



CROCS inc.
Q1 2026 Investor Presentation



Forward Looking Statement

This presentation 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 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 future 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 the 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 April 30, 2026. 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.

Crocs, Inc. Reports Better-Than-Expected First Quarter 2026 Results

“We are pleased to have started the year with better-than-expected results, fueled by broad consumer relevance for both of our brands and disciplined execution against our strategy. We delivered enterprise revenue of over \$900 million including growth in our direct-to-consumer channels for both brands. We are encouraged by strong consumer response to product newness across categories, supported by our high pace of innovation and consistent brand storytelling.

Based on our first quarter performance, we are raising our full-year outlook on both the top- and bottom-line. We are focused on executing against our initiatives to drive diversified growth across both brands, channels, and markets, and we remain confident in the long-term health of the business.”

Andrew Rees, Chief Executive Officer

Investment Thesis

Investment Thesis



1

Global leader in casual footwear with two iconic brands and a \$280B+ TAM⁽¹⁾

2

Diversified sources of growth across brands, categories, channels, and regions

3

Compelling value with assortments <\$100 appealing to a democratic consumer

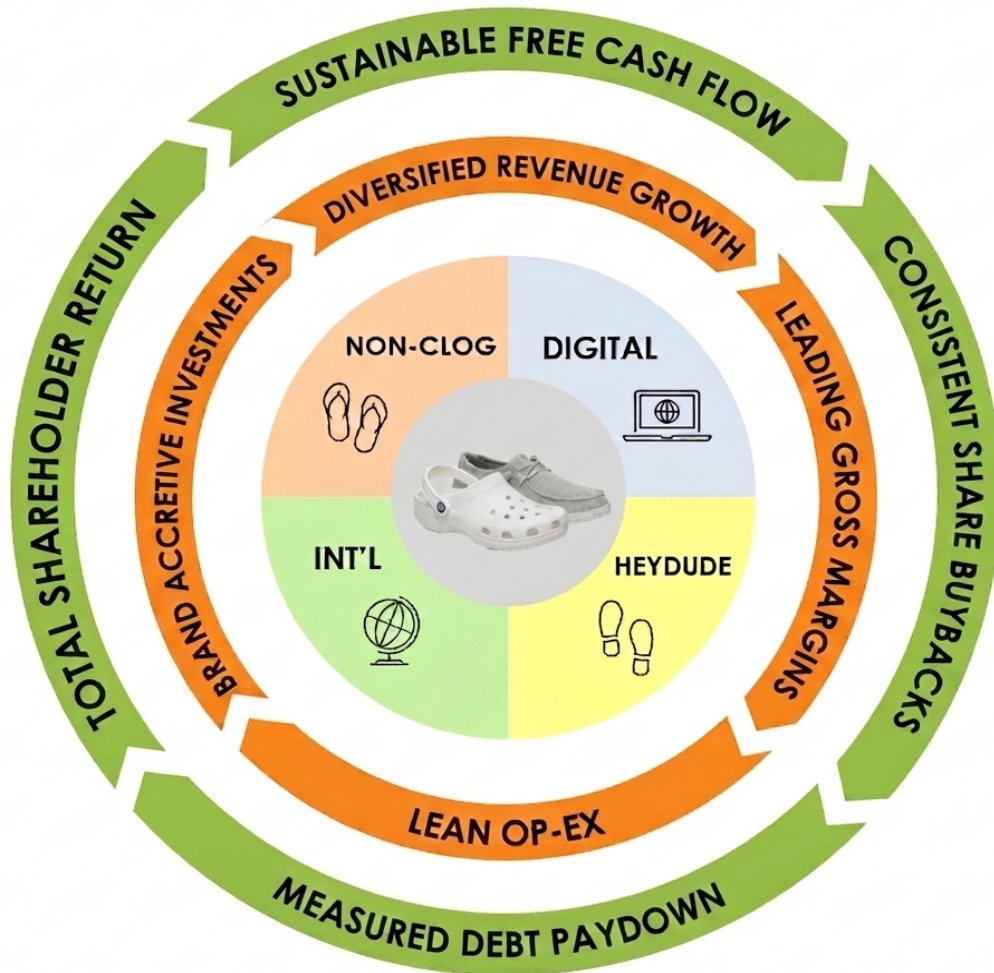
4

Durable, profitable growth with best-in-class margins and cash flow generation

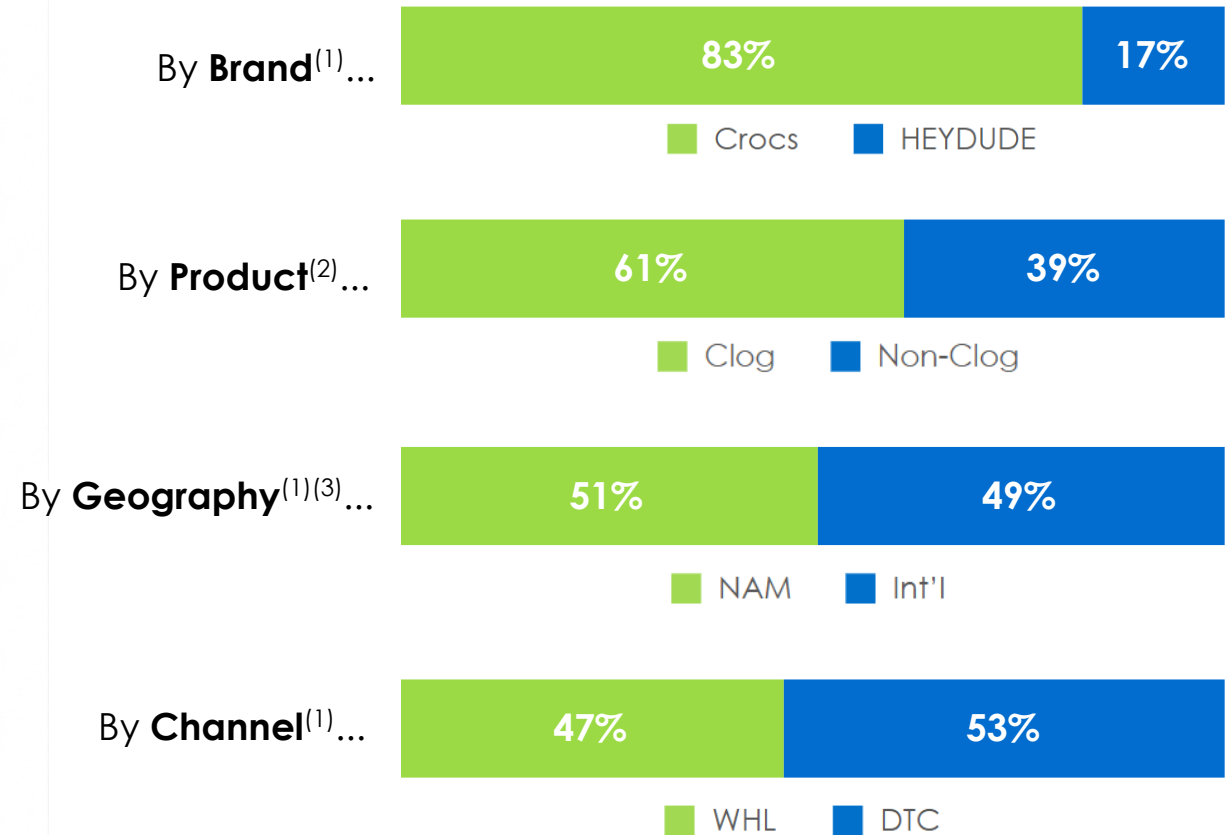
5

Track record of delivering healthy TSR over time supported by experienced management team

Our Diversified Growth Flywheel



We are **diversifying our revenue streams** across multiple pillars...



Crocs Brand: Five-Pillar Growth Strategy

1

Drive Brand Relevance Through Icon Iterations

2

Diversify Outside of Clogs Through New Category Expansion

3

Fuel Consumer Engagement With Disruptive Digital and Social Marketing

4

Create Compelling Consumer Experiences Across Channels

5

Gain Share in Large Addressable Markets Around the World

HEYDUDE Brand: Three-Pillar Growth Strategy

1

Ignite Our Community Through HEYDUDE Country

2

Build the Core, and Thoughtfully Add More

3

Stabilize Then Accelerate North America, While Planting Seeds Internationally

Financial Results

Q1 2026 Financial Results

	Crocs, Inc.	Crocs Brand	HEYDUDE Brand
Revenues ⁽¹⁾	\$921M (4%) vs. LY	\$767M (2%) vs. LY	\$154M (13%) vs. LY
Adjusted Gross Margin ⁽²⁾	56.9% (90)bps vs. LY	59.5% (120)bps vs. LY	44.5% (210)bps vs. LY
Adjusted SG&A as % of Revenue ⁽²⁾	34.6% +60bps vs. LY		
Adjusted Operating Income ⁽²⁾	\$206M (8%) vs. LY		
Adjusted Operating Margin ⁽²⁾	22.3% (150)bps vs. LY		
Adjusted Diluted EPS ⁽²⁾	\$2.99 Flat vs. LY		

