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// Q2 2026

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01

Executive Summary

Crocs, Inc. reported second-quarter 2026 revenue of $1,179.5m against $1,149.4m, up 2.6% as reported and 2.0% in constant currency; the company describes it as record enterprise revenue, and Crocs Brand revenue passed $1bn in a quarter for the first time, at $1,000.4m. GAAP operating income was $285.7m and GAAP net income $204.9m, against losses of $427.5m and $492.3m a year earlier, when the quarter carried $737m of HEYDUDE impairments. On the company's adjusted basis operating income was $295.6m ($309.5m), the operating margin 25.1% (26.9%) and diluted earnings $4.55 a share ($4.23). Free cash flow was $331.0m ($269.2m). The company raised its full-year guidance to revenue up approximately 1% to 2% and adjusted diluted earnings per share of $13.70 to $14.00, from $13.20 to $13.75.

Adjusted diluted earnings per share rose 7.6% while adjusted net income fell 5.0%; the 11.6% lower share count accounts for $0.53 of the $4.55

Adjusted net income for the second quarter was $225.7m against $237.5m, a decline of $11.8m or 5.0%. Adjusted diluted earnings per share over the same comparison rose from $4.23 to $4.55, an increase of 7.6%. The company discloses both numerators and both denominators. The diluted share count on the non-GAAP basis was 49,628 thousand against 56,148 thousand, 6,520 thousand fewer shares, or 11.6%. Dividing 2026 adjusted net income by the 2025 share count gives $4.02, 5.0% below $4.23, the same decline as the income. The difference between $4.55 and $4.02 is $0.53 a share, 11.6% of the reported figure. On the half year the same test gives adjusted net income down 7.2%, from $406.3m to $377.1m, against adjusted diluted earnings per share up 4.3%, from $7.21 to $7.52, with the share count 10.9% lower. The company states that its full-year adjusted earnings per share guidance "does not assume any impact from potential future share repurchases"; approximately $2.0bn of authorisation remains outstanding after a $1.5bn increase approved on 27 July 2026.

Gross profit fell $8.1m on revenue $30.1m higher, while direct-to-consumer rose to 55.6% of revenue from 50.9%

Consolidated revenue rose $30.1m to $1,179.5m. GAAP gross profit fell $8.1m to $700.7m, a decline of 1.1%; adjusted gross profit fell $1.4m. Direct-to-consumer revenue across both brands was $655.4m against $584.9m, up 12.0%, and wholesale $524.1m against $564.4m, down 7.2%, so direct-to-consumer moved from 50.9% to 55.6% of revenue. Gross margin fell 226bp on the GAAP basis and 169bp on the adjusted basis. Both brands recorded lower GAAP gross margin: Crocs Brand 62.6% against 64.1%, HEYDUDE 43.1% against 50.2%, 710bp lower. Of the 186bp fall in the adjusted operating margin, 169bp is gross margin and 17bp selling, general and administrative expense, which rose 3.1% against revenue growth of 2.6%. The items the company names in the gross profit reconciliation, a distributor

takeback in Malaysia and distribution centre transitions, total $6.8m, or 57bp of revenue. The release gives no reason for the 169bp adjusted decline and does not disclose gross margin by channel.

The $2.0bn repurchase authorisation equals 38.9% of the shares outstanding at the quarter's average purchase price

During the quarter the company repurchased approximately 2.3m shares for $251m at an average price of $106.87 and repaid $31m of debt. Approximately $496m of authorisation remained at 30 June 2026; the $1.5bn increase took the amount available to approximately $2.0bn. At $106.87, $2.0bn buys approximately 18.7m shares, 38.9% of the 48.1m outstanding at 30 June 2026. The Form 8-K states the authorisation has no expiration date and does not oblige the company to buy any particular amount. The footnote to the full-year guidance reconciliation states that the approximately $25m of expected non-GAAP adjustments "does not include the receipt of potential IEEPA tariff refunds", to be recognised "when they are realized or considered realizable". No amount and no timing are given.

WHAT TO WATCH

Third-quarter 2026 results, expected late October 2026 (date not yet in the release). The adjusted operating margin, guided to approximately 21.5%, against 25.1% in the second quarter and 23.9% in the first half. A continuation of the gross margin trend is a third adjusted decline year on year on the adjusted basis, after 87bp in the first quarter (derived) and 169bp in the second; a break is an adjusted gross margin at or above the prior-year third quarter.

Third-quarter or fourth-quarter 2026 release. Any IEEPA tariff refund recognised in income. The $25m non-GAAP adjustment estimate excludes it; a quantified refund would make the reported result and the guided adjusted range no longer comparable.

Full-year 2026 results, early 2027. Adjusted diluted earnings per share against $13.70 to $14.00. Less the $7.52 realised in the first half and the $3.20 to $3.30 guided for the third quarter, the range requires a fourth quarter of $2.88 to $3.28. Check the diluted share count against 49,628 thousand: guidance assumes no further repurchases, so a lower count lifts earnings per share outside the guided basis.

VGR will publish the Q3 2026 analysis when the figures are released.

