



ALPHA  **CHALLENGE**
Kenan-Flagler Business School
The University of North Carolina

December 5, 2024

Team Number: 1

Students:

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Investment Recommendation:

- **BUY** Crocs Inc., 4.125% Senior Unsecured Note 8/15/31 (BB) trading at 87.177 – 6.498% yield to worst and 215bps OAS
- **Target Spread:** 170bps and a base-case total return of 8.4%

- **Capital Structure:** Common Equity \$6,182.6MM | Total Debt \$1,465MM
- **Thesis 1:** Crocs Inc. has built strong brand equity and operations over time, as demonstrated by their increased prices and margins and track record of virality and marketing successes.
- **Thesis 2:** The market is overly pessimistic with HEYDUDE's future growth, as HEYDUDE maintains strong margins and is leveraging the "Crocs brand playbook" to build brand awareness and equity.
- **Thesis 3:** Crocs Inc.'s strong free cash flow generation enables them to quickly deleverage, improving credit metrics and capital structure for unsecured debt holders.

Company Overview

Crocs Inc. is a world leader in casual footwear operating in over 80 countries and generating \$4 billion in annual revenues.

Key Facts:

- Crocs was founded in 2002 and was initially designed to be a slip-resistant boating shoe.
- The company consists of 2 brands: Crocs and HEYDUDE
 - HEYDUDE was purchased by Crocs inc. in 2021 and was formally added to the Crocs Inc. portfolio in 2022.
- Crocs products are sold in over 80 countries through DTC and Wholesale distribution channels

Product Examples:



Clogs/
fuzzy clogs



Collections &
Collaborations



Wendy / Wally



Collections &
Collaborations



Boots



Crocs at Work



Sneakers



Boots



Jibbitz



Socks



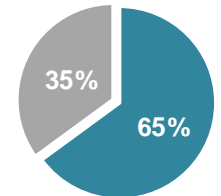
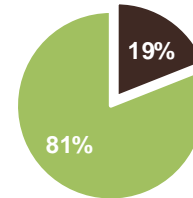
Patches



Insoles

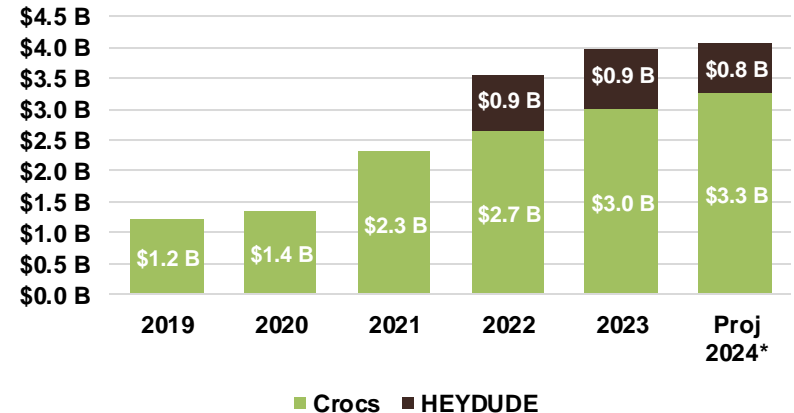
Revenue Breakdown:

By division:



■ HEYDUDE ■ Crocs ■ US ■ International

Annual Revenue:



* Projected revenue is based off management guidance

The 2031 notes are trading at a steep discount to par and have a long duration which will allow for further spread compression.

Notable points:

- The 2031 Notes were selected as the longer duration bonds offer a higher potential yield and spread compression.
- Debt / Equity = 102.8%, Total Debt / EBITDA = 1.3x, Net Debt / EBITDA = 1.2x, EBIT / Interest Expense = 9.7x

Capital Structure:

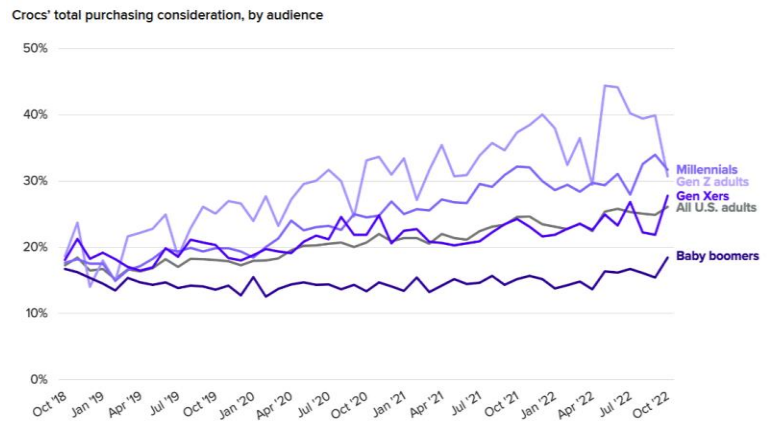
Facility	Debt Out (\$MM)	Secure	Price	Call Price	Next Call Date	Market Value (\$MM)	Current YTW	Coupon	S&P/ Fitch Rating	Spread
Total Secured Debt										
Term Loan B Facility maturing 2029	575	Y	-	-	-	575	-	-	-	-
Revolving Facility	190	Y	-	-	-	190	-	-	-	-
Total Unsecured Debt										
2029 Notes	350	N	92.091	102.125	12/18/24	322.32	6.362%	4.25	BB	201.71
2031 Notes	350	N	87.177	102.063	8/15/31	305.12	6.498%	4.125	BB	215
Total Debt Outstanding	1,465					1,392				
- Cash & Cash Equivalents	186.1					186.1				
Net Debt	1,278.9					1,206.3				
Total Minority Interest	0					0				
Market Capitalization	6,182.6					6,182.6				
Enterprise Value	7,461.5									

Investment Thesis

Thesis 1: Crocs has built strong brand equity and operations over time, as demonstrated by their increased prices and margins and track record of virality and marketing successes.