Crocs Brand Highlights: Q1⁽¹⁾

Q1 Revenues
\$767M

year-over-year decline of (2%)

Direct-to-Consumer

\$322M

+11% vs. LY

Wholesale

\$446M

(9%) vs. LY

North America

\$346M

(6%) vs. LY

International

\$421M

+2% vs. LY

- International grew 7% on a reported basis, supported by **broad-based strength across Tier 1 markets** including high-priority growth markets: China, India, Japan, and Western Europe
- Focus Clog franchises — **Crocband, Crafted, and Echo** — performed well and continue to diversify overall Clog portfolio
- Prioritized maintaining tight inventory control within **Classics** franchise, and drove further segmentation across key partners in North America
- Sandals continued to deliver strong results, supported by core Style franchises — **Getaway, Brooklyn, and Miami** — capturing incremental shelf space; **Saturday Sandal** generated exceptional consumer and retailer response
- Awarded “**Top Seller of the Year**” for 2025 on TikTok Shop, underscoring ability to continue to reach consumers across preferred social platforms
- Launched first micro-drama series ‘**Charmed To Meet You**’ on ReelShorts, driving over 10 million views, reinforcing ability to engage with consumers through bold, innovative, and disruptive channels



HEYDUDE Brand Highlights: Q1⁽¹⁾

Q1 Revenues
\$154M

year-over-year decline of (13%)

Direct-to-Consumer
\$71M

+8% vs. LY

Wholesale
\$83M



(26%) vs. LY

- Launched relevant collaborations including **Houston Rodeo**, **Chevy**, **Jelly Roll**, and **Naruto**, driving authentic connections with core consumer
- Direct-to-consumer channel grew +8%, led by strength in digital marketplaces, while wholesale sell-outs improved quarter-over-quarter
- Continued to build leadership in Slip-On category — **Stretch Sox** continued to drive core business and momentum in newest **Stretch Jersey** franchise built, outperforming expectations
- Sandals business gained material traction led by **Maui Breeze** franchise and sandal extensions of already successful lines: **Austin Slide** and **HEY2O Flip**
- Awarded “**Top Growth Seller of The Year**” on TikTok Shop, a nod to the progress and commitment we have made to strategically scale this channel



Financial Outlook

Guidance: Q2 and Full Year 2026

	Q2 2026 ⁽¹⁾	Full Year 2026 ⁽¹⁾
Total Revenue % Change	Down Slightly	Down (1)% to Up 1%
 Revenue % Change	Up 1% to 3%	Flat to +2%
 Revenue % Change	Down (14)% to (12)%	Down (7)% to (5)%
Adjusted Operating Margin⁽²⁾	Approximately 24.7%	>22.3%
Adjusted Effective Tax Rate⁽²⁾		18.0%
Adjusted Diluted EPS⁽²⁾	\$4.15 to \$4.35	\$13.20 to \$13.75
Capital Expenditures		\$70M to \$80M

Capital Allocation Priorities



Invest in Our Brands

committed to redeploying best-in-class gross margins to accretive investments



Repurchase Shares

opportunistically repurchase shares under our remaining \$747M buyback authorization



Debt Paydown

maintain our net leverage target range of 1.0x to 1.5x⁽¹⁾

Appendix

Non-GAAP Reconciliation

In addition to financial measures presented on the basis of accounting principles generally accepted in the United States of America ("GAAP"), we present "Non-GAAP gross profit," "Non-GAAP gross margin," "Non-GAAP gross margin by brand," "Non-GAAP selling, general, and administrative expenses," "Non-GAAP selling, general and administrative expenses as a percent of revenues," "Non-GAAP income from operations," "Non-GAAP operating margin," "Non-GAAP income before income taxes," "Non-GAAP income tax expense," "Non-GAAP effective tax rate," "Non-GAAP net income," and "Non-GAAP basic and diluted net income per common share," which are non-GAAP financial measures. We also present future period guidance for "Non-GAAP operating margin," "Non-GAAP effective tax rate," "Non-GAAP diluted earnings per share," and "Free cash flow." We also present a long-term target for 'Net leverage.' Non-GAAP results exclude the impact of items that management believes affect the comparability or underlying business trends in our condensed consolidated financial statements in the periods presented.

