

NASDAQ: CRCT

Financial Results

Q4 2024
March 4, 2025

cricut®



Safe Harbor Statement

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. We intend all forward-looking statements to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the fact that they do not relate strictly to historical or current facts and by the use of forward-looking words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “projects”, “may,” “will” or similar terminology, and include our business opportunity, strategies, capital allocation plans, future financial results and long-term target model. These statements are based on and reflect our current expectations, estimates, assumptions and/or projections as well as our perception of historical trends and current conditions, as well as other factors that we believe are appropriate and reasonable under the circumstances. Forward-looking statements are neither predictions nor guarantees of future events, circumstances or performance and are inherently subject to known and unknown risks, uncertainties and assumptions that could cause our actual results to differ materially from those indicated by those statements. There can be no assurance that our expectations, estimates, assumptions and/or projections, including with respect to the future earnings and performance of Cricut Inc., will prove to be correct or that any of our expectations, estimates or projections will be achieved.

Numerous factors could cause our actual results and events to differ materially from those expressed or implied by forward-looking statements including, but not limited to, risks and uncertainties associated with: our ability to attract and engage with our users; competitive risks; supply chain, manufacturing, distribution and fulfillment risks; international risks, including regulation and tariffs that have materially increased our costs and the potential for further trade barriers or disruptions; sales and marketing risks, including our dependence on sales to brick-and-mortar and online retail partners and our need to continue to grow online sales; risks relating to the complexity of our business, which includes connected machines, custom tools, hundreds of materials, design apps, e-commerce software, subscriptions, content, international production, direct sales, and retail distribution; risks related to product quality, safety and warranty claims and returns; risks related to the fluctuation of our quarterly results of operations and other operating metrics; risks related to intellectual property, cybersecurity and potential data breaches; risks related to our dependence on our Chief Executive Officer; risks related to our status as a “controlled company;” and the impact of economic and geopolitical events, natural disasters and actual or threatened public health emergencies, and any resulting economic slowdown from any of these events or other resulting interruption to our operations. These risks and uncertainties are described in greater detail, or are incorporated by reference, under the heading “Risk Factors” in the most recent Form 10-K or Form 10-Q that we have filed with the Securities and Exchange Commission (“SEC”).

In addition, certain risks and uncertainties not presently known to us or that we currently believe to be immaterial could affect the accuracy of any such forward-looking statements. All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. The forward-looking statements included in these materials are only made as of the date indicated on the relevant materials and we disclaim any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances, except as required by law.

I want to make...

prepare to be wowed 🔍

Apparel & Accessories



Cards



Décor



Everyday Items



Flowers



From idea
to I did it.

cricut®

Back to
School



Mugs &
Drinkware



Gifts



Stickers
& Labels



Parties



Q4 and 2024 Highlights



Sales

- Total sales decreased 9% YoY in Q4 and decreased 7% in 2024
- International sales increased 3% YoY in Q4 and increased 1% in 2024



Profitability

- Operating income of \$13.9M or 6.6% of sales in Q4 and \$76.1M or 10.7% in 2024
- Operating income increased \$6.1M or 9% for the full year 2024 vs. 2023



