UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025

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 No. 000-51754

CROCS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**20-2164234**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

500 Eldorado Blvd., Building 5, Broomfield, Colorado 80021
(Address, including zip code, of registrant's principal executive offices)

(303) 848-7000
(Registrant's telephone number, including area code)

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

Title of each class:	Trading symbol:	Name of each exchange on which registered:
Common Stock, par value $0.001 per share	CROX	The Nasdaq Global Select Market

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 every Interactive Data File required to be submitted 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 such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller reporting company	Emerging growth company
☒	☐	☐	☐	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 31, 2025, Crocs, Inc. had 54,617,358 shares of its common stock, par value $0.001 per share, outstanding.

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). From time to time, we may also provide oral or written forward-looking statements in other materials we release to the public. Such forward-looking statements are subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995.

Statements that refer to industry trends, projections of our future financial performance, anticipated trends in our business and other characterizations of future events or circumstances are forward-looking statements. These statements, which express management’s current views concerning future events or results, use words like “anticipate,” “assume,” “believe,” “continue,” “estimate,” “expect,” “future,” “intend,” “plan,” “project,” “strive,” and future or conditional tense verbs like “could,” “may,” “might,” “should,” “will,” “would,” and similar expressions or variations. Examples of forward-looking statements include, but are not limited to, statements we make regarding:

- our expectations regarding future trends, expectations, and performance of our business;
- our expectations regarding the impact of economic trends on our business;
- our belief that we have sufficient liquidity to fund our business operations during the next twelve months; and
- our expectations about the impact of our strategic plans.

Forward-looking statements are subject to risks, uncertainties, and other factors, which may cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from the forward-looking statements include, without limitation, those described in the section entitled “Risk Factors” under Item 1A in our Annual Report on Form 10-K for the year ended December 31, 2024 and our subsequent filings with the Securities and Exchange Commission, including those described in the section entitled “Risk Factors” under Item 1A in this report. Caution should be taken not to place undue reliance on any such forward-looking statements. Moreover, such forward-looking statements speak only as of the date of this report. We undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements, except as required by applicable law.

Crocs, Inc.
Table of Contents to the Quarterly Report on Form 10-Q
For the Quarterly Period Ended June 30, 2025

PART I — Financial Information

Item 1.	Financial Statements (Unaudited)	
	Condensed Consolidated Statements of Operations	1
	Condensed Consolidated Statements of Comprehensive Income (Loss)	2
	Condensed Consolidated Balance Sheets	3
	Condensed Consolidated Statements of Stockholders' Equity	4
	Condensed Consolidated Statements of Cash Flows	6
	Notes to Condensed Consolidated Financial Statements	7
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	23
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	34
Item 4.	Controls and Procedures	35
PART II — Other Information		36
Item 1.	Legal Proceedings	36
Item 1A.	Risk Factors	36
Item 2.	Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities	37
Item 5.	Other Information	38
Item 6.	Exhibits	39
Signatures		40

PART I — Financial Information

ITEM 1. Financial Statements

CROCS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)
(in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues	$ 1,149,373	$ 1,111,502	$ 2,086,706	$ 2,050,135
Cost of sales	440,537	429,586	836,321	846,142
Gross profit	708,836	681,916	1,250,385	1,203,993
Selling, general and administrative expenses [(1)]	398,237	356,178	716,812	627,745
Asset impairments [(1)]	738,115	—	738,115	24,081
Income (loss) from operations	(427,516)	325,738	(204,542)	552,167
Foreign currency gains (losses), net	434	(1,323)	5,307	(3,596)
Interest income	371	1,126	704	1,542
Interest expense	(22,523)	(29,161)	(45,289)	(59,724)
Other income, net	627	45	152	65
Income (loss) before income taxes	(448,607)	296,425	(243,668)	490,454
Income tax expense	43,675	67,518	88,511	109,093
Net income (loss)	$ (492,282)	$ 228,907	$ (332,179)	$ 381,361
Net income (loss) per common share:				
Basic	$ (8.82)	$ 3.79	$ (5.94)	$ 6.31
Diluted	$ (8.82)	$ 3.77	$ (5.94)	$ 6.26
Weighted average common shares outstanding:				
Basic	55,783	60,320	55,946	60,442
Diluted	55,783	60,766	55,946	60,910

[(1)] Amounts for the three and six months ended June 30, 2025 have been reclassified to conform to current period presentation.

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

CROCS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)
(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	**2024**	**2025**	**2024**
Net income (loss)	$ (492,282)	$ 228,907	$ (332,179)	$ 381,361
Other comprehensive income (loss), net of tax:				
Derivatives designated as hedging instruments:				
Unrealized gains (losses) on derivative instruments	(224)	269	(201)	694
Reclassification adjustment for realized (gains) losses on derivative instruments	184	(256)	(235)	(426)
Net increase (decrease) from derivatives designated as hedging instruments	(40)	13	(436)	268
Foreign currency translation gains (losses), net	67,965	(6,419)	97,933	(17,831)
Total comprehensive income (loss), net of tax	$ (424,357)	$ 222,501	$ (234,682)	$ 363,798

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

CROCS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(in thousands, except share and par value amounts)

	June 30, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 200,611	$ 180,485
Accounts receivable, net of allowances of $38,497 and $31,579, respectively	417,426	257,657
Inventories	405,136	356,254
Income taxes receivable	6,500	4,046
Other receivables	22,192	22,204
Prepaid expenses and other assets	49,942	51,623
Total current assets	1,101,807	872,269
Property and equipment, net of accumulated depreciation of $183,044 and $153,455, respectively	249,145	244,335
Intangible assets, net	1,335,462	1,777,080
Goodwill	404,695	711,491
Deferred tax assets, net	971,974	872,350
Restricted cash	3,570	3,193
Right-of-use assets	349,268	307,228
Other assets	34,645	24,207
Total assets	$ 4,450,566	$ 4,812,153
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 263,339	$ 264,901
Accrued expenses and other liabilities	272,571	298,068
Income taxes payable	96,021	108,688
Current operating lease liabilities	82,918	68,551
Total current liabilities	714,849	740,208
Deferred tax liabilities, net	1,139	4,086
Long-term income taxes payable	618,082	595,434
Long-term borrowings	1,379,112	1,349,339
Long-term operating lease liabilities	311,549	283,406
Other liabilities	4,698	3,948
Total liabilities	3,029,429	2,976,421
Commitments and contingencies		
Stockholders' equity:		
Common stock, par value $0.001 per share, 250.0 million shares authorized, 110.7 million and 110.4 million issued, 54.8 million and 56.5 million outstanding, respectively	111	110
Treasury stock, at cost, 55.9 million and 53.9 million shares, respectively	(2,653,423)	(2,453,473)
Additional paid-in capital	879,940	859,904
Retained earnings	3,229,657	3,561,836
Accumulated other comprehensive loss	(35,148)	(132,645)
Total stockholders' equity	1,421,137	1,835,732
Total liabilities and stockholders' equity	$ 4,450,566	$ 4,812,153

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

CROCS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)
(in thousands)

	Common Stock		Treasury Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balance at March 31, 2025	56,057	$ 111	54,570	$ (2,518,065)	$ 868,681	$ 3,721,939	$ (103,073)	$ 1,969,593
Share-based compensation	—	—	—	—	11,259	—	—	11,259
Exercises of stock options, issuance of restricted stock awards, and vests of restricted stock units, net of shares withheld for taxes	47	—	8	(794)	—	—	—	(794)
Repurchases of common stock, including excise tax	(1,303)	—	1,303	(134,564)	—	—	—	(134,564)
Net loss	—	—	—	—	—	(492,282)	—	(492,282)
Other comprehensive income	—	—	—	—	—	—	67,925	67,925
Balance at June 30, 2025	54,801	$ 111	55,881	$ (2,653,423)	$ 879,940	$ 3,229,657	$ (35,148)	$ 1,421,137

	Common Stock		Treasury Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balance at March 31, 2024	60,696	$ 110	49,605	$ (1,894,782)	$ 834,433	$ 2,764,219	$ (106,925)	$ 1,597,055
Share-based compensation	—	—	—	—	10,162	—	—	10,162
Exercises of stock options, issuance of restricted stock awards, and vests of restricted stock units, net of shares withheld for taxes	26	—	—	—	—	—	—	—
Repurchases of common stock, including excise tax	(1,170)	—	1,170	(176,507)	—	—	—	(176,507)
Net income	—	—	—	—	—	228,907	—	228,907
Other comprehensive loss	—	—	—	—	—	—	(6,406)	(6,406)
Balance at June 30, 2024	59,552	$ 110	50,775	$ (2,071,289)	$ 844,595	$ 2,993,126	$ (113,331)	$ 1,653,211

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

CROCS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS’ EQUITY
(UNAUDITED)
(in thousands)

	Common Stock		Treasury Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balance at December 31, 2024	56,475	$ 110	53,930	$ (2,453,473)	$ 859,904	$ 3,561,836	$ (132,645)	$ 1,835,732
Share-based compensation	—	—	—	—	20,036	—	—	20,036
Exercises of stock options, issuance of restricted stock awards, and vests of restricted stock units, net of shares withheld for taxes	236	1	41	(4,104)	—	—	—	(4,103)
Repurchases of common stock, including excise tax	(1,910)	—	1,910	(195,846)	—	—	—	(195,846)
Net loss	—	—	—	—	—	(332,179)	—	(332,179)
Other comprehensive income	—	—	—	—	—	—	97,497	97,497
Balance at June 30, 2025	54,801	$ 111	55,881	$ (2,653,423)	$ 879,940	$ 3,229,657	$ (35,148)	$ 1,421,137

	Common Stock		Treasury Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balance at December 31, 2023	60,495	$ 110	49,558	$ (1,888,869)	$ 826,685	$ 2,611,765	$ (95,768)	$ 1,453,923
Share-based compensation	—	—	—	—	17,744	—	—	17,744
Exercises of stock options, issuance of restricted stock awards, and vests of restricted stock units, net of shares withheld for taxes	227	—	47	(5,913)	166	—	—	(5,747)
Repurchases of common stock, including excise tax	(1,170)	—	1,170	(176,507)	—	—	—	(176,507)
Net income	—	—	—	—	—	381,361	—	381,361
Other comprehensive loss	—	—	—	—	—	—	(17,563)	(17,563)
Balance at June 30, 2024	59,552	$ 110	50,775	$ (2,071,289)	$ 844,595	$ 2,993,126	$ (113,331)	$ 1,653,211

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

CROCS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(in thousands)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Cash flows from operating activities:		
Net income (loss)	$ (332,179)	$ 381,361
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	38,011	33,705
Operating lease cost	49,738	40,654
Share-based compensation	20,036	17,744
Asset impairment	738,115	24,081
Deferred taxes [1]	13,956	6,959
Other non-cash items [1]	8,428	11,558
Changes in operating assets and liabilities, net of acquired assets and assumed liabilities:		
Accounts receivable	(147,242)	(119,159)
Inventories	(49,824)	5,172
Prepaid expenses and other assets	(12,160)	2,247
Accounts payable, accrued expenses and other liabilities	(26,467)	(19,034)
Right-of-use assets and operating lease liabilities	(49,821)	(42,069)
Income taxes	(32,026)	30,443
Cash provided by operating activities	218,565	373,662
Cash flows from investing activities:		
Purchases of property, equipment, and software	(31,946)	(32,806)
Cash used in investing activities	(31,946)	(32,806)
Cash flows from financing activities:		
Proceeds from borrowings	539,000	78,156
Repayments of borrowings	(514,000)	(216,405)
Repurchases of common stock, including excise tax	(194,137)	(175,011)
Repurchases of common stock for tax withholding	(4,104)	(5,913)
Other [1]	—	(1,005)
Cash used in financing activities	(173,241)	(320,178)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	7,125	(2,747)
Net change in cash, cash equivalents, and restricted cash	20,503	17,931
Cash, cash equivalents, and restricted cash—beginning of period	183,678	153,097
Cash, cash equivalents, and restricted cash—end of period	$ 204,181	$ 171,028

[1] Amounts for the six months ended June 30, 2024, have been reclassified to conform to current period presentation.

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

CROCS, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise noted in this report, any description of the "Company," "we," "us," or "our" includes Crocs, Inc. and our consolidated subsidiaries within our reportable operating segments and corporate operations. We are engaged in the design, development, worldwide marketing, distribution, and sale of casual lifestyle footwear and accessories for all. We strive to be the global leader in the sale of casual footwear characterized by functionality, comfort, color, and lightweight design.

Our reportable operating segments include: (i) the Crocs Brand and (ii) the HEYDUDE Brand. See Note 14 — Operating Segments for additional information.

The accompanying unaudited condensed consolidated interim financial statements include our accounts and those of our wholly-owned subsidiaries, and they reflect all adjustments which are necessary for a fair statement of results of operations, financial position, and cash flows for the periods presented in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Such unaudited condensed consolidated interim financial statements have been prepared in accordance with the instructions to Form 10-Q pursuant to the rules and regulations of the U.S. Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. The year-end condensed balance sheet data was derived from audited financial statements but does not include all disclosures required by U.S. GAAP.

These unaudited condensed consolidated interim financial statements should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2024 ("Annual Report") and have been prepared on a consistent basis with the accounting policies described in Note 1 of the Notes to Consolidated Financial Statements included in our Annual Report. Our accounting policies did not change during the six months ended June 30, 2025, other than with respect to the new accounting pronouncements adopted, as applicable, as described in Note 2 — Recent Accounting Pronouncements.

Reclassifications

We have reclassified certain amounts on the condensed consolidated statements of operations and condensed consolidated statements of cash flows to conform to current period presentation.

Use of Estimates

U.S. GAAP requires us to make certain estimates, judgments, and assumptions. We believe that the estimates, judgments, and assumptions used to determine certain amounts that affect the financial statements are reasonable, based on information available at the time they are made. Management believes that the estimates, judgments, and assumptions made when accounting for items and matters such as, but not limited to, the allowance for doubtful accounts, customer rebates, sales returns and allowances, impairment assessments and charges, recoverability of long-lived assets, deferred tax assets, valuation allowances, uncertain tax positions, income tax expense, share-based compensation expense, the assessment of lower of cost or net realizable value on inventory, useful lives assigned to long-lived assets, goodwill, and indefinite-lived intangible assets are reasonable based on information available at the time they are made. To the extent there are differences between these estimates and actual results, our condensed consolidated financial statements may be materially affected.

Condensed Consolidated Statements of Cash Flows - Supplemental Disclosures

	Six Months Ended June 30,	
	2025	2024
	(in thousands)	
Cash paid for interest	$ 39,393	$ 54,708
Cash paid for income taxes	108,582	71,829
Cash paid for operating leases	49,986	43,226
Non-Cash Investing and Financing Activities:		
Right-of-use assets obtained in exchange for operating lease liabilities, net of terminations	$ 74,753	$ 50,423
Accrued purchases of property, equipment, and software	5,338	9,589

2. RECENT ACCOUNTING PRONOUNCEMENTS

New Accounting Pronouncements Not Yet Adopted

Income Taxes: Improvements to Income Tax Disclosure

In December 2023, the Financial Accounting Standards Board ("FASB") issued authoritative guidance related to the disclosure of rate reconciliation and income taxes paid. This guidance becomes effective for annual periods beginning after December 15, 2024, with early adoption permitted, and should be applied on a prospective basis. We do not expect this standard to have a material impact on our consolidated financial statements, but it will require increased disclosures within the notes to our consolidated financial statements.

Disaggregation of Income Statement Expenses

In November 2024, with subsequent clarification in January 2025, the FASB issued authoritative guidance related to the disclosure of disaggregation of income statement expenses. This guidance becomes effective for annual periods beginning after December 15, 2026, with early adoption permitted, and should be applied on a prospective basis. We do not expect this standard to have a material impact on our consolidated financial statements, but it will require increased disclosures within the notes to our consolidated financial statements.

Other new pronouncements issued but not effective until after June 30, 2025, are not expected to have a material impact on our condensed consolidated financial statements.

3. GOODWILL AND INTANGIBLE ASSETS, NET

We evaluate the carrying value of our indefinite-lived intangible assets and goodwill at least annually or when an interim triggering event has occurred indicating potential impairment. Any impairment recorded is reflected as a non-cash adjustment to net income (loss) within cash flows from operating activities in the condensed consolidated statements of cash flows. During the three months ended June 30, 2025, there was a triggering event for the HEYDUDE Brand indefinite-lived intangible assets (which consists solely of the HEYDUDE trademark) (the "trademark") and the HEYDUDE Brand reporting unit (the "reporting unit") goodwill. The triggering event was due to downward revisions during the three months ended June 30, 2025, to our internal HEYDUDE Brand forecast as a result of the extended time we believe it will now take us to stabilize the HEYDUDE Brand and return it to growth. This was partly due to the current and projected impact of a weak U.S. consumer and the disproportionate impact of tariffs on HEYDUDE Brand products, which became evident in the three months ended June 30, 2025. As a result, we completed quantitative assessments for the trademark and the reporting unit goodwill in the three months ended June 30, 2025. There was no triggering event or impairment recorded during the three and six months ended June 30, 2024.