The period in figures

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CROCS, INC. · NASDAQ: CROX · SECOND QUARTER 2026 · USD AS PUBLISHED

FINANCIAL YEAR ENDS 31 DECEMBER 2026 · PERIOD ENDED 30 JUNE 2026 · REPORTED 30 JULY 2026 · ANALYSIS 30 SEPTEMBER 2026

NET REVENUES	GROSS PROFIT	OPERATING PROFIT	NET PROFIT
+2.6%	**−0.2%**	**−4.5%**	**−5.0%**
1,179.5 vs 1,149.4	707.5 vs 708.8	295.6 vs 309.5	225.7 vs 237.5

GROSS MARGIN	OPERATING MARGIN	RoS
60.0%	**25.1%**	**19.1%**
from 61.7%	from 26.9%	from 20.7%

$m, quarter against the same quarter a year earlier; gross, operating and net profit on the company's reconciled non-GAAP basis; the prior-year GAAP operating and net lines are losses after $737m of HEYDUDE impairments

Primary source: Crocs, Inc. (NASDAQ: CROX), "Crocs, Inc. Reports Record Second Quarter 2026 Results; Raises Full-Year 2026 Outlook", Broomfield, Colorado, released 07:00 ET, furnished as Exhibit 99.1 to Form 8-K, CIK 0001334036, accession 0001334036-26-000050. Percentage changes, margin rates and RoS (net profit divided by revenue) are VGR arithmetic on the disclosed figures. Reporting currency U.S. dollars as published.

Reported and adjusted, second quarter

The prior-year second quarter contains $737m of HEYDUDE impairments, $430m against the indefinite-lived trademark and $307m against the reporting-unit goodwill, recorded within selling, general and administrative expenses. Every GAAP comparison at and below that line carries it. The adjusted lines are the comparable ones and are used throughout.

METRIC	Q2 2026	Q2 2025	CHANGE
Revenues	$1,179.5m	$1,149.4m	+2.6%; +2.0% constant currency
Gross profit, GAAP	$700.7m	$708.8m	−$8.1m, −1.1%
Gross margin, GAAP	59.4%	61.7%	−226bp
Gross profit, adjusted	$707.5m	$708.8m	−$1.4m, −0.2%

METRIC	Q2 2026	Q2 2025	CHANGE
Gross margin, adjusted	60.0%	61.7%	−169bp
SG&A, adjusted	$411.8m	$399.4m	+$12.5m, +3.1%
SG&A ratio, adjusted	34.9%	34.7%	+17bp
Operating income, GAAP	$285.7m	−$427.5m	prior year includes $737m impairment
Operating income, adjusted	$295.6m	$309.5m	−$13.9m, −4.5%
Operating margin, adjusted	25.1%	26.9%	−186bp
Net income, GAAP	$204.9m	−$492.3m	prior year includes $737m impairment
Net income, adjusted	$225.7m	$237.5m	−$11.8m, −5.0%
Diluted EPS, GAAP	$4.13	−$8.82	prior year includes $737m impairment
Diluted EPS, adjusted	$4.55	$4.23	+7.6%
Diluted shares, non-GAAP basis	49,628k	56,148k	−6,520k, −11.6%
Free cash flow	$331.0m	$269.2m	+$61.7m, +22.9%

Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published. Changes, shares and derived lines are VGR arithmetic on the disclosed absolutes. Adjusted figures are the company's non-GAAP measures as reconciled in the release. Basis-point movements are computed on unrounded ratios.

The half year, and the first quarter derived by subtraction

The release does not restate the first quarter; the six-month columns less the second quarter give it. First-quarter revenue was $921.5m against $937.3m, down 1.7%, and first-quarter GAAP gross margin 56.8% against 57.8%, 103bp lower, against 226bp lower in the second quarter on the same basis; on the adjusted basis the first-quarter decline was 87bp, against 169bp in the second. Half-year revenue rose 0.7% as reported and fell 0.6% in constant currency, both disclosed.

LINE	H1 2026	H1 2025	Q1 2026 (DERIVED)	Q1 2025 (DERIVED)
Revenues	$2,100.9m	$2,086.7m	$921.5m	$937.3m
Revenue change	+0.7%	—	−1.7%	—
Gross profit, GAAP	$1,223.7m	$1,250.4m	$522.9m	$541.5m
Gross margin, GAAP	58.2%	59.9%	56.8%	57.8%

LINE	H1 2026	H1 2025	Q1 2026 (DERIVED)	Q1 2025 (DERIVED)
Operating income, adjusted	$501.3m	$532.5m	$205.7m	$223.0m
Adjusted operating income change	−5.8%	—	−7.8%	—
Net income, adjusted	$377.1m	$406.3m	$151.4m	$168.8m
Adjusted net income change	−7.2%	—	−10.3%	—
Free cash flow	$232.0m	$186.6m	−$98.9m	−$82.6m

Six-month columns disclosed. Q1 columns are VGR arithmetic: six months less the disclosed second quarter; precision exact. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

03 · THE RESTATEMENT BRIDGE

The restatement bridge

No restatement of prior periods and no change of perimeter is disclosed. The bridge from the GAAP to the adjusted basis is the company's own reconciliation; in the prior-year quarter it is almost entirely the $737m of HEYDUDE impairments.

