UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): January 2, 2018

GOPRO, INC.
(Exact name of registrant as specified in its charter)

Delaware	001-36514	77-0629474
(State or Other Jurisdiction of Incorporation)	(Commission File No.)	(I.R.S. Employer Identification No.)

3000 Clearview Way, San Mateo, California 94402

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (650) 332-7600

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

Item 2.02 Results of Operations and Financial Condition

On January 8, 2018, GoPro, Inc. (the "Company") issued a press release relating to the Company's preliminary results for the fourth quarter ended December 31, 2017, its restructuring, and business outlook related to 2018, a copy of which is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information contained in Item 2.02 of this Current Report on Form 8-K and in the accompanying exhibit shall not be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference to this or such filing. The information in this Item 2.02 of this Current Report on Form 8-K, including the exhibit hereto, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended (the "Securities Act").

Item 2.05 Costs Associated with Exit or Disposal Activities

On January 2, 2018, the Board of Directors of the Company (the "Board") approved a restructuring of the Company's business that included a global reduction in force. The Company estimates that it will incur aggregate charges of approximately $23 million to $33 million for the restructuring, including approximately $13 million to $18 million of cash expenditures as a result of the reduction in force, substantially all of which are severance and related costs, and approximately $10 million to $15 million of other charges, consisting primarily of non-cash items. The Company expects to recognize most of the restructuring charges in the first quarter of 2018.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b)

Reference is made to the disclosures set forth under the headers "Charles Prober Departure and Related Separation Agreement" and "Sharon Zezima Departure and Related Transition Incentive Agreement" contained in Item 5.02(e) to this Current Report on Form 8-K.

(e)

Charles Prober Departure and Related Separation Agreement

Charles "CJ" Prober is departing the Company effective February 16, 2018 (the "Prober Departure Date"); this decision was made January 2, 2018. On the Prober Departure Date, Mr. Prober will cease to serve as the Chief Operating Officer of the Company. Related to his departure, on January 5, 2018, Mr. Prober and the Company entered into a separation agreement (the "Prober Separation Agreement"). Pursuant to the Prober Separation Agreement, Mr. Prober will be entitled to receive (a) all wages, salary, bonuses, commissions, accrued paid time off (if applicable) and similar payments as of the Prober Separation Date, as well as 60 days' pay in lieu of notice, pursuant to the California WARN Act; (b) a lump sum payment equal to 10 months of Mr. Prober's current base salary and his cash bonus relating to 2017 following the Compensation and Leadership Committee's (the "CLC") determination of the percentage level of achievement, less applicable state and federal payroll deductions; (c) continuation of benefits under COBRA for 12 months following the end of the month of the Prober Separation Date (or if applicable law requires otherwise, a lump sum payment equal to the amount of the insurance premiums that would have been paid by the Company to continue such benefits under COBRA for the 12 months); and (d) with respect to the shares initially subject to each of Mr. Prober's outstanding awards of restricted stock units ("RSUs") that are unvested as of the Prober Separation Date, the Company shall accelerate that number of such unvested shares subject to such RSUs that would have vested had the Prober Separation Date been February 16, 2019. The remaining non-accelerated unvested shares subject to each of Mr. Prober's equity grants will expire on the Prober Separation Date. In exchange for the separation benefits set forth in (b)-(d) above, Mr. Prober provided the Company with (i) a general release and waiver of claims, and (ii) subject to certain limited exceptions, a covenant to not disparage the Company, its employees, products or services. Pursuant to the Prober Separation Agreement, the Company also agreed that subject to specified circumstances, neither the Company nor its executives or members of the Board shall make any public statements disparaging Mr. Prober.

The Company will file a copy of the Prober Separation Agreement as an exhibit to its Annual Report on Form 10-K for the year ended December 31, 2017.