For the quantitative assessments, we compared the estimated fair values of the trademark and reporting unit with their respective carrying values. If the carrying value of the trademark or reporting unit exceeded the estimated fair value, an impairment charge was recorded. The quantitative assessments for the trademark and reporting unit goodwill were performed by management with the assistance of third-party valuation specialists.

The quantitative assessment of the trademark was performed using the Multi-Period Excess Earnings approach. The primary assumptions developed by management and used in the assessment included annual revenue growth rates averaging approximately 8%, projected earnings before interest, taxes, depreciation, and amortization ("EBITDA") margins averaging approximately 20%, and a market-based discount rate of 15.0%, which was based on, most significantly, a risk-free rate of return, an equity market risk premium, and a company-specific risk premium. The estimated fair value of the trademark did not exceed its carrying value. In the three months ended June 30, 2025, we recorded an impairment charge of $430.0 million within 'Asset impairments' in our condensed consolidated statements of operations related to the trademark, after which the estimated fair value equaled its carrying value. This impairment charge reflects lower than previously expected annual revenue growth rates and EBITDA as well as increases in market-based discount rates, specifically the risk-free rate of return, when compared to those used in our most recent annual impairment test completed in the fourth quarter of 2024.

We performed the quantitative assessment for the reporting unit goodwill using the discounted cash flow method. The primary assumptions developed by management and used in the assessment included annual revenue growth rates, projected EBITDA margins, and a market-based discount rate, which was based on, most significantly, a risk-free rate of return, an equity market risk premium, and a company-specific risk premium. The estimated fair value of the reporting unit goodwill did not exceed its carrying value. In the three months ended June 30, 2025, we recorded an impairment charge of $307.0 million within 'Asset impairments' in our condensed consolidated statements of operations related to the reporting unit goodwill, after which the estimated fair value equaled its carrying value. This impairment charge reflects lower than previously expected annual revenue growth rates and EBITDA as well as increases in market-based discount rates, specifically the risk-free rate of return, when compared to those used in our most recent annual impairment test completed in the fourth quarter of 2024.

The changes in goodwill for the six months ended June 30, 2025 were:

	Goodwill		
	Crocs Brand	**HEYDUDE Brand**	**Total**
		(in thousands)	
Gross goodwill at December 31, 2024	$ 2,226	$ 710,034	$ 712,260
Accumulated impairment	(769)	—	(769)
Net goodwill at December 31, 2024	1,457	710,034	711,491
Changes during the six months ended June 30, 2025:			
Foreign currency translation	204	—	204
Impairment	—	(307,000)	(307,000)
Gross goodwill at June 30, 2025	2,430	710,034	712,464
Accumulated impairment	(769)	(307,000)	(307,769)
Net goodwill at June 30, 2025	$ 1,661	$ 403,034	$ 404,695

‘Intangible assets, net’ reported in the consolidated balance sheets consist of the following:

	June 30, 2025				December 31, 2024		
	Gross	Accumulated Amortization	Accumulated Impairment	Net	Gross	Accumulated Amortization	Net
	(in thousands)						
Intangible assets subject to amortization:							
Capitalized software	$ 146,433	$ (122,036)	$ —	$ 24,397	$ 139,569	$ (117,001)	$ 22,568
Customer relationships	210,000	(47,250)	—	162,750	210,000	(40,250)	169,750
Patents, copyrights, and trademarks	9,649	(3,925)	—	5,724	4,916	(3,791)	1,125
Intangible assets not subject to amortization:							
HEYDUDE trademark	1,570,000	—	(430,000)	1,140,000	1,570,000	—	1,570,000
In progress	1,706	—	—	1,706	12,644	—	12,644
Other	885	—	—	885	993	—	993
Total	$ 1,938,673	$ (173,211)	$ (430,000)	$ 1,335,462	$ 1,938,122	$ (161,042)	$ 1,777,080

4. ACCRUED EXPENSES AND OTHER LIABILITIES

Amounts reported in ‘Accrued expenses and other liabilities’ in the condensed consolidated balance sheets were:

	June 30, 2025	December 31, 2024
	(in thousands)	
Accrued compensation and benefits	$ 53,758	$ 81,265
Professional services	56,255	64,683
Fulfillment, freight, and duties	37,357	38,752
Return liabilities	34,685	34,255
Sales/use and value added taxes payable	34,772	17,330
Other	55,744	61,783
Total accrued expenses and other liabilities	$ 272,571	$ 298,068

5. LEASES

Right-of-Use Assets and Operating Lease Liabilities

Amounts reported in the condensed consolidated balance sheets were:

	June 30, 2025	December 31, 2024
	(in thousands)	
Assets:		
Right-of-use assets	$ 349,268	$ 307,228
Liabilities:		
Current operating lease liabilities	$ 82,918	$ 68,551
Long-term operating lease liabilities	311,549	283,406
Total operating lease liabilities	$ 394,467	$ 351,957

Lease Costs and Other Information

Lease-related costs reported within ‘Cost of sales’ and ‘Selling, general and administrative expenses’ in our condensed consolidated statements of operations were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	(in thousands)			
Operating lease cost	$ 25,552	$ 20,409	$ 49,738	$ 40,654
Short-term lease cost	3,432	5,214	6,392	10,013
Variable lease cost	15,894	15,944	21,483	23,307
Total lease costs	$ 44,878	$ 41,567	$ 77,613	$ 73,974

The weighted average remaining lease term and discount rate related to our lease liabilities as of June 30, 2025, was 5.8 years and 6.6%, respectively. As of June 30, 2024, the weighted average remaining lease term and discount rate related to our lease liabilities was 6.6 years and 6.3%, respectively.

During the six months ended June 30, 2024, we impaired our right-of-use assets for our former HEYDUDE Brand warehouses in Las Vegas, Nevada and our former Crocs Brand warehouse in Oudenbosch, the Netherlands, as described in Note 6 — Fair Value Measurements.

Maturities

The maturities of our operating lease liabilities were:

	As of June 30, 2025
	(in thousands)
2025 (remainder of year)	$ 44,608
2026	98,519
2027	82,940
2028	67,301
2029	54,949
Thereafter	129,500
Total future minimum lease payments	477,817
Less: imputed interest	(83,350)
Total operating lease liabilities	$ 394,467

6. FAIR VALUE MEASUREMENTS

Recurring Fair Value Measurements

All of our derivative instruments are classified as Level 2 of the fair value hierarchy and are reported in the condensed consolidated balance sheets within either ‘Prepaid expenses and other assets’ or ‘Accrued expenses and other liabilities’ at June 30, 2025 and December 31, 2024. The fair values of our derivative instruments were an insignificant asset and insignificant liability at June 30, 2025 and an insignificant asset and an insignificant liability at December 31, 2024. See Note 7 — Derivative Financial Instruments for more information.

The carrying amounts of our cash, cash equivalents, and restricted cash approximate their fair value and are classified as Level 1 of the fair value hierarchy. The carrying amounts of our accounts receivable, accounts payable, and current accrued expenses and other liabilities approximate their fair value as recorded due to the short-term maturity of these instruments and are classified as Level 2 of the fair value hierarchy.

Our borrowing instruments are recorded at their carrying values in the condensed consolidated balance sheets, which may differ from their respective fair values. The Term Loan B Facility (as defined below) and the Notes (as defined below) are classified as Level 1 of the fair value hierarchy and are reported in our condensed consolidated balance sheet at face value, less unamortized issuance costs. The fair value of our Revolving Facility (as defined below) approximates its carrying value at

June 30, 2025 and December 31, 2024 based on interest rates currently available to us for similar borrowings. The carrying value and fair value of our borrowing instruments as of June 30, 2025 and December 31, 2024 were:

	June 30, 2025		December 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	(in thousands)			
Term Loan B Facility	$ 500,000	$ 503,438	$ 500,000	$ 503,125
2029 Notes	350,000	334,128	350,000	323,780
2031 Notes	350,000	316,120	350,000	305,610
Revolving Facility	215,000	215,000	190,000	190,000

Non-Financial Assets and Liabilities

Our non-financial assets, which primarily consist of property and equipment, right-of-use assets, goodwill, and other intangible assets, are not required to be carried at fair value on a recurring basis and are reported at carrying value.

The fair values of these assets were determined based on Level 3 measurements, including estimates of the amount and timing of future cash flows based upon historical experience, expected market conditions, and management's plans. We recorded impairments within 'Asset impairments' in our condensed consolidated statements of operations as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	(in thousands)			
Indefinite-lived trademark impairment [1]	$ 430,000	$ —	$ 430,000	$ —
Goodwill impairment [1]	307,000	—	307,000	—
Information technology systems impairment [2]	1,115	—	1,115	18,172
Right-of-use assets impairment [3]	—	—	—	5,909
Total asset impairments	$ 738,115	$ —	$ 738,115	$ 24,081

[1] During the three months ended June 30, 2025, we recognized impairment charges of $430.0 million and $307.0 million related to our indefinite-lived HEYDUDE trademark and HEYDUDE Brand reporting unit goodwill, respectively. Refer to Note 3 — Goodwill and Intangible Assets, Net for additional information.

[2] During the three months ended June 30, 2025, we recognized an impairment of $1.1 million related to the discontinuation of an information technology project. During the six months ended June 30, 2024, we recognized an impairment charge for information technology systems related to the HEYDUDE integration of $17.4 million to prepaid assets and $0.8 million to intangible assets.

[3] During the six months ended June 30, 2024, we recognized an impairment of $5.5 million for our former HEYDUDE Brand warehouses in Las Vegas, Nevada and $0.4 million for our former Crocs Brand warehouse in Oudenbosch, the Netherlands.

7. DERIVATIVE FINANCIAL INSTRUMENTS

We transact business in various foreign entities and are therefore exposed to foreign currency exchange rate risk that impacts the reported U.S. Dollar ("USD") amounts of revenues, expenses, and certain foreign currency monetary assets and liabilities. In order to manage exposure to fluctuations in foreign currency and to reduce the volatility in earnings caused by fluctuations in foreign exchange rates, we may enter into forward contracts to buy and sell foreign currency. By policy, we do not enter into these contracts for trading purposes or speculation.

Counterparty default risk is considered low because the forward contracts we enter into are over-the-counter instruments transacted with highly-rated financial institutions. We were not required to and did not post collateral as of June 30, 2025 or December 31, 2024.

Our derivative instruments are recorded at fair value as a derivative asset or liability in the condensed consolidated balance sheets within either 'Prepaid expenses and other assets' or 'Accrued expenses and other liabilities' at June 30, 2025 and December 31, 2024. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether we have elected to designate a derivative in a hedging relationship and apply hedge accounting, and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk in a fair value hedge or the earnings effect of the hedged transactions in a cash flow hedge. We may enter into derivative contracts that are intended to economically hedge certain components of its risk, even though hedge accounting does not apply, or we elect not to apply hedge accounting.

We report derivative instruments with the same counterparty on a net basis when a master netting arrangement is in place. For the condensed consolidated statements of cash flows, we classify cash flows from derivative instruments at settlement in the same category as the cash flows from the related hedged items within 'Cash provided by operating activities.'

As of June 30, 2025, we have derivatives not designated as hedging instruments ("non-hedged derivatives"), which consist of foreign currency forward contracts primarily used to hedge monetary assets and liabilities denominated in non-functional currencies. For our non-hedged derivatives, changes in fair value are recognized within 'Foreign currency gains (losses), net' in the condensed consolidated statements of operations.

We also have cash flow hedges ("hedged derivatives") as of June 30, 2025. We are exposed to fluctuations in various foreign currencies against our functional currency, the U.S. Dollar. Specifically, we have subsidiaries that transact in currencies other than their functional currency. We use cash flow hedges to minimize the variability in cash flows caused by fluctuations in foreign currency exchange rates related to our external sales and external purchases of inventory. Currency forward agreements involve fixing the exchange rates for delivery of a specified amount of foreign currency on a specified date. The currency forward agreements are typically cash settled in USD for their fair value at or close to their settlement date. We may also use currency option contracts under which we will pay a premium for the right to sell a specified amount of a foreign currency prior to the maturity date of the option.

For derivatives designated and that qualify as cash flow hedges of foreign exchange risk, the gain or loss on the derivative is recorded in 'Accumulated other comprehensive loss' in the condensed consolidated balance sheets. In the period during which the hedged transaction affects earnings, the related gain or loss is subsequently reclassified to 'Revenues' or 'Cost of sales' in the condensed consolidated statements of operations, which is consistent with the nature of the hedged transaction. During the three and six months ended June 30, 2025, there was a loss of $0.2 million and a gain of $0.3 million, respectively, recognized due to reclassification from 'Accumulated other comprehensive loss' to 'Revenues' or 'Cost of sales' related to our hedged derivatives. During the three and six months ended June 30, 2024, there was a gain of $0.3 million and $0.6 million, respectively, recognized due to reclassification from 'Accumulated other comprehensive loss' to 'Revenues' or 'Cost of sales' related to our hedged derivatives. During the next twelve months, we estimate that a loss of $0.2 million will be reclassified to our condensed consolidated statements of operations.

The fair values of derivative assets and liabilities, net, all of which are classified as Level 2, reported within either 'Prepaid expenses and other assets' or 'Accrued expenses and other liabilities' in the condensed consolidated balance sheets, were:

	June 30, 2025		December 31, 2024	
	Derivative Assets	Derivative Liabilities	Derivative Assets	Derivative Liabilities
	(in thousands)			
Non-hedged derivatives:				
Forward foreign currency exchange contracts	$ 804	$ (1,082)	$ 2,691	$ (3,433)
Hedged derivatives:				
Cash flow foreign currency contracts	92	(265)	1,242	(856)
Total derivatives	896	(1,347)	3,933	(4,289)
Netting of counterparty contracts	(676)	676	(2,762)	2,762
Total derivatives, net of counterparty contracts	$ 220	$ (671)	$ 1,171	$ (1,527)

The notional amounts of outstanding foreign currency forward exchange contracts presented below report the total U.S. Dollar equivalent position and the net contract fair values for each foreign currency position.

	June 30, 2025		December 31, 2024	
	Notional	Fair Value	Notional	Fair Value
	(in thousands)			
Non-hedged derivatives				
Euro	$ 7,855	$ (171)	$ 49,833	$ (1,303)
Singapore Dollar	22,506	493	31,524	(1,251)
British Pound Sterling	1,339	35	28,223	536
South Korean Won	18,295	(836)	9,274	655
Japanese Yen	7,516	220	5,510	289
Indian Rupee	2,493	3	494	8
Other currencies	8,990	(21)	24,613	324
Total non-hedged derivatives	68,994	(277)	149,471	(742)
Hedged derivatives:				
Chinese Yuan	8,952	(13)	40,458	(553)
British Pound Sterling	5,351	92	23,678	(303)
Euro	2,207	(236)	17,246	628
South Korean Won	641	(17)	8,790	614
Total hedged derivatives	17,151	(174)	90,172	386
Total derivatives	$ 86,145	$ (451)	$ 239,643	$ (356)
Latest maturity date, non-hedged derivatives	July 2025		January 2025	
Latest maturity date, hedged derivatives	October 2025		October 2025	

Amounts reported in 'Foreign currency gains (losses), net' in the condensed consolidated statements of operations include both realized and unrealized gains (losses) from foreign currency transactions and derivative contracts and were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	(in thousands)			
Foreign currency transaction gains (losses)	$ 612	$ (1,513)	$ 5,361	$ (2,933)
Foreign currency forward exchange contracts gains (losses)	(178)	190	(54)	(663)
Foreign currency gains (losses), net	$ 434	$ (1,323)	$ 5,307	$ (3,596)

8. BORROWINGS

Our long-term borrowings were as follows:

	Maturity	Stated Interest Rate	Effective Interest Rate	June 30, 2025	December 31, 2024
				(in thousands)	
Notes issuance of $350.0 million	2029	4.250 %	4.64 %	$ 350,000	$ 350,000
Notes issuance of $350.0 million	2031	4.125 %	4.35 %	350,000	350,000
Term Loan B Facility	2029			500,000	500,000
Revolving Facility	2027			215,000	190,000
Total face value of long-term borrowings				1,415,000	1,390,000
Less:					
Unamortized issuance costs				35,888	40,661
Total long-term borrowings				$ 1,379,112	$ 1,349,339

At June 30, 2025, and December 31, 2024, $10.8 million and $10.2 million, respectively, of accrued interest related to our borrowings was reported in ‘Accounts payable’ in the condensed consolidated balance sheets.