RECONCILING ITEM	Q2 2026	Q2 2025	LINE AFFECTED
Distributor takeback costs (Malaysia)	$4.4m	—	cost of sales
Distribution centre transitions	$2.4m	—	cost of sales
Other	$0.0m	—	cost of sales ($49k)
Total gross profit adjustments	$6.8m	—	57bp of revenue
SG&A adjustments	$3.2m	$737.0m	prior year: HEYDUDE trademark $430m and goodwill $307m
GAAP operating income	$285.7m	−$427.5m	as reported
Adjusted operating income	$295.6m	$309.5m	company reconciliation

All items disclosed in the company's GAAP to non-GAAP reconciliation. The 57bp is VGR arithmetic, $6,760k on revenue of $1,179,468k. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

04 · GROWTH COMPOSITION

Growth composition

Crocs Brand International direct-to-consumer added $48.4m, 161.0% of the $30.1m group increase

Consolidated revenue rose $30.1m. Crocs Brand International direct-to-consumer revenue rose $48.4m, from $204.3m to $252.8m, up 23.7% as reported and 21.6% in constant currency, 161.0% of the group increase. Crocs Brand North America direct-to-consumer added $15.6m and HEYDUDE direct-to-consumer $6.4m, $70.5m of direct-to-consumer growth in all, against which wholesale fell $40.4m: $23.2m at Crocs Brand and $17.2m at HEYDUDE. The five components sum to the disclosed $30.1m.

COMPONENT	Q2 2026	Q2 2025	CHANGE	SHARE OF GROUP CHANGE
Crocs Brand International DTC	$252.8m	$204.3m	+$48.4m	+161.0%
Crocs Brand North America DTC	$306.2m	$290.6m	+$15.6m	+51.8%
HEYDUDE DTC	$96.5m	$90.0m	+$6.4m	+21.4%
Crocs Brand wholesale	$441.5m	$464.7m	−$23.2m	−77.0%
HEYDUDE wholesale	$82.6m	$99.8m	−$17.2m	−57.1%
Total consolidated revenue	$1,179.5m	$1,149.4m	+$30.1m	100.0%

Absolutes disclosed in the Revenues by Segment, Channel and Geography schedule. Changes and shares are VGR arithmetic; precision exact. Components sum to the disclosed group change of $30,095k. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

Direct-to-consumer rose to 55.6% of revenue from 50.9%, 468bp

CHANNEL	Q2 2026	Q2 2025	CHANGE	SHARE OF REVENUE
Direct-to-consumer, both brands	$655.4m	$584.9m	+12.0%	55.6% vs 50.9%
Wholesale, both brands	$524.1m	$564.4m	−7.2%	44.4% vs 49.1%
Consolidated	$1,179.5m	$1,149.4m	+2.6%	100.0%

Channel totals are VGR sums of the disclosed brand channel lines; the company states consolidated DTC growth of 12.0% and a wholesale decline of 7.2%. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

By brand and region, Crocs Brand rose 4.3% and HEYDUDE fell 5.7%

BRAND LINE	Q2 2026	Q2 2025	CHANGE, REPORTED; CONSTANT CURRENCY
Crocs Brand revenue	$1,000.4m	$959.6m	+4.3%; +3.7%

BRAND LINE	Q2 2026	Q2 2025	CHANGE, REPORTED; CONSTANT CURRENCY
Crocs Brand DTC	$558.9m	$494.9m	+12.9%; +12.0%
Crocs Brand wholesale	$441.5m	$464.7m	−5.0%; −5.4%
Crocs Brand North America	$458.7m	$457.1m	+0.4%; +0.4%
of which wholesale	$152.5m	$166.5m	−8.4%; −8.4%
of which DTC	$306.2m	$290.6m	+5.4%; +5.4%
Crocs Brand International	$541.7m	$502.5m	+7.8%; +6.6%
HEYDUDE Brand revenue	$179.0m	$189.8m	−5.7%; −5.8%
HEYDUDE DTC	$96.5m	$90.0m	+7.2%; +7.1%
HEYDUDE wholesale	$82.6m	$99.8m	−17.2%; −17.4%

All figures disclosed in the Revenues by Segment, Channel and Geography schedule. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

HEYDUDE fell from 16.5% of consolidated revenue to 15.2%. The company states that "the vast majority of HEYDUDE Brand revenues are derived from North America" and does not split the brand by geography. On the half year Crocs Brand North America fell 2.5%, with wholesale down 13.7% and direct-to-consumer up 5.2%; Crocs Brand International rose 7.6%, with direct-to-consumer up 25.9%.

