

NASDAQ : CRCT

Financial Results

Q1 2025
May 6, 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, the impact of tariffs on our business, 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, trade wars, heightened, scheduled or threatened tariffs, or by retaliatory trade measures 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



Q1 2025 Highlights



Sales

- Total sales decreased 3% YoY
- International sales increased 8% YoY



Profitability

- Operating income of \$29.3M or 18% of sales
- Operating income increased 16% YoY



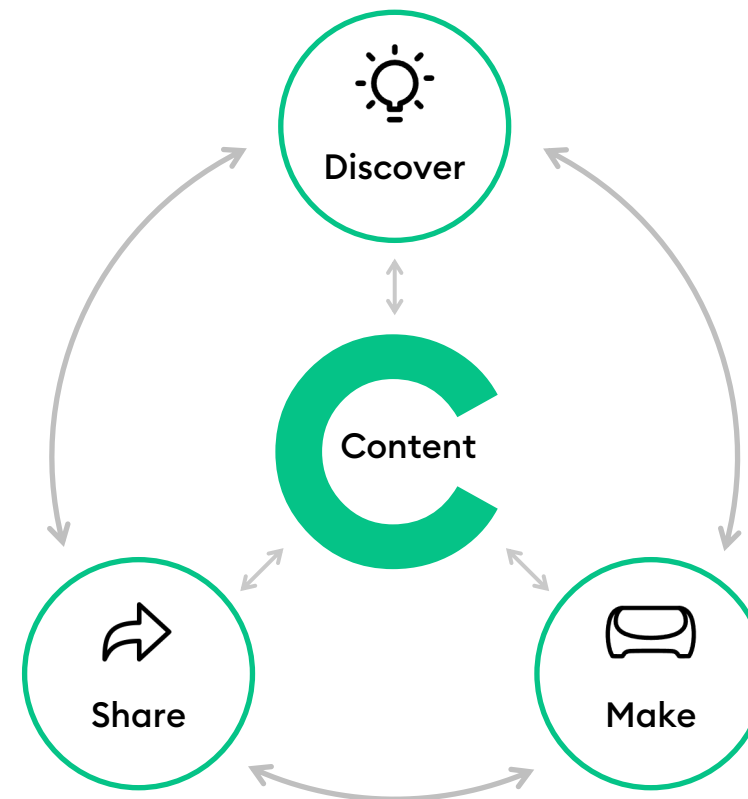
Subscriptions Growth

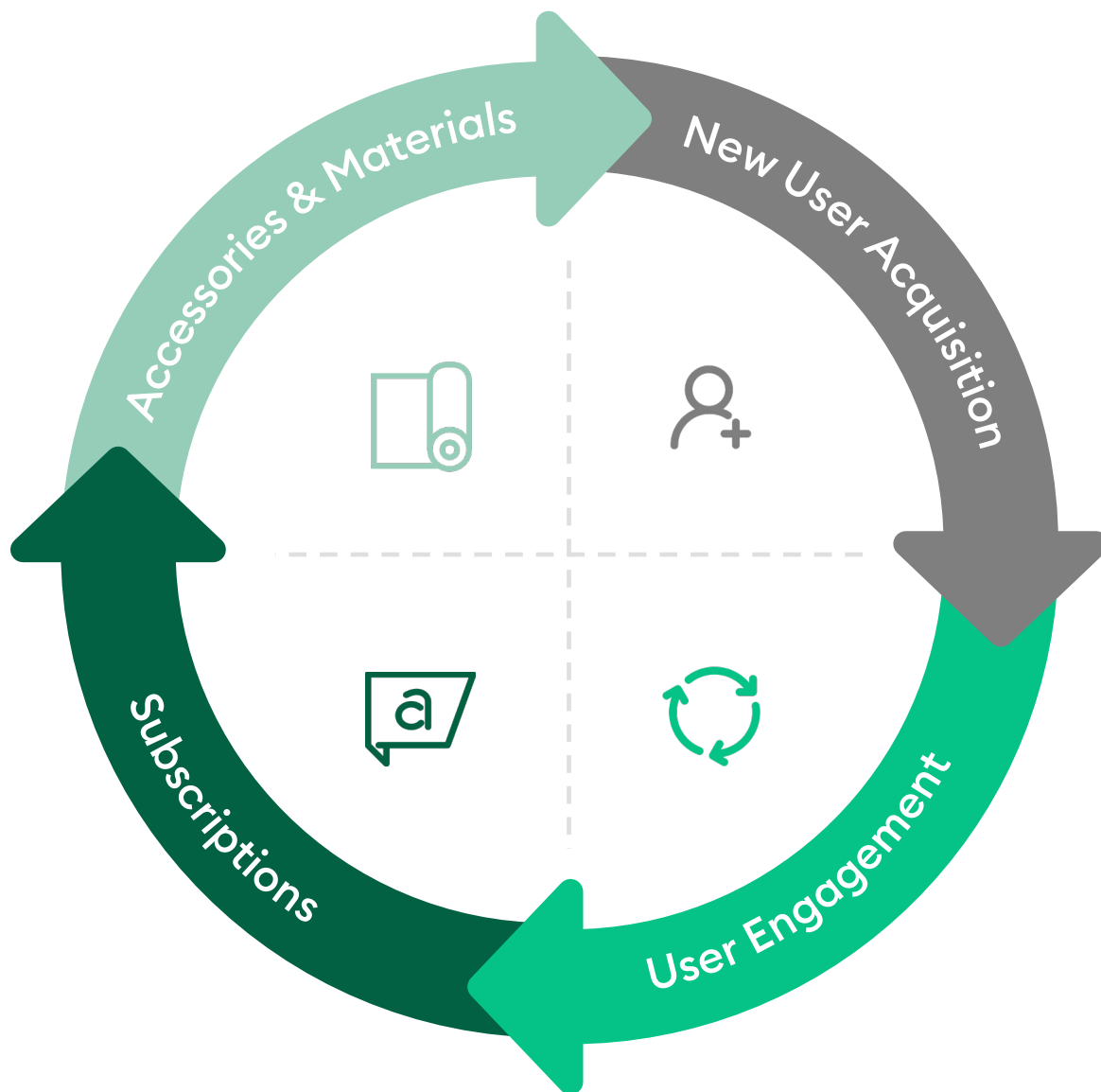
- Just over 2.97M Paid Subscribers, increased 6% YoY



