, and when disclosed, negatively affected the value of the Company shares. Defendants' materially false and/or misleading statements during the Class Period resulted in Plaintiff and other members of the Class purchasing the Company's securities at such artificially inflated prices, and each of them has been damaged as a result.

58. At all relevant times, the market for Bath & Body Works's securities was an efficient market for the following reasons, among others:

(a) Bath & Body Works shares met the requirements for listing, and was listed and actively traded on the NYSE, a highly efficient and automated market;

(b) As a regulated issuer, Bath & Body Works filed periodic public reports with the SEC and/or the NYSE;

(c) Bath & Body Works regularly communicated with public investors via established market communication mechanisms, including through regular dissemination of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and/or

(d) Bath & Body Works was followed by securities analysts employed by brokerage firms who wrote reports about the Company, and these reports were distributed to the

sales force and certain customers of their respective brokerage firms. Each of these reports was publicly available and entered the public marketplace.

59. As a result of the foregoing, the market for Bath & Body Works's securities promptly digested current information regarding Bath & Body Works from all publicly available sources and reflected such information in Bath & Body Works's share price. Under these circumstances, all purchasers of Bath & Body Works's securities during the Class Period suffered similar injury through their purchase of Bath & Body Works's securities at artificially inflated prices and a presumption of reliance applies.

60. A Class-wide presumption of reliance is also appropriate in this action under the Supreme Court's holding in *Affiliated Ute Citizens of Utah v. United States*, 406 U.S. 128 (1972), because the Class's claims are, in large part, grounded on Defendants' material misstatements and/or omissions. Because this action involves Defendants' failure to disclose material adverse information regarding the Company's business operations and financial prospects—information that Defendants were obligated to disclose—positive proof of reliance is not a prerequisite to recovery. All that is necessary is that the facts withheld be material in the sense that a reasonable investor might have considered them important in making investment decisions. Given the importance of the Class Period material misstatements and omissions set forth above, that requirement is satisfied here.

NO SAFE HARBOR

61. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this Complaint. The statements alleged to be false and misleading herein all relate to then-existing facts and conditions. In addition, to the extent certain of the statements alleged to be false may be characterized as forward looking, they were not identified as "forward-looking statements" when

made and there were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. In the alternative, to the extent that the statutory safe harbor is determined to apply to any forward-looking statements pleaded herein, Defendants are liable for those false forward-looking statements because at the time each of those forward-looking statements was made, the speaker had actual knowledge that the forward-looking statement was materially false or misleading, and/or the forward-looking statement was authorized or approved by an executive officer of Bath & Body Works who knew that the statement was false when made.

FIRST CLAIM

Violation of Section 10(b) of The Exchange Act and

Rule 10b-5 Promulgated Thereunder

Against All Defendants

62. Plaintiff repeats and re-alleges each and every allegation contained above as if fully set forth herein.

63. During the Class Period, Defendants carried out a plan, scheme and course of conduct which was intended to and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and other Class members, as alleged herein; and (ii) cause Plaintiff and other members of the Class to purchase Bath & Body Works's securities at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, Defendants, and each defendant, took the actions set forth herein.

64. Defendants (i) employed devices, schemes, and artifices to defraud; (ii) made untrue statements of material fact and/or omitted to state material facts necessary to make the statements not misleading; and (iii) engaged in acts, practices, and a course of business which operated as a fraud and deceit upon the purchasers of the Company's securities in an effort to

maintain artificially high market prices for Bath & Body Works's securities in violation of Section 10(b) of the Exchange Act and Rule 10b-5. All Defendants are sued either as primary participants in the wrongful and illegal conduct charged herein or as controlling persons as alleged below.

65. Defendants, individually and in concert, directly and indirectly, by the use, means or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a continuous course of conduct to conceal adverse material information about Bath & Body Works's financial well-being and prospects, as specified herein.

66. Defendants employed devices, schemes and artifices to defraud, while in possession of material adverse non-public information and engaged in acts, practices, and a course of conduct as alleged herein in an effort to assure investors of Bath & Body Works's value and performance and continued substantial growth, which included the making of, or the participation in the making of, untrue statements of material facts and/or omitting to state material facts necessary in order to make the statements made about Bath & Body Works and its business operations and future prospects in light of the circumstances under which they were made, not misleading, as set forth more particularly herein, and engaged in transactions, practices and a course of business which operated as a fraud and deceit upon the purchasers of the Company's securities during the Class Period.