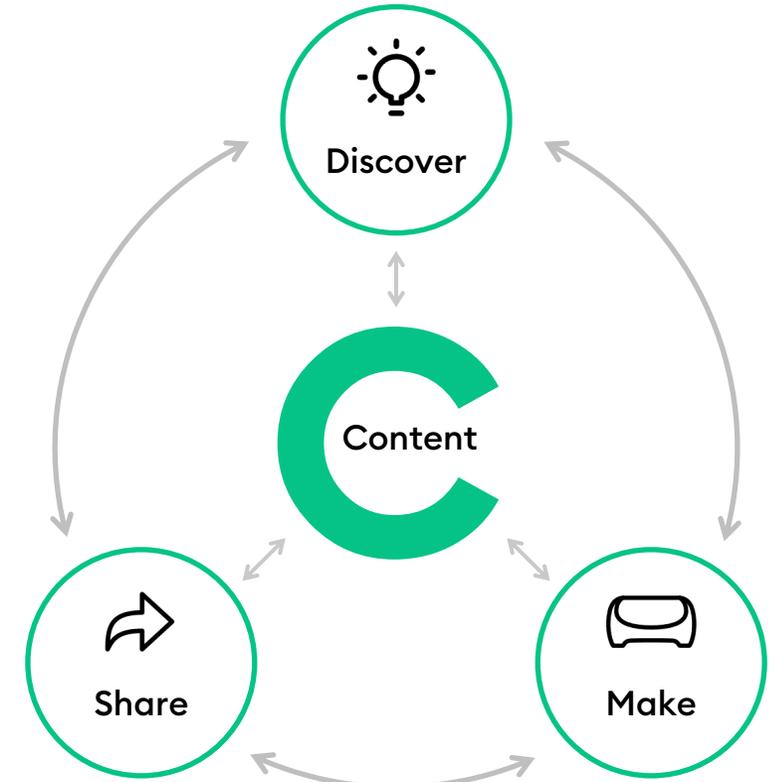
Subscriptions Growth

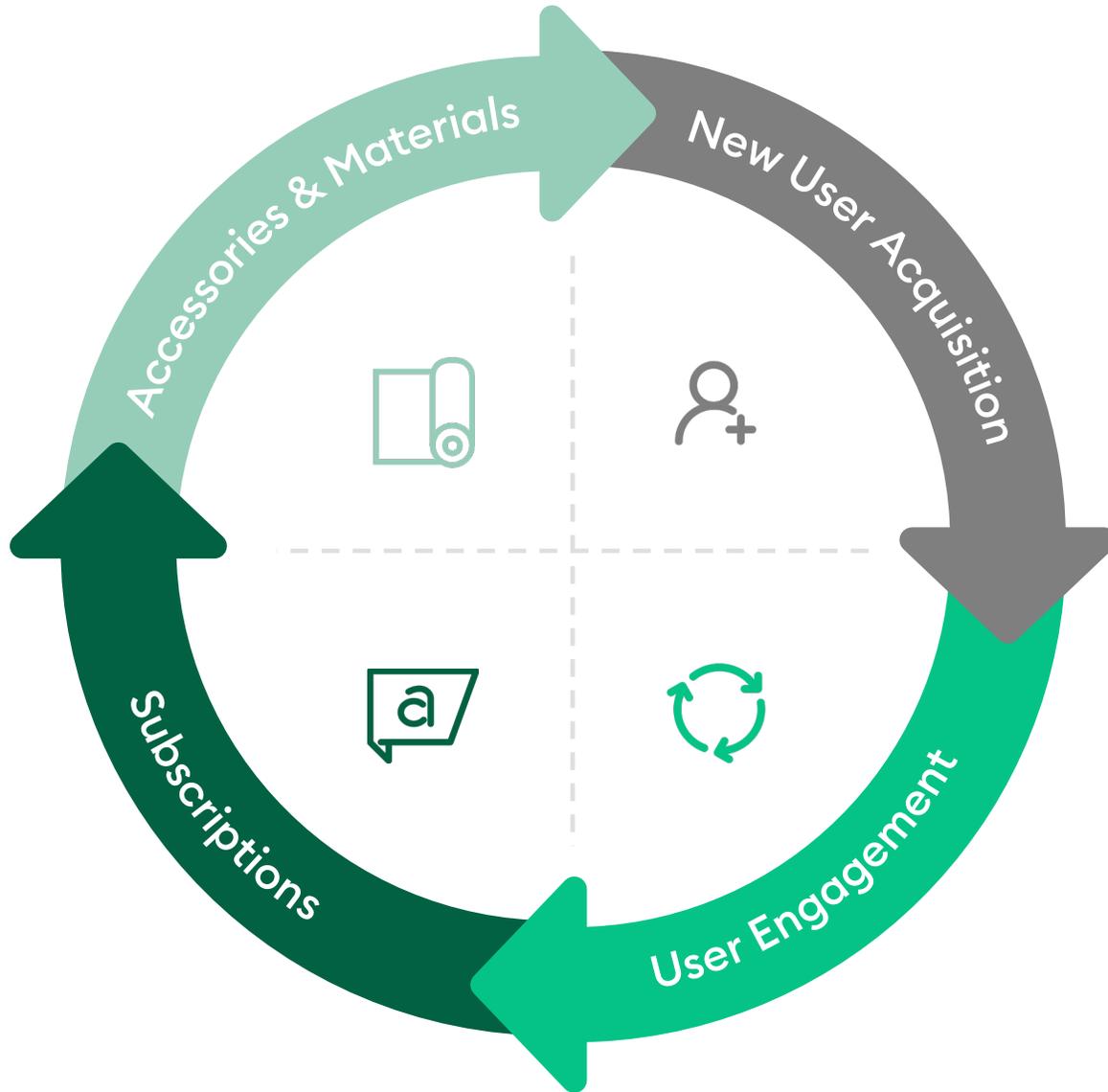
- 2.96M Paid Subscribers, increased 7% YoY



Portfolio Mix

- Platform sales increased 2% YoY in Q4 and increased 1% in 2024
- Connected machines sales decreased 13% YoY in Q4 and decreased 3% in 2024
- Accessories and materials sales decreased 18% YoY in Q4 and decreased 20% in 2024
- Began increasing marketing in 2024 to drive excitement, sales and acquisition





Growth opportunities as the category leader

Clear opportunities to reaccelerate consumer excitement for the brand and category

- Attract more new users to buy connected machines
- Reverse weakening engagement trends
- Re-inject enthusiasm among our users
- More effective competitors in accessories and materials

New product launches empower creators to elevate their projects

Faster, more cost effective, and easier than ever—right out of the box

- Up to **2x faster** than earlier models
- Tools and materials included for up to 10 projects
- Essential Bundle adds more value and materials for up to 100 projects for only \$50 additional
- Positive initial feedback from both retailers and end users



\$ 249

cricut explore[®] 4

Fast. Simple. Amazing.



\$ 399*

cricut maker[®] 4

Powerful. Versatile. Revolutionary.



* Shown with Essentials Bundle Materials (+\$50)

Sage bundles only available at Michaels.
Seashell bundles available on [cricut.com](https://www.cricut.com) & Amazon.