Growth composition index: currency 0.6 points of the 2.6%; the other components are not disclosed

COMPONENT	Q2 2026	BASIS
Currency translation	+0.6pp	2.6% reported less 2.0% constant currency, both disclosed
Perimeter	not disclosed	no acquisition or disposal is reported in the release
Space	not disclosed	no store count or selling area is reported
Like-for-like	not disclosed	no comparable sales figure for either brand
Sell-in and other	not disclosed	wholesale is reported as revenue only
Reported growth	+2.6%	disclosed

VGR Growth Composition Index. Constant-currency growth of 2.0% cannot be split further from this release. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

Currency added 2.1 points to Crocs Brand International direct-to-consumer, 23.7% reported against 21.6% in constant currency, 1.2 points to Crocs Brand International and 0.1 points to HEYDUDE.

05 · THE ESTATE

The estate

ESTATE MEASURE	STATUS IN THIS RELEASE
Store count, openings and closures	Not disclosed
Selling area	Not disclosed
Comparable sales	Not disclosed for either brand
Retail and digital split of direct-to-consumer	Not disclosed; DTC is one line per brand and region

VGR disclosure check against the full text of the release. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

The release reports no estate figures, so sales density and space contribution to growth are not calculable.

06 · MARGIN ARCHITECTURE

Margin architecture

169bp of the 186bp fall in the adjusted operating margin is gross margin

Recomputed from the disclosed absolutes, the adjusted gross margin was 60.0% against 61.7%, 169bp lower; the adjusted selling, general and administrative ratio was 34.9% against 34.7%, 17bp higher; the adjusted operating margin was 25.1% against 26.9%, 186bp lower. The two components sum to the total. Gross margin is 90.9% of the fall and operating expense 9.1%. Adjusted operating expenses rose 3.1% in dollars against revenue growth of 2.6%.

BRIDGE COMPONENT	Q2 2026	Q2 2025	MOVEMENT
Adjusted gross margin	60.0%	61.7%	−169bp
Adjusted SG&A ratio	34.9%	34.7%	+17bp (a cost increase)
Adjusted operating margin	25.1%	26.9%	−186bp
Cross-check	169 + 17	—	186bp
Gross margin share of the fall	—	—	90.9%

BRIDGE COMPONENT	Q2 2026	Q2 2025	MOVEMENT
SG&A share of the fall	—	—	9.1%

Ratios recomputed by VGR from the disclosed dollars; basis points computed on unrounded ratios, so they need not equal the difference of the one-decimal rates. The company discloses 60.0%, 61.7%, 34.9%, 34.7%, 25.1% and 26.9%. Precision exact. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

The named adjustments account for 57bp; the release gives no reason for the 169bp

The gross profit reconciliation names three items in the quarter: distributor takeback costs of $4.356m, relating "to the takeback of a distributor in Malaysia"; distribution centre costs of $2.355m, relating "to the transition away from a third-party logistics provider for the HEYDUDE Brand, software transition costs at our Crocs Brand distribution center in Dayton, Ohio, and other distribution center related transition costs"; and other of $0.049m. The three total $6.760m, 57bp of the quarter's revenue, and removing them turns the 226bp GAAP decline into the 169bp adjusted decline. The release gives no reason for the 169bp. The word tariff appears once, in the full-year guidance footnote set out in section 11, and not as an explanation of the quarter.

Both brands recorded lower gross margin, and the gap between them widened 5.6 points

Direct-to-consumer rose 468bp as a share of revenue and consolidated gross margin fell. The movement is recorded at brand level: Crocs Brand GAAP gross margin fell 150bp to 62.6% and HEYDUDE fell 710bp to 43.1%. Within each brand the channel mix also moved toward direct-to-consumer: Crocs Brand direct-to-consumer grew 12.9% against wholesale down 5.0%, HEYDUDE direct-to-consumer 7.2% against wholesale down 17.2%. The release discloses gross margin by brand only, not by channel, so a split of each brand's movement into channel mix and rate is not calculable. The gap between the two brands' GAAP gross margins was 19.5 points against 13.9, 5.6 points wider; on the adjusted basis it was 19.4 points, 63.1% against 43.7%.

Brand gross profit is not disclosed in dollars; the arithmetic puts the HEYDUDE decline near 19.0%

Disclosed brand revenue multiplied by disclosed brand GAAP gross margin gives approximately $626.3m for Crocs Brand against $615.1m, up about $11.2m or 1.8%, and approximately $77.2m for HEYDUDE against $95.3m, down about $18.1m or 19.0%, on revenue $10.8m lower. The figures are bounded rather than exact: the margins are published to one decimal, and the two brands sum to $703.4m against a disclosed consolidated gross profit of $700.7m.