Portfolio Mix

- Platform sales increased 2% YoY
- Connected machines sales increased 4% YoY
- Accessories and materials sales decreased 15% YoY
- Tariffs introduced more uncertainty but we believe we have a competitive advantage in the diversity of our supply chain configuration relative to the competition
- We have spent the last several years moving the majority of our finished goods spend outside of China across all our product categories





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
- Become 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

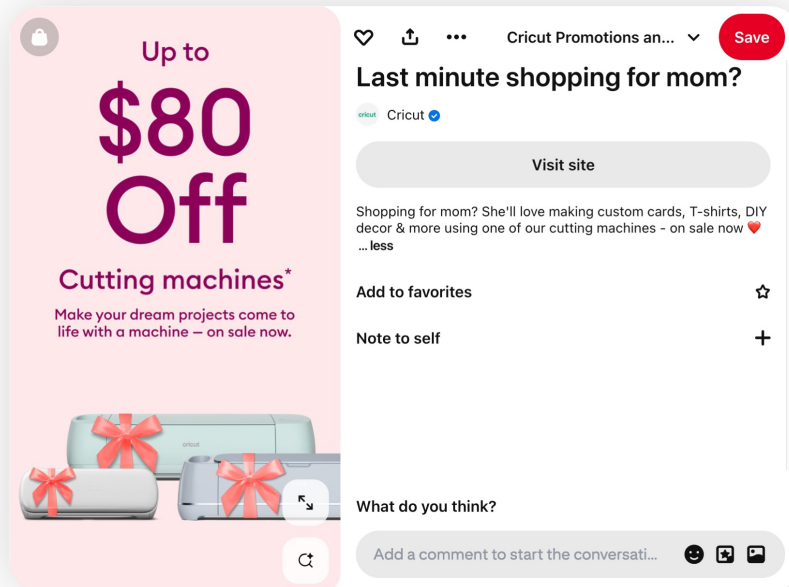
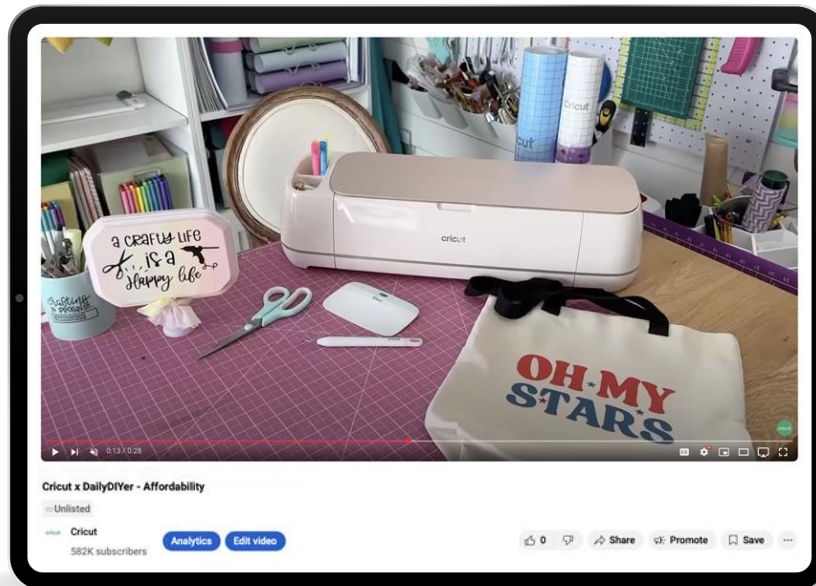
- Up to **2x faster** than earlier models
- Tools and materials included for 10 projects
- Essential Bundle adds more value and materials for up to 100 projects for only \$50 additional
- Positive initial feedback from both retailers and end users