Crafting sunshine this holiday season

cricut *Michael's*
PROJECT sunshine

cricut \$5 donation to Project Sunshine for every Cricut cutting machine purchased at Michaels from **Nov. 22 - Dec. 1** will make a

Fall in love with 50% off.*

Shop Sale

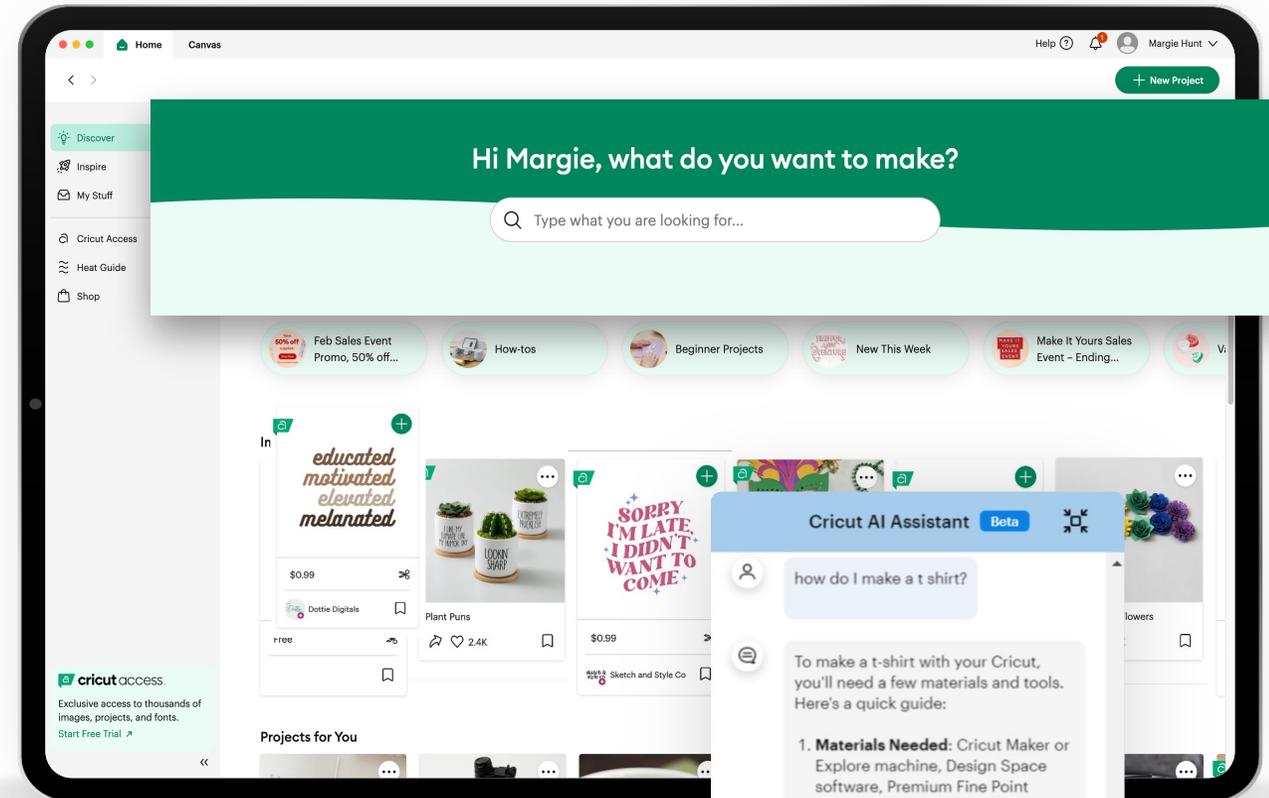


Reaching new users

- Market Mix Analysis shows positive impact on machine sales and attractive ROI
- Increased traffic to [cricut.com](https://www.cricut.com) indicative of marketing success
- Deeper promotional strategy is working to drive connected machine growth

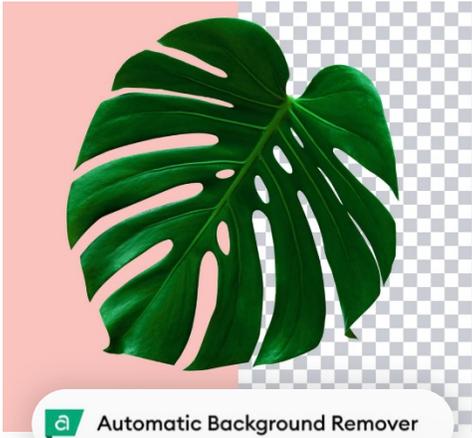
Maximizing engagement for Onboarders & Subscribers

- Successfully making it easier for Onboarders to make projects right out of the box
- More suggestions and guidance for sizing and project types within Design Space
- Increasing marketing messaging both within and outside of our platform
- Continued dedication to simplify our design process to maintain and re-engage our users

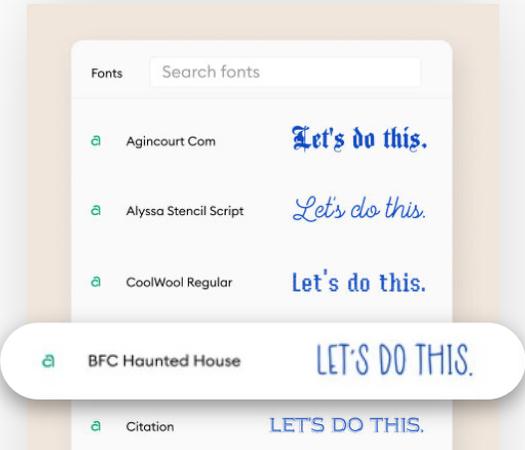
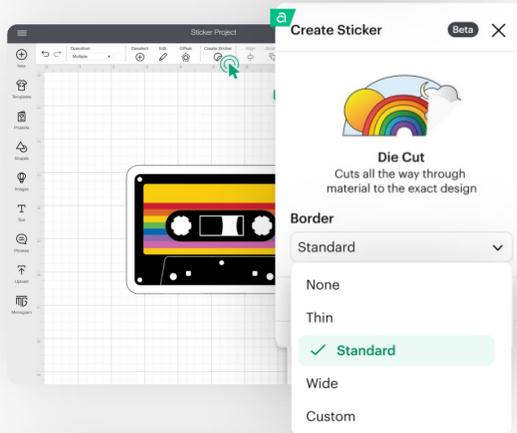


You left behind a masterpiece! 7:47 AM
We've got just the inspo to finish up your artwork.