BRAND	Q2 2026	Q2 2025	MOVEMENT
Crocs Brand gross margin, GAAP	62.6%	64.1%	−150bp

BRAND	Q2 2026	Q2 2025	MOVEMENT
HEYDUDE gross margin, GAAP	43.1%	50.2%	−710bp
Gap, GAAP	19.5pp	13.9pp	+5.6pp
Crocs Brand gross profit, derived	≈$626.3m	≈$615.1m	≈+1.8%
HEYDUDE gross profit, derived	≈$77.2m	≈$95.3m	≈−19.0%

Margins disclosed to one decimal; bp movements on those disclosed rates. Gross profit lines are VGR products of disclosed revenue and margin; precision bounded. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

07 · INVENTORY AND THE MARKDOWN CYCLE

Inventory and the markdown cycle

ITEM	30 JUNE 2026	COMPARATIVE	CHANGE
Inventories, balance sheet	$389.2m	$368.7m at 31 December 2025	+$20.5m, +5.6%
Inventories, narrative	$389m	$405m at 30 June 2025	≈−3.9%
Inventory cash outflow, six months	$22.8m	$49.8m in H1 2025	—
Revenue, second quarter	$1,179.5m	$1,149.4m	+2.6%

Balance sheet and cash flow statement disclosed; the June 2025 inventory figure appears only in the narrative, rounded to the million, so the year-on-year change is bounded between −3.8% and −4.0%. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

Inventory was about 3.9% lower year on year while second-quarter revenue rose 2.6%; the release gives no inventory by brand, no ageing and no markdown disclosure.

08 · WORKING CAPITAL, CASH AND CAPITAL STRUCTURE

Working capital, cash and capital structure

Second-quarter free cash flow was $331.0m; the derived first quarter was −$98.9m

The company discloses free cash flow for the quarter and the half: $331.0m and $232.0m in 2026, $269.2m and $186.6m in 2025. The first quarter, by subtraction, was −$98.9m in 2026 and −$82.6m in 2025: a negative first quarter in both years, $16.3m larger in 2026. Over the half, cash from operating activities was $270.8m

against $218.6m. The largest working-capital outflow was accounts receivable, $154.9m against $147.2m a year earlier; the receivable balance was $430.3m at 30 June 2026 against $278.2m at 31 December 2025. The balance sheet compares with the year end, not the prior June, so a year-on-year receivables or days-sales-outstanding comparison is not calculable from this release.

ITEM	Q2 2026	Q2 2025	H1 2026	H1 2025
Cash from operating activities	$351.7m	$285.8m	$270.8m	$218.6m
Purchases of property, equipment, software	−$20.7m	−$16.6m	−$38.7m	−$31.9m
Free cash flow	$331.0m	$269.2m	$232.0m	$186.6m
Free cash flow, Q1 derived	—	—	−$98.9m	−$82.6m
Proceeds from borrowings	—	—	$295.0m	$539.0m
Repayments of borrowings	−$31m (narrative)	—	−$223.0m	−$514.0m

Quarter and half free cash flow disclosed in the company's reconciliation. The Q1 line is VGR subtraction; precision exact. The cash flow statement is presented for six months only. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

Long-term borrowings rose $76.8m over the half; against the prior June total borrowings fell $70m

Over the six months the company drew $295.0m and repaid $223.0m, a net draw of $72.0m, and long-term borrowings on the balance sheet rose from $1,230.9m at 31 December 2025 to $1,307.7m at 30 June 2026, up $76.8m or 6.2%. The narrative compares with the prior June and states total borrowings of $1.31bn against $1.38bn. The two comparisons use different base dates. Interest expense fell 11.6% in the quarter and 10.9% in the half.

09 · CAPITAL ALLOCATION AND RETURNS

Capital allocation and returns

Half-year repurchases were 110.4% of half-year free cash flow

Repurchases of common stock including excise tax were $256.2m over the six months against free cash flow of $232.0m, 110.4%, in a half in which net borrowings rose $72.0m. Shares outstanding fell 4.2%, from 50.2m at 31 December 2025 to 48.1m at 30 June 2026. The release does not refer to a dividend.

ITEM	FIGURE	BASIS
Shares repurchased in Q2 2026	≈2.3m	disclosed
Consideration	$251m	disclosed

ITEM	FIGURE	BASIS
Average price paid	$106.87	disclosed
Repurchases incl. excise tax, H1 2026	$256.2m	disclosed, cash flow statement
Authorisation remaining at 30 June 2026	≈$496m	disclosed
Board increase approved 27 July 2026	$1.5bn	disclosed, narrative and 8-K Item 8.01
Authorisation remaining after the increase	≈$2.0bn	disclosed
Shares outstanding at 30 June 2026	48.1m	111.0m issued less 62.9m in treasury
Shares $2.0bn buys at $106.87	≈18.7m	VGR arithmetic; exact on the inputs
That as a share of shares outstanding	≈38.9%	VGR arithmetic
Average cost of treasury shares held	$52.41	VGR: $3,296.5m ÷ 62.9m shares

Sizing calculation only. The Form 8-K states the authorisation "does not have an expiration date and does not oblige the Company to acquire any particular amount of the Company's common stock". This is not a forecast of repurchase activity. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

10 · EARNINGS QUALITY

Earnings quality

The per-share bridge

STEP	ARITHMETIC	RESULT
Adjusted net income, Q2 2026	disclosed	$225,674k
Adjusted net income, Q2 2025	disclosed	$237,477k
Change	225,674 − 237,477	−$11,803k, −5.0%
Non-GAAP diluted shares, Q2 2026	disclosed	49,628k
Non-GAAP diluted shares, Q2 2025	disclosed	56,148k
Change in share count	49,628 − 56,148	−6,520k, −11.6%
Adjusted diluted EPS check	225,674 ÷ 49,628	$4.547, disclosed $4.55