1 Crocs has strong brand equity and virality, with flexibility to meet macro consumer trends

Crocs total purchasing consideration

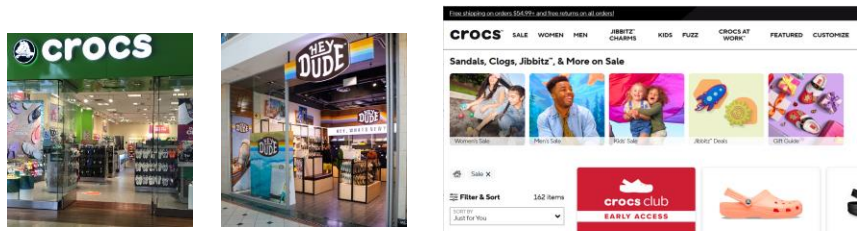


Recent Collaborations

Sold out in hours



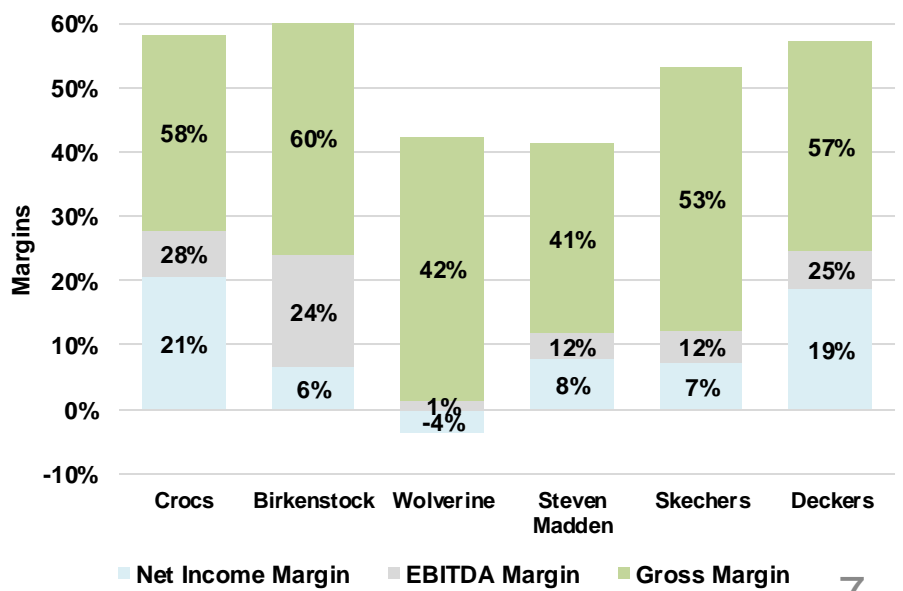
2 Crocs Inc. maintains strong operating margins with a focus on company-owned U.S. DTC sales and distribution



DTC Retail

DTC eCommerce

LTM CROX Peer Margin (%)



Source: Capital IQ.

Thesis 2: The market is overly pessimistic with HEYDUDE's future growth, as HEYDUDE maintains strong margins and is leveraging the "Crocs brand playbook" to build brand awareness and equity.

1 Crocs Inc. has been heavily investing in building HEYDUDE's brand awareness and equity.

Shift from short-term performance marketing to long-term brand marketing



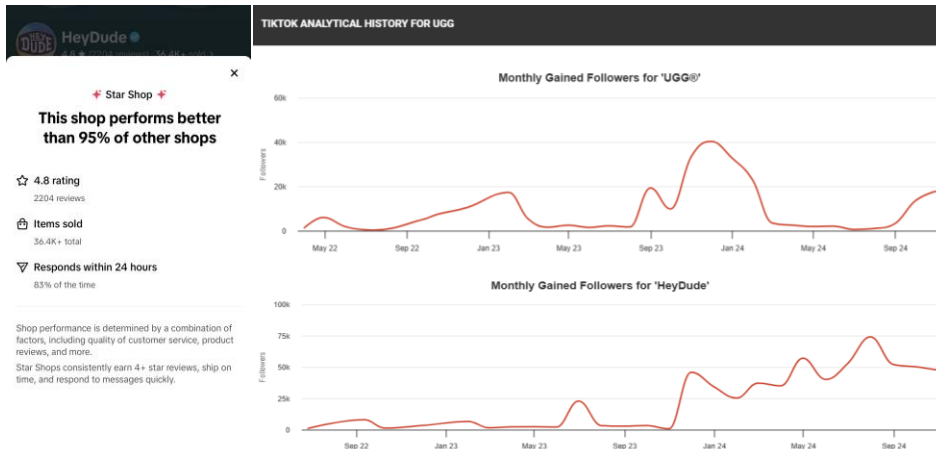
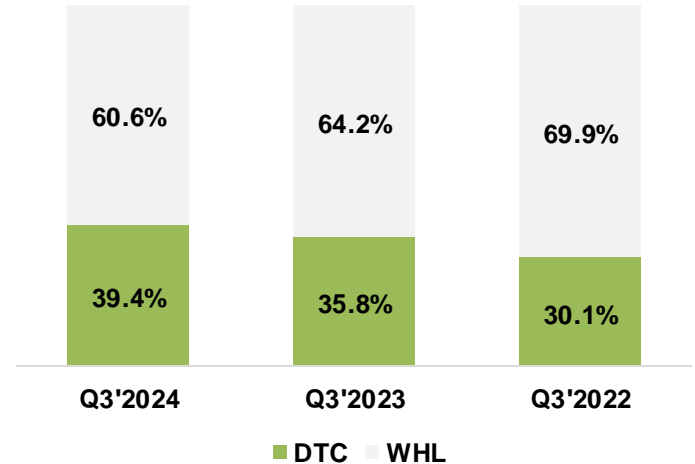
Sydney Sweeney
Global Ambassador

Jelly Roll Collab
sold out in minutes



2 HEYDUDE is building a foundation to scale profitability, with improving margins and strategic channel mix.

Hey Dude Channel Mix Revenues



	Q3 2024	Q3 2023
Avg sell price	\$29.77	\$28.26
Gross margin	47.9%	42.8%

Source: Capital IQ

Thesis 3: Crocs' strong free cash flow generation enables them to quickly deleverage, improving credit metrics and capital structure for unsecured debt holders.