Senior Revolving Credit Facility

In July 2019, the Company and certain of its subsidiaries (the “Borrowers”) entered into a Second Amended and Restated Credit Agreement (as amended, the “Credit Agreement”), with the lenders named therein and PNC Bank, National Association, as a lender and administrative agent for the lenders. Since that time, we have amended the Credit Agreement, which, as amended to date, provides for a revolving credit facility of $1.0 billion, which can be increased by an additional $400.0 million subject to certain conditions (the “Revolving Facility”). Borrowings under the Credit Agreement bear interest at a variable interest rate based on (A) a Base Rate (defined as the highest of (i) the Overnight Bank Funding Rate (as defined in the Credit Agreement), plus 0.25%, (ii) the Prime Rate (as defined in the Credit Agreement), and (iii) the Daily Simple SOFR (as defined in the Credit Agreement), plus 1.00%), plus an applicable margin ranging from 0.25% to 0.875% based on our leverage ratio or 1.35% to 1.975% for the Daily Simple SOFR based on the leverage ratio, inclusive of a 0.10% SOFR adjustment, or (B) the Term SOFR Rate (as defined in the Credit Agreement), plus an applicable margin ranging from 1.35% to 1.975% based on our leverage ratio for one-month interest periods and three-month interest periods, inclusive of a 0.10% SOFR adjustment. Borrowings under the Credit Agreement are secured by all of the assets of the Borrowers and guaranteed by certain other subsidiaries of the Borrowers.

The Credit Agreement required or requires, as applicable, us to maintain a minimum interest coverage ratio of 3.00 to 1.00, and a maximum leverage ratio of (i) 4.00 to 1.00 from the quarter ended March 31, 2022, through, and including, the quarter ended December 31, 2023, (ii) 3.75 to 1.00 for the quarter ended March 31, 2024, (iii) 3.50 to 1.00 for the quarter ended June 30, 2024, and (iv) 3.25 to 1.00 for the quarter ended September 30, 2024, and thereafter (subject to adjustment in certain circumstances). The Credit Agreement permits, among other things, (i) stock repurchases subject to certain restrictions, including after giving effect to such stock repurchases, the maximum leverage ratio does not exceed certain levels; and (ii) certain acquisitions so long as there is borrowing availability under the Credit Agreement of at least $40.0 million. As of June 30, 2025, we were in compliance with all financial covenants under the Credit Agreement.

As of June 30, 2025, the total commitments available from the lenders under the Revolving Facility were $1.0 billion. At June 30, 2025, we had $215.0 million in outstanding borrowings and $0.6 million in outstanding letters of credit under the Revolving Facility, which reduces amounts available for borrowing under the Revolving Facility. As of June 30, 2025 and December 31, 2024, we had $784.4 million and $809.4 million, respectively, of available borrowing capacity under the Revolving Facility, which matures in November 2027.

Term Loan B Facility

On February 17, 2022, the Company entered into a credit agreement (the “Original Term Loan B Credit Agreement”) with Citibank, N.A., as administrative agent and lender, to among other things, finance a portion of the cash consideration for the HEYDUDE acquisition, which was amended on August 8, 2023, (the “August 2023 Amendment”) and on February 13, 2024 (the “February 2024 Amendment”). The Original Term Loan B Credit Agreement, as amended by the August 2023 Amendment and the February 2024 Amendment is referred to herein as the “Term Loan B Credit Agreement.”

The Original Term Loan B Credit Agreement provided for an aggregate term loan B facility in the principal amount of $2.0 billion. Prior to the February 2024 Amendment, the outstanding balance was $820.0 million. Among other things, the February 2024 Amendment provided for a new $820.0 million tranche of term loans (the “2024 Refinancing Term Loans” and, such facility, the "Term Loan B Facility"), to refinance the then-outstanding principal balance. The 2024 Refinancing Term Loans are secured by substantially all of the Company’s and each subsidiary guarantor’s assets on a pari passu basis with their obligations arising from the Term Loan B Credit Agreement and is scheduled to mature on February 17, 2029, subject to certain exceptions set forth in the Term Loan B Credit Agreement. Additionally, subject to certain conditions, including, without limitation, satisfying certain leverage ratios, the Company may, at any time, on one or more occasions, add one or more new classes of term facilities and/or increase the principal amount of the loans of any existing class by requesting one or more incremental term facilities.

Pursuant to the reduced interest rate margins applicable to the 2024 Refinancing Term Loans, each term loan borrowing which is an alternate base rate borrowing bears interest at a rate per annum equal to the Alternate Base Rate (as defined in the Term Loan B Credit Agreement), plus 1.25%. Each term loan borrowing which is a term SOFR borrowing bears interest at a rate per annum equal to the Adjusted Term SOFR Rate (as defined in the Term Loan B Credit Agreement) plus 2.25%.

As of June 30, 2025, the Term Loan B Facility was fully drawn with no remaining borrowing capacity, and we had $500.0 million in outstanding principal on the Term Loan B Facility, which matures on February 17, 2029.

The Term Loan B Credit Agreement also contains customary affirmative and negative covenants, incurrence financial covenants, representations and warranties, events of default and other provisions. As of June 30, 2025, we were in compliance with all financial covenants under the Term Loan B Credit Agreement.

Asia Revolving Credit Facility

During the six months ended June 30, 2025, we had one revolving credit facility in Asia with Citibank (China) Company Limited, Shanghai Branch (the “Citibank Facility”), which, as amended, provides up to an equivalent of $15.0 million.

As of June 30, 2025 and December 31, 2024, we had no borrowings outstanding on the Citibank Facility.

Senior Notes Issuances

In March 2021, the Company completed the issuance and sale of $350.0 million aggregate principal amount of 4.250% Senior Notes due March 15, 2029 (the “2029 Notes”), pursuant to the indenture related thereto (as amended and/or supplemented to date, the “2029 Notes Indenture”). Additionally, in August 2021, the Company completed the issuance and sale of $350.0 million aggregate principal amount of 4.125% Senior Notes due August 15, 2031 (the “2031 Notes”), pursuant to the indenture related thereto (as amended and/or supplemented to date, “the 2031 Notes Indenture” and, together with the 2029 Notes Indenture, the “Indentures” and, each, an “Indenture”). Interest on each of the 2029 Notes and the 2031 Notes (collectively, the “Notes”) is payable semi-annually.

The Company had or will have, as applicable, the option to redeem all or any portion of the 2029 Notes, at once or over time, at any time on or after March 15, 2024, at a redemption price equal to 100% of the principal amount thereof, plus a premium declining ratably on an annual basis to par and accrued and unpaid interest, if any, to, but excluding, the date of redemption. The Company also had the option to redeem some or all of the 2029 Notes at any time before March 15, 2024, at a redemption price of 100% of the principal amount to be redeemed, plus a “make-whole” premium and accrued and unpaid interest, if any, to, but excluding, the date of redemption. In addition, at any time before March 15, 2024, the Company could have redeemed up to 40% of the aggregate principal amount of the 2029 Notes at a redemption price of 104.250% of the principal amount with the proceeds from certain equity issuances, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

The Company will have the option to redeem all or any portion of the 2031 Notes, at once or over time, at any time on or after August 15, 2026, at a redemption price equal to 100% of the principal amount thereof, plus a premium declining ratably on an annual basis to par and accrued and unpaid interest, if any, to, but excluding, the date of redemption. The Company will also have the option to redeem some or all of the 2031 Notes at any time before August 15, 2026, at a redemption price of 100% of the principal amount to be redeemed, plus a “make-whole” premium and accrued and unpaid interest, if any, to, but excluding, the date of redemption. In addition, at any time before August 15, 2024, the Company could have redeemed up to 40% of the aggregate principal amount of the 2031 Notes at a redemption price of 104.125% of the principal amount with the proceeds from certain equity issuances, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

The Notes rank pari passu in right of payment with all of the Company's existing and future senior debt, including the Credit Agreement, and are senior in right of payment to any of the Company's future debt that is, by its term, expressly subordinated in right of payment to the Notes. The Notes are unconditionally guaranteed by each of the Company's restricted subsidiaries that is a borrower or guarantor under the Credit Agreement and by each of the Company's wholly-owned restricted subsidiaries that guarantees any debt of the Company or any guarantor under any syndicated credit facility or capital markets debt in an aggregate principal amount in excess of $25.0 million.

The Indentures contain covenants that, among other things, limit the ability of the Company and its restricted subsidiaries to incur additional debt or issue certain preferred stock; pay dividends or repurchase or redeem capital stock or make other restricted payments; declare or pay dividends or other payments; incur liens; enter into certain types of transactions with the Company's affiliates; and consolidate or merge with or into other companies. As of June 30, 2025, we were in compliance with all financial covenants under the Notes.

9. COMMON STOCK REPURCHASE PROGRAM

During the three months ended June 30, 2025, we repurchased 1.3 million shares of our common stock at a cost of $133.2 million, including commissions. During the six months ended June 30, 2025, we repurchased 1.9 million shares of our common stock at a cost of $194.1 million, including commissions. During the three and six months ended June 30, 2024, we repurchased 1.2 million shares of our common stock at a cost of $175.0 million, including commissions.

As of June 30, 2025, and December 31, 2024, we had an accrual recorded for the stock repurchase excise tax of $1.7 million and $5.1 million, respectively, which is reported in 'Accrued expenses and other liabilities' and 'Treasury stock' in our condensed consolidated balance sheets.

As of June 30, 2025, we had remaining authorization to repurchase $1.1 billion of our common stock, subject to restrictions under our Indentures, Credit Agreement, and Term Loan B Credit Agreement.

10. REVENUES

Revenues by reportable operating segment and by channel were:

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
	(in thousands)			
Crocs Brand:				
North America:				
Wholesale	$ 166,528	$ 173,987	$ 337,210	$ 354,325
Direct-to-consumer	290,602	314,728	488,437	517,304
Total North America [1]	457,130	488,715	825,647	871,629
International:				
Wholesale	298,151	261,294	604,274	542,959
Direct-to-consumer	204,309	163,980	291,278	243,218
Total International	502,460	425,274	895,552	786,177
Total Crocs Brand	$ 959,590	$ 913,989	$ 1,721,199	$ 1,657,806
Crocs Brand:				
Total Wholesale	$ 464,679	$ 435,281	$ 941,484	$ 897,284
Total Direct-to-consumer	494,911	478,708	779,715	760,522
Total Crocs Brand	959,590	913,989	1,721,199	1,657,806
HEYDUDE Brand:				
Wholesale	99,760	113,829	210,453	248,582
Direct-to-consumer	90,023	83,684	155,054	143,747
Total HEYDUDE Brand [2]	189,783	197,513	365,507	392,329
Total consolidated revenues	$ 1,149,373	$ 1,111,502	$ 2,086,706	$ 2,050,135

[1] North America includes the United States and Canada.
[2] The vast majority of HEYDUDE Brand revenues are derived from North America.

11. INCOME TAXES

Income tax expense and effective tax rates were:

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
	(in thousands, except effective tax rate)			
Income (loss) before income taxes	$ (448,607)	$ 296,425	$ (243,668)	$ 490,454
Income tax expense	43,675	67,518	88,511	109,093
Effective tax rate	(9.7)%	22.8 %	(36.3)%	22.2%

During the three months ended June 30, 2025, income tax expense decreased $23.8 million compared to the same period in 2024. The effective tax rate for the three months ended June 30, 2025 was (9.7)% compared to an effective tax rate of 22.8% for the same period in 2024, a 32.5% decrease. The effective tax rate was impacted by the impairments of the indefinite-lived HEYDUDE trademark and HEYDUDE Brand reporting unit goodwill in the three months ended June 30, 2025, which are not deductible for tax purposes. Our effective income tax rate, for each period presented, also differs from the federal U.S. statutory rate due to differences in income tax rates between U.S. and foreign jurisdictions.

During the six months ended June 30, 2025, income tax expense decreased $20.6 million compared to the same period in 2024. The effective tax rate for the six months ended June 30, 2025 was (36.3)% compared to an effective tax rate of 22.2% for the same period in 2024, a 58.5% decrease. The effective tax rate was impacted by the impairments of the indefinite-lived HEYDUDE trademark and HEYDUDE Brand reporting unit goodwill in the six months ended June 30, 2025, which are not deductible for tax purposes. As a result of a prior year intra-entity transaction, the value of the intellectual property for tax purposes is subject to revaluation and therefore there are not similar impacts for tax as a result of the intellectual property impairment. Our effective income tax rate, for each period presented, also differs from the federal U.S. statutory rate due to differences in income tax rates between U.S. and foreign jurisdictions.

Pillar Two Global Minimum Tax

The Organization for Economic Co-operation and Development ("OECD") has released Pillar Two model rules introducing a 15% global minimum tax rate applied on a country-by-country basis for large multinational corporations. Various jurisdictions we operate in have enacted the legislation. There remains uncertainty as to the final Pillar Two rules as the OECD continues to release guidance and modifications to the rules. In June 2025, the U.S. Treasury Secretary and G7 countries announced their intent to work towards an agreement to exclude U.S. parented companies from the scope of Pillar Two taxes, specifically the Income Inclusion Rule and Under taxed Profits Rule. The details of the new agreement have not been finalized, but the announced change would significantly reduce the scope of Pillar Two rules. We are monitoring continuing development of these laws and the potential impact they will have on our Company. We do not anticipate the Pillar Two rules will have a significant impact on our 2025 consolidated financial statements.

H.R.1 Tax Act Bill

On July 4, 2025, H.R.1. was signed into law, amending and extending several provisions of the 2017 Tax Cuts and Jobs Act. Key changes relevant to the Company include the reinstatement of 100% bonus depreciation, the deductibility of domestic R&D expenses, and modifications to international provisions. The new law became effective after the current period closed. The Company is currently assessing the impact of these changes, which generally take effect in 2025 and 2026.

12. EARNINGS PER SHARE

Basic and diluted earnings per common share ("EPS") for the three and six months ended June 30, 2025 and 2024, were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	(in thousands, except per share data)			
Numerator:				
Net income (loss)	$ (492,282)	$ 228,907	$ (332,179)	$ 381,361
Denominator:				
Weighted average common shares outstanding - basic	55,783	60,320	55,946	60,442
Plus: Dilutive effect of stock options and unvested restricted stock units	—	446	—	468
Weighted average common shares outstanding - diluted	55,783	60,766	55,946	60,910
Net income (loss) per common share:				
Basic	$ (8.82)	$ 3.79	$ (5.94)	$ 6.31
Diluted	$ (8.82)	$ 3.77	$ (5.94)	$ 6.26

In the three and six months ended June 30, 2025, 0.5 million outstanding shares issued under share-based compensation awards were anti-dilutive and, therefore, excluded from the calculation of diluted EPS. In the three and six months ended June 30, 2024, an insignificant number of outstanding shares issued under share-based compensation awards were anti-dilutive and, therefore, excluded from the calculation of diluted EPS.

13. COMMITMENTS AND CONTINGENCIES

Purchase Commitments

As of June 30, 2025, we had purchase commitments to third-party manufacturers, primarily for materials and supplies used in the manufacture of our products, for an aggregate of $195.9 million. We expect to fulfill our commitments under these agreements in the normal course of business, and as such, no liability has been recorded.

Other

We are regularly subject to, and are currently undergoing, audits by various tax authorities in the U.S. and several foreign jurisdictions, including customs duties, import, and other taxes for prior tax years.

During our normal course of business, we may make certain indemnities, commitments, and guarantees under which we may be required to make payments in relation to certain matters. We cannot determine a range of estimated future payments and have not recorded any liability for such payments in the accompanying condensed consolidated balance sheets.

See Note 15 — Legal Proceedings for further details regarding potential loss contingencies related to government tax audits and other current legal proceedings.

14. OPERATING SEGMENTS

We have two reportable operating segments: the Crocs Brand and the HEYDUDE Brand. Each of the reportable operating segments derives its revenues from the sale of footwear and accessories to external customers.

Additionally, 'Enterprise corporate' costs include global corporate costs associated with both brands, including legal, information technology, human resources, and finance.

Each segment's performance is evaluated based on segment results without allocating Enterprise corporate expenses. Reconciling items between segment income from operations and income from operations consist of unallocated Enterprise corporate expenses. Our chief operating decision maker is Andrew Rees, Chief Executive Officer. Mr. Rees uses income from operations as a measure of profit or loss. Mr. Rees considers the performance of these measures against management expectations when making decisions about the allocation of operating and capital resources to each segment.

We do not report asset information by segment because that information is not used to evaluate performance or allocate resources between segments.

The following tables set forth information related to reportable operating segments:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	(in thousands)			
Crocs Brand:				
Revenues	$ 959,590	$ 913,989	$ 1,721,199	$ 1,657,806
Cost of sales	344,820	327,698	643,892	639,166
Selling, general and administrative expenses	256,415	230,759	445,307	398,983
Income from operations	358,355	355,532	632,000	619,657
HEYDUDE Brand:				
Revenues	189,783	197,513	$ 365,507	$ 392,329
Cost of sales	94,448	100,536	$ 188,271	$ 205,421
Selling, general and administrative expenses	64,279	54,610	$ 122,939	$ 98,954
Asset impairments	737,000	—	$ 737,000	$ 5,441
Income (loss) from operations	(705,944)	42,367	$ (682,703)	$ 82,513
Total segment income (loss) from operations	$ (347,589)	$ 397,899	$ (50,703)	$ 702,170
Reconciliation of segment income (loss) from operations to income (loss) before income taxes:				
Enterprise corporate costs	$ (79,927)	$ (72,161)	$ (153,839)	$ (150,003)
Foreign currency gains (losses), net	434	(1,323)	5,307	(3,596)
Interest income	371	1,126	704	1,542
Interest expense	(22,523)	(29,161)	(45,289)	(59,724)
Other income, net	627	45	152	65
Income (loss) before income taxes	$ (448,607)	$ 296,425	$ (243,668)	$ 490,454
Depreciation and amortization: (1)				
Crocs Brand	$ 9,839	$ 8,861	$ 19,005	$ 17,397
HEYDUDE Brand	5,632	4,542	11,191	8,758
Enterprise corporate	4,003	4,141	7,815	7,550
Total consolidated depreciation and amortization	$ 19,474	$ 17,544	$ 38,011	$ 33,705

(1) The amounts of depreciation and amortization disclosed by reportable segment and 'Enterprise corporate' are included within 'Cost of sales' and 'Selling, general and administrative expenses.'