67. Each of the Individual Defendants' primary liability and controlling person liability arises from the following facts: (i) the Individual Defendants were high-level executives and/or directors at the Company during the Class Period and members of the Company's management team or had control thereof; (ii) each of these defendants, by virtue of their responsibilities and activities as a senior officer and/or director of the Company, was privy to and participated in the creation, development and reporting of the Company's internal budgets, plans, projections and/or

reports; (iii) each of these defendants enjoyed significant personal contact and familiarity with the other defendants and was advised of, and had access to, other members of the Company's management team, internal reports and other data and information about the Company's finances, operations, and sales at all relevant times; and (iv) each of these defendants was aware of the Company's dissemination of information to the investing public which they knew and/or recklessly disregarded was materially false and misleading.

68. Defendants had actual knowledge of the misrepresentations and/or omissions of material facts set forth herein, or acted with reckless disregard for the truth in that they failed to ascertain and to disclose such facts, even though such facts were available to them. Such defendants' material misrepresentations and/or omissions were done knowingly or recklessly and for the purpose and effect of concealing Bath & Body Works's financial well-being and prospects from the investing public and supporting the artificially inflated price of its securities. As demonstrated by Defendants' overstatements and/or misstatements of the Company's business, operations, financial well-being, and prospects throughout the Class Period, Defendants, if they did not have actual knowledge of the misrepresentations and/or omissions alleged, were reckless in failing to obtain such knowledge by deliberately refraining from taking those steps necessary to discover whether those statements were false or misleading.

69. As a result of the dissemination of the materially false and/or misleading information and/or failure to disclose material facts, as set forth above, the market price of Bath & Body Works's securities was artificially inflated during the Class Period. In ignorance of the fact that market prices of the Company's securities were artificially inflated, and relying directly or indirectly on the false and misleading statements made by Defendants, or upon the integrity of the market in which the securities trades, and/or in the absence of material adverse information that

was known to or recklessly disregarded by Defendants, but not disclosed in public statements by Defendants during the Class Period, Plaintiff and the other members of the Class acquired Bath & Body Works's securities during the Class Period at artificially high prices and were damaged thereby.

70. At the time of said misrepresentations and/or omissions, Plaintiff and other members of the Class were ignorant of their falsity, and believed them to be true. Had Plaintiff and the other members of the Class and the marketplace known the truth regarding the problems that Bath & Body Works was experiencing, which were not disclosed by Defendants, Plaintiff and other members of the Class would not have purchased or otherwise acquired their Bath & Body Works securities, or, if they had acquired such securities during the Class Period, they would not have done so at the artificially inflated prices which they paid.

71. By virtue of the foregoing, Defendants violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

72. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company's securities during the Class Period.

SECOND CLAIM

Violation of Section 20(a) of The Exchange Act

Against the Individual Defendants

73. Plaintiff repeats and re-alleges each and every allegation contained above as if fully set forth herein.

74. Individual Defendants acted as controlling persons of Bath & Body Works within the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue of their high-level positions and their ownership and contractual rights, participation in, and/or awareness of the

Company's operations and intimate knowledge of the false financial statements filed by the Company with the SEC and disseminated to the investing public, Individual Defendants had the power to influence and control and did influence and control, directly or indirectly, the decision-making of the Company, including the content and dissemination of the various statements which Plaintiff contends are false and misleading. Individual Defendants were provided with or had unlimited access to copies of the Company's reports, press releases, public filings, and other statements alleged by Plaintiff to be misleading prior to and/or shortly after these statements were issued and had the ability to prevent the issuance of the statements or cause the statements to be corrected.

75. In particular, Individual Defendants had direct and supervisory involvement in the day-to-day operations of the Company and, therefore, had the power to control or influence the particular transactions giving rise to the securities violations as alleged herein, and exercised the same.

76. As set forth above, Bath & Body Works and Individual Defendants each violated Section 10(b) and Rule 10b-5 by their acts and omissions as alleged in this Complaint. By virtue of their position as controlling persons, Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and other members of the Class suffered damages in connection with their purchases of the Company's securities during the Class Period.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief and judgment, as follows:

(a) Determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;

(b) Awarding compensatory damages in favor of Plaintiff and the other Class members against all defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

(c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and

(d) Such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

Dated: January 12, 2026