Key Assumptions:

Bear	Crocs Revenue Growth (annual): 0% US, 5% INT HEYDUDE Revenue Growth (annual): -15%	Gross Margin Crocs: 50% Gross Margin HEYDUDE:35%
Base	Crocs Revenue Growth: 3% US, 8% INT HEYDUDE Revenue Growth: 0% in 2025; 5% beginning in 2026	Gross Margin Crocs: 62% Gross Margin HEYDUDE:48%
Bull	Crocs Revenue Growth: 8% US, 15% INT HEYDUDE Revenue Growth: 10%	Gross Margin Crocs: 66% Gross Margin HEYDUDE: 50%

USD Millions	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2027 Bear	2027 Bull
Revenues	1,386	2,313	3,555	3,962	4,151	4,364	4,590	4,830	3,967	5,664
EBITDA	242	715	890	1,091	1,147	1,178	1,278	1,358	651	1,634
Net Income (Loss)	313	726	540	793	769	823	885	993	431	1,211
Cash from Ops.	267	567	603	930	803	1,024	793	1,130	463	1,303
Free Cash Flow	225	511	499	815	731	933	700	1,044	377	1,218
Cash & Cash Equivalents	136	213	192	149	125	184	708	1,755	768	1,998
Total Assets	1,119	1,545	4,502	4,644	4,701	4,810	5,299	6,550	5,505	6,950
Long-term Debt	180	771	2,298	1,641	1,351	899	722	722	830	678
EBITDA Margin	17.4%	30.9%	25.0%	27.5%	27.6%	27.0%	27.9%	28.1%	16.4%	28.9%
Total Debt/EBITDA	0.74x	1.08x	2.61x	1.53x	1.18x	0.76x	0.57x	0.53x	1.27x	0.41x
Net Debt/EBITDA	0.18x	0.78x	2.39x	1.39x	1.07x	0.61x	0.01x	-0.76x	0.09x	-0.81x
EBITDA / Interest Exp.	35.85x	33.03x	6.54x	6.76x	10.32x	12.53x	17.01x	37.97x	15.85x	48.69x

Source: Own financial Projections

IG Metrics

Valuation & Risk

Our base case valuation calls for 170bps target spread in one year, for total annualized return of 8.8% (returns calculated based on 2031 bonds).

Scenario Analysis:

- **Bear:** 4.6% return 1Y.
Target Spread 250.
- **Base:** 8.4% return 1Y.
Target Spread 170
- **Bull:** 11.3% return 1Y.
Target Spread 110

	Moody's	S&P	Base	Bear	Bull
Upgrade Trigger	Rev growth HEYDUDE>0% Var Margins YoY>0% Debt/EBITDA<2x EBITDA/Int exp>3.5x	Rev growth Crocs>0% Rev growth HEYDUDE>0% Debt/EBITDA<2x	Met	Not Met	Met
Downgrade Trigger	Debt/EBITDA>3.5x EBITDA/Int exp<2.75x	Rev growth<0% Debt/EBITDA>2x	Not Met	Partially Met	Not Met

Issuer	Security	OAS	Amt Out	Coupon	Maturity Date	Price	Yield	D/E	Net Debt/EBITDA	S&P	Moody	Fitch
Crocs Inc	CROX 4 1/8 08/31	215	350MM	4.125	15/08/2031	87.14	6.51	0.82x	1.07x	BB	B2	N.A.
Wolverine World Wide	WWW 4 08/29	288	550MM	4	15/08/2029	87.42	7.18	2.89x	10.60x	B-	Caa2	N.A.
Bath & Body Works	BBWI 6.95 03/33	257	284MM	6.95	1/03/2033	99.88	6.97	-3.12x	2.40x	B+	B1	WD
GAP	GAP 3 7/8 10/31	188	750MM	3.875	1/10/2031	86.79	6.27	1.88x	1.20x	BB	B1	N.A.
VF Corp	VFC 2.95 04/30	167	750MM	2.95	23/04/2030	86.09	5.99	5.24x	5.10x	BB	Ba1	N.A.
GAP	GAP 3 5/8 10/29	164	750MM	3.625	1/10/2029	90.28	5.95	1.88x	1.20x	BB	B1	N.A.
LEVI	LEVI 3 1/2 03/31	142	500MM	3.5	1/03/2031	88.03	5.8	1.20x	1.50x	BB+	Ba2	BB+
Under Armour	UA 3 1/4 06/26	119	600MM	3.25	15/06/2026	96.7	5.46	0.67x	1.40x	BB-	Ba3	N.A.

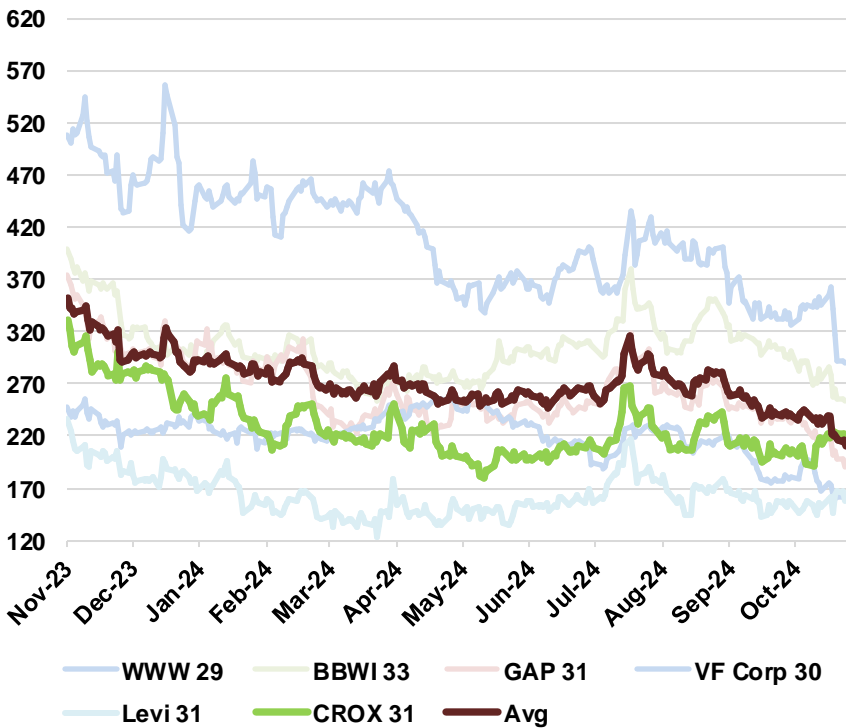
Source: Bloomberg

Note: Comp Table (as of 11/17/2024)

Crocs Inc.'s current spread offers a compression opportunity, trading at a historical discount despite strong cash flow and margins that justify a peer premium.

