



CrownCrafts™

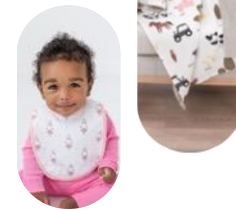
Midwest Ideas Conference
Chicago, Illinois | August 28, 2024

Cautionary Notice Regarding Forward-Looking Statements



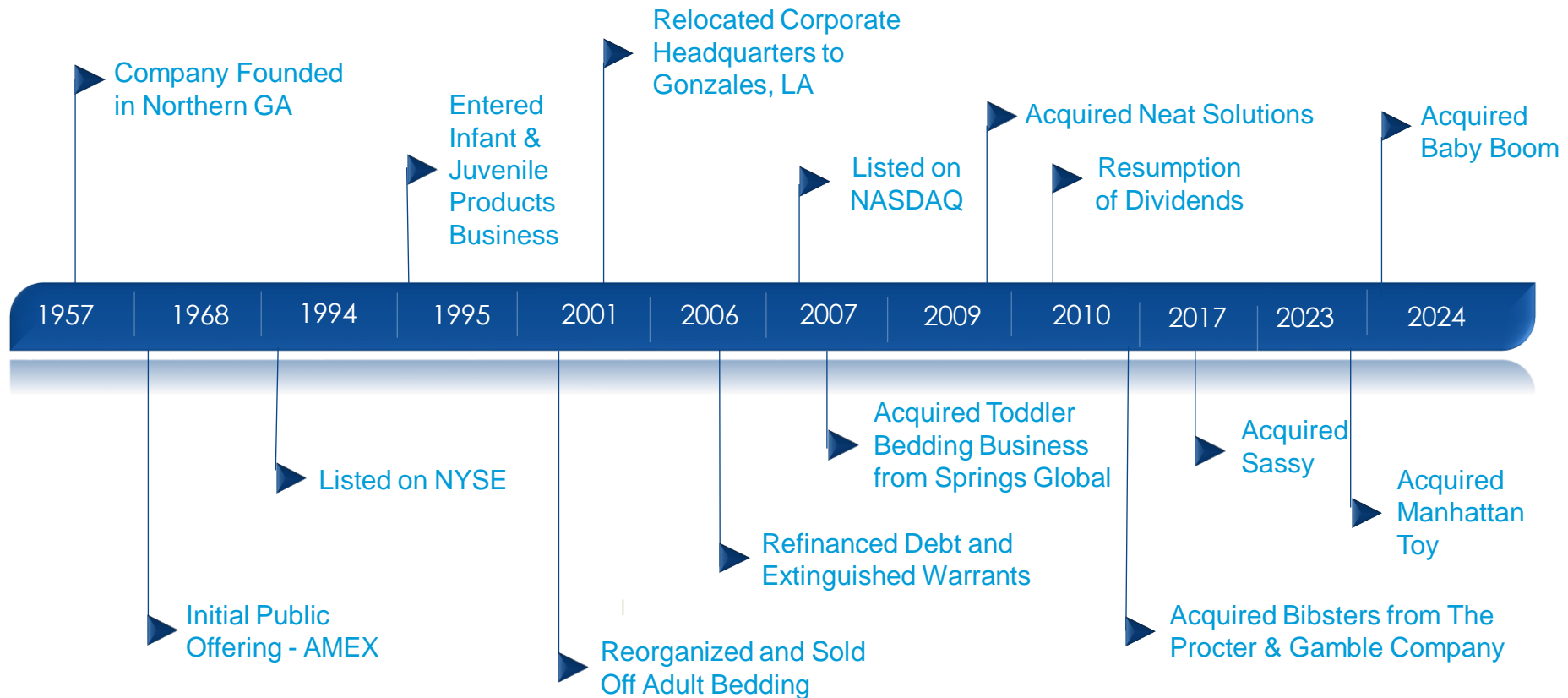
This presentation contains forward-looking statements by Crown Crafts, Inc. (the "Company") within the meaning of the Securities Act of 1933, the Securities Exchange Act of 1934, the Private Securities Litigation Reform Act of 1995, and all Rules and Regulations issued thereto. Such statements are based upon management's current beliefs, plans, objectives, goals, expectations, anticipations, projections, estimates, intentions, future performance and assumptions. Words such as "expects," "believes," "anticipates," "estimates," "predicts," "forecasts," "plans," "projects," "targets," "should," "potential," "continue," "aims," "intends," "may," "will," "could," "would" and variations of such words and similar expressions may identify such forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties that may cause future results to differ materially from those suggested by the forward-looking statements. These risks include, but are not limited to, general economic conditions, including changes in interest rates, the overall level of consumer spending and the price of oil, cotton and other raw materials used in the Company's products, changing competition, changes in federal and state governmental regulations with respect to the consumer products industry, changes in the retail environment, the level and pricing of future orders from the Company's customers, the Company's dependence upon third-party suppliers, including some located in foreign countries with unstable political climates, the Company's ability to successfully implement new information technologies, customer acceptance of both new designs and newly-introduced product lines, actions of competitors that may impact the Company's business, disruptions to transportation systems or shipping lanes used by the Company or its suppliers, and the Company's dependence upon licenses from third parties. Reference is also made to the Company's periodic filings with the Securities and Exchange Commission for additional risk factors that may impact the Company's results of operations and financial condition. The Company does not undertake to update the forward-looking statements contained herein to conform to actual results or changes in our expectations, whether as a result of new information, future events or otherwise.

