

LAKELAND INDUSTRIES INC  
Form 10-K/A  
February 17, 2017

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 10-K/A**

(AMENDMENT NO. 1)

(Mark one)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended **January 31, 2016**

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 0-15535

**LAKELAND INDUSTRIES, INC.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware** **13-3115216**  
(State or Other Jurisdiction of Incorporation or Organization) (I.R.S. Employer Identification No.)

**3555 Veterans Memorial Highway, Suite C, Ronkonkoma, NY** **11779**  
(Address of Principal Executive Offices) (Zip Code)

**(Registrant's telephone number, including area code) (631) 981-9700**

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

**Common Stock \$0.01 Par Value**

**(Title of Class)**

**Name of Exchange on which registered – NASDAQ Global Select Market**

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

**Not Applicable**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act.

Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☒ No ☐

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Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this Chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

..

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a nonaccelerated filer or a smaller reporting company. See the definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐

Accelerated filer ☐

Nonaccelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12-b-2 of the Exchange Act)

Yes ☐ No ☒

As of July 31, 2015, the aggregate market value of the registrant's common stock held by nonaffiliates of the registrant was \$69,848,519 based on the closing price of the common stock as reported on the National Association of Securities Dealers Automated Quotation System National Market System.

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

| Class                                    | Outstanding at April 21, 2016 |
|------------------------------------------|-------------------------------|
| Common Stock, \$0.01 par value per share | 7,254,162 Shares              |

#### DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement to be filed pursuant to Regulation 14A of the Security Exchange Act of 1934 are incorporated by reference into Part III (Items 10, 11, 12, 13 and 14) of this Form 10-K.

## **Explanatory Note**

Lakeland Industries, Inc. (the “Company”) is filing this Amendment No. 1 on Form 10-K/A (this “Amendment No. 1”) to amend its Annual Report on Form 10-K for the fiscal year ended January 31, 2016, as filed with the Securities and Exchange Commission (the “SEC”) on April 21, 2016 (the “Original Form 10-K”). This Amendment No. 1 is being filed solely for the purposes of (i) including an unqualified opinion in the audit report, dated May 15, 2015, except Note 13.1, as to which the date is February 2, 2017, of Mazars Auditores Independentes on Lakeland Brazil S.A.’s financial statements as of and for the fiscal year ended January 31, 2015, and (ii) inserting the city and country where the audit reports of the independent registered public accountants, Shanghai Mazars Certified Public Accountants, were issued on each “Report of Independent Registered Public Accounting Firm” appearing on pages 37 and 38 of the Original Form 10-K. In accordance with the rules of the SEC, updated certifications pursuant to Section 302 of the Sarbanes-Oxley Act 2002 are being filed as Exhibits 31.1 and 31.2 and updated certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 are being filed as Exhibits 32.1 and 32.2 to this Amendment No. 1.

Except as noted above, no other modifications or changes have been made to the Original Form 10-K or the Company’s consolidated financial statements or the notes thereto included therein. This Amendment No. 1 does not reflect the effect of any events subsequent to the filing of the Original Form 10-K and does not modify or update in any way any other disclosures made in the Original Form 10-K. Accordingly, this Amendment No. 1 should be read in conjunction with the Original Form 10-K and the Company’s other filings made with the SEC.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Management and Shareholders of

Lakeland Brasil S.A.

São Paulo - SP

We have audited the accompanying balance sheet of Lakeland Brasil S.A. (“The Company”) as at January 31, 2015, and the related statements of operations, stockholders' equity, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our report dated May 15, 2015 on the January 31, 2015 financial statements, we expressed a qualified opinion due to a departure from accounting principles generally accepted in the United States of America. As more fully described in Note 13.1, the Company has corrected this departure from accounting principles generally accepted in the United States of America for the recognition of the interest and penalties related to the value added tax and restated the January 31, 2015 financial statements. Accordingly, our present opinion on the January 31, 2015 financial statements, as presented herein, is different from that expressed in our previous report.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of January 31, 2015, and the results of its operations and its cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

We also have audited the adjustments described in Notes 6 and 13.1 that were applied to restate the 2014 financial statements to correct errors. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2014 financial statements of the Company other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on

the 2014 financial statements taken as a whole.