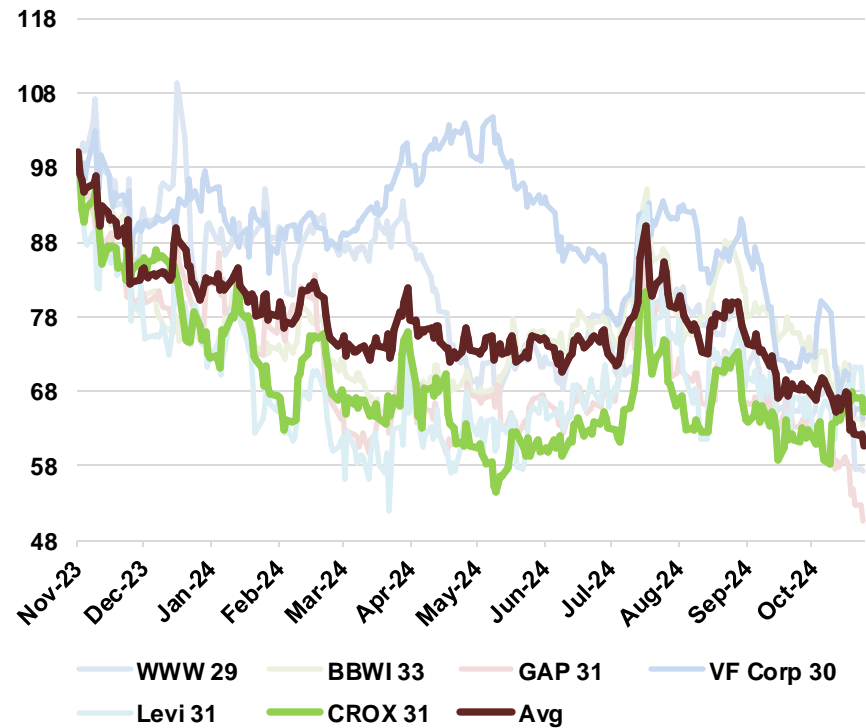
- OAS Spread**
- CROX current spread appears undervalued compared to its history and financial numbers.
 - Spread should be trading closer to 170.

OAS Spread 1Y



Source: Bloomberg

Normalized Spread 1Y



Source: Bloomberg

Risks and Mitigants

Risks	Mitigants
Crocs Inc.'s large international business leads to currency risk	Crocs Inc. actively uses derivatives to hedge currency risk
All manufacturing and supply chain is done through third-party contracts with overseas countries	Crocs Inc. has been working to diversify their supply chain over the past few years with a particular focus on reducing reliance on China. Products are manufactured in Argentina, Bosnia-Herzegovina, Brazil, China, Indonesia, Mexico, India and Vietnam.
Buyback program and authorization, especially when the price of the stock is low	Crocs Inc. must maintain at least a 2:1 fixed charge coverage ratio after any repurchases are made.
Dependency on brand and management	Crocs Inc. and management have proven track records in building and monetizing brand equity and have shown success in recent limited drops selling out quickly. In particular, the company recently hired Terence Reilly to run HEYDUDE. Prior to this role, Terence Reilly was responsible for the branding strategy that took Stanley from \$70M to \$750M in annual revenue.
Low diversification of revenue sources / brands	Crocs Inc. has been investing in and building new revenue streams (e.g., Jibbitz), and HEYDUDE represents the potential to begin building a house of brands like Deckers.
Management may be considering additional large M&A opportunities	Crocs Inc. management is incentivized to become investment grade and must maintain at least a 2:1 fixed charge coverage ratio after any M&A activities.
Bonds have low trading liquidity	We recommend Crocs Inc. bonds as a buy and hold strategy.