Crown Crafts – Who We Are

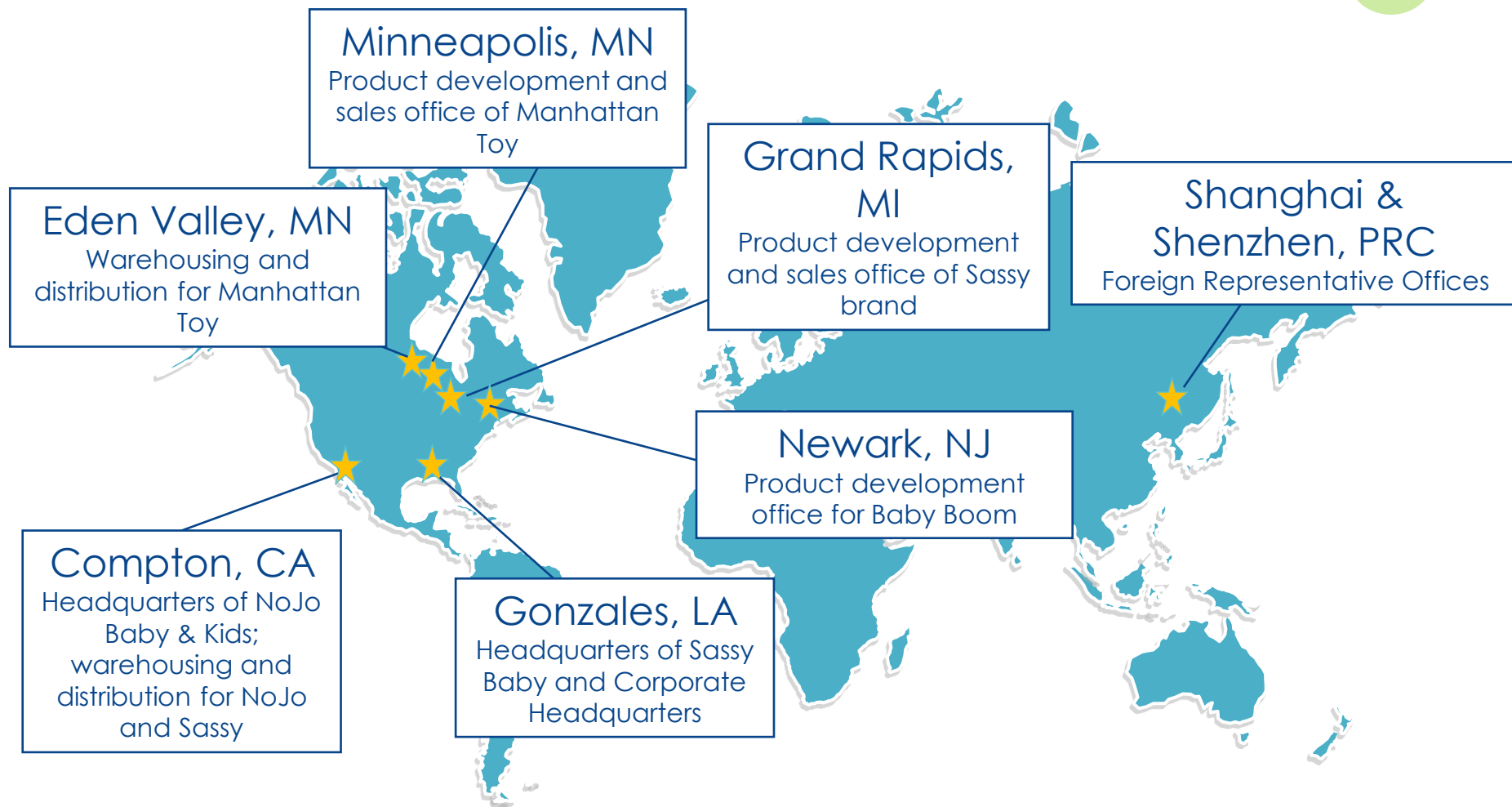


- A leading producer of infant, toddler and juvenile consumer products
- Attractive lines of leading name-brand and private-label merchandise
- Steady profitability in a traditionally stable niche of the retail industry
- March 2023 acquisition of Manhattan Toy expanded the presence in the growing category of developmental toys
- July 2024 acquisition of Baby Boom enhances our presence in the toddler bedding business and the addition of diaper bags expands our offerings to our customers
- Sustained market leadership and product innovation
- Strong licensing and retail relationships
- Well-positioned for continued future growth