STEP	ARITHMETIC	RESULT
Prior-year check	237,477 ÷ 56,148	$4.230, disclosed $4.23
On the prior-year share count	225,674 ÷ 56,148	$4.02, down 5.0%
Per-share effect of the share count	$4.547 − $4.019	$0.53, 11.6% of $4.55

Both numerators and both denominators are disclosed in the company's non-GAAP net income per share reconciliation. Precision exact. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

The two years' denominators are built differently, as the company sets out

For 2026 the reconciliation shows one diluted share count, the GAAP figure of 49,628 thousand. For 2025, because the GAAP period was a loss and dilutive securities were anti-dilutive, the schedule adds 365 thousand shares to the basic count of 55,783 thousand to give a non-GAAP diluted count of 56,148 thousand. The bridge uses each year's denominator as printed. On the 2025 basic count instead, 2025 adjusted earnings are $4.26 a share, the disclosed non-GAAP basic figure, and the 2026 counterfactual $4.05; the $0.50 to $0.53 gap holds in either construction.

The adjusted tax rate is 17.6% against 22.4% GAAP, after a $13.1m intra-entity IP adjustment

The GAAP effective tax rate for the quarter was 22.4%, $59.0m on $263.9m. The non-GAAP rate was 17.6%, $48.2m on $273.9m. The $10.8m difference combines $2.3m of tax on the operating adjustments and a $13.1m removal the company describes as "the impact of intra-entity IP transactions", arising from changes to its international legal structure in the fourth quarter of 2024 and in 2023, 2021 and 2020. Full-year guidance keeps the same structure, approximately 23% GAAP and 18% adjusted. Net deferred tax assets were $911.3m at 30 June 2026 against $935.1m at 31 December 2025; long-term income taxes payable $639.6m against $649.1m.

11 · GUIDANCE AND THE IMPLIED REQUIREMENT

Guidance and the implied requirement

HEYDUDE revenue guidance was raised 300bp at the midpoint, the group 150bp

FULL-YEAR 2026 LINE	NEW	PREVIOUS	MIDPOINT MOVEMENT
Revenues vs FY2025	up ~1% to 2%	down 1% to up 1%	+150bp
Crocs Brand vs FY2025	up ~2% to 3%	flat to up 2%	+150bp
HEYDUDE Brand vs FY2025	down ~4% to 2%	down 7% to 5%	+300bp

FULL-YEAR 2026 LINE	NEW	PREVIOUS	MIDPOINT MOVEMENT
Adjusted diluted EPS	$13.70 to $14.00	$13.20 to $13.75	+$0.375, +2.8%
Range width	$0.30	$0.55	narrowed $0.25
Adjusted operating margin	above 22.3%	not restated	—
GAAP diluted EPS	$12.47 to $12.77	not restated	—
GAAP / adjusted effective tax rate	~23% / ~18%	not restated	—
Capital expenditure	$70m to $80m	not restated	—

New and previous guidance disclosed in the release; revenue ranges are printed as the company discloses them, in whole points, "at currency rates as of July 27, 2026". Midpoint movements are VGR arithmetic. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

The HEYDUDE raise applies to revenue only; the release gives no brand margin guidance.

The guided full year requires a fourth quarter of $2.88 to $3.28 a share

First-half adjusted diluted earnings per share of $7.52 is realised. The third quarter is guided at $3.20 to $3.30 and the full year at $13.70 to $14.00. Subtracting gives $2.88 where the full-year floor meets the third-quarter ceiling and $3.28 at the other end, $3.08 on the midpoints, and a second half of $6.18 to $6.48. The release carries no prior-year second-half or fourth-quarter comparative, so no year-on-year comparison of the implied figure is calculable from it. The range rests on the company's stated basis that guidance "does not assume any impact from potential future share repurchases".

DERIVATION	ARITHMETIC	RESULT
Implied Q4, low	$13.70 − $7.52 − $3.30	$2.88
Implied Q4, high	$14.00 − $7.52 − $3.20	$3.28
Implied Q4, midpoint basis	$13.85 − $7.52 − $3.25	$3.08
Implied H2	$13.70 − $7.52 to $14.00 − $7.52	$6.18 to $6.48
Q3 guided adjusted operating margin	disclosed	~21.5%
H1 realised adjusted operating margin	disclosed	23.9%
Q2 realised adjusted operating margin	disclosed	25.1%

DERIVATION	ARITHMETIC	RESULT
FY guided adjusted operating margin	disclosed	above 22.3%

Inputs disclosed. Subtraction by VGR; precision bounded, both ends published. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

The guidance excludes IEEPA tariff refunds of unstated amount

The footnote to the full-year reconciliation reads: "During 2026, we expect to incur approximately $25 million of non-GAAP adjustments, primarily associated with our cost reduction initiatives. This estimate does not include the receipt of potential IEEPA tariff refunds, as we are not able to predict the timing quarter-by-quarter. We plan to recognize IEEPA tariff refunds when they are realized or considered realizable, in accordance with the gain contingency model." No amount, range or period is given. Under the gain contingency model a refund enters the result when realised or realisable, so it would sit outside the guided range as constructed. This is the only reference to tariffs in the release. Precision: not calculable.