Appendix

Modeled Balance Sheet

Currency
Units
Fiscal Year

USD
Thousands
Jan-Jan

Legend
Text
Formula
Projection
Ratio
Non-Relevant Item
Constant Ratio

	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E
Cash and Cash Equivalents	135,802	213,197	191,629	149,288	124,940	210,714	777,332	1,997,578	3,187,020	4,834,982	6,493,606	8,628,423
Accounts Receivables	160,663	194,881	314,436	326,818	413,889	445,410	447,808	571,430	564,093	684,349	713,918	842,340
Incomes Taxes Receivable	1,857	22,301	14,752	4,413	2,913	2,913	2,913	2,913	2,913	2,913	2,913	2,913
Inventories	175,121	213,520	471,551	385,054	389,806	385,283	453,204	552,331	564,029	676,333	702,884	831,941
Prepaid Expenses and Other Assets	17,856	22,605	33,605	45,129	45,226	42,926	33,242	34,370	40,179	39,189	37,981	36,992
Restricted Cash	1,542	65	2	2	0	0						
Total Current Assets	492,841	666,569	1,025,975	910,704	976,773	1,087,247	1,714,500	3,158,621	4,358,234	6,237,765	7,951,302	10,342,609
Operating Lease Right-of-use Assets	167,421	160,768	239,905	287,440	303,758	303,758	303,758	303,758	303,758	303,758	303,758	303,758
Plant, Property and Equipment, Net	57,467	108,398	181,529	238,315	250,499	284,796	319,621	345,327	375,329	404,013	430,961	458,231
Deferred Tax Asset	350,784	567,201	528,278	667,972	659,861	659,861	659,861	659,861	659,861	659,861	659,861	659,861
Goodwill	1,719	1,600	714,814	711,588	711,602	711,602	711,602	711,602	711,602	711,602	711,602	711,602
Other Intangible Asset, Net	37,636	28,802	1,800,167	1,792,562	1,781,284	1,772,848	1,762,991	1,753,844	1,744,342	1,735,018	1,725,605	1,716,236
Restricted Cash	1,929	3,663	3,254	3,807	0	0						
Other Assets	8,926	8,067	7,875	31,446	17,053	17,053	17,053	17,053	17,053	17,053	17,053	17,053
Total Non Current Assets	625,882	878,499	3,475,822	3,733,130	3,724,057	3,749,918	3,774,886	3,791,444	3,811,945	3,831,305	3,848,840	3,866,741
Total Assets	1,118,723	1,545,068	4,501,797	4,643,834	4,700,830	4,837,164	5,489,386	6,950,066	8,170,179	10,069,071	11,800,142	14,209,351
Accounts Payable	112,778	162,145	230,821	260,978	281,399	402,056	215,977	474,723	282,460	553,821	412,552	676,142
Accrued Expenses	126,704	166,887	239,424	285,771	212,204	233,375	243,783	229,788	235,649	236,407	233,948	235,334
Current Portion of Long-term Debt	0	0	24,362	23,328	0	0	0	0	0	0	0	0
Current Lease Liabilities	47,064	42,932	57,456	62,267	66,900	66,900	66,900	66,900	66,900	66,900	66,900	66,900
Income Taxes Payable	5,038	16,279	89,211	65,952	106,753	106,753	106,753	106,753	106,753	106,753	106,753	106,753
Total Current Liabilities	291,584	388,243	641,274	698,296	667,256	809,084	633,413	878,163	691,762	963,880	820,153	1,085,130
Long-term Debt	180,000	771,390	2,298,027	1,640,996	1,351,260	872,008	677,975	677,975	677,975	677,975	677,975	677,975
Long-term Lease Liabilities	146,401	149,237	215,119	269,769	285,879	288,888	291,229	293,676	296,232	298,904	301,696	304,614
Deferred Tax Liabilities	0	176	302,030	12,912	12,824	12,824	12,824	12,824	12,824	12,824	12,824	12,824
Other Liabilities	4,131	2,372	2,579	2,767	3,067	2,728	2,854	2,883	2,822	2,853	2,853	2,843
Deferred Income Taxes	205,974	219,568	224,837	565,171	572,362	572,362	569,965	571,563	571,297	570,942	571,267	571,168
Total Non Current Liabilities	536,506	1,142,743	3,042,592	2,491,615	2,225,393	1,748,810	1,554,847	1,558,921	1,561,150	1,563,498	1,566,615	1,569,424
Total Liabilities	828,090	1,530,986	3,683,866	3,189,911	2,892,649	2,557,894	2,188,261	2,437,084	2,252,912	2,527,378	2,386,768	2,654,554
Common Stock - Par Value	105	106	110	110	110	110	110	110	110	110	110	110
Additional Paid in Capital	482,385	496,036	797,614	826,685	851,228	851,228	851,228	851,228	851,228	851,228	851,228	851,228
Treasury Stock - Common	-688,849	-1,684,262	-1,695,501	-1,888,869	-2,329,548	-2,736,436	-2,737,897	-2,736,690	-2,737,008	-2,737,199	-2,736,966	-2,737,057
Retained Earnings (Accumulated Deficit)	553,346	1,279,040	1,819,199	2,611,765	3,380,954	4,266,937	5,285,317	6,496,588	7,902,422	9,526,010	11,397,734	13,539,408
Other - + other accumulated	-56,354	-76,838	-103,491	-95,768	-94,563	-102,568	-97,633	-98,254	-99,485	-98,457	-98,732	-98,891
Total Shareholders Equity	290,633	14,082	817,931	1,453,923	1,808,182	2,279,271	3,301,125	4,512,982	5,917,267	7,541,692	9,413,374	11,554,797
Total Liabilities & Shareholders Equity	1,118,723	1,545,068	4,501,797	4,643,834	4,700,830	4,837,164	5,489,386	6,950,066	8,170,179	10,069,071	11,800,142	14,209,351

Modeled Cash Flow

Currency USD
Units Thousands
Fiscal Year Jan-Jan

Legend
Text Formula
Projection Non-Relevant Item
Constant Ratio

Income Statement	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E
Cash Flow												
Net Income	312,861	725,694	540,159	792,566	769,189	885,982	1,018,381	1,211,271	1,405,834	1,623,588	1,871,723	2,141,674
Depreciation & Amort.	27,619	31,976	39,229	54,304	68,106	65,303	67,902	68,726	69,273	69,949	70,588	71,167
Other Assets related	21,411	310	9,063	9,706								
Stock-Based Compensation	16,361	38,122	31,303	29,072	it is considered in the variation of accrued expenses							
Other Operating Activities	-49,253	-166,427	126,458	-7,261								
Change in Acc. Receivable	-47,045	-35,063	-56,766	-13,317	-89,130	-31,521	-2,398	-123,622	7,337	-120,256	-29,569	-128,422
Change In Inventories	-4,468	-41,799	-88,844	88,428	-4,632	4,523	-67,921	-99,127	-11,698	-112,304	-26,551	-129,058
Change in Acc. Payable	45,587	73,316	80,330	83,892	-58,117	141,828	-186,079	258,746	-192,263	271,361	-141,269	263,590
Change in Other Net Operating Assets	-33,800	-20,500	-39,200	-60,300	-67,478	26,479	22,433	-12,677	2,609	4,420	1,541	5,293
Cash from Ops.	266,902	567,165	603,142	930,444	802,709	1,092,594	852,318	1,303,318	1,281,091	1,736,759	1,746,463	2,224,245
Capital Expenditure	-42,033	-55,916	-104,190	-115,625	-71,821	-91,164	-92,870	-85,285	-89,773	-89,309	-88,123	-89,068
Cash Acquisitions	0	0	-2,046,881	0	0	0	0	0	0	0	0	0
Divestitures	0	0	0	0								
Other Investing Activities	271	-9	-20	-46								
Cash from Investing	-41,762	-55,925	-2,151,091	-115,671	-71,821	-91,164	-92,870	-85,285	-89,773	-89,309	-88,123	-89,068
Proceeds from Bank Borrowings	210,000	390,000	2,169,898	257,905								
Repayment of Bank Borrowings	-235,000	-485,000	-575,285	-923,703								
Total Use of Revolving line of Credit	-25,000	-95,000	1,594,613	-665,798	-318,941	-479,253	-194,032					
Long-Term Debt Issued	0	700,000	0	0								
Long-Term Debt Repaid	0	0	0	0	0	0						
Total LT Debt	0	700,000	0	0	0	0	0	0		0	0	0
Repurchase of Common Stock	-173,892	-1,020,119	-11,477	-192,105	-437,775	-406,888	-1,461	1,207	-318	-191	233	-92
Total Dividends Paid	0	0	0	0								
Other Financing Activities	854	-14,519	-53,477	-1,736	-2,759	-29,515	2,664	1,005	-1,558	704	50	-268
Cash from Financing	-198,038	-429,638	1,529,659	-859,639	-759,474	-915,656	-192,830	2,213	-1,876	513	283	-360
Foreign Exchange Rate Adj.	126	-3,950	-3,750	3,078								
Net Change in Cash	27,228	77,652	-22,040	-41,788	-28,157	85,774	566,618	1,220,245	1,189,442	1,647,962	1,658,624	2,134,817