The search is over! 8:53 AM
We've handpicked some images just for you — check 'em out.



Automatic Background Remover



Positive outlook on subscriptions

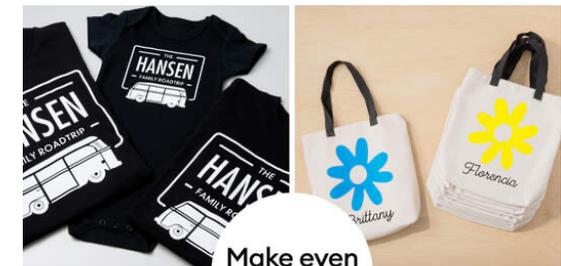
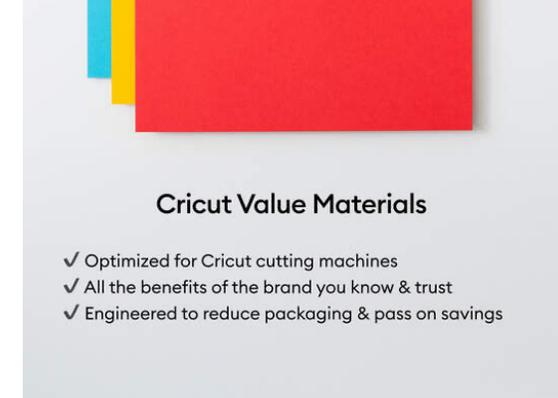
2.96M Paid subscribers
 ↑ 7% YoY

- Paid subscribers growth encouraging
- We retain positive outlook despite quarterly fluctuations
- We expect to see a boost to subscriptions as engagement efforts bear fruit

Accessories & Materials

Continued transformation through innovation and investments

- Additional Cricut Value Material SKUs launched due to consumer demand
- Products that prioritize affordability that work seamlessly with our machines
- Additional innovation, products and cost reductions coming in the quarters ahead
- Intense focus on overall customer experience and generating renewed excitement