Sharon Zezima Departure and Related Transition Incentive Agreement

Sharon Zezima has resigned from the Company effective March 30, 2018, which may be earlier or later upon mutual agreement but not later than April 30, 2018 (such date, as may be changed by mutual agreement from time to time, the "Transition Date"); this decision was made on January 2, 2018. On the Transition Date, Ms. Zezima will cease to serve as the Company's Senior Vice President, Corporate/Business Development, General Counsel and Secretary of the Company. To facilitate the transition, on January 6, 2018, the Company and Ms. Zezima entered into a Transition Incentive Agreement (the "Zezima Agreement") whereby Ms. Zezima shall continue in her employment with the Company until the Transition Date. During the period from the date of the Zezima Agreement to the Transition Date (the “Transition Period”), Ms. Zezima shall perform her regular duties with the Company through the Transition Date (the “Transition Services”). During the Transition Period, Ms. Zezima shall receive her current base salary, remain eligible to receive her 2017 annual bonus in accordance with the Company’s executive bonus plan, remain eligible to receive employee benefits, and her equity awards shall continue to vest.

If Ms. Zezima continues in employment with the Company through the Transition Date, the Company shall pay Ms. Zezima a lump sum payment equal to $140,000, less applicable state and federal payroll deductions (the “Transition Incentive Bonus”). If Ms. Zezima is terminated for Cause (as defined in the Zezima Agreement) prior to the payment of the Transition Incentive Bonus, Ms. Zezima forfeits the Transition Incentive Bonus. If Ms. Zezima is subject to a Post-Transition Date Qualifying Termination (as defined below) prior to the payment of the Transition Incentive Bonus, then such payment will be subject to Ms. Zezima providing the Company with a general release and waiver of claims. If Ms. Zezima is subject to a Pre-Transition Date Qualifying Termination (as defined below), then Ms. Zezima remains eligible to receive the Transition Incentive Bonus subject to Ms. Zezima providing the Company with a general release and waiver of claims.

So long as Ms. Zezima is employed by the Company through the annual bonus payment date, Ms. Zezima’s cash bonus payment for fiscal year 2017 shall be paid based on her current target percentage as determined by the CLC (the “Zezima Bonus”). If Ms. Zezima is subject to a Pre-Transition Date Qualifying Termination prior to the date of payment of the Zezima Bonus, she will remain eligible to receive the Zezima Bonus, subject to Ms. Zezima providing the Company with a general release and waiver of claims.

In the event that Ms. Zezima is subject to a separation (a) prior to the Transition Date resulting from the Company’s termination of Ms. Zezima’s employment for any reason other than for Cause (a “Pre-Transition Date Qualifying Termination”); or (b) on or after the Transition Date resulting from (i) the Company’s termination of Ms. Zezima other than for Cause or (ii) Ms. Zezima’s voluntary resignation for any reason (a “Post-Transition Date Termination”), then Ms. Zezima shall be entitled to the following additional benefits (the “Termination Benefits”): (A) continuation of benefits under COBRA for four months following the end of the month of date of the applicable termination; (B) the Company will accelerate the vesting of a portion of Ms. Zezima’s outstanding equity awards as of the termination date as follows: all RSUs (1) that are unvested as of the termination date, (2) that would have vested had the termination date been September 30, 2018 and Ms. Zezima had remained employed with the Company through September 30, 2018, and (3) remain unexpired as of the termination date; and (C) Ms. Zezima’s cash bonus payment pro-rated for the year ended December 31, 2018, based on Ms. Zezima’s current target percentage and actual Company performance in 2018, as determined by the CLC in Q1 2019 (the “2018 Bonus”). In exchange for the Termination Benefits, Ms. Zezima will provide the Company with a general release and waiver of claims. In the event of a Change in Control (as defined in the Change in Control Severance Agreement, the form which was filed as Exhibit 10.09 to the Company’s Form S-1 filed with the Securities and Exchange Commission (“SEC”) on May 19, 2014) that occurs prior to the payment of the 2018 Bonus and subject to Ms. Zezima providing a general release and waiver of claims, Ms. Zezima shall be entitled to receive the 2018 Bonus; provided however, if the actual Company performance is not determined as of such Change in Control, then the 2018 Bonus shall be calculated based on her current target percentage only. If Ms. Zezima is subject to a Qualifying Termination (as defined in the Change of Control Severance Agreement), then the 2018 Bonus shall be reduced on a dollar-for-dollar basis by the portion of the 2018 Bonus payable under the Change in Control Severance Agreement.