Modeled Key Ratios

Currency
Units
Fiscal Year

USD
Thousands
Jan-Jan

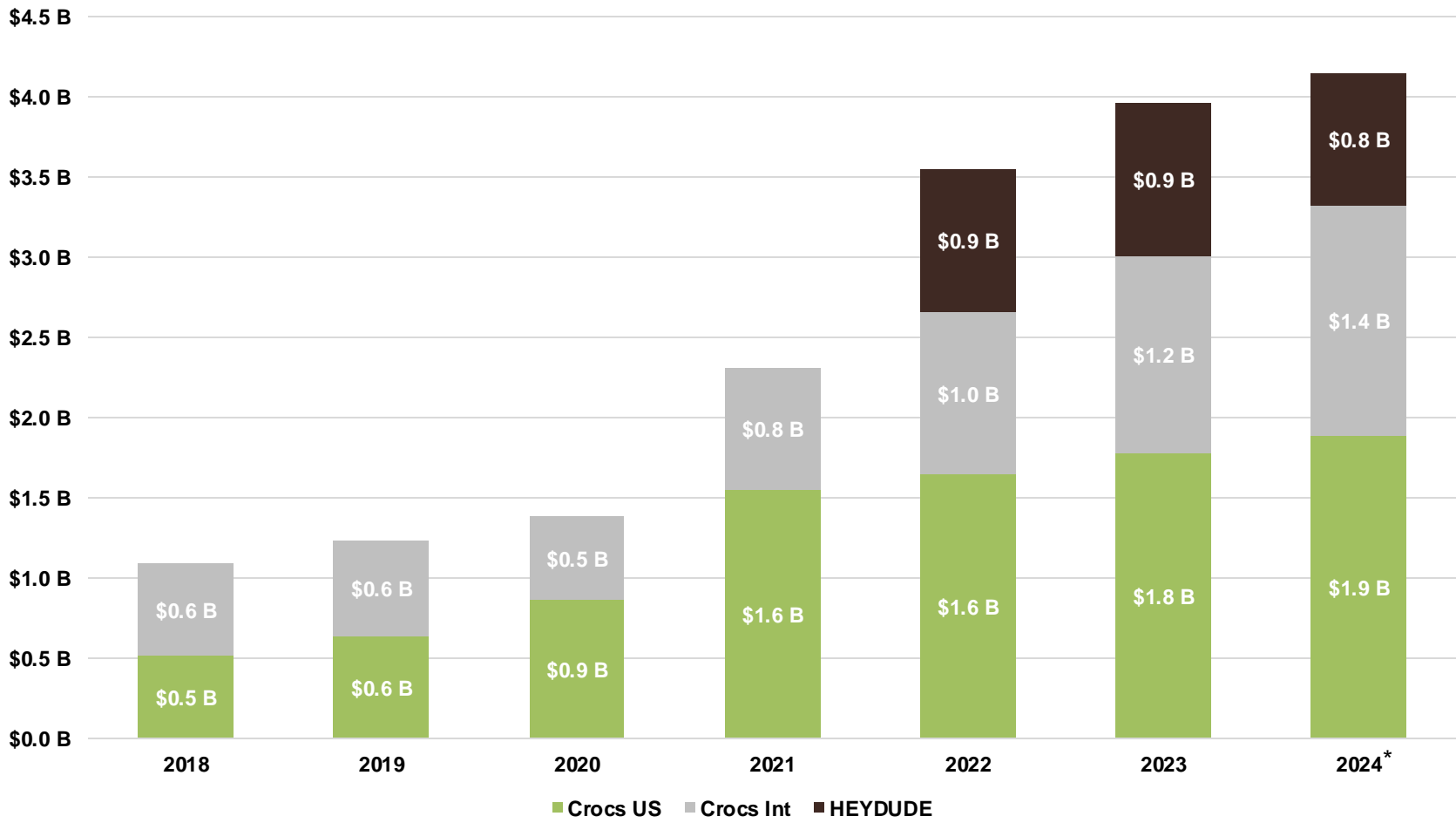
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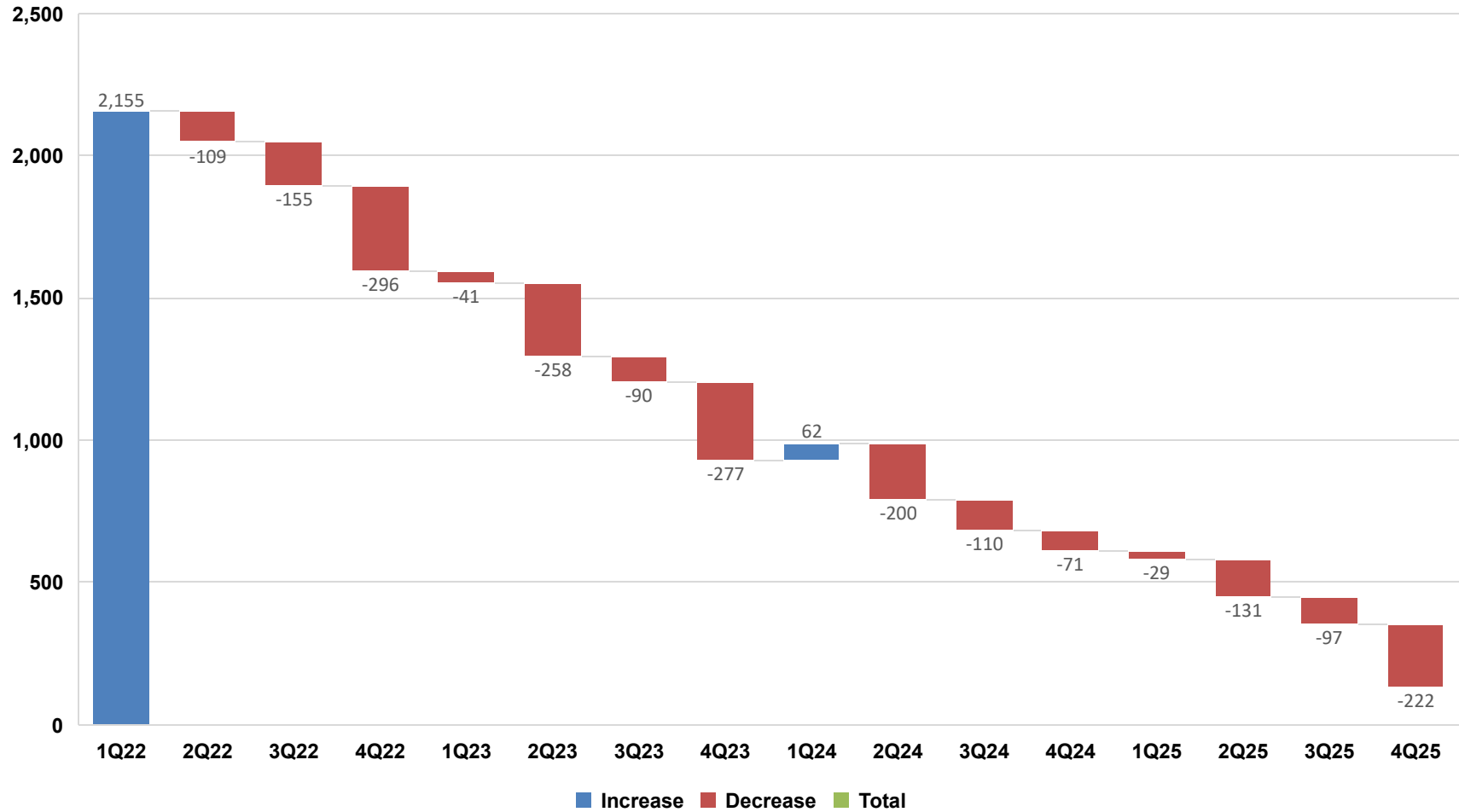
Income Statement	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E
Profitability												
ROA	27.96%	46.97%	12.00%	17.07%	16.36%	18.32%	18.55%	17.43%	17.21%	16.12%	15.86%	15.07%
ROE	107.63%	5153.34%	66.04%	54.51%	42.54%	38.87%	30.85%	26.84%	23.76%	21.53%	19.88%	18.53%
Asset Turnover												
Total Asset Turnover	1.49x	1.74x	1.18x	0.87x	0.89x	0.96x	0.99x	0.91x	0.83x	0.77x	0.71x	0.67x
Fixed Asset Turnover	26.43x	27.90x	24.52x	18.88x	16.98x	17.19x	16.88x	17.03x	17.46x	17.95x	18.65x	19.50x
Accounts Receivable Turnover	9.99x	13.01x	13.96x	12.36x	11.21x	10.71x	11.42x	11.11x	11.08x	11.21x	11.13x	11.14x
Inventory Turnover	3.66x	4.60x	4.95x	4.09x	4.39x	4.85x	4.60x	4.60x	4.60x	4.60x	4.60x	4.60x
Accounts Payable Turnover	6.10x	6.50x	8.63x	7.13x	6.28x	5.50x	6.75x	6.70x	6.78x	6.82x	6.57x	6.49x
Cash conversion cycle												
Days of inventory	75.28	50.58	56.81	66.60	56.69	42.39	56.41	56.90	57.67	57.62	55.76	55.06
Days of Sales outstanding	98.25	78.32	72.76	87.99	81.91	74.18	78.26	78.26	78.26	78.26	78.26	78.26