Crown Crafts' Company History



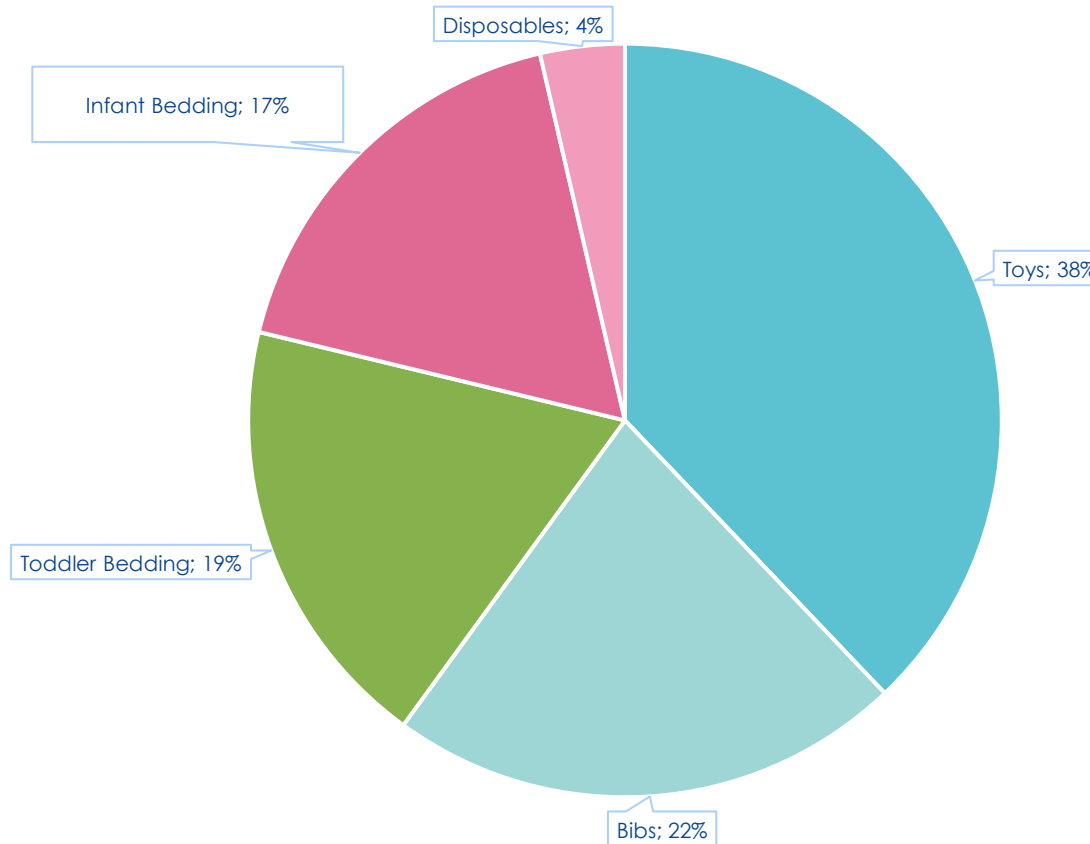
Eight Company Locations Handle Distribution, Global Sourcing, Customer Service



The Company also has employees based in Bentonville, AR in support of sales to Walmart