cricut explore®.4



cricut maker®.4



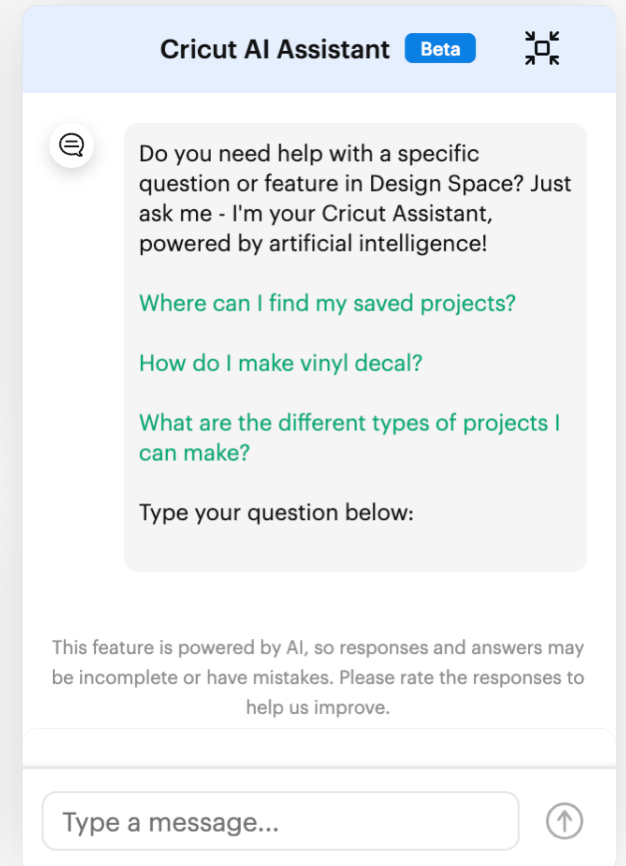
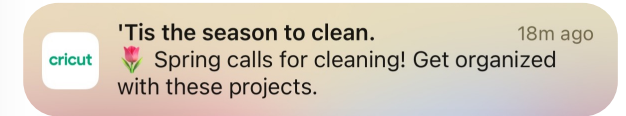
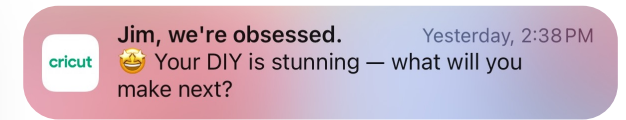
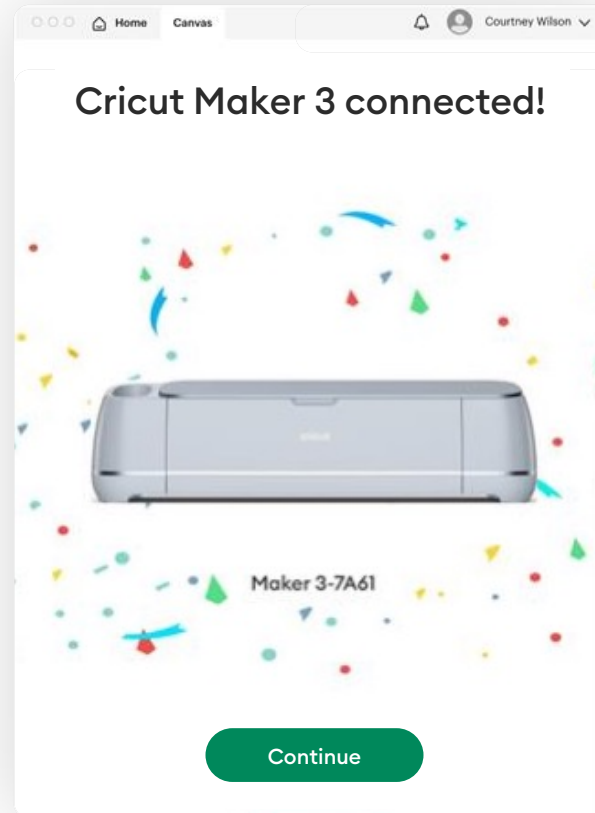