Days Payable	36.05	27.66	25.79	29.13	32.12	33.62	31.51	32.39	32.49	32.12	32.33	32.31
Short Term Liquidity												
Current Ratio	59.02	55.40	41.74	50.52	57.34	65.41	53.36	53.76	53.08	52.77	54.83	55.51
Quick Ratio	1.69x	1.72x	1.60x	1.30x	1.46x	1.34x	2.71x	3.60x	6.30x	6.47x	9.69x	9.53x
Long Term Solvency												
Total Debt/Equity	1.09x	1.17x	0.86x	0.75x	0.88x	0.87x	1.99x	2.97x	5.48x	5.77x	8.84x	8.76x
Total Debt/Capital	0.62x	54.78x	2.84x	1.14x	0.75x	0.38x	0.21x	0.15x	0.11x	0.09x	0.07x	0.06x
LT Debt/Equity	0.37x	1.56x	2.91x	2.01x	1.59x	1.02x	0.80x	0.80x	0.80x	0.80x	0.80x	0.80x
LT Debt/Capital	0.62x	54.78x	2.81x	1.13x	0.75x	0.38x	0.21x	0.15x	0.11x	0.09x	0.07x	0.06x
Total Liabilities/Total Assets	0.37x	1.56x	2.88x	1.99x	1.59x	1.02x	0.80x	0.80x	0.80x	0.80x	0.80x	0.80x
Credit Ratios												
EBIT / Interest Exp.	0.74x	1.08x	2.61x	1.53x	1.18x	0.69x	0.47x	0.41x	0.37x	0.33x	0.29x	0.26x
EBITDA / Interest Exp.	0.18x	0.78x	2.39x	1.39x	1.07x	0.53x	-0.07x	-0.81x	-1.36x	-2.00x	-2.49x	-3.03x
(EBITDA-CAPEX) / Interest Exp.	0.90x	1.17x	2.96x	1.71x	1.26x	0.75x	0.50x	0.44x	0.39x	0.34x	0.30x	0.27x
Total Debt/EBITDA	0.21x	0.85x	2.71x	1.55x	1.14x	0.57x	-0.07x	-0.85x	-1.43x	-2.09x	-2.58x	-3.13x
Net Debt/EBITDA												
Total Debt/(EBITDA-CAPEX)												
Net Debt/(EBITDA-CAPEX)												