The Company will file a copy of the Zezima Agreement as an exhibit to its Annual Report on Form 10-K for the year ended December 31, 2017.

Nicholas Woodman Cash Compensation Reduction and Related Waiver Agreement

On January 4, 2018, Nicholas Woodman, the Company’s Chief Executive Officer, and the Company agreed that Mr. Woodman would receive a nominal salary of $1 and target 2018 cash bonus of zero for the year ended December 31, 2018 (the “Cash Compensation Reduction”). In connection with the Cash Compensation Reduction, Mr. Woodman and the Company entered into a Waiver Agreement (the “Waiver”) where the parties agreed as follows: (a) that the Cash Compensation Reduction shall not constitute “Good Reason” or “CIC Good Reason,” each as defined in Mr. Woodman’s Employment Agreement dated June 2, 2014 and filed as Exhibit 10.16 to the to the Company’s Form S-1/A filed with the SEC on June 11, 2014, and any application of “Good Reason” or “CIC Good Reason” shall not consider the decrease in the Mr. Woodman’s base salary or target bonus for one year, beginning on the date of the Waiver; (b) the Cash Compensation Reduction is expected to have adverse effects on Mr. Woodman’s participation in certain benefit plans, which Mr. Woodman waives for one year, beginning on the date of the Waiver; and (c) Mr. Woodman has no expectation or entitlement to a true-up, gross-up or similar payment to compensate him for the Cash Compensation Reduction.

The Company will file a copy of the Waiver as an exhibit to its Annual Report on Form 10-K for the year ended December 31, 2017.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Forward-looking Statements

This Current Report on Form 8-K may contain projections or other forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Forward-looking statements in this Current Report on Form 8-K include, but are not limited to, expectations regarding aggregate charges for employee termination and the timing to recognize these charges and other costs associated with the restructuring, including the estimates of related cash expenditures by the Company in connection with the restructuring. These statements involve risks and uncertainties, and actual events or results may differ materially. Among the important factors that could cause actual results to differ materially from those in the forward-looking statements are the risk that the reduction in operating expenses may impact the Company's ability to meet its business objectives and achieve the Company's revenue targets and may not result in the expected improvement in the Company's profitability, the fact that the Company's future growth depends in part on further penetrating the Company's addressable market and also growing internationally, and the Company may not be successful in doing so; any inability to successfully manage frequent product introductions (including the 2018 roadmap for new hardware and software products) and transitions, including managing the Company's sales channel and inventory and accurately forecasting future sales; dependence on sales of the Company's cameras, mounts and accessories for substantially all revenue; the effect of a decrease in the sales or change in sales mix of these products would harm the Company's business; the effect of a decrease in sales during the holiday season; changes in our senior management that may disrupt our operations; the fact that an economic downturn or economic uncertainty in key U.S. and international markets may adversely affect consumer discretionary spending and demand for our products; any inability to anticipate consumer preferences and successfully develop and market desirable products; the risks associated with the exiting from the consumer drone market; the effects of the highly competitive market in which the Company operates; the fact that the Company may not be able to achieve revenue growth or profitability in the future; risks related to inventory, purchase commitments and long-lived assets; difficulty in accurately predicting the Company's future customer demand; the importance of maintaining the value and reputation of the Company's brand; and other factors detailed in the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2016, which is on file with the Securities and Exchange Commission and as supplemented by Item 1A Risk Factors in in our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2017. These forward-looking statements speak only as of the date hereof or as of the date otherwise stated herein. The Company disclaims any obligation to update these forward-looking statements.

Exhibit Number	**Description of Document**
99.1	Press Release of GoPro, Inc. dated January 8, 2018 announcing preliminary fourth quarter 2017 results.

SIGNATURE

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.