The accompanying financial statements have been prepared assuming that Lakeland Brasil S.A. will continue as a going concern. As discussed in Note 1 to the financial statements, Lakeland Brasil S.A. has suffered recurring losses from operations and has a net capital deficiency that raises substantial doubt about the entity's ability to continue as a going concern. Management's plans concerning these matters as described in Note 1 – Operating context. There is also relevant Subsequent Events information in the Note 17 that the Board of Directors approved a sale of Parent Company's wholly-owned Brazilian subsidiary Lakeland Brasil to a current officer of Lakeland Brasil. The financial statements do not include any adjustments about that.

The financial statements of the Company for the year ended January 31, 2014, were audited by another auditor who expressed an unqualified opinion on those statements on April 22, 2014.

São Paulo, Brazil

May 15, 2015, except for Note 13.1, as to which the date is February 02, 2017

/s/ Mazars Auditores Independents S/S

Mazars Auditores Independentes S/S

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholders of

Weifang Lakeland Safety Products Co Ltd, China

We have audited the accompanying balance sheet of Weifang Lakeland Safety Products Co Ltd, China as of 31 January 2016 and 2015, and the related statement of operations, shareholder's equity and cash flows for the year then ended. Weifang Lakeland Safety Products Co., Ltd.'s management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Weifang Lakeland Safety Products Co., Ltd. as of January 31, 2016 and 2015, and the results of their operations and their cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

/s/ Shanghai MAZARS Certified Public Accountants

Shanghai MAZARS Certified Public Accountants

Shanghai, China

April 18, 2016

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

**To the Board of Directors and Stockholders of**

**Lakeland (Beijing) Safety Products Co., Ltd., China,**

We have audited the accompanying balance sheet of Lakeland (Beijing) Safety Products Co., Ltd., China as of 31 January 2016 and 2015, and the related statement of operations, shareholder's equity and cash flows for the year then ended. Lakeland (Beijing) Safety Products Co., Ltd.'s management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lakeland (Beijing) Safety Products Co., Ltd. as of January 31, 2016 and 2015, and the results of their operations and their cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

/s/ Shanghai MAZARS Certified Public Accountants

Shanghai MAZARS Certified Public Accountants

Shanghai, China

April 18, 2016

## PART IV

### ITEM 15. EXHIBITS

#### b. Exhibits

| <b>Exhibit<br/>No.</b> | <b>Description</b>                                                                                                                                                                                     |
|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 23.1*                  | Consent of Mazars USA LLP (formerly WeiserMazars LLP), Independent Registered Public Accounting Firm                                                                                                   |
| 23.2*                  | Consent of Mazars Auditores Independentes, Independent Registered Public Accounting Firm                                                                                                               |
| 23.3*                  | Consent of Shanghai Mazars Certified Public Accountants, Independent Registered Public Accounting Firm                                                                                                 |
| 23.4*                  | Consent of Shanghai Mazars Certified Public Accountants, Independent Registered Public Accounting Firm                                                                                                 |
| 31.1*                  | Certification of Christopher J. Ryan, Chief Executive Officer, President and Secretary, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002                                                      |
| 31.2*                  | Certification of Teri W. Hunt, Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002                                                                                      |
| 32.1*                  | Certification of Christopher J. Ryan, Chief Executive Officer, President and Secretary, pursuant to Section 18 USC. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 32.2*                  | Certification of Teri W. Hunt, Chief Financial Officer, pursuant to Section 18 USC. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002                                 |

\*Filed herewith.

## SIGNATURES

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

Dated: February 17, 2017

LAKELAND INDUSTRIES, INC.

By: /s/ Christopher J. Ryan

Christopher J. Ryan,  
Chief Executive Officer and President