Crocs Inc. revenue breakdown

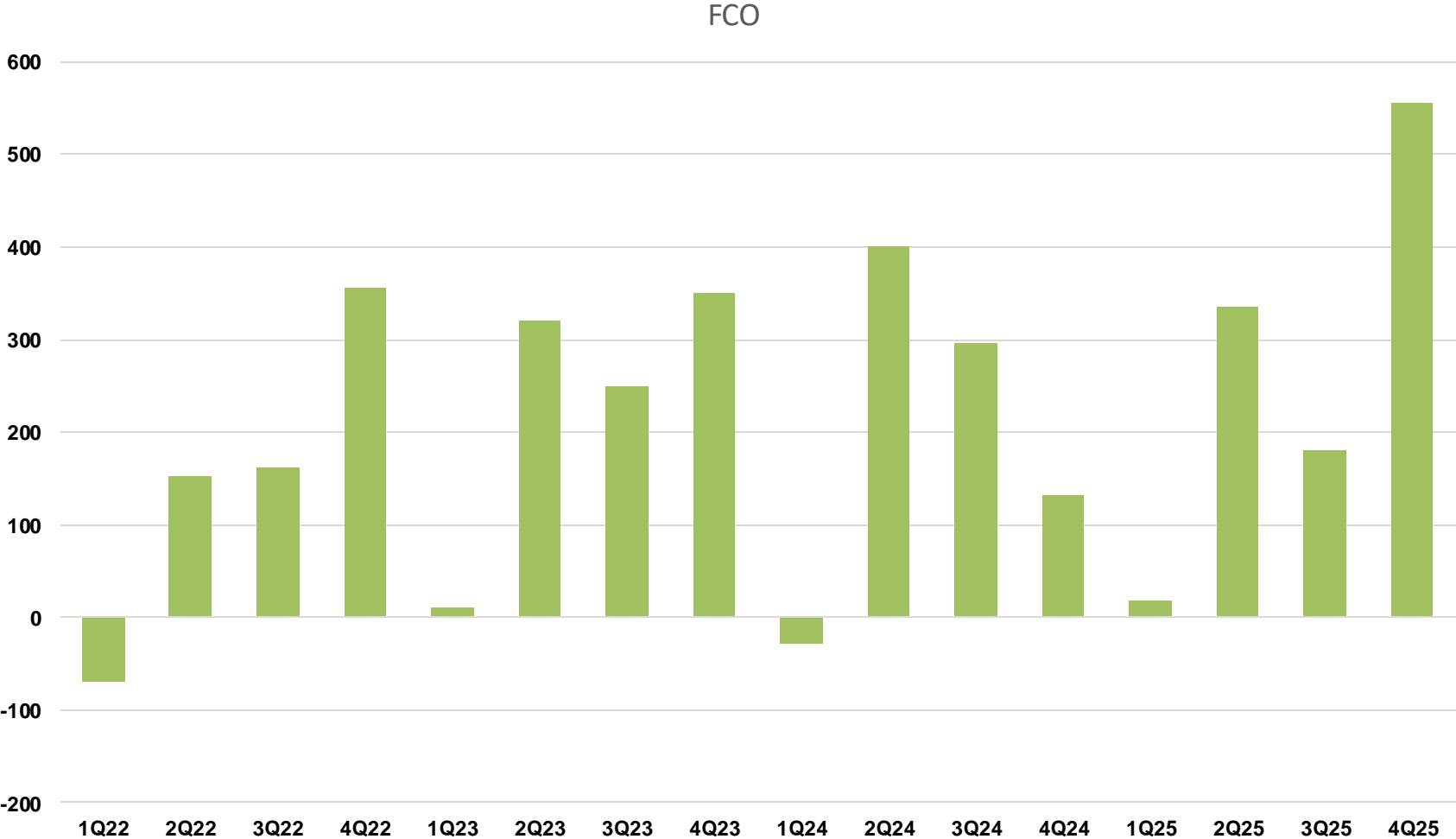


*Based on model projects

Crocs Inc. consistently works to deleverage their capital structure



Free cashflows from operations



CROX 2031 Notes offer an estimated 74% recovery value on investment

High Recovery Value:

- We estimate a 64% recovery for the notes at par. Considering a current price of 87.14, it represent 74% of recovery percent of the investment.

Assets (thousands)	2Q24	Recovery (%)	Recovery
Current Assets			
Cash and Cash Equivalents	186,122	100%	186,122
Accounts Receivables	383,269	75%	287,452
Incomes Taxes Receivable	2,913	0%	0
Inventories	367,191	50%	183,596
Prepaid Expenses and Other Assets	50,923	0%	0
Total Current Assets	990,420		657,169
Non-Current Assets			
Operating Lease Right-of-use Assets	303,758	0	0
Plant, Property and Equipment, Net	243,358	50%	121,679
Deferred Tax Asset	659,861	0%	0
Goodwill	711,602	0%	0
Other Intangible Asset, Net	1,783,677	25%	445,919
Restricted Cash	3,421	0	0
Other Assets	17,053	50%	8,527
Total Non-Current Assets	3,722,730		576,125
Total Assets	4,713,150		1,233,294

Total Recovery	1,233,294
Liquidation cost	61,665
Proceeds Available	1,171,629
1L Secured claims	721,952
Proceeds Available	449,677
1L recovery	100%
Senior Unsecured	700,000
Sr. Unsecured recovery of 100 Nominal	64%



Andrew Rees, CEO

- CEO since 2014
- More than 25 years experience in footwear and retail industry
- Previously served as VP of Strategic Planning and VP of Retail Operations for Reebok



Anne Mehlman, EVP & Brand President Crocs

- Appointed May 2024
- CFO for Crocs from 2018-2024
- Previously CFO for Zappos.com



Terence Reilly, EVP & Brand President HEYDUDE

- Appointed May 2024
- President at Stanley from 2020-2024 where he was responsible for building the company from \$70M to \$750M in revenue
- Before Stanley Terence was the CMO at Crocs