Q2 CROCS inc

FY24 Earnings

CCY Growth Rates vs. Q2 2023

Total Revenue	**$1,112M/+5%**
Adjusted Gross Margin[1]	**61.4%**
Adjusted Operating Margin[1]	**29.3%**
Adjusted EPS[1]	**$4.01/+12%**

"We reported record second quarter results on both the top and bottom line which exceeded our guidance on all Enterprise metrics. Strength in the quarter was led by our Crocs Brand with exceptional growth internationally. As it relates to HEYDUDE, we are making improvements to support long-term brand health and are focused on driving brand heat by accelerating marketing in the second half of the year. Based on the strength of our second quarter, we are lifting our operating margin and earnings per share outlook for the fiscal year while maintaining our revenue guidance. Our terrific cash flow generation provides us the flexibility to reinvest in our business, pay down debt and repurchase shares."

Andrew Rees, CEO, Crocs Inc.

Crocs Brand

Performance by Channel

DTC	+14%
Wholesale	+9%

Performance by Region

North American Revenue	+3%
International Revenue	+22%

HEYDUDE Brand

Performance by Channel

DTC	(8%)
Wholesale	(24%)

Forward-looking statements

This document includes estimates, projections, and statements relating to our business plans, commitments, 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, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended.

These statements include, but are not limited to, statements regarding potential impacts to our business related to cost inflation, our financial condition, brand and liquidity outlook, and expectations regarding our future financial results, share repurchases, our strategy, plans, objectives, expectations (financial or otherwise) and intentions, future financial results and growth potential, statements regarding second quarter and full year 2024 financial outlook and future profitability, cash flows, and brand strength, anticipated product portfolio and our ability to deliver sustained, highly profitable growth and create significant shareholder value. These statements involve known and unknown risks, uncertainties, and other factors, which may cause our actual results, performance, or achievements to be materially different from any future results, performances, or achievements expressed or implied by the forward-looking statements. These risks and uncertainties include, but are not limited to, the following: cost inflation; current global financial conditions; the effect of competition in our industry; our ability to effectively manage our future growth or declines in revenues; changing consumer preferences; our ability to maintain and expand revenues and gross margin; our ability to accurately forecast consumer demand for our products; our ability to successfully implement our strategic plans; our ability to develop and sell new products; our ability to obtain and protect intellectual property rights; the effect of potential adverse currency exchange rate fluctuations and other international operating risks; and other factors described in our most recent Annual Report on Form 10-K under the heading "Risk Factors" and our subsequent filings with the Securities and Exchange Commission. Readers are encouraged to review that section and all other disclosures appearing in our filings with the Securities and Exchange Commission.

All information in this document speaks only as of August 1, 2024. We do not undertake any obligation to update publicly any forward-looking statements, whether as a result of the receipt of new information, future events, or otherwise, except as required by applicable law.

Please refer to our second quarter earnings release which is available free of charge at www.investors.crocs.com and to our Report on Form 10-Q filed with the SEC on August 1, 2024 which is available free of charge at www.sec.gov.

[1]**Non-GAAP measure:** This metric is a non-GAAP financial measure and is not intended to be considered in isolation or as a substitute to the financial information prepared and presented in accordance with GAAP. For non-GAAP financial measure disclosure, including reconciliations, please refer to our first quarter earnings release and earnings slide deck, each of which is available free of charge at www.investors.crocs.com