15. LEGAL PROCEEDINGS

On January 22, 2025, a putative class action lawsuit titled Carretta v. Crocs, Inc., et al., Case No. 1:25-cv-00096, was filed in the District Court for the District of Delaware against the Company and certain of its current officers. The complaint was filed on behalf of a purported class consisting of all purchasers of the Company's common stock between November 3, 2022, and October 28, 2024, inclusive. The complaint asserts violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended, and Rule 10b-5 based on allegedly false and misleading statements related to the Company's wholesaler inventory and its alleged impact on the Company's revenue. The complaint seeks unspecified damages, an award of costs and expenses, and other unspecified relief. On March 21, 2025, a second putative class action lawsuit titled Shah v. Crocs, Inc., et al., Case No. 1:25-cv-00356, was also filed in the District Court for the District of Delaware based on the same allegations as the Carretta complaint. Motions to consolidate the two actions are pending before the court. On April 22, 2025, the court entered the parties' stipulation in which they agreed to confer on deadlines to file the amended complaint and motion to dismiss after the lead plaintiff is appointed. Briefing for motions to appoint a lead plaintiff is complete, but a lead plaintiff has not yet been appointed.

Four purported shareholders of the Company have filed derivative actions against certain of its current directors and officers, as well as the Company as a nominal defendant, alleging claims for breach of fiduciary duties, aiding and abetting breach of fiduciary duties, unjust enrichment, insider trading, waste of corporate assets, abuse of control, and gross mismanagement related to the Company's wholesaler inventory and its alleged impact on the Company's revenue. They seek damages and changes to the Company's corporate governance structure. See James O'Connor v. Smach, et. al., C.A. No. 1:25-cv-00576 (D. Colo.); The Berger Trust v. Rees, et. al., C.A. No. 1:25-cv-00597 (D. Colo.); Sarabia v. Rees, et. al., C.A. No. 2025CV30069 (Dist. Ct. Broomfield Cnty., Colo.); Lesanto v. Bickley, et. al., C.A. No. 2025CV30071 (Dist. Ct. Broomfield Cnty., Colo.).

The Company and its directors and officers intend to vigorously defend these actions in all respects. The Company is not in a position to assess the likelihood of any potential loss or adverse effect on its financial condition or to estimate the amount or range of potential loss, if any, from these actions at this time.

For legal claims and disputes, we have accrued estimated losses of $2.0 million within 'Accrued expenses and other liabilities' in the condensed consolidated balance sheet as of June 30, 2025. As we are able, we estimate reasonably possible losses or a range of reasonably possible losses. As of June 30, 2025, we estimated that reasonably possible losses associated with these claims and other disputes were an insignificant amount.

Although we are subject to other litigation from time to time in the ordinary course of business, including employment, intellectual property, and product liability claims, other than as set forth above, we are not party to any other pending legal proceedings that we believe would reasonably have a material adverse impact on our business, financial results, and cash flows.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Business Overview

Crocs, Inc. and our consolidated subsidiaries (collectively the "Company," "we," "us," or "our") are engaged in the design, development, worldwide marketing, distribution, and sale of casual lifestyle footwear and accessories for all. We strive to be the world leader in innovative casual footwear for all, combining comfort and style with a value that consumers want.

Known or Anticipated Trends

Based on our recent operating results and current perspectives on our operating environment, we anticipate certain trends will continue to impact our operating results:

- We continue to operate in an environment where consumers are feeling the effects of elevated interest rates, inflation, and future expected price increases, among other things, and as a result, there is more pressure on discretionary spending. Given this, our wholesale partners are also acting cautiously. In addition, geopolitical tensions have increased across the globe. In 2025, the United States ("U.S.") has imposed tariffs on foreign imports from multiple countries, including, most relevant to us, a total tariff of 20%, 30%, 19%, 50%, and 19% on all imports from Vietnam, China, Indonesia, India, and Cambodia, respectively. We are continuing to monitor developments with respect to these policy changes and proposals. We have begun to mitigate the potential impacts of tariffs and the resulting effect on the consumer, including diversifying our sourcing mix, refining our cost structure, and implementing select price increases. See the risk factor under "*Government actions and regulations, such as export restrictions, tariffs, and other trade protection measures could adversely affect our business*" in the section entitled "Risk Factors" under Item 1A in this report for additional information. For the Crocs Brand, we began reducing promotional activity during the three months ended June 30, 2025, which will protect brand health and profitability.
- We completed quantitative assessments for the indefinite-lived HEYDUDE trademark and HEYDUDE Brand reporting unit goodwill in the three months ended June 30, 2025 as a result of a triggering event. The triggering event was due to downward revisions to our internal HEYDUDE Brand forecast, as a result of the extended time we believe it will now take us to stabilize the HEYDUDE Brand and return it to growth. This was partly due to the current and projected impact of a weak U.S. consumer and the disproportionate impact of tariffs on HEYDUDE Brand products, which became evident in the three months ended June 30, 2025. We recognized non-cash impairment charges of $430.0 million related to the indefinite-lived HEYDUDE trademark and $307.0 million related to our HEYDUDE Brand reporting unit goodwill during the three months ended June 30, 2025. See Note 3 — Goodwill and Intangible Assets, Net in the accompanying notes to the condensed consolidated financial statements included in Part I - Item 1. *Financial Statements* of this Quarterly Report on Form 10-Q and the risk factor under "*Government actions and regulations, such as export restrictions, tariffs, and other trade protection measures could adversely affect our business*" in the section entitled "Risk Factors" under Item 1A in this report for additional information.
- Our liquidity position remains strong with $200.6 million in cash and cash equivalents and $799.4 million in available borrowing capacity as of June 30, 2025. Our total borrowings were $1.4 billion as of June 30, 2025. We repurchased $133.2 million of our common stock during the quarter.

Use of Non-GAAP Financial Measures

In addition to financial measures presented on the basis of accounting principles generally accepted in the United States of America ("U.S. GAAP"), we present certain information related to our 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 U.S. GAAP. Constant currency represents current period results that have been retranslated using prior year average foreign exchange rates for the comparative period to enhance the visibility of the underlying business trends, excluding the impact of foreign currency exchange rates on reported amounts.

Management uses constant currency to assist in comparing business trends from period to period on a consistent basis in communications with the Board, stockholders, analysts, and investors concerning our financial performance. We believe constant currency is useful to investors and other users of our condensed consolidated financial statements as an additional tool to evaluate operating performance and trends. Investors should not consider constant currency in isolation from, or as a substitute for, financial information prepared in accordance with U.S. GAAP.

Key Performance Indicators

Management utilizes the key performance metrics of gross margin and operating margin to gauge the Company's operational efficiency and market competitiveness, identify trends, formulate financial projections, and make strategic decisions. Management continuously monitors and analyzes these metrics in an effort to ensure we remain agile, competitive, and aligned with our long-term growth objectives. The titles and/or definitions of certain of these metrics may vary from company to company. As a result, our calculation of certain of these metrics may not be comparable to similarly titled metrics used by other companies.

Gross Margin

Gross margin is defined as gross profit divided by revenues. Management uses this metric and believes it is useful for investors because it provides insights into profitability, cost management, and pricing strategy.

Operating Margin

Operating margin is defined as income from operations divided by revenues. Management uses this metric and believes it is useful for investors because it provides a comprehensive view of profitability from its core business operations, excluding the effects of financing and tax considerations.

Second Quarter 2025 Financial and Operational Highlights

Revenues were $1,149.4 million for the second quarter of 2025, a 3.4% increase compared to the second quarter of 2024. The increase was due to the net effects of: (i) higher unit sales volume in the Crocs Brand, partially offset by lower unit sales volume in the HEYDUDE Brand, which resulted in a net increase in revenues of $36.6 million, or 3.3%; (ii) net favorable changes in exchange rates, which increased revenues by $7.4 million, or 0.7%; and (iii) lower average selling price on a constant currency basis ("ASP") driven by the Crocs Brand, partially offset by higher ASP in the HEYDUDE Brand, which decreased revenues by $6.2 million, or 0.6%.

The following were significant developments affecting our businesses and capital structure during the three months ended June 30, 2025:

- We grew revenues in the Crocs Brand by 5.0%, or 4.2% on a constant currency basis, compared to the same period in 2024. HEYDUDE Brand revenues decreased 3.9%, or 4.2% on a constant currency basis.
- Gross margin was 61.7%, an increase of 30 basis points from last year's second quarter, primarily due to reduced discounting in the Crocs Brand.
- Selling, general and administrative expenses ("SG&A") were $398.2 million compared to $356.2 million in the second quarter of 2024, primarily as a result of increased investment in marketing and higher costs in the DTC channel. As a percent of revenues, SG&A increased to 34.6% of revenues compared to 32.0% of revenues in the second quarter of 2024.
- Asset impairments were $738.1 million, primarily driven by the partial impairment of the HEYDUDE indefinite-lived trademark and HEYDUDE Brand reporting unit goodwill. Refer to Note 3 — Goodwill and Intangible Assets, Net in the accompanying notes to the condensed consolidated financial statements included in Part I - Item 1. *Financial Statements* of this Quarterly Report on Form 10-Q.
- Income (loss) from operations decreased to a loss from operations of $427.5 million from income from operations of $325.7 million in last year's second quarter. Net loss was $492.3 million, or net loss per diluted share of $8.82, compared to net income of $228.9 million, or net income per diluted share of $3.77, in last year's second quarter. The loss from operations is due to asset impairments, as described above.

Results of Operations

	Three Months Ended June 30,		Six Months Ended June 30,		% Change Favorable (Unfavorable)	
	2025	2024	2025	2024	Q2 2025-2024	YTD 2025-2024
	(in thousands, except per share, margin, and average selling price data)					
Revenues	$ 1,149,373	$ 1,111,502	$ 2,086,706	$ 2,050,135	3.4 %	1.8 %
Cost of sales	440,537	429,586	836,321	846,142	(2.5) %	1.2 %
Gross profit	708,836	681,916	1,250,385	1,203,993	3.9 %	3.9 %
Selling, general and administrative expenses	398,237	356,178	716,812	627,745	(11.8) %	(14.2) %
Asset impairments	738,115	—	738,115	24,081	(100.0) %	(2,965.1) %
Income (loss) from operations	(427,516)	325,738	(204,542)	552,167	(231.2) %	(137.0) %
Foreign currency gains (losses), net	434	(1,323)	5,307	(3,596)	132.8 %	247.6 %
Interest income	371	1,126	704	1,542	(67.1) %	(54.3) %
Interest expense	(22,523)	(29,161)	(45,289)	(59,724)	22.8 %	24.2 %
Other income, net	627	45	152	65	1,293.3 %	133.8 %
Income (loss) before income taxes	(448,607)	296,425	(243,668)	490,454	(251.3) %	(149.7) %
Income tax expense	43,675	67,518	88,511	109,093	35.3 %	18.9 %
Net income (loss)	$ (492,282)	$ 228,907	$ (332,179)	$ 381,361	(315.1) %	(187.1) %
Net income (loss) per common share:						
Basic	$ (8.82)	$ 3.79	$ (5.94)	$ 6.31	(332.7) %	(194.1) %
Diluted	$ (8.82)	$ 3.77	$ (5.94)	$ 6.26	(334.0) %	(194.9) %
Gross margin [1]	61.7 %	61.4 %	59.9 %	58.7 %	30 bp	120 bp
Operating margin [1]	(37.2)%	29.3 %	(9.8)%	26.9 %	(6,650)bp	(3,670)bp

[1] Changes for gross margin and operating margin are shown in basis points ("bp").

Revenues By Channel

	Three Months Ended June 30,		Six Months Ended June 30,		% Change		Constant Currency % Change [1]	
					Favorable (Unfavorable)			
	2025	2024	2025	2024	Q2 2025-2024	YTD 2025-2024	Q2 2025-2024	YTD 2025-2024
	(in thousands)							
Crocs Brand:								
Wholesale	$ 464,679	$ 435,281	$ 941,484	$ 897,284	6.8 %	4.9 %	5.9 %	5.6 %
Direct-to-consumer	494,911	478,708	779,715	760,522	3.4 %	2.5 %	2.7 %	2.6 %
Total Crocs Brand	959,590	913,989	1,721,199	1,657,806	5.0 %	3.8 %	4.2 %	4.2 %
HEYDUDE Brand:								
Wholesale	99,760	113,829	210,453	248,582	(12.4)%	(15.3)%	(12.8)%	(15.2)%
Direct-to-consumer	90,023	83,684	155,054	143,747	7.6 %	7.9 %	7.5 %	7.8 %
Total HEYDUDE Brand	189,783	197,513	365,507	392,329	(3.9)%	(6.8)%	(4.2)%	(6.8)%
Total consolidated revenues	$ 1,149,373	$ 1,111,502	$ 2,086,706	$ 2,050,135	3.4 %	1.8 %	2.7 %	2.1 %

[1] Reflects year over year change as if the current period results were in constant currency, which is a non-GAAP financial measure. See "Use of Non-GAAP Financial Measures" above for more information.

Revenues. In the three months ended June 30, 2025, revenues increased compared to the same period in 2024, primarily due to higher volume of $36.6 million, or 3.3%, driven by the Crocs Brand, partially offset by lower volume in the HEYDUDE Brand. Net favorable foreign currency fluctuations of $7.4 million, or 0.7%, primarily in the Euro, also increased revenues. The overall increase in revenues was offset in part by lower ASP of $6.2 million, or 0.6%, driven by unfavorable product mix in both brands, partially offset by favorable channel mix in the HEYDUDE Brand and reduced discounting in the Crocs Brand.

Revenues also increased in the six months ended June 30, 2025, primarily due to higher volume of $72.3 million, or 3.5%, driven by the Crocs Brand, partially offset by lower volume in the HEYDUDE Brand. Lower ASP of $28.8 million, or 1.4%, decreased the overall increase in revenues, mainly due to increased discounting in the Crocs Brand. This was offset in part by favorable product mix in the Crocs Brand and favorable channel mix in the HEYDUDE Brand. Net unfavorable foreign currency fluctuations of $6.9 million, or 0.3%, primarily in the South Korean Won and Brazilian Real, also decreased revenues.

Gross margin. Gross margin increased in the three months ended June 30, 2025, to 61.7% compared to 61.4% in the same period in 2024, primarily due to reduced discounting in the Crocs Brand of 30 basis points.

Gross margin in the six months ended June 30, 2025, was 59.9% compared to 58.7% in 2024. This was primarily driven by favorable customer mix of 40 basis points and favorable product mix of 20 basis points, both in the Crocs Brand. Favorable brand mix of 20 basis points also increased gross margin.

Selling, general and administrative expenses. SG&A increased $42.1 million, or 11.8%, in the three months ended June 30, 2025, compared to the same period in 2024, driven by increased investment in talent of $17.5 million, higher DTC costs, including investments and variable costs, of $14.2 million, increased investment in marketing of $10.2 million, and net increases in other costs of $0.2 million.

SG&A expenses increased $89.1 million, or 14.2%, during the six months ended June 30, 2025, compared to the same period in 2024, primarily driven by increased investment in talent and marketing of $34.8 million and $24.2 million, respectively, higher DTC costs, including investments and variable costs, of $23.6 million, and net increases in other costs of $6.5 million.

Asset impairments. Asset impairments were $738.1 million during the three months ended June 30, 2025, primarily due to a triggering event for the HEYDUDE Brand indefinite-lived intangible assets (which consists solely of the HEYDUDE trademark) (the “trademark”) and the HEYDUDE Brand reporting unit (the “reporting unit”) goodwill. The triggering event was due to downward revisions during the three months ended June 30, 2025, to our internal HEYDUDE Brand forecast as a result of the extended time we believe it will now take us to stabilize the HEYDUDE Brand and return it to growth. This was partly due to the current and projected impact of a weak U.S. consumer and the disproportionate impact of tariffs on HEYDUDE Brand products, which became evident in the three months ended June 30, 2025. As a result, we completed quantitative assessments for the trademark and the reporting unit goodwill in the three months ended June 30, 2025, which resulted in non-cash impairment charges of $430.0 million for the trademark and $307.0 million for HEYDUDE Brand reporting unit goodwill. For additional information, refer to Note 3 — Goodwill and Intangible Assets, Net in the accompanying notes to the condensed consolidated financial statements included in Part I - Item 1. *Financial Statements* of this Quarterly Report on Form 10-Q.