Financial Results





Full Year 2024 financial highlights

Revenue

\$712.5M

-7%
YoY Decrease

Operating Income¹

\$76.1M

9%
YoY Increase
10.7%
of Total Revenue

Net Income

\$62.8M

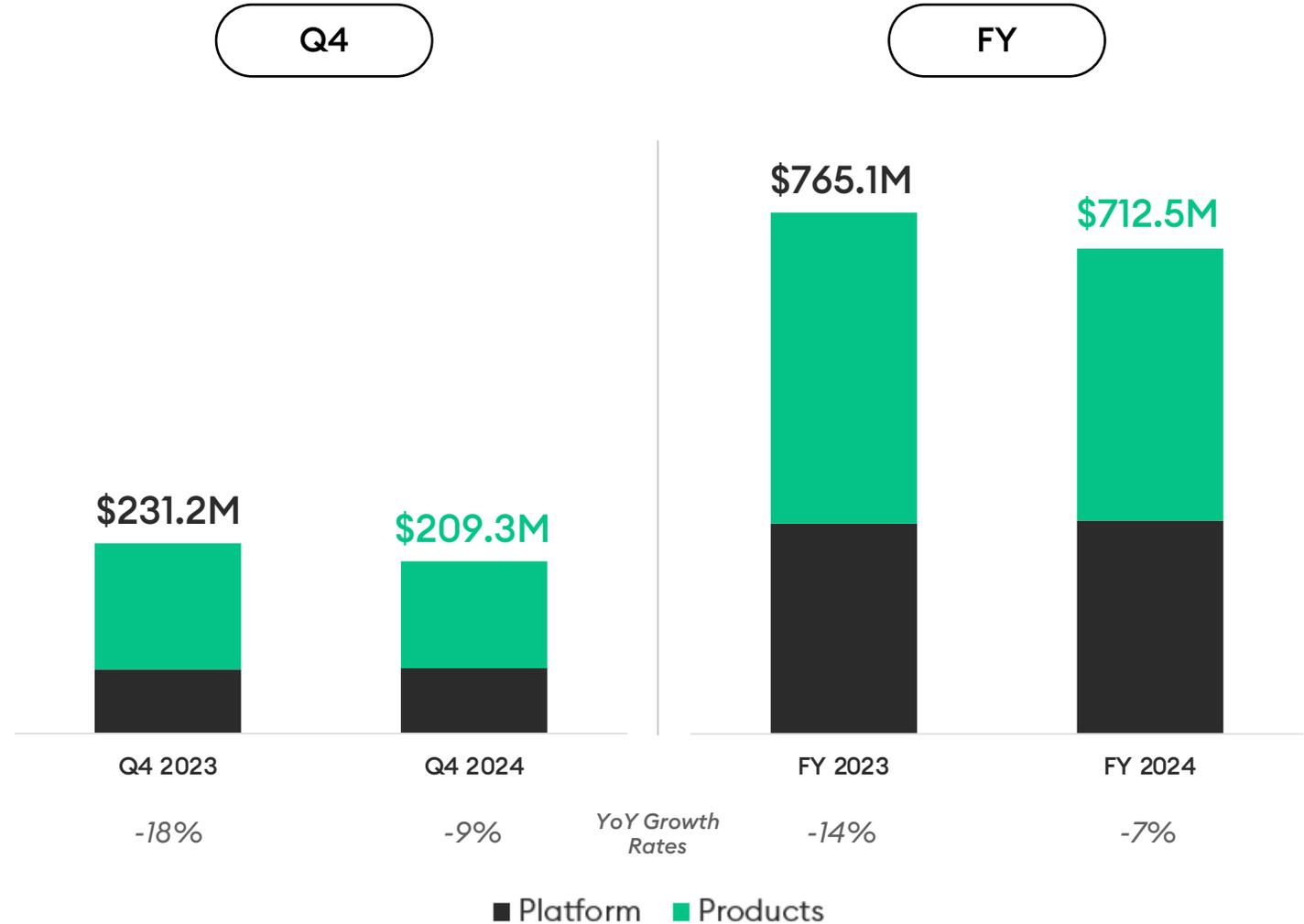
17%
YoY Increase
8.8%
of Total Revenue

Did you know? Q4 2024 was our 24th consecutive quarter and 8th Consecutive year of GAAP profitability

1. 2024 Operating Income includes \$45.1 million of stock-based compensation expense.

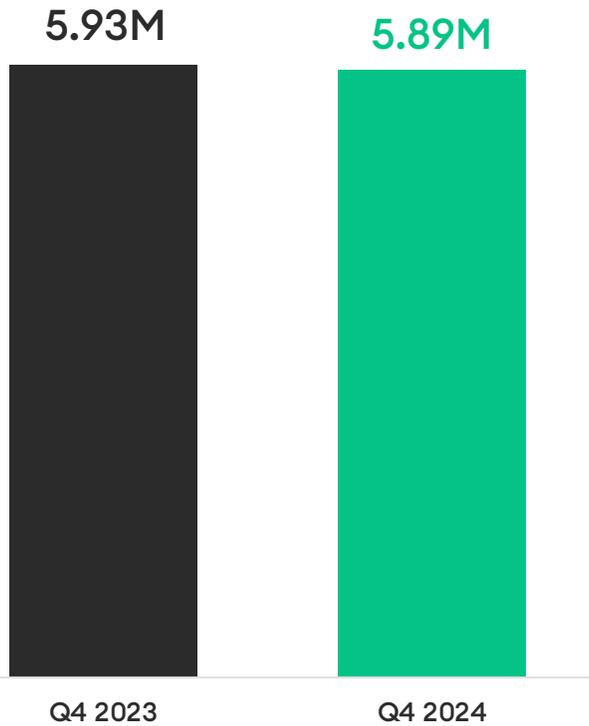
Revenue breakdown

- Platform revenue **increased 2%** YoY in Q4 and increased 1% on a full year basis
- Products revenue **declined 15%** YoY in Q4 and declined 12% on a full year basis
- Connected Machines revenue **declined 13%** YoY in Q4 and declined 3% on a full year basis
- Accessories & Materials revenue **declined 18%** YoY in Q4 and declined 20% on a full year basis
- International revenue **increased 3%** YoY in Q4 and 1% on a full year basis