Serving a Wide Range of Infant, Toddler and Juvenile Product Categories

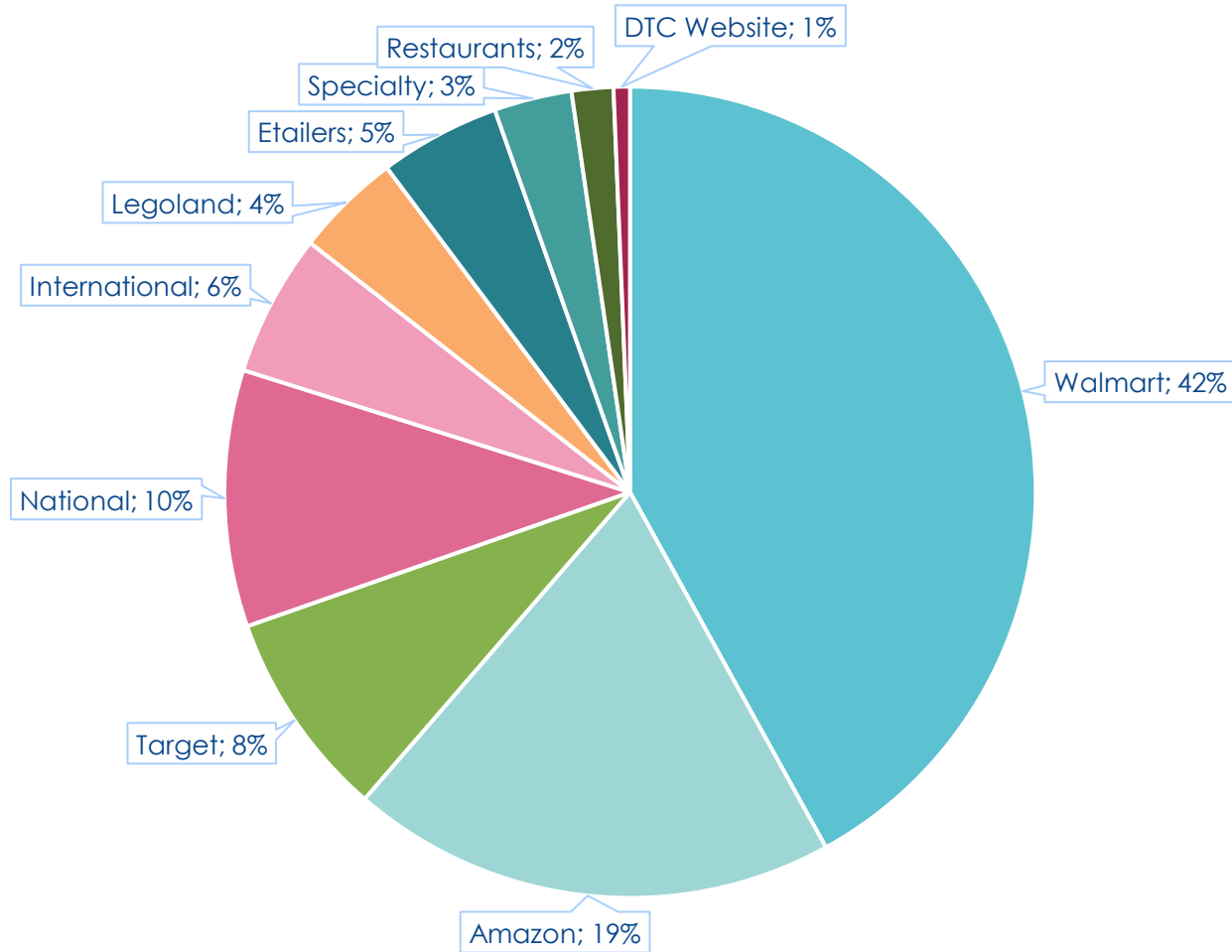
Gross Sales by Product Category Fiscal 2024



Note: Does not include Baby Boom acquisition

Channels of Distribution

(Gross Sales for Fiscal 2024)



Note: Does not include Baby Boom acquisition

NoJo Baby & Kids – Comfort and Quality Inside the Crib; Licensed Characters Popular with Toddlers

Crib Bedding – Generally used until age 2

- Designs include traditional, contemporary, textured and whimsical patterns



Toddler Bedding – Generally used from ages 2-4

- Designs are almost entirely driven by licenses as children experience movies, TV, etc.



NoJo Baby & Kids – Designing the Whole Nursery



Sassy Baby Products - Neat Solutions for Messy Occasions; Convenience and Cleanliness at Home or Away





Developmental Toys, Feeding and Care Products

- Dominant player for more than 35 years
- Opportunities for strategic growth
- Innovative products that align with babies' developmental milestones
- Products are sold worldwide in over 30 countries



About Manhattan Toy

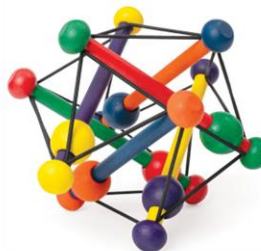


“**We are Manhattan Toy**, creators of inspired toys for early childhood. Our goal is to **bring joy to everyday play**. We believe that kids learn through the experience of play. Play isn't just fun, it's essential to a child's cognitive, emotional and social development. At Manhattan Toy, we remember that the most powerful thing any of us play with in this life is our **imagination**.”

- <https://www.manhattantoy.com/>
- Internationally recognized brand with a 40+ year heritage
- Based in Minneapolis, MN
- Warehousing and distribution from a leased 128,000 square foot facility in Eden Valley, MN (1.5 hours Northwest of Minneapolis)
- European inventory distributed from third-party warehouses in Belgium and the UK
- Manhattan Toy pioneered the use of non-traditional fabrics in toy design and introduced delightful new body styles in soft toys
- Entry into dolls & plush, including Lego licensed plush and distribution in Legoland theme parks
- Classic wooden toys – new fabrications that complement Sassy Baby's plastic toys with higher price points