Asset impairments increased $714.0 million during the six months ended June 30, 2025, compared to the same period in 2024, primarily due to non-cash impairment charges in the current year of $430.0 million related to the indefinite-lived HEYDUDE trademark and $307.0 million for HEYDUDE Brand reporting unit goodwill, as described above. The increase in asset impairments was partially offset by prior year non-cash impairment charges of $18.2 million for information technology systems related to the HEYDUDE integration, $5.5 million for our former HEYDUDE Brand warehouses in Las Vegas, Nevada, and $0.4 million for our former Crocs Brand warehouse in Oudenbosch, the Netherlands, none of which recurred in the current year.

Foreign currency gains (losses), net. Foreign currency gains (losses), net, consist of realized and unrealized foreign currency gains and losses from the remeasurement and settlement of monetary assets and liabilities denominated in non-functional currencies as well as realized and unrealized gains and losses on foreign currency derivative instruments. During the three months ended June 30, 2025, we recognized realized and unrealized net foreign currency gains of $0.4 million compared to losses of $1.3 million during the three months ended June 30, 2024.

During the six months ended June 30, 2025, we recognized realized and unrealized net foreign currency gains of $5.3 million compared to losses of $3.6 million during the six months ended June 30, 2024.

Interest expense. Interest expense during the three months ended June 30, 2025, decreased $6.6 million, or 22.8%, compared to the three months ended June 30, 2024. Interest expense during the six months ended June 30, 2025, decreased $14.4 million, or 24.2%, compared to the six months ended June 30, 2024. The decrease in interest expense for the three and six months ended June 30, 2025, was due to lower outstanding borrowings and lower weighted average interest rates on the Term Loan B Facility (as defined herein) and the Revolving Facility (as defined herein) in the current year.

Income tax expense. During the three months ended June 30, 2025, income tax expense decreased $23.8 million compared to the same period in 2024. The effective tax rate for the three months ended June 30, 2025, was (9.7)% compared to an effective tax rate of 22.8% for the same period in 2024, a 32.5% decrease. The effective tax rate was impacted by the HEYDUDE impairments in 2025, as described above, which are not deductible for tax purposes. Our effective income tax rate, for each period presented, also differs from the federal U.S. statutory rate due to differences in income tax rates between U.S. and foreign jurisdictions.

During the six months ended June 30, 2025, income tax expense decreased $20.6 million compared to the same period in 2024. The effective tax rate for the six months ended June 30, 2025 was (36.3)% compared to an effective tax rate of 22.2% for the same period in 2024, a 58.5% decrease. The effective tax rate was impacted by the HEYDUDE impairments in 2025, as described above, which are not deductible for tax purposes. As a result of a prior year intra-entity transaction, the value of the intellectual property for tax purposes is subject to revaluation and therefore there are not similar impacts for tax as a result of the intellectual property impairment. Our effective income tax rate, for each period presented, also differs from the federal U.S. statutory rate primarily due to differences in income tax rates between U.S. and foreign jurisdictions.

Reportable Operating Segments

The following table sets forth information related to our reportable operating segments, including a comparison of revenues and operating income by segment:

	Three Months Ended June 30,		Six Months Ended June 30,		% Change		Constant Currency % Change [1]	
					Favorable (Unfavorable)			
	2025	2024	2025	2024	Q2 2025-2024	YTD 2025-2024	Q2 2025-2024	YTD 2025-2024
	(in thousands)							
Revenues:								
Crocs Brand revenues	$ 959,590	$ 913,989	$ 1,721,199	$ 1,657,806	5.0 %	3.8 %	4.2 %	4.2 %
HEYDUDE Brand revenues	189,783	197,513	365,507	392,329	(3.9)%	(6.8)%	(4.2)%	(6.8)%
Total consolidated revenues	$ 1,149,373	$ 1,111,502	$ 2,086,706	$ 2,050,135	3.4 %	1.8 %	2.7 %	2.1 %
Income (loss) from operations:								
Crocs Brand income from operations	$ 358,355	$ 355,532	$ 631,999	$ 619,657	0.8 %	2.0 %	0.2 %	2.8 %
HEYDUDE Brand income (loss) from operations	(705,944)	42,367	(682,702)	82,513	(1,766.3)%	(927.4)%	(1,766.4)%	(927.3)%
Enterprise corporate	(79,927)	(72,161)	(153,839)	(150,003)	(10.8)%	(2.6)%	(10.6)%	(2.5)%
Total consolidated income (loss) from operations	$ (427,516)	$ 325,738	$ (204,542)	$ 552,167	(231.2)%	(137.0)%	(231.8)%	(136.1)%

[1] Reflects year over year change as if the current period results were in constant currency, which is a non-GAAP financial measure. See "Use of Non-GAAP Financial Measures" for more information.

Crocs Brand

Revenues. Crocs Brand revenues increased in the three months ended June 30, 2025, compared to the same period in 2024, primarily due to higher volume. Net favorable foreign currency fluctuations, primarily in the Euro, also increased revenues. The overall increase was partially offset by lower ASP, driven by unfavorable product mix, offset in part by reduced discounting.

The increase in Crocs Brand revenues in the six months ended June 30, 2025, compared to the same period in 2024 was due to higher volume. The overall increase in Crocs Brand revenues was offset in part by lower ASP, mainly due to increased discounting, partially offset by favorable product mix, and net unfavorable foreign currency fluctuations, primarily in the South Korean Won and Brazil Real.

Income from Operations. Income from operations for our Crocs Brand segment was $358.4 million for the three months ended June 30, 2025, an increase of $2.8 million, or 0.8%, compared to the same period in 2024. Gross margin was 64.1%, flat to prior year.

SG&A for our Crocs Brand segment increased $25.7 million, or 11.1%, during the three months ended June 30, 2025, compared to the same period in 2024. This increase was primarily due to higher costs in the DTC channel, including investments and variable costs, and increased investments in talent and marketing.

During the six months ended June 30, 2025, income from operations for our Crocs Brand was $632.0 million, an increase of $12.3 million, or 2.0%, compared to the same period in 2024. Gross margin was 62.6%, an increase of 120 basis points, primarily due to favorable customer mix and favorable product mix.

SG&A, including asset impairments, for our Crocs Brand increased $46.3 million, or 11.6%, during the six months ended June 30, 2025, compared to the same period in 2024, primarily due to higher costs in the DTC channel, including investments and variable costs, and increased investments in talent and marketing.

HEYDUDE Brand

Revenues. For the three months ended June 30, 2025, HEYDUDE Brand revenues decreased compared to the same period in 2024, primarily due to lower volume. Higher ASP, primarily due to favorable channel mix, partially offset by unfavorable product mix, slightly offset the overall decrease in revenues.

During the six months ended June 30, 2025, revenues decreased compared to the same period in 2024, primarily due to lower volume. The overall decrease in HEYDUDE Brand revenues was partially offset by higher ASPs, driven by favorable channel mix, offset in part by unfavorable product mix and unfavorable customer mix.

Income (Loss) from Operations. Loss from operations for the HEYDUDE segment was $705.9 million for the three months ended June 30, 2025, a decrease of $748.3 million, or 1,766.3%, compared to income from operations in the same period in 2024. Gross margin was 50.2%, an increase of 110 basis points, primarily due to distribution and logistics efficiencies.

SG&A, including asset impairments, for the HEYDUDE Brand segment increased $746.7 million, or 1,367.3%, during the three months ended June 30, 2025, compared to the same period in 2024. This increase was primarily due to the partial impairment of the indefinite-lived HEYDUDE trademark and HEYDUDE Brand reporting unit goodwill, as discussed above. SG&A for the HEYDUDE Brand also increased due to higher costs in the DTC channel, including investments and variable costs, and increased investments in marketing and talent.

Loss from operations for the HEYDUDE segment was $682.7 million for the six months ended June 30, 2025, a decrease of $765.2 million, or 927.4%, compared to income from operations in the same period in 2024. Gross margin was 48.5%, an increase of 90 basis points, driven in part by prior year transition costs and infrastructure investments associated with the move to our new HEYDUDE distribution center in Las Vegas, Nevada that did not recur in the current year.

SG&A, including asset impairments, for the HEYDUDE Brand segment increased $755.5 million, or 723.7%, during the six months ended June 30, 2025, compared to the same period in 2024. This is primarily due to the partial impairment of the indefinite-lived HEYDUDE trademark and HEYDUDE Brand reporting unit goodwill, as discussed above, which was partially offset by prior year impairments costs of the right-of-use assets for our former HEYDUDE Brand warehouses in Las Vegas, Nevada that did not recur in the current year. SG&A also increased overall for the HEYDUDE Brand due to higher costs in the DTC channel, including investments and variable costs, and increased investments in marketing and talent.

Enterprise Corporate

During the three months ended June 30, 2025, total net costs within 'Enterprise corporate' increased $7.8 million, or 10.8%, compared to the same period in 2024. This increase was primarily due to upfront costs incurred related to savings initiatives, including severance costs, and costs related to the discontinuation of an information technology project.

During the six months ended June 30, 2025, total net costs within 'Enterprise corporate' increased $3.8 million, or 2.6%, compared to the same period in 2024. This was primarily due to an increased investment in talent and higher information technology costs, offset in part by a prior year non-cash impairment charge for information technology systems related to the HEYDUDE integration that did not recur in the current year.

Store Locations

As of June 30, 2025, we had 412 company-operated retail locations for the Crocs Brand, inclusive of 191 retail locations in North America and 221 retail locations internationally. As of June 30, 2025, we had 63 company-operated retail locations for the HEYDUDE Brand. As of June 30, 2024, we had 363 company-operated retail locations for the Crocs Brand, inclusive of 172 retail locations in North America and 191 retail locations internationally. As of June 30, 2024, we had 32 company-operated retail locations for the HEYDUDE Brand.

Financial Condition, Capital Resources, and Liquidity

Liquidity

Our liquidity position as of June 30, 2025, was:

	June 30, 2025
	(in thousands)
Cash and cash equivalents	$ 200,611
Available borrowings	799,416

As of June 30, 2025, we had $200.6 million in cash and cash equivalents and up to $799.4 million of available borrowings, including $784.4 million of remaining borrowing availability under the Revolving Facility (as defined below) and $15.0 million of remaining borrowing availability under the Citibank Facility (as defined below). As of June 30, 2025, the Term Loan B Facility (as defined below) was fully drawn and there was no available borrowing capacity. We believe that cash flows from operations, our cash and cash equivalents on hand, and available borrowings under our Revolving Facility will be sufficient to meet our ongoing liquidity needs and capital expenditure requirements for at least the next twelve months.

Additional future financing may be necessary to fund our operations and there can be no assurance that, if needed, we will be able to secure additional debt or equity financing on terms acceptable to us or at all. Although we believe we have adequate sources of liquidity over the long term, the success of our operations, global economic conditions, and the pace of sustainable growth in our markets, among other things, could each impact our business and liquidity.

Repatriation of Cash

As a global business, we have cash balances in various countries and amounts are denominated in various currencies. Fluctuations in foreign currency exchange rates impact our results of operations and cash positions. Future fluctuations in foreign currencies may have a material impact on our cash flows and capital resources. Cash balances held in foreign countries may have additional restrictions and covenants associated with them which could adversely impact our liquidity and our ability to timely access and transfer cash balances between entities.

All of the cash held outside of the U.S. could be repatriated to the U.S. as of June 30, 2025, without incurring additional U.S. federal income taxes. In some countries, repatriation of certain foreign balances is restricted by local laws. These limitations may affect our ability to fully utilize our cash resources for needs in the U.S. or other countries and could adversely affect our liquidity. As of June 30, 2025, we held $176.7 million of our total $200.6 million in cash in international locations. This cash is primarily used for the ongoing operations of the business in the locations in which the cash is held. Of the $176.7 million, an insignificant amount is currently restricted by local laws or otherwise.

Senior Revolving Credit Facility

In July 2019, the Company and certain of its subsidiaries (the “Borrowers”) entered into a Second Amended and Restated Credit Agreement (as amended, the “Credit Agreement”), with the lenders named therein and PNC Bank, National Association, as a lender and administrative agent for the lenders. Since that time, we have amended the Credit Agreement, which, as amended to date, provides for a revolving credit facility of $1.0 billion, which can be increased by an additional $400.0 million subject to certain conditions (the “Revolving Facility”). Borrowings under the Credit Agreement bear interest at a variable interest rate based on (A) a Base Rate (defined as the highest of (i) the Overnight Bank Funding Rate (as defined in the Credit Agreement), plus 0.25%, (ii) the Prime Rate (as defined in the Credit Agreement), and (iii) the Daily Simple SOFR (as defined in the Credit Agreement), plus 1.00%), plus an applicable margin ranging from 0.25% to 0.875% based on our leverage ratio or 1.35% to 1.975% for the Daily Simple SOFR based on the leverage ratio, inclusive of a 0.10% SOFR adjustment, or (B) the Term SOFR Rate (as defined in the Credit Agreement), plus an applicable margin ranging from 1.35% to 1.975% based on our leverage ratio for one-month interest periods and three-month interest periods, inclusive of a 0.10% SOFR adjustment. Borrowings under the Credit Agreement are secured by all of the assets of the Borrowers and guaranteed by certain other subsidiaries of the Borrowers.

The Credit Agreement required or requires, as applicable, us to maintain a minimum interest coverage ratio of 3.00 to 1.00, and a maximum leverage ratio of (i) 4.00 to 1.00 from the quarter ended March 31, 2022, through, and including, the quarter ended December 31, 2023, (ii) 3.75 to 1.00 for the quarter ended March 31, 2024, (iii) 3.50 to 1.00 for the quarter ended June 30, 2024, and (iv) 3.25 to 1.00 for the quarter ended September 30, 2024, and thereafter (subject to adjustment in certain circumstances). The Credit Agreement permits, among other things, (i) stock repurchases subject to certain restrictions, including after giving effect to such stock repurchases, the maximum leverage ratio does not exceed certain levels; and (ii) certain acquisitions so long as there is borrowing availability under the Credit Agreement of at least $40.0 million. As of June 30, 2025, we were in compliance with all financial covenants under the Credit Agreement.

As of June 30, 2025, the total commitments available from the lenders under the Revolving Facility were $1.0 billion. At June 30, 2025, we had $215.0 million in outstanding borrowings and $0.6 million in outstanding letters of credit under the Revolving Facility, which reduces amounts available for borrowing under the Revolving Facility. As of June 30, 2025, and December 31, 2024, we had $784.4 million and $809.4 million, respectively, of available borrowing capacity under the Revolving Facility, which matures in November 2027.

Term Loan B Facility

On February 17, 2022, the Company entered into a credit agreement (the “Original Term Loan B Credit Agreement”) with Citibank, N.A., as administrative agent and lender, to among other things, finance a portion of the cash consideration for the HEYDUDE acquisition, which was amended on August 8, 2023, (the “August 2023 Amendment”) and on February 13, 2024 (the “February 2024 Amendment”). The Original Term Loan B Credit Agreement, as amended by the August 2023 Amendment and the February 2024 Amendment is referred to herein as the “Term Loan B Credit Agreement.”

The Original Term Loan B Credit Agreement provided for an aggregate term loan B facility in the principal amount of $2.0 billion. Prior to the February 2024 Amendment, the outstanding balance was $820.0 million. Among other things, the February 2024 Amendment provided for a new $820.0 million tranche of term loans (the “2024 Refinancing Term Loans” and, such facility, the "Term Loan B Facility"), to refinance the then-outstanding principal balance. The 2024 Refinancing Term Loans are secured by substantially all of the Company’s and each subsidiary guarantor’s assets on a pari passu basis with their obligations arising from the Term Loan B Credit Agreement and is scheduled to mature on February 17, 2029, subject to certain exceptions set forth in the Term Loan B Credit Agreement. Additionally, subject to certain conditions, including, without limitation, satisfying certain leverage ratios, the Company may, at any time, on one or more occasions, add one or more new classes of term facilities and/or increase the principal amount of the loans of any existing class by requesting one or more incremental term facilities.

Pursuant to the reduced interest rate margins applicable to the 2024 Refinancing Term Loans, each term loan borrowing which is an alternate base rate borrowing bears interest at a rate per annum equal to the Alternate Base Rate (as defined in the Term Loan B Credit Agreement), plus 1.25%. Each term loan borrowing which is a term SOFR borrowing bears interest at a rate per annum equal to the Adjusted Term SOFR Rate (as defined in the Term Loan B Credit Agreement) plus 2.25%.

As of June 30, 2025, the Term Loan B Facility was fully drawn with no remaining borrowing capacity, and we had $500.0 million in outstanding principal on the Term Loan B Facility, which matures on February 17, 2029.

The Term Loan B Credit Agreement also contains customary affirmative and negative covenants, incurrence financial covenants, representations and warranties, events of default and other provisions. As of June 30, 2025, we were in compliance with all financial covenants under the Term Loan B Credit Agreement.

Asia Revolving Credit Facility

During the six months ended June 30, 2025, we had one revolving credit facility in Asia with Citibank (China) Company Limited, Shanghai Branch (the "Citibank Facility"), which, as amended, provides up to an equivalent of $15.0 million.

As of June 30, 2025, and December 31, 2024, we had no borrowings outstanding on the Citibank Facility.