GoPro, Inc.
(Registrant)

Dated: January 8, 2018	By: /s/ Brian McGee
	Brian McGee
	Chief Financial Officer

EXHIBIT 99.1

GoPro Announces Preliminary Fourth Quarter 2017 Results

SAN MATEO, Calif., January 8, 2018 - GoPro, Inc. (NASDAQ: GPRO) today reported certain preliminary financial results for the fourth quarter ended December 31, 2017. GoPro expects revenue to be approximately $340 million for the fourth quarter of 2017. Fourth quarter revenue includes a negative impact of approximately $80 million for price protection on HERO6 Black, HERO5 Black and HERO5 Session cameras, as well as the Karma drone.

GoPro expects GAAP gross margin for the fourth quarter of 2017 to be between 24% and 26%. Non-GAAP gross margin for the fourth quarter of 2017 is expected to be between 25% and 27%. Non-GAAP gross margin for the same period, excluding the price protection impact of $80 million and other charges of between $19 million and $21 million, is expected to be between 44% and 46%. GoPro expects GAAP operating expenses to be between $136 million and $140 million for the fourth quarter of 2017 and non-GAAP operating expenses to be between $118 million and $122 million for the same period.

GoPro ended the fourth quarter with cash and cash equivalents of $247 million, up $50 million over the third quarter of 2017.

“As we noted in our November earnings call, at the start of the holiday quarter we saw soft demand for our HERO5 Black camera,” said GoPro founder and CEO Nicholas Woodman. “Despite significant marketing support, we found consumers were reluctant to purchase HERO5 Black at the same price it launched at one year earlier. Our December 10 holiday price reduction provided a sharp increase in sell-through.”

Globally, HERO5 Black sell-through more than doubled in the two weeks following the December 10 price reduction, while HERO5 Session sell-through roughly tripled.

Sales of the newly introduced flagship HERO6 Black camera performed as expected during the fourth quarter. On January 7, GoPro lowered the price of its premium model, HERO6 Black from $499 to $399 to align with its good, better, best product strategy.

Initial uptake of GoPro's newly launched spherical camera, Fusion, was better than expected during the quarter.

"GoPro is committed to turning our business around in 2018," said Nicholas Woodman. "We entered the new year with strong sell-through and are excited with our hardware and software roadmap. We expect that going forward, our roadmap coupled with a lower operating expense model will enable GoPro to return to profitability and growth in the second half of 2018."

2018 Products and Operating Expenses

In 2018, GoPro will continue to innovate with several new products aimed at new and existing customers. GoPro's sharper focus will enable an $80 million reduction in operating expenses compared to 2017 levels, resulting in a target operating expense level of below $400 million for 2018 on a non-GAAP basis.

The lower non-GAAP operating expense target will be achieved through a variety of strategies, including:

- GoPro is reducing its global workforce from 1,254 employees as of September 30, 2017 to fewer than 1,000 employees worldwide.
- GoPro founder and CEO Nicholas Woodman will reduce his 2018 cash compensation to $1.
- Although Karma reached the #2 market position in its price band in 2017, the product faces margin challenges in an extremely competitive aerial market. Furthermore, a hostile regulatory environment in Europe and the United States will likely reduce the total addressable market in the years ahead. These factors make the aerial market untenable and GoPro will exit the market after selling its remaining Karma inventory. GoPro will continue to provide service and support to Karma customers.

A restructuring of GoPro's business will result in an estimated aggregate charge of $23 million to $33 million, including approximately $13 million to $18 million of cash expenditures as a result of a reduction in force, substantially all of which are severance and related costs, as well as approximately $10 million to $15 million of other charges, consisting primarily of non-cash items. GoPro expects to recognize most of the restructuring charges in the first quarter of 2018. GoPro will provide more detail on its 2017 results and 2018 outlook in its fourth quarter earnings report which will take place in early February.

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About GoPro, Inc. (NASDAQ: GPRO)

GoPro makes it easy for people to celebrate and share experiences. We believe life is more meaningful when shared. We build cameras, software and accessories that help the world share itself in immersive and exciting ways.

GoPro, HERO, Karma, Quik, QuikStories and their respective logos are trademarks or registered trademarks of GoPro, Inc. in the United States and other countries.
For more information, visit www.gopro.com or connect with GoPro on Facebook, Instagram, LinkedIn, Pinterest, Twitter, YouTube, and GoPro's The Inside Line.