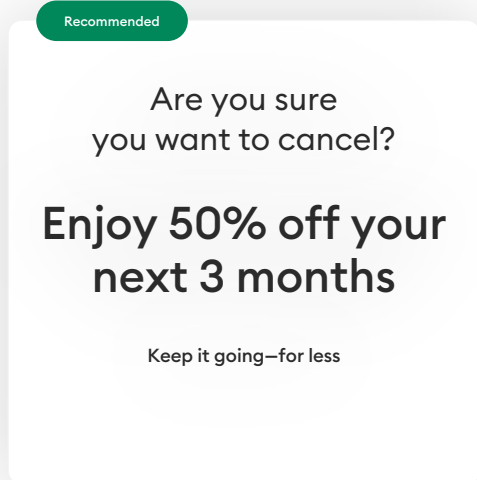
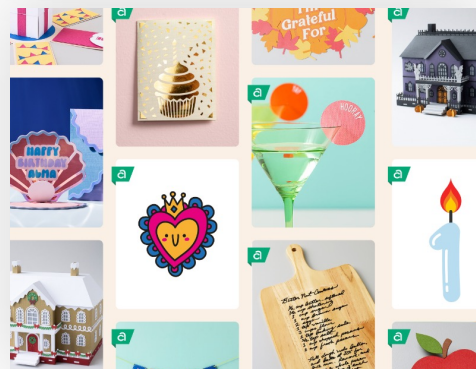
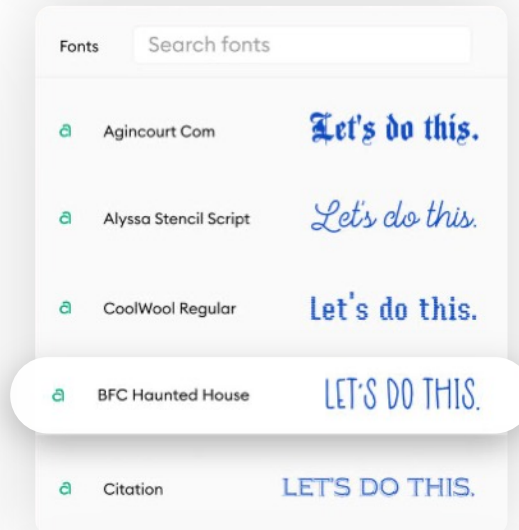
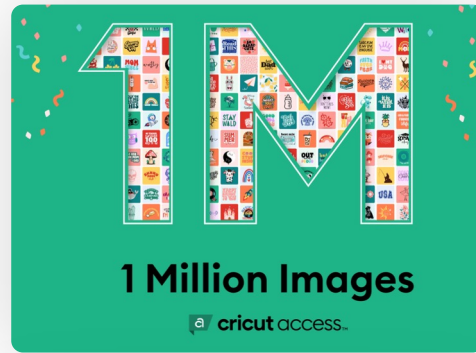
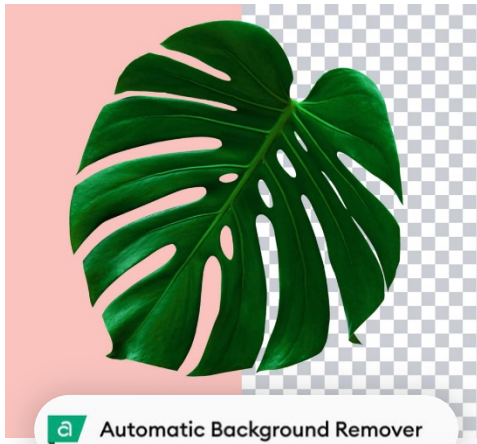
New User Acquisition

- Launched next generation of our most popular cutting machines
 - Cricut Explore 4
 - Cricut Maker 4
- Tailoring our paid social content across Meta, Pinterest, and TikTok to drive users further down the funnel

Maximizing engagement for Onboarders & Subscribers

- 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
- Continued dedication to simplify our design process to maintain and re-engage our users
- First full quarter with personalized push notification in the US and Canada and we are pleased with the increase in returning traffic





Positive outlook on subscriptions

2.97M Paid subscribers
↑ 6% YoY

- Paid subscribers up 177K YoY, up 15K sequentially in Q1
- Effectively converting onboarders to subscribers
- Increasing the value proposition for subscribers
- We expect to see a boost to subscriptions as engagement efforts continue to 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