Toys that bring joy, imagination and creativity to play



About Baby Boom



- Founded in 1988, Baby Boom designs, sources, markets and sells toddler bedding and diaper bags
- Established toddler bedding program, licensing top brands such as Paw Patrol, Cocomelon, and Bluey
- Functional and fashionable diaper bags developed through in-house designers and sourced through overseas manufacturing partners
- Products sold primarily through national retailers such as Walmart, Target and Amazon
- Expected to add approximately \$20 million annually in net sales





Strong Line of Company-Owned Brands



World-Class Licensed Collections



Crown Crafts – Strategic Plan

- Management's long-term strategic plan, approved by the Company's Board of Directors, includes:
 - Growing our toy category through market share expansion,
 - Entering new, adjacent product categories, both organically as well as through tuck-in acquisitions,
 - Selling directly to consumers,
 - Implementing operating cost efficiencies, and
 - Making further investments in technology and our organizational structure.
- We will implement these strategies without losing focus on cost containment, maintaining our strong balance sheet and delivering solid returns to our shareholders.

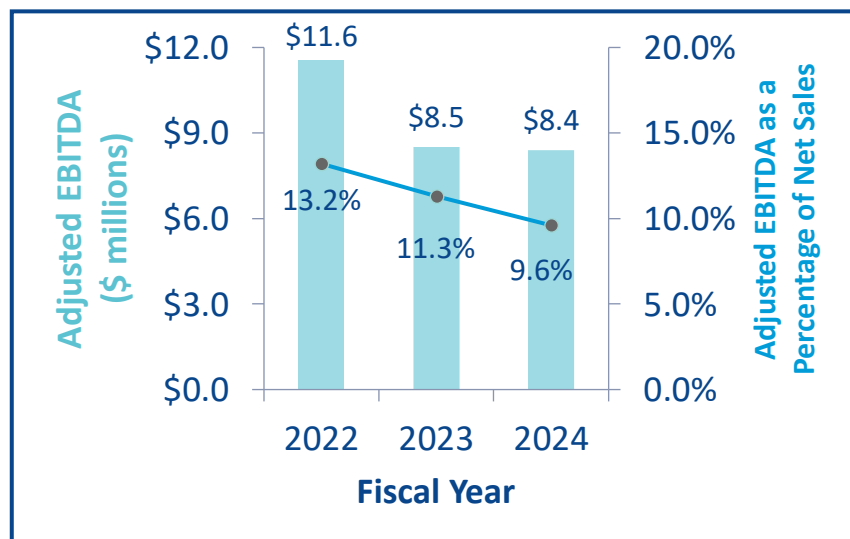
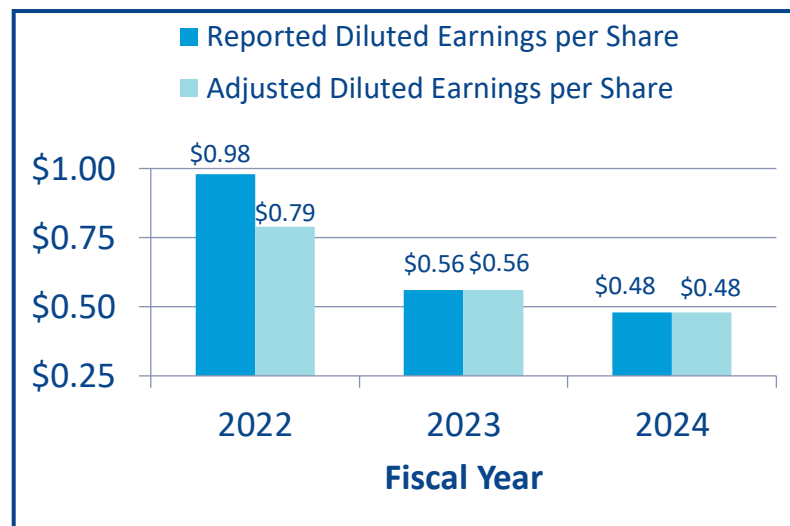
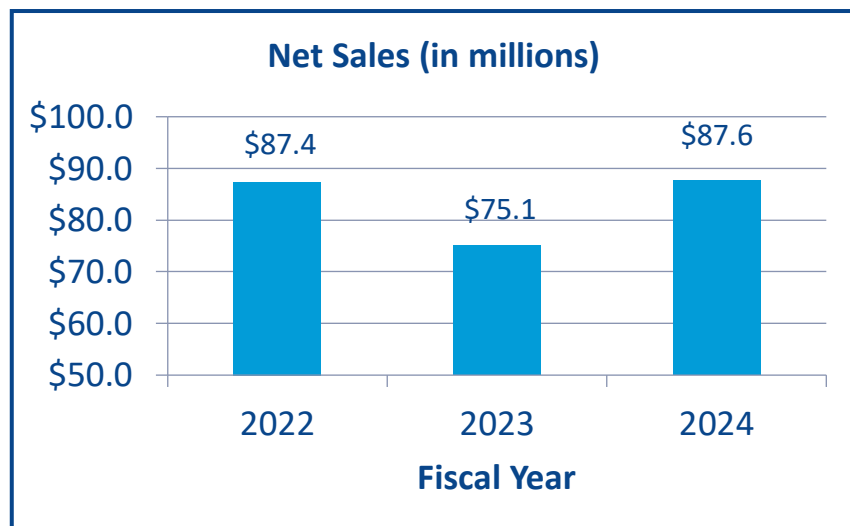