12 · DISCLOSURE DELTA AND METRICS NOT REPORTED

Disclosure delta and metrics not reported

The release carries condensed statements, a full set of non-GAAP reconciliations and a revenue schedule by segment, channel and geography. The metrics below are not in it.

METRIC	STATUS IN THIS RELEASE
Reason for the gross margin decline	Not given beyond the named adjustments: $6.8m, 57bp of revenue, of the 226bp GAAP decline, leaving the 169bp adjusted decline.
Brand gross profit in dollars	Not disclosed. Brand gross margin percentages only, to one decimal.
Gross margin by channel	Not disclosed. A channel-versus-rate split is not calculable.
Operating profit by brand, channel or region	Not disclosed. Only revenue and gross margin are split.
HEYDUDE by geography	Not disclosed. The company states that "the vast majority" is North America.
Store count, openings, closures, selling area	Not disclosed. Sales density is not calculable.
Comparable sales	Not disclosed for either brand.
Online share of direct-to-consumer	Not disclosed. DTC is one line covering retail and digital.

METRIC	STATUS IN THIS RELEASE
Accounts receivable at 30 June 2025	Not disclosed. No year-on-year DSO is calculable.
Quarterly cash flow statement	Not presented. The quarter appears only in the free cash flow reconciliation.
Amount or timing of IEEPA tariff refunds	Not disclosed. Excluded from guidance by footnote.
Whether tariffs affected the reported quarter	Not stated.
FY2025, Q3 2025 and H2 2025 comparatives	Not in this release, so guidance cannot be converted to dollars or compared year on year from it.
Q3 GAAP-to-non-GAAP reconciliation	Not provided. The company states it cannot reconcile quarterly guidance "without unreasonable efforts".
Net leverage	Defined as a target measure; no figure or target value given.
Dividend	Not referenced.
Inventory by brand, and ageing	Not disclosed. Consolidated balance only.
Employee numbers or restructuring headcount	Not disclosed. Severance of $0.310m is a reconciliation line only.

VGR disclosure check against the full text of the release, including the condensed statements, all non-GAAP reconciliations and the segment, channel and geography schedule. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

13 · THE COMPANY'S ACCOUNT, TESTED

The company's account, tested

Each claim below is quoted from the release and set against the arithmetic in sections 02 to 11.

CLAIM IN THE RELEASE	DISPOSITION AGAINST THE DISCLOSED FIGURES
"Record enterprise revenue"	Supported by the disclosed figures. Revenue of $1,179.5m exceeds the $1,149.4m comparative; the release carries no longer series, so the record is checked against the prior-year quarter only.
"The Crocs Brand surpassing $1 billion in quarterly revenue for the first time ever"	Supported by the disclosed figures. Crocs Brand revenue was $1,000.4m, $0.4m or 0.04% above $1bn.
"A stronger-than-expected second quarter"	Not verifiable from the disclosure. The release restates no prior guidance for Q2 2026, and VGR uses no third-party expectation.

CLAIM IN THE RELEASE	DISPOSITION AGAINST THE DISCLOSED FIGURES
"Healthy direct-to-consumer growth"	Partially supported. DTC revenue rose 12.0% to $655.4m and its share of revenue rose 468bp; DTC gross margin is not disclosed.
"Broad consumer demand across both brands"	The disclosed figures show a different weighting. Crocs Brand revenue rose 4.3%; HEYDUDE revenue fell 5.7%, with DTC up 7.2% and wholesale down 17.2%.
"We are again raising our full-year top- and bottom-line guidance"	Supported by the disclosed figures. Revenue midpoint +150bp, adjusted EPS midpoint +$0.375 or +2.8%, against the previous ranges printed in the release.
"Strong cash flow generation"	Supported by the disclosed figures, on the company's definition: free cash flow $331.0m in the quarter and $232.0m in the half, against $269.2m and $186.6m. The derived first quarter was −$98.9m.
"Disciplined capital allocation, including share repurchase and debt paydown"	Partially supported. Over the six months repurchases were $256.2m, 110.4% of free cash flow, and net borrowings rose $72.0m. Against 30 June 2025 total borrowings fell from $1.38bn to $1.31bn.
Adjusted diluted EPS "increased 7.6% from $4.23"	Supported by the disclosed figures. Adjusted net income over the same comparison fell 5.0% and the share count fell 11.6%, both in the same schedule.
SG&A "decreased 63.5% from $1,136 million"	Supported by the disclosed figures on the GAAP basis, which includes the $737m of prior-year HEYDUDE impairments named in the same sentence. Adjusted SG&A rose 3.1%.

Claims quoted from the release narrative and the CEO quotations. Dispositions use the four terms of the VGR v5 register. Source: Crocs, Inc. press release, 30 July 2026, furnished as Exhibit 99.1 to Form 8-K. USD as published.