Cricut® Value Glitter Iron-On



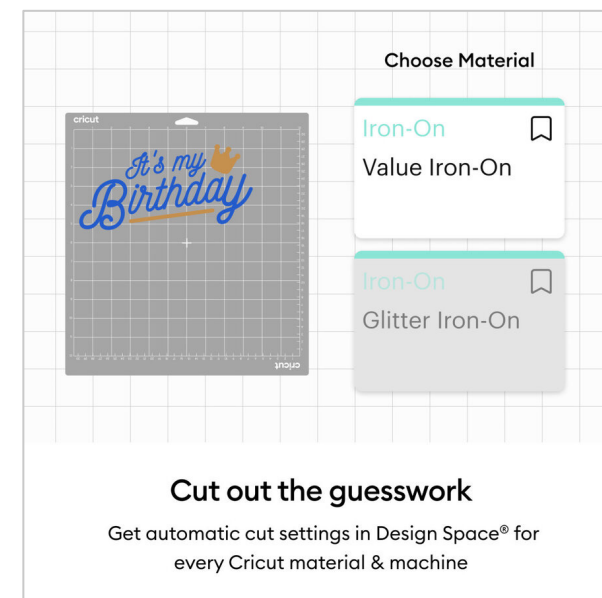
Outlasts multiple washes



Easy to weed & apply




Precise settings in Cricut Heat Guide



Financial Results





Q1 2025 financial highlights

Revenue

\$162.6M

-3%

YoY Decrease

Operating Income¹

\$29.3M

16%

YoY Increase

18.0%

of Total Revenue

Net Income

\$23.9M

22%

YoY Increase

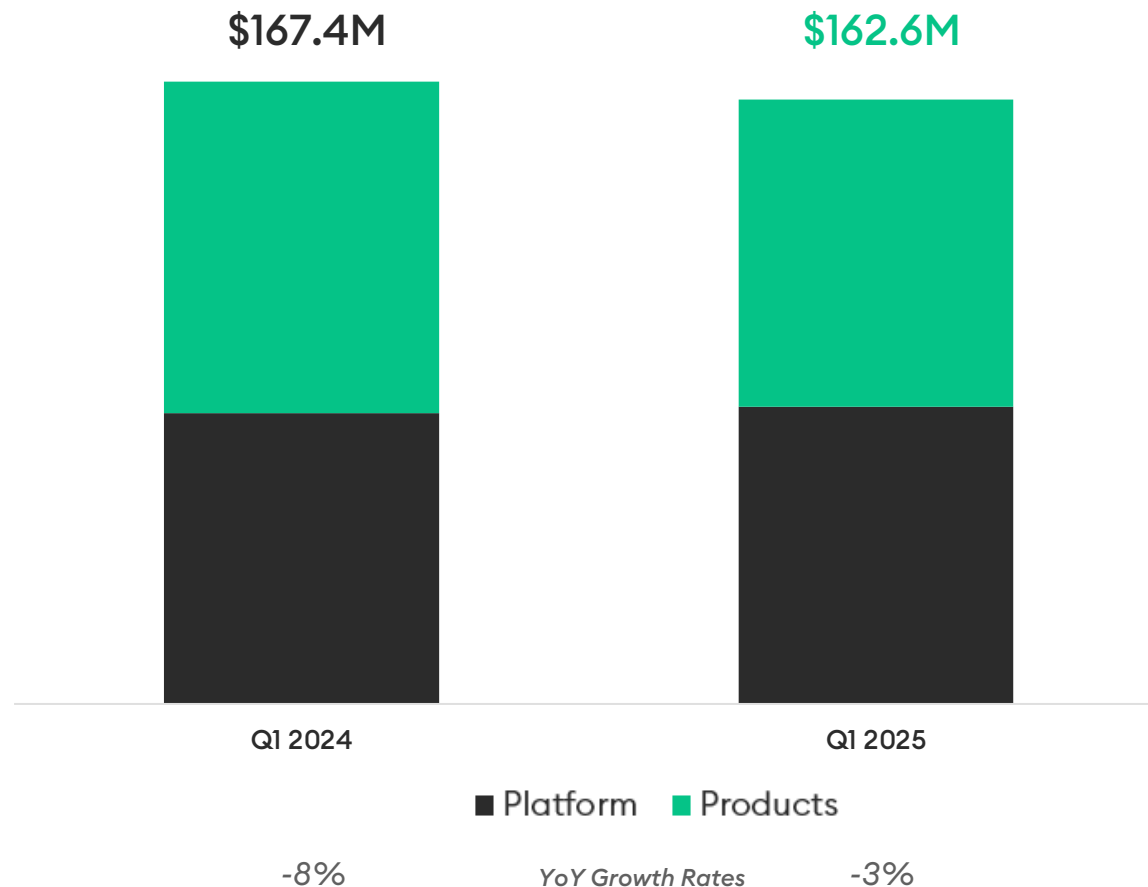
14.7%

of Total Revenue

1. Q1 2025 Operating Income includes \$10.5 million of stock-based compensation expense.

Revenue breakdown

- Platform revenue **increased 2%** YoY
- Products revenue **declined 7%** YoY
 - Connected Machines revenue **increased 4%** YoY
 - Accessories & Materials revenue **declined 15%** YoY
- International revenue **increased 8%** YoY