We also present certain information related to our current period results of operations through "constant currency," which is a non-GAAP financial measure and should be viewed as a supplement to our results of operations and presentation of reportable segments under GAAP. Constant currency represents current period results that have been retranslated using exchange rates used in the prior year comparative period to enhance the visibility of the underlying business trends excluding the impact of foreign currency exchange rate fluctuations.

Management uses non-GAAP results to assist in comparing business trends from period to period on a consistent basis in communications with the board of directors, stockholders, analysts, and investors concerning our financial performance. We believe that these non-GAAP measures, in addition to corresponding GAAP measures, are useful to investors and other users of our condensed consolidated financial statements as an additional tool for evaluating operating performance and trends by providing meaningful information about operations compared to our peers by excluding the impacts of various differences. The calculation of our non-GAAP financial metrics may vary from company to company. As a result, our calculation of these metrics may not be comparable to similarly titled metrics used by other companies.

Management believes Non-GAAP gross profit, Non-GAAP gross margin, and Non-GAAP gross margin by brand are useful performance measures for investors because they provide investors with a means of comparing these measures between periods without the impact of certain expenses that we believe are not indicative of our routine cost of sales. Our routine cost of sales includes core product costs and distribution expenses primarily related to receiving, inspecting, warehousing, and packaging product and transportation costs associated with delivering products from distribution centers. Costs not indicative of our routine cost of sales may or may not be recurring in nature and include costs to expand and transition to new distribution centers.

Management believes Non-GAAP selling, general and administrative expenses and Non-GAAP selling, general and administrative expenses as a percent of revenues are useful performance measures for investors because they provide a more meaningful comparison to prior periods and may be indicative of the level of such expenses to be incurred in future periods. These measures exclude the impact of certain expenses not related to our normal operations that are expected to be non-recurring in nature, such as impairment charges.

Non-GAAP income from operations and Non-GAAP operating margin reflect the impact of Non-GAAP gross profit and Non-GAAP selling, general, and administrative expenses, as discussed above. We believe these are useful performance measures for investors because they provide a basis to compare performance in the period to prior periods.

Non-GAAP income before income taxes reflects the impact of Non-GAAP income from operations, as discussed above. We believe this is a useful performance measure for investors because it provides a basis to compare performance in the period to prior periods.

Management believes Non-GAAP income tax expense is a useful performance measure for investors because it provides a basis to compare our tax rates to historical tax rates, and because the adjustment is necessary in order to calculate Non-GAAP net income.

Management believes Non-GAAP effective tax rate is a useful performance measure for investors because it provides an ongoing effective tax rate that they can use for historical comparisons and forecasting.

Management believes Non-GAAP net income is a useful performance measure for investors because it focuses on underlying operating results and trends and improves the comparability of our results to prior periods. This measure reflects the impact of Non-GAAP gross profit, Non-GAAP selling, general, and administrative expenses, and Non-GAAP income tax expense, as described above.

Management believes Non-GAAP basic and diluted net income per common share are useful performance measures for investors because they focus on underlying operating results and trends and improve the comparability of our results to prior periods. These measures reflect the impact of Non-GAAP gross profit, Non-GAAP selling, general, and administrative expenses, and Non-GAAP income tax expense, as described above.

Management believes Net leverage is a useful performance measure for investors because it provides a measure of our financial strength and liquidity.

Free cash flow is calculated as 'Cash provided by operating activities' less 'Purchases of property, equipment, and software.' Management believes free cash flow is useful for investors because it provides a clear measure of our ability to generate cash for discretionary uses such as funding growth opportunities, repurchasing shares, and reducing debt.

For the three months ended March 31, 2026, management believes it is helpful to evaluate our results excluding the impacts of various adjustments relating to special or non-recurring items. Investors should not consider these non-GAAP measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP.

Our forward-looking guidance for consolidated "adjusted operating margin" and "adjusted diluted earnings per share" represents non-GAAP financial measures that excludes or otherwise has been adjusted for special items from our U.S. GAAP financial statements. We consider these items to be necessary adjustments for purposes of evaluating our ongoing business performance and are often considered non-recurring. Such adjustments are subjective and involve significant management judgment.