Senior Notes Issuances

In March 2021, the Company completed the issuance and sale of $350.0 million aggregate principal amount of 4.250% Senior Notes due March 15, 2029 (the "2029 Notes"), pursuant to the indenture related thereto (as amended and/or supplemented to date, the "2029 Notes Indenture"). Additionally, in August 2021, the Company completed the issuance and sale of $350.0 million aggregate principal amount of 4.125% Senior Notes due August 15, 2031 (the "2031 Notes"), pursuant to the indenture related thereto (as amended and/or supplemented to date, "the 2031 Notes Indenture" and, together with the 2029 Notes Indenture, the "Indentures" and, each, an "Indenture"). Interest on each of the 2029 Notes and the 2031 Notes (collectively, the "Notes") is payable semi-annually.

The Company had or will have, as applicable, the option to redeem all or any portion of the 2029 Notes, at once or over time, at any time on or after March 15, 2024, at a redemption price equal to 100% of the principal amount thereof, plus a premium declining ratably on an annual basis to par and accrued and unpaid interest, if any, to, but excluding, the date of redemption. The Company also had the option to redeem some or all of the 2029 Notes at any time before March 15, 2024, at a redemption price of 100% of the principal amount to be redeemed, plus a "make-whole" premium and accrued and unpaid interest, if any, to, but excluding, the date of redemption. In addition, at any time before March 15, 2024, the Company could have redeemed up to 40% of the aggregate principal amount of the 2029 Notes at a redemption price of 104.250% of the principal amount with the proceeds from certain equity issuances, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

The Company will have the option to redeem all or any portion of the 2031 Notes, at once or over time, at any time on or after August 15, 2026, at a redemption price equal to 100% of the principal amount thereof, plus a premium declining ratably on an annual basis to par and accrued and unpaid interest, if any, to, but excluding, the date of redemption. The Company will also have the option to redeem some or all of the 2031 Notes at any time before August 15, 2026, at a redemption price of 100% of the principal amount to be redeemed, plus a "make-whole" premium and accrued and unpaid interest, if any, to, but excluding, the date of redemption. In addition, at any time before August 15, 2024, the Company could have redeemed up to 40% of the aggregate principal amount of the 2031 Notes at a redemption price of 104.125% of the principal amount with the proceeds from certain equity issuances, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

The Notes rank pari passu in right of payment with all of the Company's existing and future senior debt, including the Credit Agreement, and are senior in right of payment to any of the Company's future debt that is, by its term, expressly subordinated in right of payment to the Notes. The Notes are unconditionally guaranteed by each of the Company's restricted subsidiaries that is a borrower or guarantor under the Credit Agreement and by each of the Company's wholly-owned restricted subsidiaries that guarantees any debt of the Company or any guarantor under any syndicated credit facility or capital markets debt in an aggregate principal amount in excess of $25.0 million.

The Indentures contain covenants that, among other things, limit the ability of the Company and its restricted subsidiaries to incur additional debt or issue certain preferred stock; pay dividends or repurchase or redeem capital stock or make other restricted payments; declare or pay dividends or other payments; incur liens; enter into certain types of transactions with the Company's affiliates; and consolidate or merge with or into other companies. As of June 30, 2025, we were in compliance with all financial covenants under the Notes.

Cash Flows

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024	$ Change Favorable (Unfavorable)	% Change Favorable (Unfavorable)
	(in thousands)			
Cash provided by operating activities	$ 218,565	$ 373,662	$ (155,097)	(41.5)%
Cash used in investing activities	(31,946)	(32,806)	860	2.6 %
Cash used in financing activities	(173,241)	(320,178)	146,937	45.9 %
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	7,125	(2,747)	9,872	359.4 %
Net change in cash, cash equivalents, and restricted cash	$ 20,503	$ 17,931	$ 2,572	14.3 %

Operating Activities. Cash provided by operating activities consists of net income (loss) adjusted for non-cash items and changes in working capital. Cash provided by operating activities decreased $155.1 million for the six months ended June 30, 2025, compared to the six months ended June 30, 2024, driven by decreases in operating assets and liabilities of $175.1 million, primarily due to the change in income taxes, and lower net income (loss), adjusted for non-cash items, of $20.0 million.

Investing Activities. There was a $0.9 million decrease in cash used in investing activities for the six months ended June 30, 2025, compared to the six months ended June 30, 2024. This was due to a decrease in purchases of property, equipment, and software.

Financing Activities. Cash used in financing activities decreased by $146.9 million in the six months ended June 30, 2025, compared to the six months ended June 30, 2024. The decrease in cash used in financing activities was primarily due to an increase in proceeds from borrowings, net of repayments, of $163.2 million. There were other decreases in cash used of $2.8 million. The overall decrease in cash used in financing activities was partially offset by an increase of $19.1 million in repurchases of common stock, including excise tax.

Contractual Obligations

There have been no significant changes to the contractual obligations reported in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, other than borrowings and repayments on the Term Loan B Facility and Revolving Facility.

Off-Balance Sheet Arrangements

We had no material off-balance sheet arrangements as of June 30, 2025, other than certain purchase commitments, which are described in Note 13 — Commitments and Contingencies in the accompanying notes to the condensed consolidated financial statements included in Part I - Item 1. *Financial Statements* of this Quarterly Report on Form 10-Q.

Critical Accounting Policies and Estimates

The preparation of our condensed consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, sales, and expenses, and related disclosure of contingent assets and liabilities. We evaluate our assumptions and estimates on an on-going basis. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Impairment of Goodwill and Indefinite-Lived Intangible Assets

We evaluate the carrying value of our indefinite-lived intangible assets and goodwill at least annually or when an interim triggering event has occurred indicating potential impairment. During the three months ended June 30, 2025, there was a triggering event for the HEYDUDE Brand indefinite-lived intangible assets (which consists solely of the HEYDUDE trademark) (the “trademark”) and the HEYDUDE Brand reporting unit (the “reporting unit”) goodwill. The triggering event was due to downward revisions, during the three months ended June 30, 2025, to our internal HEYDUDE Brand forecast as a result of the extended time we believe it will now take us to stabilize the HEYDUDE Brand and return it to growth. This was partly due to the current and projected impact of a weak U.S. consumer and the disproportionate impact of tariffs on HEYDUDE Brand products, which became evident in the three months ended June 30, 2025. As a result, we completed quantitative assessments for the trademark and the reporting unit goodwill in the three months ended June 30, 2025 and recognized non-cash impairment charges of $430.0 million and $307.0 million, respectively. For more detailed information about our accounting conclusions and key assumptions used, refer to Note 3 — Goodwill and Intangible Assets, Net in the accompanying notes to the condensed consolidated financial statements included in Part I - Item 1. *Financial Statements* of this Quarterly Report on Form 10-Q.

Our goodwill balance as of June 30, 2025 and December 31, 2024 was $404.7 million and $711.5 million, respectively. As of June 30, 2025, a goodwill amount of $403.0 million was assigned to the HEYDUDE Brand segment.

Our impairment evaluations represent a critical accounting policy as they require significant judgments and assumptions that we believe to be reasonable but that are inherently uncertain and unpredictable. The primary assumptions developed by management and used in the quantitative assessments included annual revenue growth rates, averaging approximately 8% for both the trademark and reporting unit goodwill, projected earnings before interest, taxes, depreciation, and amortization (“EBITDA”) margins, averaging approximately 20% for both the trademark and reporting unit goodwill, and a market-based discount rate of 15% for both the trademark and reporting unit goodwill, which was based on, most significantly, a risk-free rate of return, an equity market risk premium, and a company-specific risk premium. Changes in the assumptions used to estimate the fair value of our goodwill and indefinite-lived intangible assets could result in additional impairment charges in future periods as the key assumptions are inherently uncertain, require significant judgment and are subject to change based on, among others, industry and geopolitical conditions, our ability to navigate changing macroeconomic conditions and trends as well as the timing and success of strategic initiatives.

Certain factors, such as failure to achieve forecasted revenue growth rates, EBITDA margins, or increases in the discount rates, have the potential to create variances in the estimated fair values of our goodwill and indefinite-lived intangible assets that could result in additional impairment charges in future periods. Refer to the risk factor under “*Government actions and regulations, such as export restrictions, tariffs, and other trade protection measures could adversely affect our business*” in the section entitled “Risk Factors” under Item 1A in this report for additional information.

For a complete discussion of our critical accounting policies and estimates, please refer to our Annual Report on Form 10-K for the year ended December 31, 2024, and Note 1 — Basis of Presentation and Summary of Significant Accounting Policies and Note 3 — Goodwill and Intangible Assets, Net in the accompanying notes to the condensed consolidated financial statements included in Part I - Item 1. *Financial Statements* of this Quarterly Report on Form 10-Q. There have been no other significant changes in our critical accounting policies or their application since December 31, 2024, except as described above.

Recent Accounting Pronouncements

See Note 2 — Recent Accounting Pronouncements in the accompanying notes to the condensed consolidated financial statements included in Part I - Item 1. *Financial Statements* of this Quarterly Report on Form 10-Q for a description of recently adopted accounting pronouncements and issued accounting pronouncements that we believe may have an impact on our condensed consolidated financial statements when adopted.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

We centrally manage our debt and investment portfolios considering investment opportunities and risks, tax consequences, and overall financing strategies. Our exposure to market risk includes interest rate fluctuations in connection with our Revolving Facility and certain financial instruments.

Borrowings under our Term Loan B Facility and Revolving Facility bear interest at a variable rate and are therefore subject to risk based upon prevailing market interest rates. Interest rates fluctuate as a result of many factors, including governmental monetary and tax policies, domestic and international economic and political considerations, and other factors that are beyond our control.

As of June 30, 2025, we had borrowings with a face value of $1.4 billion, comprised of the Notes, which carry a fixed rate, the Term Loan B Facility, and borrowings under our Revolving Facility. We also had $0.6 million in outstanding letters of credit under our Revolving Facility as of June 30, 2025. As of December 31, 2024, we had long-term borrowings with a face value of $1.4 billion and $0.6 million in outstanding letters of credit under our Revolving Facility.

A hypothetical increase of 1% in the interest rate on the variable rate borrowings under our Term Loan B Facility and Revolving Facility would increase our interest expense over the next twelve months by $7.2 million based on the balances outstanding for these borrowings as of June 30, 2025.

Foreign Currency Exchange Risk

Changes in exchange rates have a direct effect on our reported U.S. Dollar condensed consolidated financial statements because we translate the operating results and financial position of our international subsidiaries to U.S. Dollars using current period exchange rates. Specifically, we translate the statements of operations of our foreign subsidiaries into the U.S. Dollar reporting currency using exchange rates in effect during each reporting period. As a result, comparisons of reported results between reporting periods may be impacted significantly due to differences in the exchange rates in effect at the time such exchange rates are used to translate the operating results of our international subsidiaries.

An increase of 1% of the value of the U.S. Dollar relative to foreign currencies when translating our financial results would have decreased our revenues and income before taxes during the three months ended June 30, 2025, by $5.5 million and $1.5 million, respectively. During the six months ended June 30, 2025, an increase of 1% of the value of the U.S. Dollar relative to foreign currencies would have decreased our revenues and income before taxes by $9.8 million and $2.5 million, respectively. This analysis does not account for transactional fluctuations in accounts, such as those driven by purchasing power, which is defined as purchasing foreign goods in the U.S. Dollar but recognizing the cost in foreign currencies. The volatility of the exchange rates is dependent on many factors that cannot be forecasted with reliable accuracy.

In order to manage exposure to fluctuations in foreign currency and to reduce the volatility in earnings caused by fluctuations in foreign exchange rates, we may enter into forward foreign exchange contracts to buy or sell various foreign currencies. Changes in the fair value of these forward contracts are recognized in earnings in the period that the changes occur or in the period in which the hedged transaction affects earnings for derivatives classified as non-hedged or hedged, respectively, as defined in Note 7 — Derivative Financial Instruments in the accompanying notes to the condensed consolidated financial statements included in Part I - Item 1. *Financial Statements* of this Quarterly Report on Form 10-Q. As of June 30, 2025, the U.S. Dollar notional value of our total derivatives was $86.1 million. The fair value of these contracts at June 30, 2025, was an insignificant liability.

We perform a sensitivity analysis to determine the effects that market risk exposures may have on the fair values of our foreign currency forward exchange contracts. To perform the sensitivity analysis, we assess the risk of changes in fair values from the effect of hypothetical changes in foreign currency exchange rates. This analysis assumes a like movement by the foreign currencies in our hedge portfolio against the U.S. Dollar. As of June 30, 2025, a 10% appreciation in the value of the U.S. Dollar would result in a net increase in the fair value of our derivative portfolio of $0.6 million.

See Part I - Item 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations* of this Quarterly Report on Form 10-Q for a discussion of the impact of the change in foreign exchange rates on our U.S. Dollar condensed consolidated statements of operations for the three and six months ended June 30, 2025 and 2024.

ITEM 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of our disclosure controls and procedures as such item is defined under Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended ("Exchange Act") as of June 30, 2025. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of June 30, 2025, to provide reasonable assurance that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Management necessarily applies its judgment in assessing the costs and benefits of such controls and procedures that, by their nature, can only provide reasonable assurance regarding management's control objectives.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)) during the three months ended June 30, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — Other Information

ITEM 1. Legal Proceedings

A discussion of legal matters is found in Note 15 — Legal Proceedings in the accompanying notes to the condensed consolidated financial statements included in Part I - Item 1. *Financial Statements* of this Quarterly Report on Form 10-Q.

ITEM 1A. Risk Factors

There have been no material changes to the risk factors contained in our Annual Report on Form 10-K for the year ended December 31, 2024, except as described below.

Government actions and regulations, such as export restrictions, tariffs, and other trade protection measures could adversely affect our business.

We, similar to many other companies with overseas operations, source, import, and sell products in other countries that have been impacted, and could continue to be impacted, by changes to the trade policies of the U.S. and foreign countries (including governmental action related to tariffs, international trade agreements, trade restrictions, or economic sanctions). Such changes, which are out of our control, have the potential to adversely impact our industry and the global demand for our products, and as a result, could have a material adverse effect on our business, financial condition, and results of operations.

For example, in 2025, the United States ("U.S.") has imposed tariffs on foreign imports from multiple countries, including, a total tariff of 20%, 30%, 19%, 50%, and 19% on all imports from Vietnam, China, Indonesia, India, and Cambodia, respectively, the countries in which our product is primarily manufactured. These tariffs have increased and will continue to increase the cost of certain products and negatively impact our results of operations. Furthermore, we may not be able to increase prices for our products enough to offset tariffs, which could impact our margins. There is potential for future price increases in response to tariffs, which could cause the demand for our products to go down, and thus have a negative impact on our sales. At this time, it remains unclear what additional actions, if any, will be taken by the U.S. or other governments with respect to international trade agreements, the imposition of additional tariffs on goods imported into the U.S., tax policy related to international commerce, increased export control, sanctions and investment restrictions, or other trade matters. Although the ultimate scope and timing of any such actions is currently indeterminable, if implemented, they could have a material impact on our financial condition and results of operations. The ultimate impact of any tariffs will depend on various factors, including the extent and duration of the tariffs and how other countries respond to the U.S. tariffs.

Other effects of these changes, including impacts on the price of raw materials, responsive or retaliatory actions from governments, such as retaliatory tariffs on imports into these countries from the U.S. and the opportunity for competitors not subject to such changes to establish a presence in markets where we participate, could also have significant impacts on our results of operations, though whether any of the foregoing actions will be taken remains unclear. The resulting effect on general economic conditions and on our business as a result of increases in prices for goods we import or our suppliers and vendors purchase to produce these items that we acquire through our supply chain are uncertain and depend on various factors, such as negotiations between the U.S. and affected countries, the responses of other countries or regions, exemptions or exclusions that may be granted, availability and cost of alternative sources of supply, and demand for our products. We cannot predict what further action may be taken with respect to export restrictions, tariffs or trade relations between the U.S. and other governments, and any further changes in U.S. or international trade policy could have an adverse impact on our business, financial condition and results of operations.

Furthermore, tariffs or other trade restrictions may lead to continuing uncertainty and volatility in U.S. and global financial and economic conditions and markets, declining consumer confidence, significant inflation and diminished expectations for the economy, and ultimately reduced demand for our products. Such conditions could have a material adverse impact on our business, results of operations, and cash flows. For instance, the fair values of our goodwill and indefinite-lived intangible assets are sensitive to the aforementioned potential unfavorable changes, which could result in the recognition of an impairment charge should the fair values of these assets fall below the carrying values.