Financial Highlights

NASDAQ-CM: CRWS

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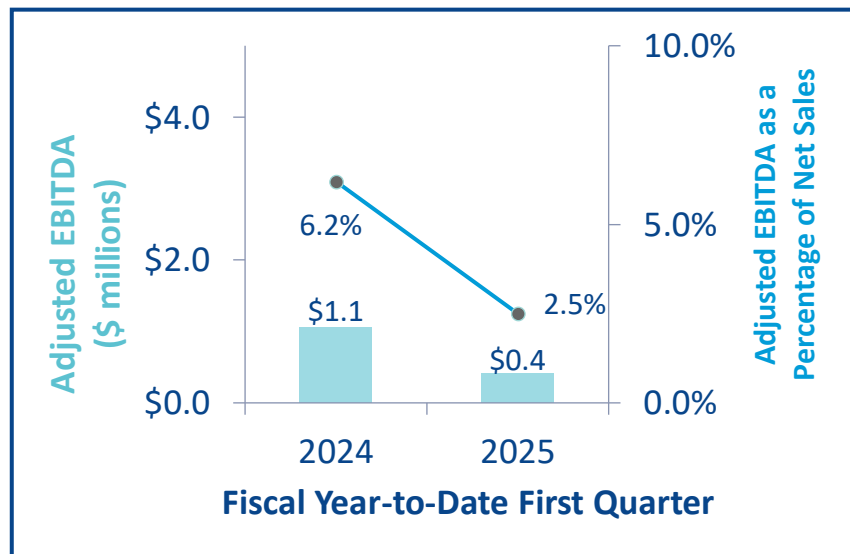
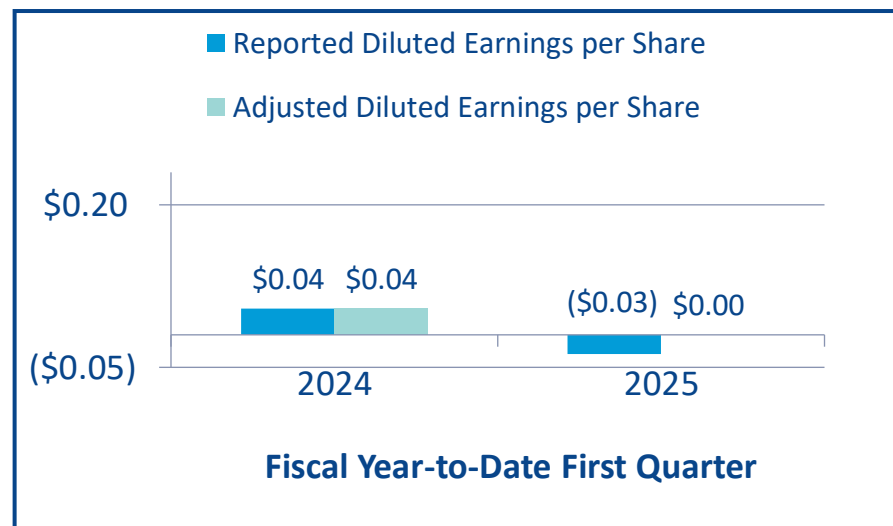
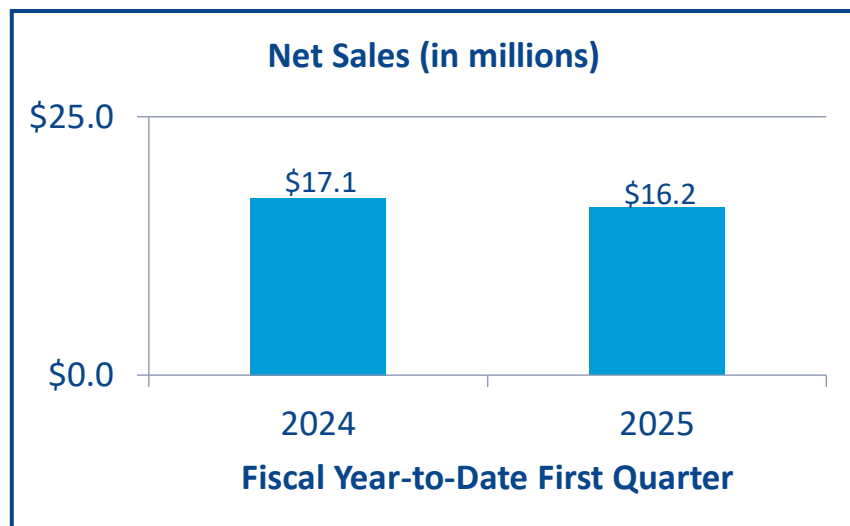
Operating Highlights – Fiscal Years 2022 - 2024



Adjustments to Net Income and EBITDA:

- FY 2022 - \$1,985,000 non-recurring, non-taxable gain from the forgiveness of the Company's PPP Loan.