While we are able to estimate full year non-GAAP adjustments, we are unable to reconcile forward-looking adjusted measures to their nearest U.S. GAAP measure quarter-by-quarter because we are unable to predict the timing of these adjustments with a reasonable degree of certainty. By their very nature, special and other non-core items are difficult to anticipate with precision because they are generally associated with unexpected and unplanned events that impact our company and its financial results. Therefore, we are unable to provide a reconciliation of these measures for the guidance related to the second quarter of 2026.

Non-GAAP Reconciliation

Non-GAAP Gross Profit and Gross Margin Reconciliation:

	Three Months Ended March 31,	
	2026	2025
	(in thousands)	
GAAP revenues	\$ 921,457	\$ 937,333
GAAP gross profit	\$ 522,945	\$ 541,549
Distribution centers ⁽¹⁾	1,377	—
Other	70	—
Total adjustments	1,447	—
Non-GAAP gross profit	<u>\$ 524,392</u>	<u>\$ 541,549</u>
GAAP gross margin	56.8 %	57.8 %
Non-GAAP gross margin	56.9 %	57.8 %

Non-GAAP Reconciliation

Non-GAAP Gross Margin Reconciliation By Brand:

Crocs Brand:

	Three Months Ended March 31,	
	2026	2025
	(in thousands)	
GAAP Crocs Brand gross margin	59.5 %	60.7 %
Non-GAAP adjustments:		
Distribution centers ⁽¹⁾	less than 0.1%	— %
Other	less than 0.1%	— %
Non-GAAP Crocs Brand gross margin	<u>59.5 %</u>	<u>60.7 %</u>

Non-GAAP Reconciliation

Non-GAAP Gross Margin Reconciliation By Brand:

HEYDUDE Brand:

	<u>Three Months Ended March 31,</u>	
	<u>2026</u>	<u>2025</u>
	(in thousands)	
GAAP HEYDUDE Brand gross margin	43.9 %	46.6 %
Non-GAAP adjustments:		
Distribution centers ⁽¹⁾	0.6 %	— %
Non-GAAP HEYDUDE Brand gross margin	<u>44.5 %</u>	<u>46.6 %</u>

Non-GAAP Reconciliation (Cont'd)

Non-GAAP Selling, General and Administrative Reconciliation:

	Three Months Ended March 31,	
	2026	2025
	(in thousands)	
GAAP revenues	\$ 921,457	\$ 937,333
GAAP selling, general and administrative expenses	\$ 322,101	\$ 318,575
Impairment of leasehold improvement assets ⁽¹⁾	(3,301)	—
Charges incurred in connection with cost savings initiatives	(1,659)	—
Severance costs ⁽²⁾	1,570	—
Total adjustments	(3,390)	—
Non-GAAP selling, general and administrative expenses ⁽³⁾	\$ 318,711	\$ 318,575
GAAP selling, general and administrative expenses as a percent of revenues	35.0 %	34.0 %
Non-GAAP selling, general and administrative expenses as a percent of revenues	34.6 %	34.0 %

⁽¹⁾ Represents impairment charges for certain HEYDUDE leasehold improvement assets.

⁽²⁾ Represents a change in estimate in the three months ended March 31, 2026, for severance costs recorded as of December 31, 2025.

⁽³⁾ Non-GAAP selling, general and administrative expenses are presented gross of tax.

Non-GAAP Reconciliation (Cont'd)

Non-GAAP Income from Operations and Operating Margin Reconciliation:

	Three Months Ended March 31,	
	2026	2025
	(in thousands)	
GAAP revenues	\$ 921,457	\$ 937,333
GAAP income from operations	\$ 200,844	\$ 222,974
Non-GAAP gross profit adjustments ⁽¹⁾	1,447	—
Non-GAAP selling, general and administrative expenses adjustments ⁽²⁾	3,390	—
Non-GAAP income from operations	<u>\$ 205,681</u>	<u>\$ 222,974</u>
GAAP operating margin	21.8 %	23.8 %
Non-GAAP operating margin	22.3 %	23.8 %

⁽¹⁾ See 'Non-GAAP gross profit and gross margin reconciliation' above for more details.

⁽²⁾ See 'Non-GAAP selling, general and administrative expenses and selling, general and administrative expenses as a percent of revenues reconciliation' above for more details.