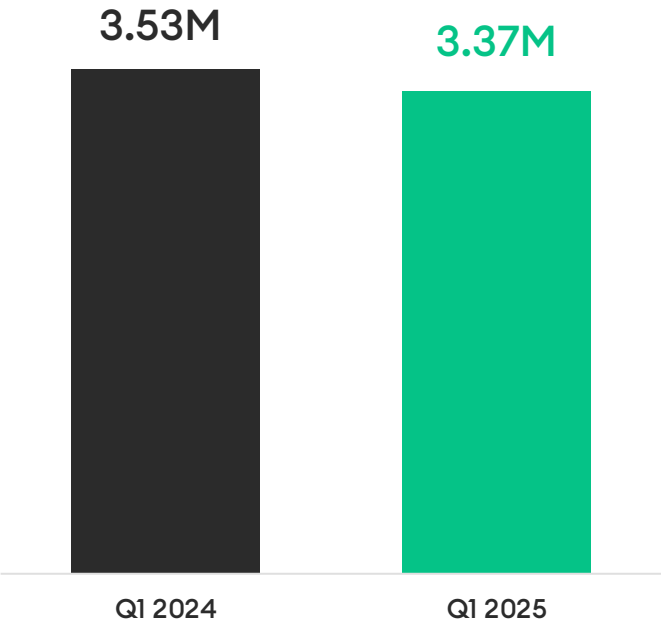
User base dynamics



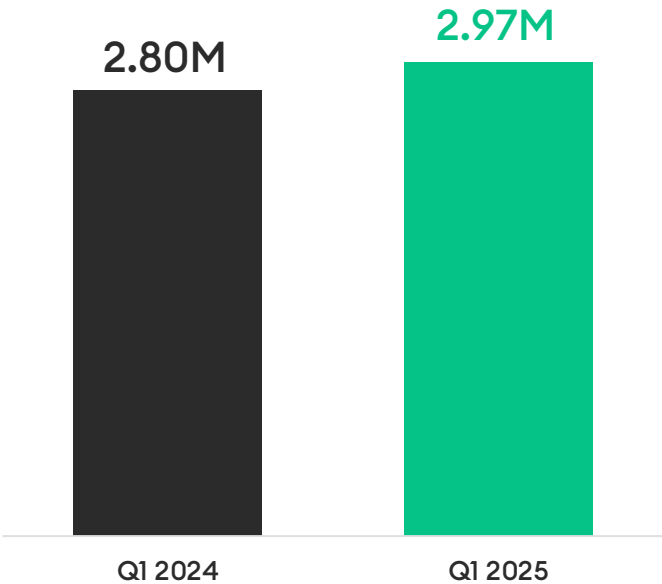
Active Users



90-Day Engaged Users



Paid Subscribers



Gross margin

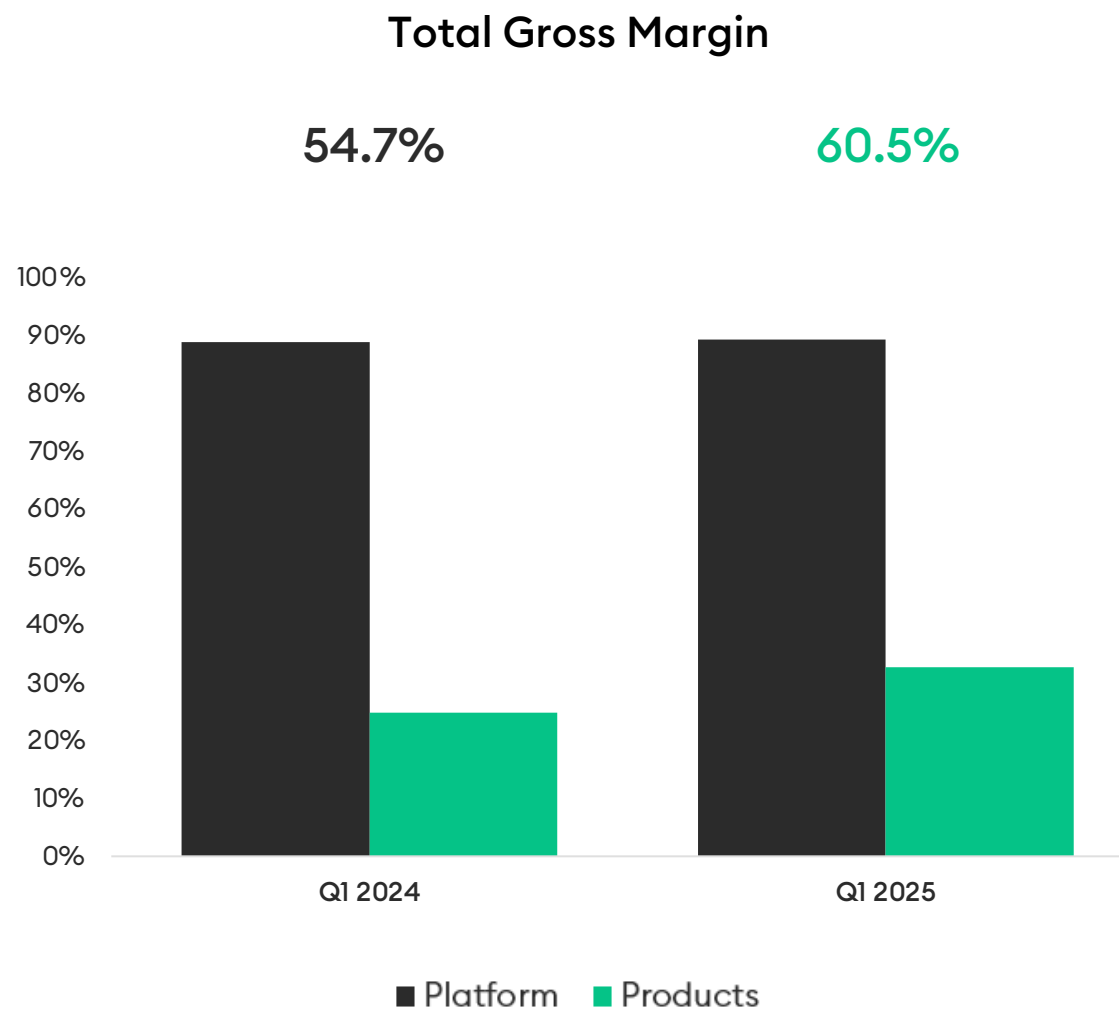
Q1 Contributing Factors

Platform Margins