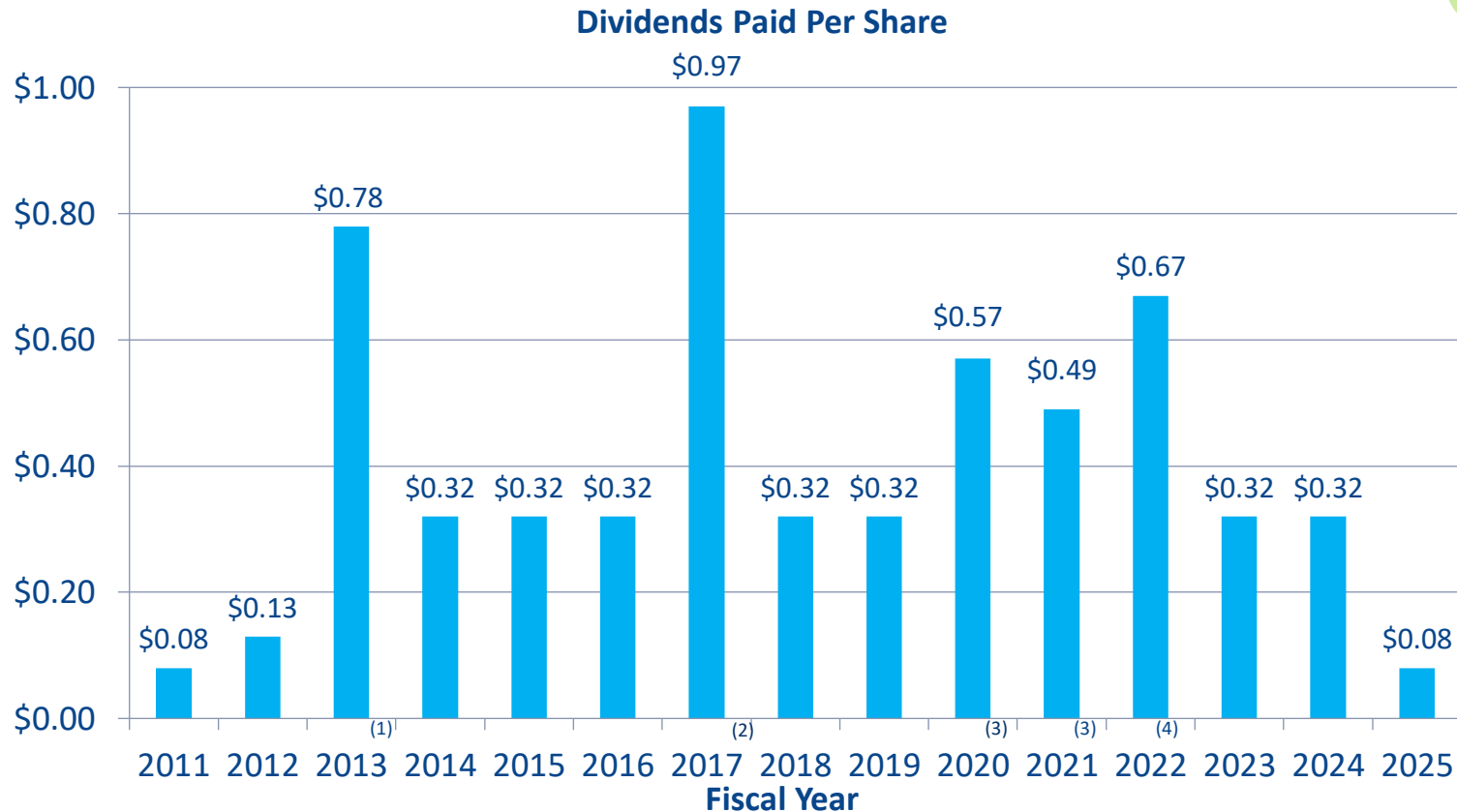
Operating Highlights – Fiscal Years 2024 and 2025 Year-to-Date through First Quarter (Unaudited)



Adjustments to Net Income and EBITDA:

- FY 2025 - \$244,000 expenses associated with the closure of the Company's subsidiary in the United Kingdom, and \$116,000 of costs associated with the acquisition of Baby Boom.

Have Returned \$59.4 Million in Dividends to Stockholders Since 2010



1. Dividends paid included a special dividend of \$0.50 per share.
2. Dividends paid included a special dividend of \$0.65 per share.
3. Dividends paid included special dividends of \$0.25 per share.
4. Dividends paid included a special dividend of \$0.35 per share.