Note Regarding Use of Non-GAAP Financial Measures

GoPro reports gross margin and operating expenses in accordance with U.S. generally accepted accounting principles (GAAP) and on a non-GAAP basis. Non-GAAP items exclude, where applicable, the effects of stock-based compensation, acquisition-related costs, restructuring costs and aerial-related charges. A reconciliation of preliminary 2017 GAAP financial measures to non-GAAP financial measures is presented below. A reconciliation to 2018 target GAAP operating expense has not been provided because doing so would require an unreasonable effort due to the unavailability of information needed to calculate reconciling items and due to the variability, complexity and limited visibility of the adjusting items that would be excluded from the non-GAAP financial measures in future periods. When planning, forecasting and analyzing operating expenses for future periods, GoPro does so primarily on a non-GAAP basis without preparing a GAAP analysis as that would require estimates for reconciling items which are inherently difficult to predict with reasonable accuracy.

Note on Forward-looking Statements

This press release may contain projections or other forward-looking statements within the meaning of the Private Securities Litigation Reform Act. Forward-looking statements in this press release include, but are not limited to, our expectations regarding our revenue, including the impact of price protection charges, gross margin and operating expenses for the fourth quarter of 2017; our business outlook for 2018 regarding our 2018 operating plan and our return to profitability and growth in the second half of 2018; our 2018 product roadmap, including new hardware and services; anticipated reductions in operating expenses for 2018 as compared to 2017; and aggregate charges for employee termination and the timing to recognize these charges and other costs associated with the restructuring, including the estimates of related cash expenditures by GoPro in connection with the restructuring. These statements involve risks and uncertainties, and actual events or results may differ materially. Among the important factors that could cause actual results to differ materially from those in the forward-looking statements are the risk that our reduction in operating expenses may impact our ability to meet our business objectives and achieve our revenue targets and may not result in the expected improvement in our profitability, the fact that our future growth depends in part on further penetrating our addressable market and also growing internationally, and we may not be successful in doing so; any inability to successfully manage frequent product introductions (including our 2018 roadmap for new hardware and software products) and transitions, including managing our sales channel and inventory and accurately forecasting future sales; our dependence on sales of our cameras, mounts and accessories for substantially all of our revenue; the effect of a decrease in the sales or change in sales mix of these products would harm our business; the effect of a decrease in sales during the holiday season; the fact that an economic downturn or economic uncertainty in our key U.S. and international markets may adversely affect consumer discretionary spending and demand for our products; any inability to anticipate consumer preferences and successfully develop and market desirable products; the risks associated with the exiting from the consumer drone market; the effects of the highly competitive market in which we operate; the fact that we may not be able to achieve revenue growth or profitability in the future; risks related to inventory, purchase commitments and long-lived assets; difficulty in accurately predicting our future customer demand; the importance of maintaining the value and reputation of our brand; and other factors detailed in the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2016, which is on file with the Securities and Exchange Commission and as supplemented by Item 1A Risk Factors in our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2017. Additional information will also be set forth in our Annual Report on Form 10-K for the year ended December 31, 2017. These forward-looking statements speak only as of the date hereof

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or as of the date otherwise stated herein. GoPro disclaims any obligation to update these forward-looking statements.

Reconciliations of preliminary non-GAAP financial measures for the three months ended December 31, 2017 are set forth below:

(dollars in thousands)	Three months ended December 31, 2017
GAAP gross margin as a % of revenue	24% - 26%
Stock-based compensation	-
Acquisition-related costs	1
Restructuring costs	-
Non-GAAP gross margin as a % of revenue	25% - 27%
Price protection charges	15
Aerial-related charges	4
Adjusted Non-GAAP gross margin as a % of revenue	44% - 46%
GAAP operating expenses	\$136,000 - \$140,000
Stock-based compensation	(14,500)
Restructuring costs	(3,500)
Non-GAAP operating expenses	\$118,000 - \$122,000