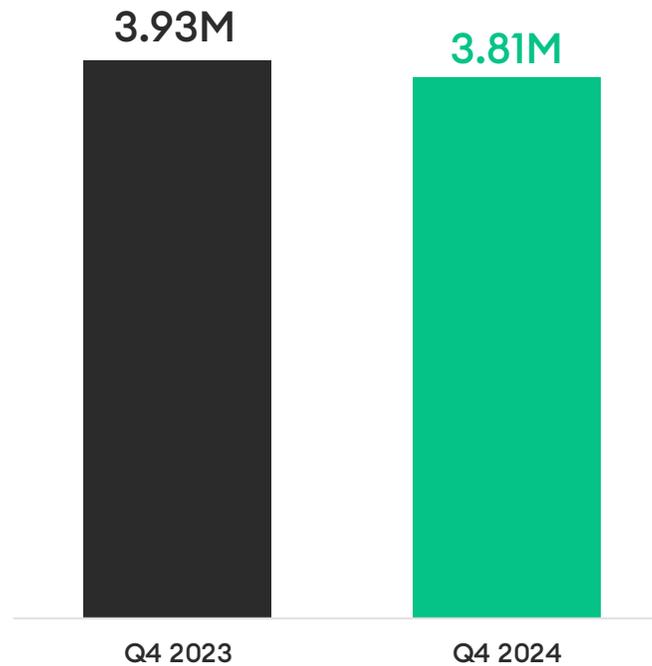


User base dynamics

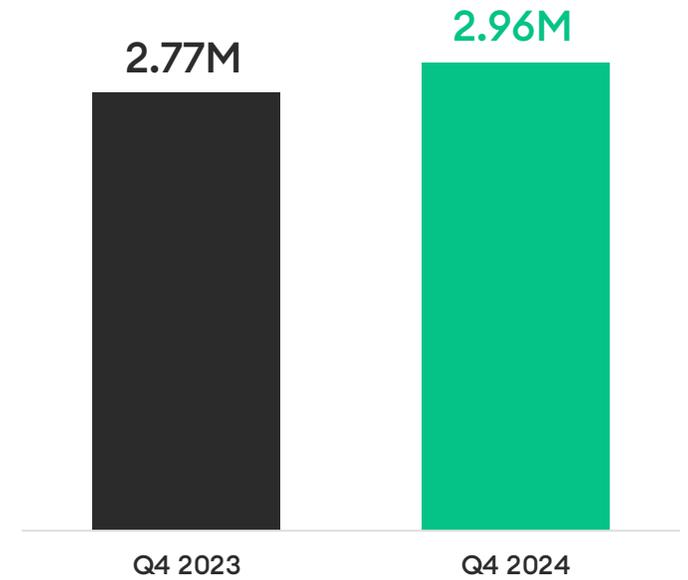
 Active Users



 90-Day Engaged Users



 Paid Subscribers



Gross margin

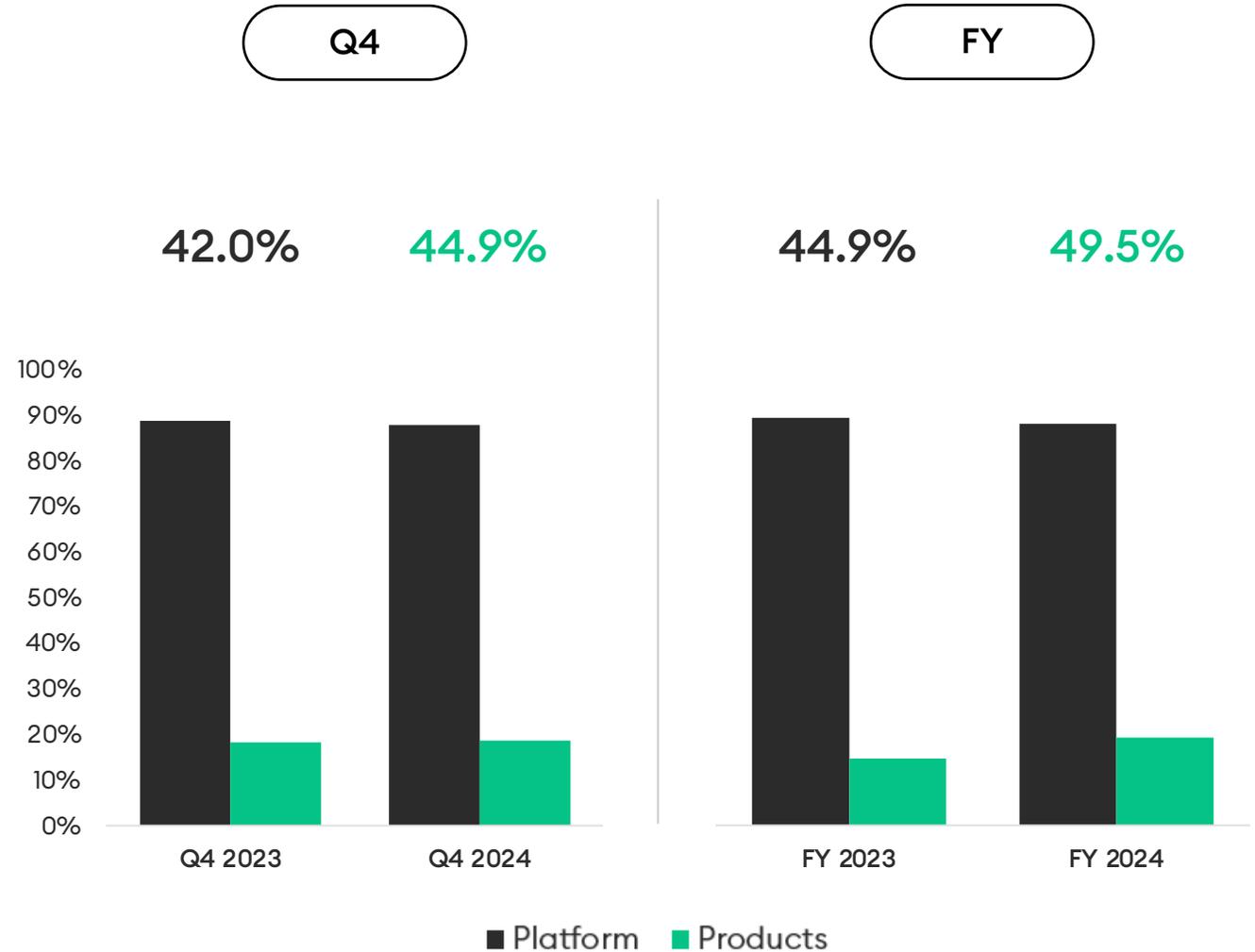
Q4 and 2024 Contributing Factors

Platform Margins

- Slight decline due to higher hosting fees and higher software development costs