For Additional Information

Attendees and other viewers of this presentation are advised to read all reports and other filings made by the Company with the Securities and Exchange Commission under the Securities Act of 1933 and the Securities Exchange Act of 1934. Copies of these filings may be obtained, without charge, by directing a request to Investor Relations, Crown Crafts, Inc., PO Box 1028, Gonzales, Louisiana, 70707-1028, or at www.sec.gov.



The Presentation of Non-GAAP Financial Measures



In addition to the Company's presentation of its financial position and results of operations in conformity with accounting principles generally accepted in the United States ("GAAP"), the Company has also presented measures of its financial position and results of operations which are not determined in accordance with GAAP. These non-GAAP financial measures include earnings before interest, taxes, depreciation and amortization ("EBITDA"). Additionally, with respect to the fiscal years ended March 28, 2021 and April 3, 2022, the Company has presented what its net income, earnings per share and EBITDA would have been if certain non-recurring items of cost and income had not been recognized (to arrive at "Adjusted Net Income", "Adjusted Earnings per Share" and "Adjusted EBITDA," respectively). The items of cost and income that were excluded to calculate Adjusted Net Income, Adjusted Earnings per Share and Adjusted EBITDA are significant components to be considered in an understanding and assessment of the Company's results of operations. The Company believes that the non-GAAP financial measures included in this presentation provide useful information and are important indicators of the Company's ability to generate cash sufficient to service its debt, declare and pay dividends, make strategic investments and capital expenditures and meet working capital requirements and other obligations as they become due. The Company uses these non-GAAP financial measures internally to monitor the Company's operating results and cash flow and to evaluate the performance of its businesses. These non-GAAP financial measures are provided as supplemental information and should be considered in addition to, and not as a substitute for, the Company's GAAP measures, including its net income, earnings per share, cash flow provided by or used in operating, investing or financing activities, and other measures of the Company's financial position or results of operations reported in accordance with GAAP. Because these non-GAAP financial measures are, by definition, not calculated in accordance with GAAP, another company using the same GAAP financial information could possibly arrive at a different calculation of these non-GAAP financial measures. Therefore, the non-GAAP financial measures as presented by the Company may not be comparable to similarly-titled measures that may be presented by another company.

Operating Highlights

(In thousands, except percentages – unaudited)

	Fiscal Year			YTD Fiscal 1 st Quarter	
Non-GAAP Reconciliation of Net Income to EBITDA and Adjusted EBITDA:	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2024</u>	<u>2025</u>
Net income	\$ 9,918	\$ 5,650	\$ 4,894	\$ 366	\$ (322)
Interest expense	68	8	756	188	101
Interest income	(18)	(89)	(22)	-	-
Income tax expense	2,408	1,776	1,334	140	(64)
Depreciation	652	688	834	216	185
Amortization	509	481	601	145	148
EBITDA	\$ 13,537	\$ 8,514	\$ 8,397	\$ 1,056	\$ 48
Adjustments	(1,985)	-	-	-	360
Adjusted EBITDA	\$ 11,552	\$ 8,514	\$ 8,397	\$ 1,056	\$ 408
Net sales	\$ 87,360	\$ 75,053	\$ 87,632	\$ 17,123	\$ 16,212
Adjusted EBITDA as a Percentage of Net Sales	13.2%	11.3%	9.6%	6.2%	2.5%

Operating Highlights

(In thousands, except per share amounts – unaudited)

	Fiscal Year			YTD Fiscal 1 st Quarter	
Non-GAAP Reconciliation of Net Income to Adjusted Net Income:	2022	2023	2024	2024	2025
Net income	\$ 9,918	\$ 5,650	\$ 4,894	\$ 366	\$ (322)
Adjustments	(1,985)	-	-	-	360
Income tax impact of adjustments	-	-	-	-	(77)
Adjusted net income	\$ 7,933	\$ 5,650	\$ 4,894	\$ 366	\$ (39)
Non-GAAP Reconciliation of Earnings per Share to Adjusted Earnings per Share:					
Weighted Average Shares Outstanding:					
Basic	10,055	10,102	10,210	10,154	10,311
Diluted	10,084	10,120	10,214	10,163	10,311
Earnings per Share as Reported:					
Basic	\$ 0.99	\$ 0.56	\$ 0.48	\$ 0.04	\$ (0.03)
Diluted	\$ 0.98	\$ 0.56	\$ 0.48	\$ 0.04	\$ (0.03)
Adjusted Earnings per Share:					
Basic	\$ 0.79	\$ 0.56	\$ 0.48	\$ 0.04	\$ 0.00
Diluted	\$ 0.79	\$ 0.56	\$ 0.48	\$ 0.04	\$ 0.00



Thank You

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NASDAQ-CM: CRWS