- Slight increase due to lower amortization of software development costs

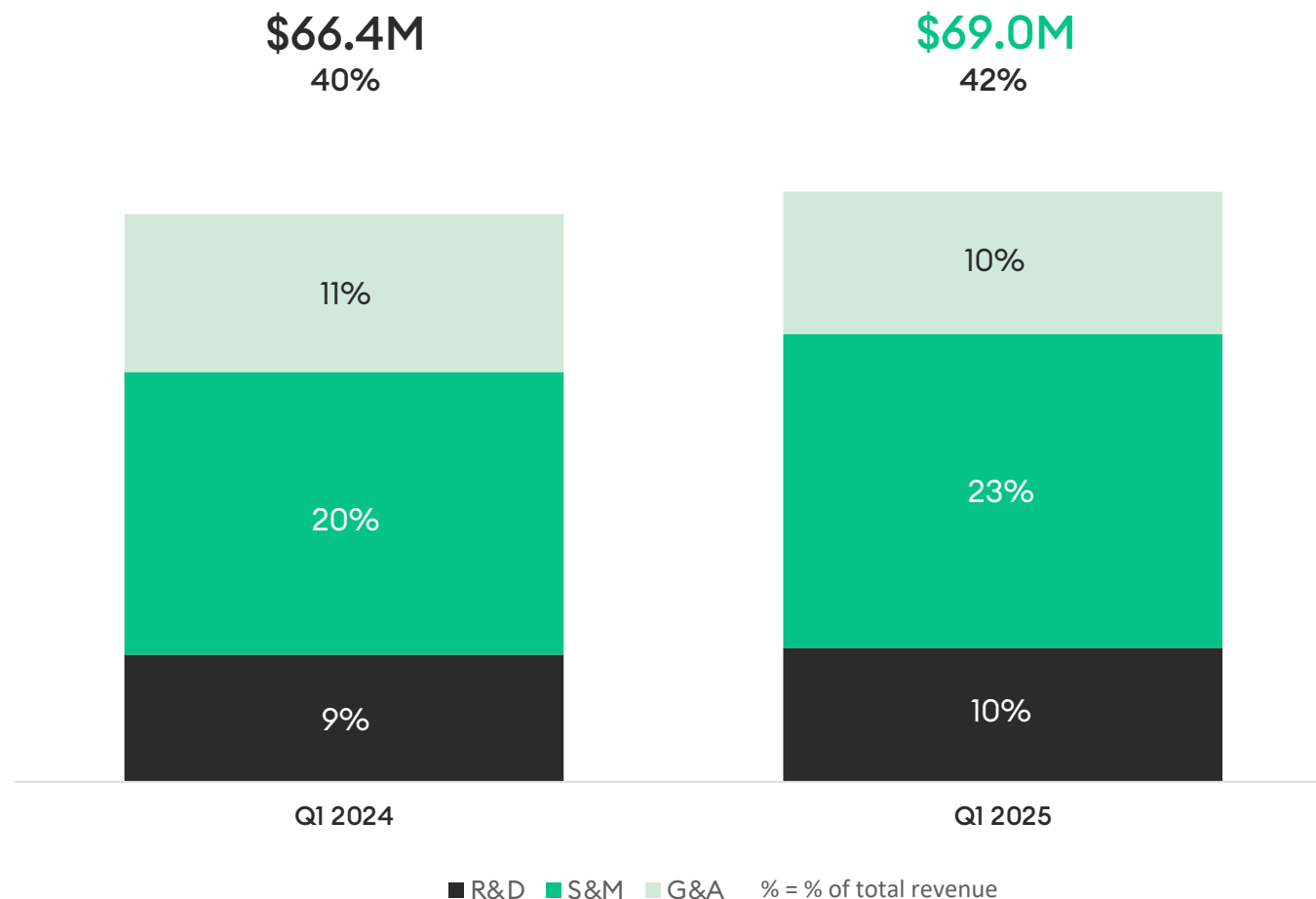
Products Margins

- Increase due to selling previously reserved inventory and more favorable product mix as we launched new products