Non-GAAP Reconciliation (Cont'd)

Non-GAAP Income Tax Expense (Benefit) and Effective Tax Rate Reconciliation:

	Three Months Ended March 31,	
	2026	2025
	(in thousands)	
GAAP income from operations	\$ 200,844	\$ 222,974
GAAP income before income taxes	178,844	204,939
Non-GAAP income from operations ⁽¹⁾	\$ 205,681	\$ 222,974
GAAP non-operating income (expenses):		
Foreign currency gains (losses), net	(1,625)	4,873
Interest income	335	333
Interest expense	(20,459)	(22,766)
Other income (expense), net	(251)	(475)
Non-GAAP income before income taxes	<u>\$ 183,681</u>	<u>\$ 204,939</u>
GAAP income tax expense	\$ 41,288	\$ 44,836
Tax effect of non-GAAP operating adjustments	133	—
Impact of intra-entity IP transactions ⁽²⁾	(9,179)	(9,572)
Non-GAAP income tax expense	<u>\$ 32,242</u>	<u>\$ 35,264</u>
GAAP effective income tax rate	23.1 %	21.9 %
Non-GAAP effective income tax rate	17.6 %	17.2 %

⁽¹⁾ See 'Non-GAAP income from operations and operating margin reconciliation' above for more details.

⁽²⁾ In the fourth quarter of 2024, and previously in 2023, 2021, and 2020, we made changes to our international legal structure, including an intra-entity transaction related to certain intellectual property rights, primarily to align with current and future international operations. The transactions resulted in a step-up in the tax basis of intellectual property rights and correlated increases in foreign deferred tax assets based on the fair value of the transferred intellectual property rights. This adjustment represents the current period impact of these transactions.

Non-GAAP Reconciliation (Cont'd)

Non-GAAP Net Income Per Share Reconciliation:

	Three Months Ended March 31,	
	2026	2025
(in thousands, except per share data)		
Numerator:		
GAAP net income	\$ 137,556	\$ 160,103
Non-GAAP gross profit adjustments ⁽¹⁾	1,447	—
Non-GAAP selling, general and administrative expenses adjustments ⁽²⁾	3,390	—
Tax effect of non-GAAP adjustments ⁽³⁾	9,046	9,572
Non-GAAP net income	<u>\$ 151,439</u>	<u>\$ 169,675</u>
Denominator:		
GAAP weighted average common shares outstanding - basic	50,282	56,110
Plus: GAAP dilutive effect of stock options and unvested restricted stock units	425	392
GAAP weighted average common shares outstanding - diluted	<u>50,707</u>	<u>56,502</u>
GAAP net income per common share:		
Basic	\$ 2.74	\$ 2.85
Diluted	\$ 2.71	\$ 2.83
Non-GAAP net income per common share:		
Basic	\$ 3.01	\$ 3.02
Diluted	\$ 2.99	\$ 3.00

Non-GAAP Reconciliation (Cont'd)

Free Cash Flow Reconciliation:

	Three Months Ended March 31,	
	2026	2025
	(in thousands)	
Cash used in operating activities	\$ (80,934)	\$ (67,235)
Purchases of property, equipment, and software	(18,000)	(15,375)
Free cash flow	<u>\$ (98,934)</u>	<u>\$ (82,610)</u>

Non-GAAP Reconciliation (Cont'd)

Full Year 2026 Guidance Reconciliation:

Full Year 2026:

Approximately:

Non-GAAP operating margin reconciliation:

GAAP operating margin	>21.7%
Non-GAAP adjustments ⁽¹⁾	0.6%
Non-GAAP operating margin	>22.3%

Non-GAAP effective tax rate reconciliation:

GAAP effective tax rate	23%
Non-GAAP adjustments ⁽²⁾	(5)%
Non-GAAP effective tax rate	18%

Non-GAAP diluted earnings per share reconciliation:

GAAP diluted earnings per share	\$12.01 to \$12.56
Non-GAAP adjustments ⁽¹⁾⁽²⁾	\$1.19
Non-GAAP diluted earnings per share	\$13.20 to \$13.75

⁽¹⁾ In the second quarter of 2026, we expect to incur approximately \$25 million of non-GAAP adjustments, primarily associated with our cost reduction initiatives.

⁽²⁾ In the fourth quarter of 2024, and previously in 2023, 2021, and 2020, we made changes to our international legal structure, including an intra-entity transaction related to certain intellectual property rights, primarily to align with current and future international operations. The transactions resulted in a step-up in the tax basis of intellectual property rights and correlated increases in foreign deferred tax assets based on the fair value of the transferred intellectual property rights. This adjustment represents the second quarter 2026 impact of these transactions.

CROCS inc.  TM