In connection with the acquisition of HEYDUDE, we allocated approximately $710.0 million and $1,780.0 million to goodwill and definite- and indefinite-lived intangible assets, respectively. We evaluate the carrying value of our indefinite-lived intangible assets and goodwill at least annually or when an interim triggering event has occurred indicating potential impairment. During the three months ended June 30, 2025, there was a triggering event for the HEYDUDE Brand indefinite-lived intangible assets (which consists solely of the HEYDUDE trademark) (the "trademark") and the HEYDUDE Brand reporting unit (the "reporting unit") goodwill, which resulted in non-cash impairment charges of $430.0 million for the trademark and $307.0 million for the reporting unit goodwill. The triggering event was due to downward revisions during the three months ended June 30, 2025, to our internal HEYDUDE Brand forecast as a result of the extended time we believe it will now take us to stabilize the HEYDUDE Brand and return it to growth. This was partly due to the current and projected impact of a weak U.S. consumer and the disproportionate impact of tariffs on HEYDUDE Brand products, which became evident in the three months ended June 30, 2025. Our impairment evaluations represent a critical accounting policy as they require significant judgments and assumptions that we believe to be reasonable but that are inherently uncertain and unpredictable. Changes in the assumptions used to estimate the fair value of our goodwill and indefinite-lived intangible assets could result in impairment charges in future periods as the key assumptions are inherently uncertain, require significant judgment and are subject to change based on, among others, industry and geopolitical conditions, our ability to navigate changing macroeconomic conditions and trends as well as the timing and success of strategic initiatives. In addition, certain factors, such as failure to achieve forecasted revenue growth rates, earnings before interest, taxes, depreciation, and amortization, or increases in the discount rates, have the potential to create variances in the estimated fair values of our goodwill and indefinite-lived intangible assets that could result in additional impairment charges in future periods. Refer to Note 3 — Goodwill and Intangible Assets, Net for additional information.

Also, disruptions and volatility in the financial markets may lead to adverse changes in the availability, terms, and cost of capital. Such adverse changes could increase our costs of capital and limit our access to external financing sources to fund acquisitions, capital projects, or refinancing of debt maturities on similar terms, which could in turn reduce our cash flows and limit our ability to pursue growth opportunities.

ITEM 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [1]	Maximum Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs [1]
April 1 - 30, 2025	—	$ —	—	$ 1,263,005,578
May 1 - 31, 2025	288,729	107.36	288,729	1,232,012,298
June 1 - 30, 2025	1,014,735	100.79	1,014,735	1,129,760,064
Three months ended June 30, 2025	1,303,464	102.24	1,303,464	1,129,760,064

[1] On February 10, 2025, the Board approved an increase to our then-existing common stock repurchase authorization program up to approximately $1.3 billion of our common stock. As of June 30, 2025, approximately $1.1 billion remained available for repurchase under our share repurchase authorization. The number, price, structure, and timing of the repurchases, if any, will be at our sole discretion and future repurchases will be evaluated by us depending on market conditions, liquidity needs, restrictions under our debt arrangements, and other factors. Share repurchases may be made in the open market or in privately negotiated transactions. The repurchase authorization does not have an expiration date and does not oblige us to acquire any particular amount of our common stock. The Board may suspend, modify, or terminate the repurchase program at any time without prior notice.

ITEM 5. Other Information

The following table shows all directors or officers who adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K, during the three months ended June 30, 2025. Except as shown below, during the three months ended June 30, 2025, no other directors or officers adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

			Trading Arrangement			
Name and Position	**Action**	**Date**	**Rule 10b5-1***	**Non-Rule 10b5-1****	**Total Number of Shares to be Sold**	**Expiration Date**
Andrew Rees, Chief Executive Officer	Terminate	5/12/2025	X		100,000	3/23/2026

* Intended to satisfy the affirmative defense of Rule 10b5-1(c).
** Not intended to satisfy the affirmative defense of Rule 10b5-1(c).

ITEM 6. Exhibits

Exhibit Number	Description
3.1	Restated Certificate of Incorporation of Crocs, Inc. (incorporated herein by reference to Exhibit 4.1 to Crocs, Inc.'s Registration Statement on Form S-8, filed on March 9, 2006).
3.2	Certificate of Amendment to Restated Certificate of Incorporation of Crocs, Inc. (incorporated herein by reference to Exhibit 3.1 to Crocs, Inc.'s Current Report on Form 8-K, filed on July 12, 2007).
3.3	Amended and Restated Bylaws of Crocs, Inc. (incorporated herein by reference to Exhibit 4.2 to Crocs, Inc.'s Registration Statement on Form S-8, filed on March 9, 2006).
3.4	Certificate of Designations of Series A Convertible Preferred Stock of Crocs, Inc. (incorporated herein by reference to Exhibit 3.1 to Crocs, Inc.'s Current Report on Form 8-K, filed on January 27, 2014).
4.1	Specimen Common Stock Certificate (incorporated herein by reference to Exhibit 4.2 to Crocs, Inc.'s Registration Statement on Form S-1/A, filed on January 19, 2006).
10.1*†	Employment Offer Letter dated January 18, 2022 between Crocs, Inc. and Adam Michaels.
10.2*†	Separation Agreement entered into on May 2, 2025 between Crocs, Inc. and Adam Michaels.
31.1†	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act.
31.2†	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes- Oxley Act.
32+	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act.
101.INS†	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH†	XBRL Taxonomy Extension Schema Document.
101.CAL†	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF†	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB†	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE†	XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101).

* Compensatory plan or arrangement.
† Filed herewith.
\+ Furnished herewith.

SIGNATURES

Pursuant to the requirements 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.

CROCS, INC.

Date: August 7, 2025	By:	/s/ Susan Healy	
		Name:	Susan Healy
		Title:	*Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)*

Exhibit 10.1

13601 Via Varra, Broomfield, CO 80020

1. <u>PERSONAL & CONFIDENTIAL</u>

HAND DELIVERED

January 18, 2022

Adam Michaels

Dear Adam:

We are pleased to confirm the terms of your promotion with Crocs, Inc. (the **"Company"**) effective January 1, 2022 (the "**Start Date**"), on the following terms:

1. **<u>Title</u>** - Your new position will be **EVP, Chief Digital Officer** reporting to Andrew Rees, Chief Executive Officer, at our Broomfield, Colorado, location. Your position, duties and reporting relationships are subject to change in accordance with operational needs.
2. **<u>Compensation</u>** – Your base salary will be an annualized rate of **$575,000.00**, equating to a bi-weekly salary of **$22,115.38**, less applicable withholdings and deductions.
3. **<u>Short-term Incentive Plan</u>** – You are eligible to participate in the Company's Short-Term Incentive Plan (STIP) for the 2022 and beyond STIP plan years. The target discretionary bonus for your position is **75%** of your **actual earnings** for the plan year, which is currently derived from the achievement of financial goals including company profitability, individual and regional performance. The STIP is subject to amendment or change at any time with or without notice.
4. **<u>Long-term Incentive Plan</u>** – You are eligible to participate in the Company's Long-Term Incentive Plan (LTIP). In this plan, your target long-term incentive is **85%** of your **base salary** and will be discretionary based on Company and individual performance. The LTIP is subject to amendment or change at any time with or without notice.
5. **<u>Benefits</u>** – If not already participating in the Company's health benefit plan, you are eligible for health insurance benefits according to the Company's U.S. benefits plan on the Start Date. You will also be eligible for paid time-off, as well as other benefits, in accordance with the Company's policies for similarly situated employees. Details of the Company's health insurance and other benefits are available to you, along with the summary plan descriptions, at the Company's intranet portal (Crocs I Connect) or you may contact the Crocs Benefits Center at 1844-285-4723. Your benefits will be in accordance the terms of the applicable plans or policies for similarly situated employees, which may change from time to time.

6. **Severance** - Should your employment terminate without Cause (as defined below), you will receive twelve (12) months' pay at your then current base salary, in a lump sum, less applicable taxes and withholdings. In addition, you will be eligible for executive outplacement at the EVP

Level, both of which are conditioned upon signing the Company's Separation Agreement and General Release. You are not eligible to receive severance if you voluntarily resign your employment or are terminated for Cause.

For purposes of this offer letter, "**Cause**" means the occurrence of any of the following: (1) a conviction of or pleading guilty to (a) a felony, or (b) a misdemeanor that is reasonably likely to cause material harm to the business, financial condition, or operating results of the Company; (2) theft, embezzlement or fraud; (3) any material failure to comply with known Company policy, including, without limitation, those regarding conflicts of interest, bribery and corruption, or disclosure of confidential information; (4) substance abuse or use of illegal drugs that materially impairs the performance of your job duties or that is likely to cause material harm to the business, financial condition, or operating results of the Company; or (5) the continued failure to substantially perform your job duties (other than any such failure resulting from incapacity due to physical or mental illness).

7. **Change in Control Plan** - So long as Crocs, Inc. maintains a Change in Control Plan (the

"**CIC Plan**"), you will be eligible to participate in the CIC Plan with a Severance Payment Percentage of **200%**, subject to the terms and conditions of the CIC Plan.

8. **At-Will Employment** - Your employment with the Company is *at-will*, meaning both you and the Company retain the right to terminate the employment relationship at any time, with or without cause and with or without notice. You further acknowledge that this letter does not represent an employment contract, express or implied, guaranteeing employment for any specific duration, nor does it guarantee any fixed terms and/or conditions of employment.

9. **Confidential Information**

a. You will become privy to information that is proprietary, confidential and/or intended for Company use only. "**Confidential Information**" means all trade secrets belonging to the Company, and all nonpublic or proprietary information relating to the Company's business or that of any Company customer. Examples of Confidential Information include, but are not limited to, information regarding products sold, distributed or being developed by the Company and any other nonpublic information regarding the Company's current and developing products and technology; information regarding customers, prospective customers, clients, business contacts; prospective and executed contracts; marketing and/or sales plans, or any other initiatives, strategies, plans and proposals used by the Company in the course of its business and any nonpublic or proprietary information regarding the Company's present or future business plans; financial information; and software, databases, algorithms, processes, designs, prototypes, methodologies, reports, specifications. You shall at all times during and after your employment, maintain confidentiality of the Confidential Information. You shall not, without the Company's prior written consent, directly or indirectly: (i) copy or use any Confidential Information for any purpose not within the scope of your work on the Company's behalf; or (ii) show, give, sell, disclose or otherwise communicate any Confidential Information to any person or entity other than the Company unless such person or entity is authorized by the Company to have access to the Confidential Information in question. These restrictions do not apply if the Confidential Information has been made generally available to the public by the Company or becomes generally available to the public through some other normal course of events. All Confidential Information prepared by or provided to you is and shall remain the Company's property or the property of a Company customer to which they belong.

b. You agree that, upon request of the Company or upon termination (whether voluntary or involuntary), you shall immediately turn over to the Company all Confidential Information, including all copies, and other property belonging to the Company or any of its customers, including documents, disks, or other computer media in your possession or under your control. You shall also return any materials that contain or are derived from Confidential Information or are connected with or relate to your services to Company or any of its customers.

10. Intellectual Property

a. You hereby assign to the Company all of your rights, title, and interest (including but not limited to all patent, trademark, copyright and trade secret rights) in and to all Work Product (as defined herein). You further acknowledge and agree that all copyrightable Work Product prepared by you within the scope of your employment with the Company is "works made for hire" and, consequently, that the Company owns all copyrights thereto. "**Work Product**" shall include but is not limited to, all literary works, software, documentation, memoranda, photographs, artwork, sound recordings, audiovisual works, ideas, designs, inventions, discoveries, creations, conceptions, improvements, processes, algorithms, and so forth which: (i) are prepared or developed by you, individually or jointly with others, during your employment with the Company, whether or not during working hours; and (ii) relate to or arise in any way out of 1) current and/or anticipated business and/or activities of the Company, 2) the Company's current and/or anticipated research or development, 3) any work performed by you for the Company, and/or 4) any information or assistance provided by the Company, including but not limited to Confidential Information.

b. You shall promptly disclose to the Company all Work Product. All such Work Product is and shall forthwith become the property of the Company, or its designee, whether or not patentable or copyrightable. The Company will execute promptly upon request any documents or instruments at any time deemed necessary or proper by the Company in order to formally convey and transfer to the Company or its designee title to such Work Product, or to confirm the Company or its designee's title therein, and in order to enable the Company or its designee to obtain and enforce United States and foreign Letters Patent, Trademarks and Copyrights thereon. You agree to perform your obligations under this Section 10 without further compensation, except for reimbursement of reasonable out-of-pocket expenses incurred at the request of the Company.

11. Non-Compete

a. In order to protect the Company's Confidential Information, trade secrets and good will, which would cause irreparable harm to the Company if disclosed to a competitor, during your employment, and for a period of twelve (12) months following the termination of your employment for any reason, except if you are terminated without Cause (as defined in Section 8) or are laid off (the "**Restriction Period**"), you shall not, without the prior written consent of the

Company, directly or indirectly engage in any employment, independent contracting, consulting engagement, business opportunity or individual activity in the United States of America or abroad with the following casual footwear companies: Skechers USA, Inc., Wolverine Worldwide, Inc., Deckers Outdoor Corporation, as well as any other entity or business that is primarily engaged in the design and/or distribution of casual footwear (collectively, the "**Restricted Activities**"). You further acknowledge and agree that in light of your role, knowledge of, and access to the Company's Confidential Information and trade secrets, and the international nature of Company's business, that the restrictions set forth in this Section 11.a are reasonable.

b. In the event you breach this covenant not to compete, the Restriction Period shall automatically toll from the date of the first breach, and all subsequent breaches, until the resolution of the breach through private settlement, judicial or other action, including all appeals. The Restriction Period shall continue upon the effective date of any such settlement, judicial or other resolution.

c. The Company has the option, in its sole discretion, to elect to waive all of a portion of the Restriction Period or to limit the definition of Restricted Activities, by giving you seven (7) days prior notice of such election.

12. **<u>Non-Solicitation</u>** - During your employment, and for twelve (12) months following the termination of your employment (whether voluntary or involuntary) with the Company, you shall not, without the prior written consent of the Company, directly or indirectly: (i) solicit, induce, hire, or aid or assist any other person or entity in soliciting for employment, offering employment to, or hiring any employee of the Company who was an employee of the Company at any time during the twelve (12) months prior to the last day of employment; or (ii) encourage or solicit any customer, vendor, supplier or contractor who has a business relationship with the Company on the date of your termination of employment to terminate or seek to modify or terminate its relationship with the Company. The restrictions set forth in Sections 12(i) and (ii) above shall not prohibit any form of general advertising or solicitation that is not directed to a specific person or entity.

13. **<u>Employee Cooperation</u>.** During and after your employment ends, you acknowledge and agree that you have a duty to cooperate by providing truthful information and any documents in connection with any legal proceeding in which the Company is involved and regarding which you have knowledge, information or expertise, or where the Company believes your attendance and participation could be beneficial to the Company. You will be reimbursed by the Company for any reasonable out-of-pocket expenses resulting from said assistance or participation.

14. **<u>Survival</u>** - Your obligations under Sections 9-13 of this letter shall survive the termination of your employment (whether voluntary or involuntary) with the Company. The Company is also entitled to communicate your obligations under Sections 9-13 of this letter to your future or potential employer.

15. **<u>Remedies</u>** - You acknowledge that if you breach any obligation under this letter, including a breach of one or more provisions regarding confidentiality, non-competition, non-solicitation, or disclosure of Work Product, the Company will suffer immediate and irreparable harm and damage and that a remedy at law would be inadequate. You therefore agree that upon such breach or threatened breach of any obligation under this letter, in addition to any and all legal remedies, the Company shall be entitled to seek any injunctive relief available in order to prevent or restrain any such breach. This Section 15 shall not be construed as an election of any remedy or as a waiver of any right available to the Company under this letter or the law, including the right to seek damages from you for a breach of any provision of this letter.

16. **Review by Counsel** - You acknowledge that you have been advised of your right to consult with legal counsel before signing this letter.

17. **Entire Agreement** - This letter contains the entire understanding between the parties relating to your employment and supersedes all prior statements, representations or agreements, whether written or oral, made to you by any representative of the Company relating to your employment.

18. **Governing Law and Venue** - The validity, enforceability, construction and interpretation of this letter are governed by Delaware law. The parties also agree that in the event a dispute arises regarding this letter, the parties will submit to the jurisdiction of the federal and state courts of the State of Colorado. You expressly waive any objection as to jurisdiction or venue in the state and federal courts located in Broomfield, Colorado.

We are confident in your ability and willingness to make positive contributions in this position. Please accept our best wishes for success. Congratulations on your promotion!

Sincerely,

Shannon Sisler

Shannon Sisler

SVP & Chief People Officer Crocs, Inc.

****

Please confirm your acceptance of this conditional promotion offer by signing the letter where indicated below.

Signed and Accepted by: /s/ Adam Michaels

Date: 2/4/2022

CONFIDENTIAL SEPARATION AGREEMENT AND GENERAL RELEASE

This Confidential Separation Agreement and General Release ("Agreement") is entered into between Adam Michaels ("Employee") and Crocs, Inc. ("Company"), collectively referred to as the "Parties."