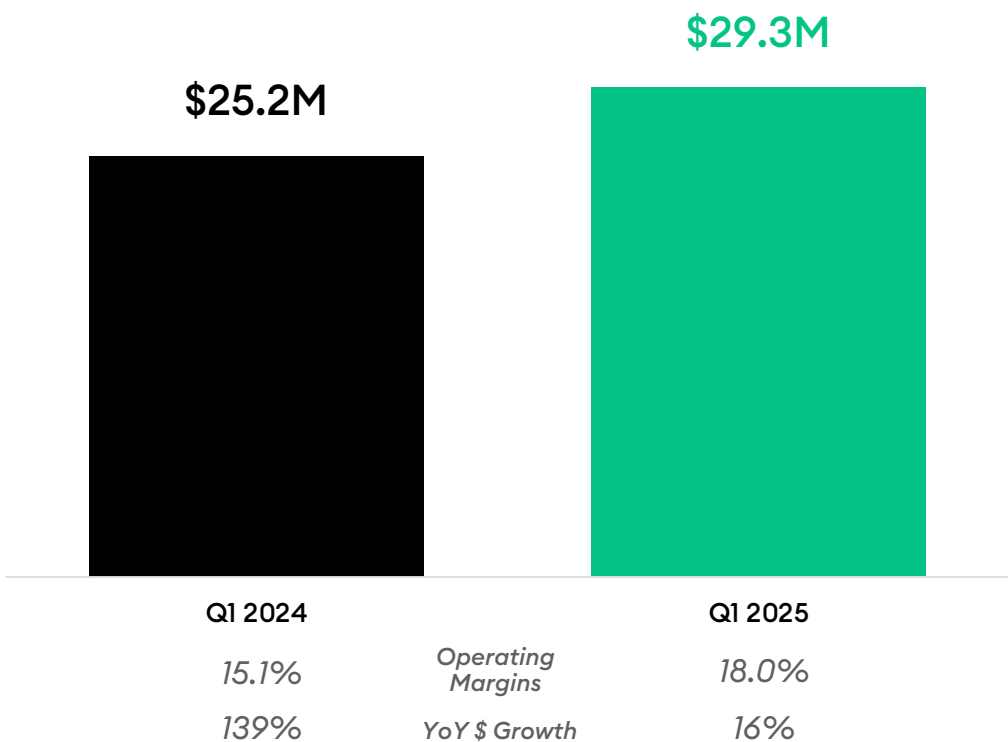
Operating expense

- Increased marketing spend of \$20 million in 2024 to drive excitement and engagement and continued at similar rate through Q1
- Continued investments in physical products and platform

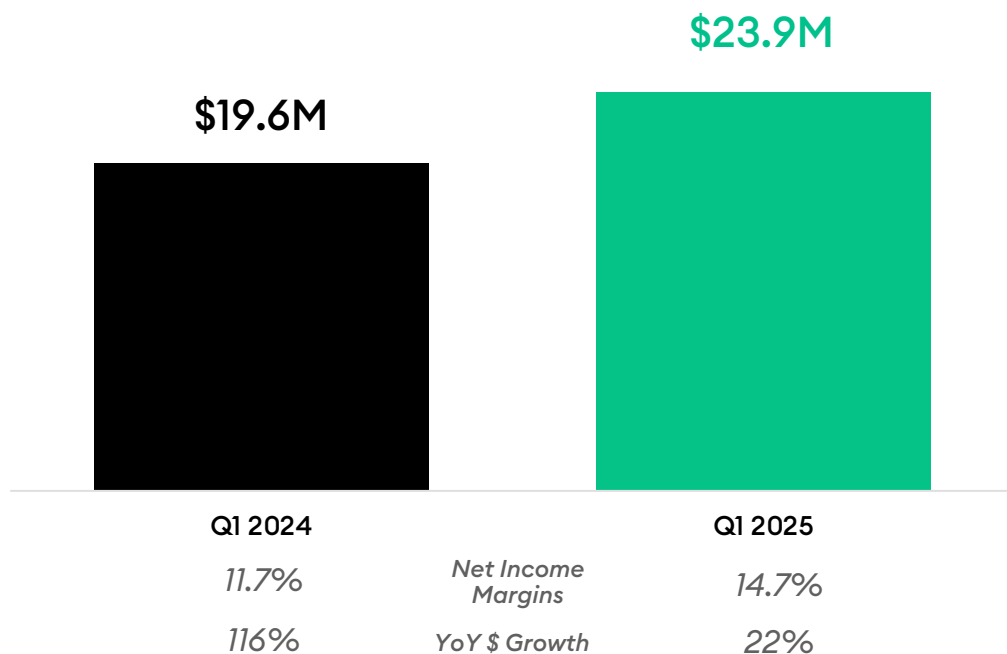


Operating income and net income

\$ Operating Income



\$ Net Income



Q1 2025 Balance Sheet and Cash Flow highlights



Cash, equivalents
as of 3/31/25

\$356.7M

Cash, cash equivalents, marketable securities

\$300.0M

Untapped credit line



Cash Flow generated
from Operations 3/31/25 YTD

\$61.2M

vs \$56.7M PY YTD



Share Repurchase
Program & Dividends

\$12M

Used during Q1 2025 to repurchase 2.1 million shares with \$10.9M remaining under prior authorized stock repurchase program.

\$21M

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

Capital allocation update



One-time dividend

\$0.75

per share*



Approved Recurring
semi-annual dividend

\$0.10

per share*



Stock Repurchase
Program

\$50M

stock repurchase program
incorporates remaining
from prior authorizations.

* Both dividends are payable on July 21, 2025 for shareholders of record on July 7, 2025.

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.
- Working with tremendous urgency to get to an inflection point this year, dynamics surrounding tariffs and associated consumer discretionary income impact puts that at risk.
- 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.
- Relentlessly focused on increasing our speed of execution and are accelerating investments in hardware product development, materials and engagement that will help drive future revenue growth.
- Given the uncertainty surrounding tariffs, our prior guidance for operating margins can no longer be relied upon.
- Expect to be profitable each quarter and generate significant positive cash flow during 2025.