14 · METHOD, SOURCES AND PRECISION REGISTER

Method, sources and precision register

Sources

One primary document: the Crocs, Inc. press release of 30 July 2026, "Crocs, Inc. Reports Record Second Quarter 2026 Results; Raises Full-Year 2026 Outlook", Broomfield, Colorado, 07:00 ET, furnished as Exhibit 99.1 to the Form 8-K filed with the U.S. Securities and Exchange Commission on 30 July 2026 under CIK 0001334036, accession 0001334036-26-000050. The 8-K confirms at Item 2.02 that the release is furnished as Exhibit 99.1 and sets out at Item 8.01 the terms of the repurchase authorisation increase used in section 09. No press coverage, analyst material or third-party estimate was used.

Basis of preparation

— Reporting currency is U.S. dollars as published. No figure has been converted.

- Constant-currency figures are the company's own. VGR has applied no exchange rates.
- The prior-year second quarter includes $737m of HEYDUDE impairments within SG&A. Adjusted measures are used for every year-on-year comparison at and below that line, with GAAP figures alongside.
- First-quarter 2026 and 2025 figures are six months less the disclosed second quarter and are labelled derived.
- Ratios are recomputed from the disclosed dollars; basis-point movements use unrounded ratios. Every VGR percentage is printed to one decimal; rates the company discloses in whole points, such as its guidance ranges, are printed as disclosed.
- No metric has been created by dividing one growth rate by another.

Precision register

DERIVED QUANTITY	PRECISION	NOTE
Adjusted EPS on the prior-year share count, $4.02	exact	$225,674k ÷ 56,148k.
Share-count effect of $0.53 a share	exact	$4.547 less $4.019, both from disclosed inputs.
Margin bridge, 169bp + 17bp = 186bp	exact	Recomputed from disclosed dollars; components sum to the total.
Growth composition shares, including 161.0%	exact	Components sum to the disclosed $30,095k.
Channel mix, 55.6% against 50.9%	exact	VGR sums of the disclosed brand channel lines.
Q1 revenue, gross margin, operating and net income	exact	Six months less the disclosed second quarter.
Q1 free cash flow of −$98.9m	exact	Disclosed half less disclosed quarter.
Brand gross profit in dollars	bounded	Products of disclosed revenue and one-decimal margins; sum $703.4m against a disclosed $700.7m.
Inventory change year on year, ≈−3.9%	bounded	June 2025 figure disclosed only as $405m; range −3.8% to −4.0%.
Implied Q4 adjusted EPS	bounded	$2.88 to $3.28; midpoint basis $3.08.
Authorisation at 38.9% of shares outstanding	exact on the inputs	Sizing at the disclosed Q2 average price; not a forecast.
Year-on-year receivables and DSO	not calculable	Accounts receivable at 30 June 2025 not disclosed.

DERIVED QUANTITY	PRECISION	NOTE
Channel-versus-rate split of brand margins	not calculable	Gross margin by channel not disclosed.
IEEPA tariff refund effect	not calculable	No amount and no timing disclosed.
Guidance in dollars	not calculable	FY2025 and Q3 2025 comparatives not in this release.

Exact: arithmetic on two disclosed numbers. Bounded: both ends stated. Not calculable: the missing input is named.

Cross-foot record

- The segment, channel and geography schedule foots to consolidated revenue of $1,179,468k for the quarter and $2,100,925k for the half.
- Crocs Brand North America and International sum to Crocs Brand; Crocs Brand and HEYDUDE sum to consolidated, in the quarter and the half.
- The five components of the group revenue change sum to the disclosed $30,095k.
- Adjusted operating margin components sum to the change: 169bp plus 17bp equals 186bp.
- Non-GAAP net income divided by non-GAAP diluted shares reproduces the disclosed $4.55 and $4.23 for the quarter and $7.52 and $7.21 for the half.
- Effective tax rates recompute to 22.4% GAAP and 17.6% non-GAAP for the quarter, as disclosed.
- Shares outstanding of 48.1m reproduce as 111.0m issued less 62.9m held in treasury.
- Derived brand gross profit sums to $703.4m against a disclosed $700.7m for 2026, and $710.4m against $708.8m for 2025; the difference is rounding in the one-decimal brand margins.

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METHODOLOGY

VGR standardised financial analysis methodology v5. Restatement before measurement; arithmetic before language; every finding names the disclosure that would settle it. Revised 30 September 2026 to methodology v5; first published 17 August 2026.

PRIMARY SOURCE

Crocs, Inc., "Crocs, Inc. Reports Record Second Quarter 2026 Results; Raises Full-Year 2026 Outlook", Broomfield, Colorado, 30 July 2026, 07:00 ET. Furnished as Exhibit 99.1 to Form 8-K filed 30 July 2026 with the U.S. Securities and Exchange Commission, CIK 0001334036, accession 0001334036-26-000050. Three and six months ended 30 June 2026. https://www.sec.gov/Archives/edgar/data/1334036/000133403626000050/croxq22026-pressrelease.htm

WORKING RECORD

Crocs_Q2_2026_Source_Figures.md, with company-disclosed figures and VGR-derived arithmetic in separate parts and a register of the metrics the release does not report. Figures in U.S. dollars as published; nothing converted.

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