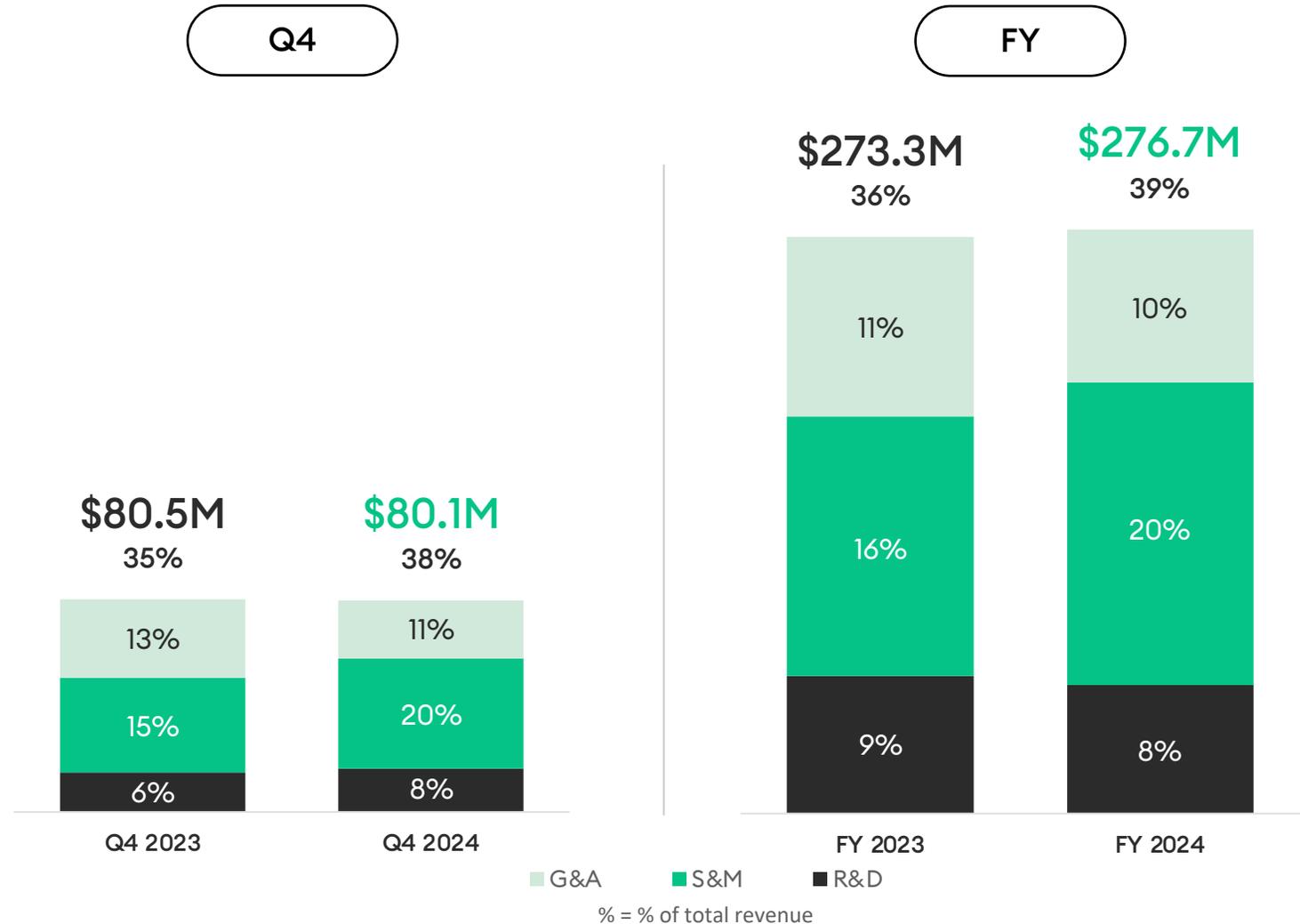
Products Margins

- Increase due to a reduction of inventory impairments and selling through of previously reserved inventory, offset partially by higher promotional activity



Operating expense

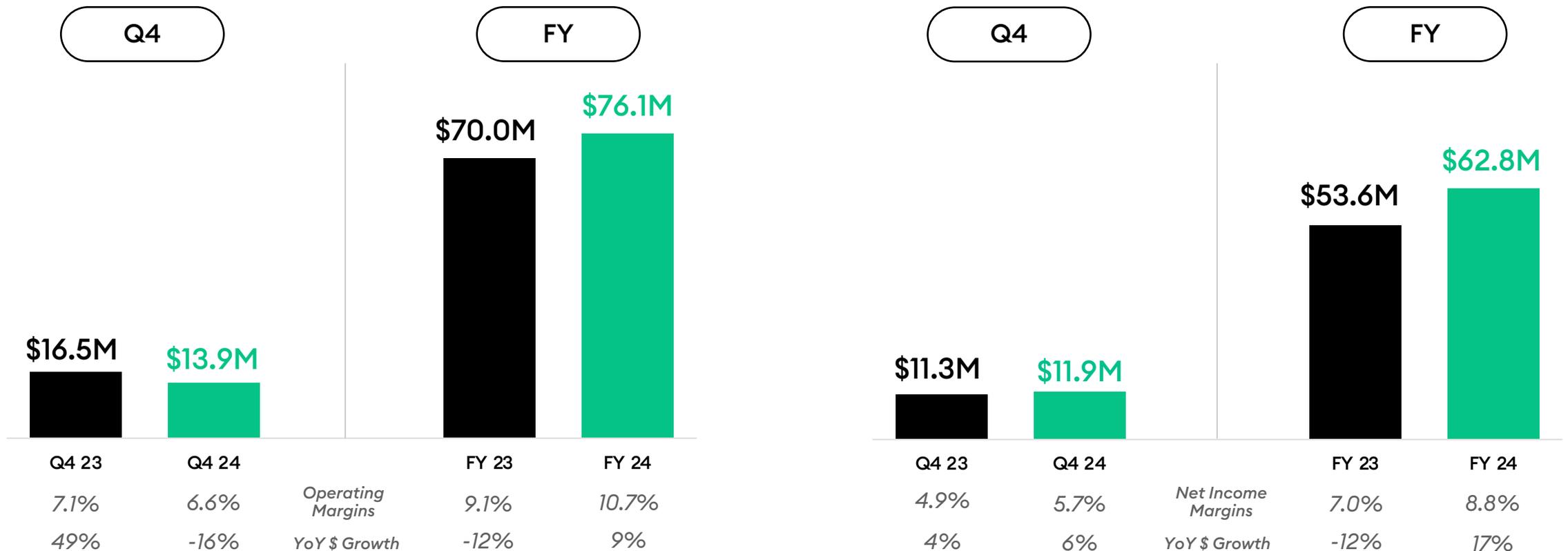
- Increased marketing spend of \$20 million in 2024 to drive excitement and engagement