WHEREAS, on March 3, 2025, Employee gave the Company formal notice of his intent to resign his employment effective May 1, 2025 (the "Separation Date");

WHEREAS, Employee satisfactorily carried out all transition activities requested by the Company in the two months before the Separation Date;

WHEREAS, Employee and the Company desire to finalize Employee's orderly departure and resolve any claims or disputes Employee may have with the Company that exist at the time this Agreement is executed by the Parties;

WHEREAS, since Employee has voluntarily resigned his employment with the Company, he would otherwise not be entitled to any benefits, payments, or other consideration resulting from his departure pursuant to the terms of the promotion letter agreement entered into between the Parties on or about February 4, 2022 (the "Promotion Agreement", attached as Exhibit A), or any other agreement;

WHEREAS, in exchange for the consideration provided by the Company herein, Employee has agreed to reaffirm and extend certain restrictive covenants as set forth more fully below;

NOW THEREFORE, in consideration of all mutual promises herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Employee and the Company agree:

1. <u>Separation Payment</u>.

a. The Company will pay Employee the sum of $320,000.00 (the "Separation Amount"), in a lump sum, less any and all required and/or authorized deductions and withholdings. The Company will pay the Separation Amount within thirty (30) days following the expiration of the revocation period set forth in Paragraph 12, below, provided that Employee has returned a copy of this Agreement to the Company and Employee has not exercised his revocation rights.

b. Employee acknowledges that the Company has made no representation about the tax consequences of the Separation Amount or any other consideration provided by the Company to Employee pursuant to this Agreement. Employee agrees to indemnify and hold the Company harmless for any and all claims, taxes, or penalties asserted against the Company relating to the Separation Amount or other consideration provided by the Company pursuant to this Agreement.

2. All Compensation Received. Employee acknowledges that Employee has received all wages, compensation, or other amounts owed to Employee, that the consideration referenced in Paragraph 1, above, is in addition to any wages or other compensation owed to Employee, and that, separate from the terms of this Agreement, Employee is not otherwise entitled to the consideration referenced in Paragraph 1.

3. Release of Claims.

a. In consideration of the Company's agreements set forth in Paragraph 1, Employee hereby and forever releases the Company and its officers, directors, employees, managers, supervisors, agents, attorneys, insurers, reinsurers, investors, shareholders, administrators, parents, affiliates, divisions, subsidiaries, predecessor and successor corporations, assigns, and any other related persons or entities ("the Releasees") from, and agrees not to sue concerning, any claim, complaint, charge, duty, obligation, or cause of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, disclosed or undisclosed, liquidated or contingent, that Employee may possess against any of the Releasees arising from any omissions, acts, or facts that have occurred up until and including the date on which Employee signs this Agreement including, without limitation:

i. any and all claims arising out of or relating to Employee's employment with or separation from the Company;

ii. any and all public policy, contract, tort, or common law claims, including, but not limited to, wrongful discharge of employment, termination in violation of public policy, discrimination, harassment, retaliation, breach of contract (express and implied), breach of a covenant of good faith and fair dealing (express and implied), promissory estoppel, negligent or intentional infliction of emotional distress, negligent or intentional misrepresentation, negligent or intentional interference with contract or prospective economic advantage, unfair business practices, defamation, libel, slander, negligence, personal injury, assault, battery, invasion of privacy, false imprisonment, and conversion;

iii. any and all claims or demands for wages, compensation or other amounts claimed to be due from the Company, including, but not limited to, claims for bonuses, commissions, stock, stock options, or any equity or ownership interest in the Company, vacation pay, personal time off, sick pay, fringe benefits, 401(k) match, expense reimbursements, or any other form of payment;

iv. any and all claims for violation of federal, state, or local constitution, law, code, ordinance, statute, or other legislative enactment, as amended, including, but not limited to, the Americans with Disabilities Act; Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Genetic Information Nondiscrimination Act of 2008; the Civil Rights Acts of 1866 and 1871; Sections 1981 through 1988 of Title 42 of the United States Code; the Age Discrimination in Employment Act; the

Older Workers Benefit Protection Act; the Equal Pay Act; the Fair Labor Standards Act; the Family and Medical Leave Act; the National Labor Relations Act; the Occupational Safety and Health Act; the Rehabilitation Act; Executive Order 11246; the Worker Adjustment and Retraining Notification Act; the Employee Retirement Income Security Act of 1974; the Lilly Ledbetter Fair Pay Act; the Families First Coronavirus Response Act; the Colorado Anti-Discrimination Act; the Colorado Labor Peace Act; the Colorado Wage Act; the Colorado Minimum Wage Act; the Colorado HELP Rules; the Colorado Minimum Wage Order; the Colorado COMPS Order; the Colorado Pregnant Workers Fairness Act; the Colorado Public Health Emergency Whistleblower Act; the Colorado Equal Pay for Equal Work Act; the Colorado Employment Opportunity Act; or the Colorado Social Media and the Workplace Law;

v. any and all claims arising out of any other federal, state, or local statute, law, rule, regulation, or ordinance; and

vi. any and all claims for damages (whether compensatory, punitive, or otherwise), attorneys' fees, and costs.

b. Employee agrees that the release set forth in this Paragraph 3 shall be and remains in effect in all respects as a complete general release. Employee agrees that in the event Employee brings a claim covered by the foregoing release in which Employee seeks damages or other remedies against the Releasees, this Agreement shall serve as a complete defense to such claims. Employee agrees that in the event any government agency pursues any such claim in Employee's name or on Employee's behalf, this Agreement shall serve as a bar to any recovery by or relief to Employee, except an award for providing information to the Securities and Exchange Commission (SEC) or any other securities regulatory agency or authority.

c. Employee agrees that any breach of this Paragraph 3 shall constitute a material breach of this Agreement. Employee agrees to reimburse the Releasees for all costs, attorneys' fees, and any and all damages incurred by the Releasees in defending against a claim brought or pursued by Employee in violation of this Agreement.

d. This general release does not extend to the obligations of the Company created by this Agreement, and shall not apply to any claim for unemployment compensation Employee may file with a governmental agency.

e. Employee affirms that Employee has not filed nor caused to be filed, nor is presently a party to, any claim against the Company, with the exception of any filing with the SEC or any other securities regulatory agency or authority.

f. Notwithstanding the general release in this Paragraph 3 or any other language in this Agreement, the Company agrees that it will, at its expense, indemnify, hold harmless and defend Employee from and against any and all damages, losses, liabilities, costs and expenses, including reasonable attorneys' fees, that Employee may incur as a result of any third-party claim or action arising from or related to Employee's performance of his duties for the Company.

4. Employee Affirmations; Expansion of Restrictive Covenants.

a. Employee affirms that Employee has reported all hours worked as of the date Employee signs this Agreement and has been paid and/or has received all compensation, wages, bonuses, commissions, vacation pay, sick pay, public health emergency leave pay, and/or other benefits to which Employee may be entitled.

b. Employee affirms that Employee has been granted any leave to which Employee was entitled under the Family and Medical Leave Act, the Colorado Healthy Families and Workplaces Act, the Colorado Family and Medical Leave Insurance Act, or related state or local leave, sick leave, public health emergency leave, or disability accommodation laws.

c. Employee affirms that Employee has no known workplace injuries or occupational diseases. Employee also affirms that Employee is not aware of any workplace violation of government health or safety rules, or workplace threat to health or safety.

d. Employee affirms that Employee has not divulged any proprietary or confidential information of the Company and will continue to maintain the confidentiality of such information consistent with the Company's policies and Employee's agreement(s) with the Company (including but not limited to the Promotion Agreement) and/or relevant statutory or common law. Employee understands and acknowledges that notwithstanding the provisions above, Employee will not be held criminally or civilly liable for any disclosure of any of Company's proprietary or confidential information that Employee makes: (a) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; (b) in a complaint or other document filed in a lawsuit or other proceeding when the filing is made under seal; or (c) to Employee's attorney or in a sealed court filing in a lawsuit alleging retaliation for reporting a suspected violation of law.

e. Employee affirms and agrees that during his employment with the Company he has complied with all terms of the Promotion Agreement, and in particular Sections 9-12 of that agreement, and that he will comply with the terms of the Promotion Agreement following the Separation Date.

f. Employee further understands and agrees that nothing in this Agreement is intended to limit or prevent Employee from disclosing information about workplace health and safety practices or hazards.

g. Employee affirms that Employee has returned all of the Company's property, documents, and/or any confidential information in Employee's possession or control. Employee also affirms that Employee is in possession of all of Employee's property that Employee had at the Company's premises and that the Company is not in possession of any of Employee's property.

h. The Parties further agree, in exchange for the consideration set forth in this Agreement, that the Non-Compete period referenced in Section 11 of the Promotion Agreement shall be extended from 12 months following the Separation Date to 24 months following the Separation Date, and that the Non-Solicitation period referenced in Section 12 of the Promotion Agreement shall be extended from 12 months following the Separation Date to 18 months following the Separation Date.

5. Confidentiality.

a. Employee expressly agrees that Employee will keep the terms of this Agreement strictly confidential. Employee will not communicate (orally or in writing), or in any way voluntarily disclose or allow or direct others to disclose, the terms of this Agreement to any person, judicial or administrative agency or body, business entity or association, or anyone else for any reason whatsoever, unless required to do so to enforce the terms of this Agreement, or pursuant to lawful subpoena or to an order of a court of competent jurisdiction, except that Employee may disclose the terms of this Agreement to Employee's spouse, attorney and tax or financial advisor. If disclosure is made to any of the persons listed in this Paragraph 5, Employee agrees to inform such persons of the confidentiality requirements of this Agreement and will not make any disclosure to such persons without first obtaining the agreement of those persons to keep the information confidential. However, nothing in this Agreement prevents Employee from engaging in activity protected by the National Labor Relations Act or any other applicable law, including but not limited to the right to discuss terms and conditions of employment and workplace matters of mutual concern, and the right to discuss or disclose, either orally or in writing, any alleged discriminatory or unfair employment practice under Colo. Rev. Stat. § 24-34-402 *et seq*.

b. It is expressly agreed that the provisions of this Paragraph 5 are essential provisions of, and partial consideration for, this Agreement between the Parties. Employee acknowledges and agrees that any breach of this Paragraph 5 by Employee or by any of the persons listed above is a material breach of this Agreement for which Employee is responsible. In addition, Employee shall reimburse the Company for any and all costs (including, but not limited to, attorneys' fees) incurred by the Company in enforcing the terms of this Paragraph 5.

6. No Re-Hire. Employee will not apply for any position with the Company and will not be eligible for rehire by the Company. In the event Employee applies for a position at the Company, the Parties agree the Company has no obligation to consider Employee for employment.

7. References. The Company agrees it will follow its general policy of providing to prospective employers only Employee's dates of employment and positions held, provided any requests for information are made through and responded to by the Company's Human Resources Department.

8. No Assignment of Claims. Employee warrants that Employee has not assigned any claims or rights released in this Agreement.

9. Non-Disparagement.

a. Employee agrees and warrants that Employee will not disparage, defame, belittle, ridicule, discredit, denigrate or in any other way harm or damage the reputation of Releasees, their products or services. Employee further agrees and warrants that Employee will not make, file, prepare, report, or assist in making, filing, preparing, or reporting any disparaging remarks regarding Releasees via the Internet or any news media. However, nothing in this Agreement prevents Employee from engaging in activity protected by the National Labor Relations Act or any other applicable law, including but not limited to the right to discuss terms and conditions of employment and workplace matters of mutual concern, and the right to discuss or disclose, either orally or in writing, any alleged discriminatory or unfair employment practice under Colo. Rev. Stat. § 24-34-402 *et seq*.

b. Employee understands that nothing in this Agreement prohibits Employee from filing a charge or participating in an investigation conducted by a federal, state, or local governmental agency, including but not limited to the Equal Employment Opportunity Commission, the SEC, the Financial Industry Regulatory Authority, or the National Labor Relations Board. However, Employee agrees that this Agreement shall serve as a bar to any recovery by or relief to Employee, except an award for providing information to the SEC or any other securities regulatory agency or authority.

10. No Admission of Wrongdoing. By entering into this Agreement, the Company does not admit that it engaged in any unlawful or improper conduct, or that it is legally obligated to Employee in any way.

11. Negotiated Agreement. The consideration stated herein is contractual and not merely a recital. The Parties hereto execute and deliver this Agreement after being fully informed of its terms, contents and effects. The Parties acknowledge that this Agreement is a negotiated agreement that both Parties have reviewed with their attorneys, that both Parties have had a full opportunity to revise the language of the Agreement, and that, in the event of a dispute, the Agreement should not be construed in any way either for or against a party based on whether a particular party was or was not the primary drafter of this Agreement.

12. ADEA Waiver; Acknowledgments; Revocation.

a. This Agreement shall be effective, binding on the Parties, and in full force and effect immediately following the execution of the Agreement by both Parties, except for Employee's release of ADEA claims (if any), which shall be binding and effective as of the expiration of the revocation period addressed below.

b. Employee acknowledges:

i. That by executing this Agreement, Employee waives all rights or claims, if any, that Employee may have against the Company under the Age Discrimination in Employment Act of 1967, 29 U.S.C. § 626, et seq. ("ADEA");

ii. That this Agreement has been written in a manner calculated to be understood by Employee, and is in fact understood by Employee;

iii. That the aforementioned waiver reflects specifically, but is not limited to, all rights or claims, if any, that Employee may have against the Company arising under the ADEA;

iv. That Employee is not waiving rights and claims that Employee may have under the ADEA against the Company that may arise after the date on which this Agreement is executed;

v. That Employee is waiving rights and claims that Employee may have under the ADEA, if any, only in exchange for consideration in addition to anything of value to which Employee is already entitled;

vi. That Employee is advised and has had the opportunity to consult with an attorney of Employee's choice prior to executing this Agreement;

vii. That Employee has been given a period of 21 days from the date on which Employee receives this Agreement, not counting the day upon which Employee receives the Agreement, within which to consider whether to sign this Agreement;

viii. That if Employee wishes to execute this Agreement prior to the expiration of the 21-day period set forth in subsection (g) of this Paragraph 14, Employee may do so;

ix. That Employee has been given a period of 7 days following Employee's execution of this Agreement to revoke Employee's waiver of all claims, if any, under the ADEA, and Employee's release of any claims under the ADEA shall not become effective or enforceable until the revocation period has expired without Employee revoking Employee's waiver of all claims under the ADEA;

x. That to revoke Employee's waiver of all claims under the ADEA, Employee understands that Employee must deliver a written, signed statement that Employee revokes Employee's waiver of all claims under the ADEA to the Company by hand or by mail within the 7 day revocation period. The revocation must be postmarked within the period stated above and properly addressed to the Company at the following address:

Daniel Hewitt
Crocs, Inc. Legal Department
500 Eldorado Blvd, Bldg 5
Broomfield, CO 80021

xi. That this Agreement becomes null and void and of no further force or effect if Employee does not sign, date and return this Agreement to the Company within 21 days after the date on which Employee receives this Agreement; and

xii. That any modifications, material or otherwise, made to this Agreement, do not restart or affect in any manner the original period of up to 21 calendar days during which Employee may consider this Agreement.

13. Duty of Cooperation. Employee agrees that at any time upon request from the Company, Employee will provide complete and truthful information to, and otherwise cooperate fully with, the Company and any of its legal counsel, agents, insurers and representatives in connection with any investigations, litigation, agency, administrative or other governmental proceedings or any other matters relating to the Company in which the Company determines that Employee may have relevant information. This includes but is not limited to Employee making themselves available for interviews, testimony preparation, discovery, truthful deposition and trial testimony, and any other related matters as requested by the Company. Company will reimburse Employee for any reasonable expenses associated with complying with this provision.

14. Counterparts; Signatures. This Agreement may be executed in counterparts and shall be fully enforceable in all regards if executed in such manner as if it had been executed as a single document. Signatures obtained electronically shall constitute effective execution of this Agreement.

15. Entire Agreement; Choice of Law; Severability. Employee and the Company agree that all of the terms agreed to between them regard the subject matter of this Agreement are contained in this document and the Promotion Agreement, and that no statements or inducements have been made contrary to or in addition to the statements herein, that the terms hereof are binding on and enforceable for the benefit of Employee's successors and assigns, that the Agreement shall be governed by Colorado law, and that the provisions of this Agreement are severable, so that if any paragraph of this Agreement is determined to be unenforceable, the other paragraphs shall remain valid and fully enforceable.

Accepted and agreed.

EMPLOYEE

/s/ Adam Michaels
Adam Michaels

Date: 5/2/2025

CROCS, INC.

By: /s/ Shannon Sisler
Shannon Sisler
EVP, Chief People Officer

Date: 5/2/2025

Exhibit A – Promotion Agreement

EXHIBIT 31.1

SECTION 302 CERTIFICATION

I, Andrew Rees, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Crocs, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2025

/s/ Andrew Rees
Andrew Rees
Chief Executive Officer

EXHIBIT 31.2

SECTION 302 CERTIFICATION

I, Susan Healy, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Crocs, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2025

/s/ Susan Healy

Susan Healy

Executive Vice President and Chief Financial Officer

EXHIBIT 32

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO SECTION 906

OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Chief Executive Officer and Executive Vice President and Chief Financial Officer of Crocs, Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to the best of their knowledge:

(1) The Quarterly Report on Form 10-Q of the Company for the three months ended June 30, 2025 ("Form 10-Q") fully complies with the requirements of Section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)), and

(2) The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company for the period covered by this Form 10-Q.

Date: August 7, 2025

/s/ Andrew Rees
Andrew Rees
Chief Executive Officer

/s/ Susan Healy
Susan Healy
Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Crocs, Inc. and will be retained by Crocs, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.