Operating income and net income

\$ Operating Income

\$ Net Income



2024 Balance Sheet and Cash Flow highlights



Cash, equivalents
as of 12/31/24

\$336.9M

Cash, cash equivalents, marketable securities

\$300.0M

Untapped credit line



Cash Flow generated
from Operations
12/31/24 YTD

\$265M

vs \$288M PY YTD



Share Repurchase
Program & Dividends

\$38M

Used during 2024 to repurchase 6.2 million shares. In Q4 used \$8M to purchase 1.3M shares with \$22.9M remaining under authorized stock repurchase program.

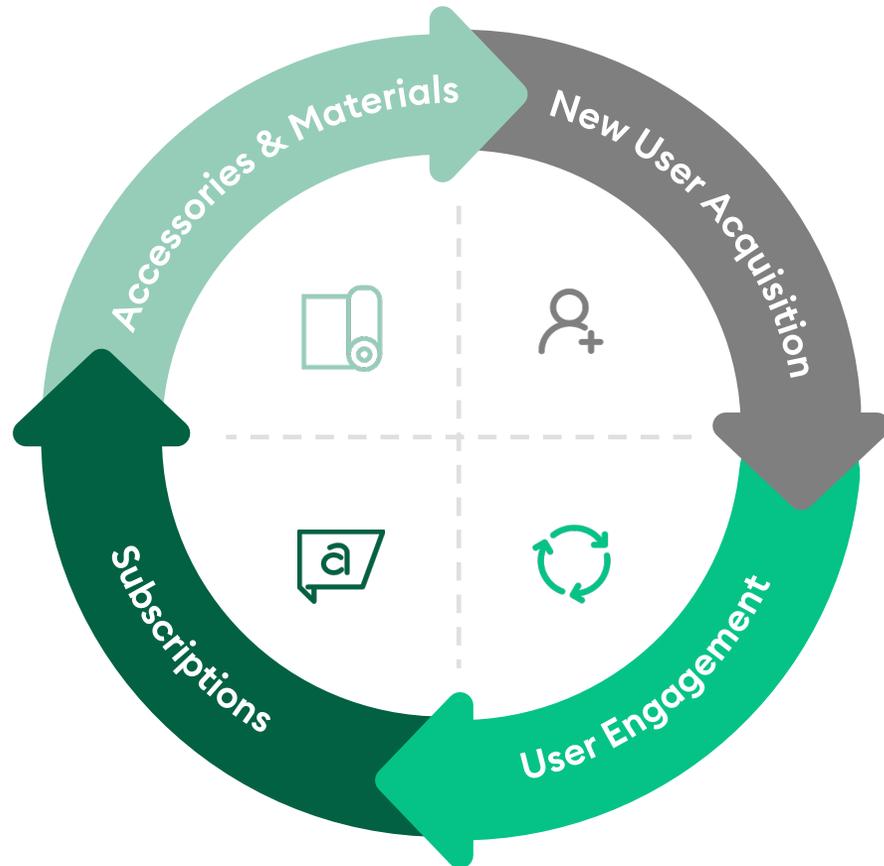
\$110M

Paid in dividends during 2024 via a \$0.40 special dividend and a \$0.10 semi-annual dividend per share both paid on July 19, 2024.

\$21M

January 21, 2025 semi-annual dividend payment of \$0.10 per share paid.

Forward looking commentary



- Expect total company sales to decline YoY in the first half of 2025 compared to the first half of 2024 due to continued pressure in accessories and materials.
- Expect that the rate of sales decline should be less than the rates we posted in the first half of 2024.
- We have reason to be optimistic that we will reach an inflection point during the second half of the year.
- Expect Platform sales to increase YoY on paid subscriber growth.
- Lower new user growth rates will put pressure on our subscriber growth rates. This could result in a seasonal pattern of QoQ paid subscriber growth in Q1 and Q4 but flat to declining QoQ subscriber growth rates in Q2 and Q3.
- Continuing our investments in higher marketing and promotions that we started in 2024. Adding incremental investment in R&D to accelerate new products and platform enhancements and IP protection actions that will impact G&A this year.
- Expect operating income dollars. Operating income margin percentage to be lower in 2025 compared to 2024 by approximately 2-3 percentage points.
- We expect incremental improvement in operating margins in subsequent years.
- Committed to long-term annual operating margin targets of 15%-19% when at scale.

Taiwan



India



Let's make.



US



Germany



Netherlands



Japan