

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): November 12, 2024

**Crown Crafts, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**1-7604**

(Commission File Number)

**58-0678148**

(IRS Employer  
Identification No.)

**916 South Burnside Avenue, Gonzales, LA**

(Address of principal executive offices)

**70737**

(Zip Code)

Registrant's telephone number, including area code: (225) 647-9100

(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	CRWS	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On November 12, 2024, Crown Crafts, Inc. (the “Company”) issued a press release announcing its financial results for the second quarter of fiscal year 2025, which ended September 29, 2024. A copy of that press release is attached hereto as Exhibit 99.1.

The information in this Item 2.02 and in Exhibit 99.1 attached hereto is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of such section. The information in this Item 2.02 and in Exhibit 99.1 attached hereto shall not be incorporated by reference into any registration statement or document pursuant to the Securities Act of 1933, as amended.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 [Press Release dated November 12, 2024.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CROWN CRAFTS, INC.

Date: November 12, 2024

/s/ Craig J. Demarest

CRAIG J. DEMAREST

Vice President and Chief Financial Officer



For immediate release

November 12, 2024

### **Crown Crafts Announces Financial Results for Second Quarter Fiscal 2025**

Gonzales, Louisiana – Crown Crafts, Inc. (NASDAQ-CM: CRWS) (the “Company”) today reported results for the second quarter of fiscal year 2025, which ended September 29, 2024.

#### **Second Quarter Summary**

- Net sales of \$24.5 million, compared with \$24.1 million in the prior-year quarter
- Gross profit of 28.4 percent of net sales compared with 27.3 percent in the second quarter of fiscal 2024
- Net income of \$860,000, or \$0.08 per diluted share. This quarter includes approximately \$788,000 (\$611,000 and \$0.06 per diluted share after tax) of acquisition-related costs.
- Acquired the assets and liabilities of Baby Boom Consumer Products, Inc. (“Baby Boom”) on July 19<sup>th</sup>

#### **Subsequent to the end of Second Quarter**

- Declared quarterly dividend of \$0.08 per share of Series A common stock

“Our second quarter fiscal 2025 results reflect the immediate contribution from our acquisition of Baby Boom, which offset the continued economic headwinds facing our legacy businesses,” said Olivia Elliott, President and Chief Executive Officer. “We continue to be optimistic about the opportunities within our business, including the cross-selling opportunities and expanded offerings with Baby Boom, product development and increased distribution channels at Manhattan Toy and our ability to generate cash flow to repay our borrowings. These positive developments, combined with our continued cost management and the potential for a more favorable macroeconomic environment will help improve profitability and generate long-term value for our shareholders.”

#### **Second Quarter Fiscal 2025 Results**

Net sales for the second quarter of fiscal 2025 were \$24.5 million, compared to \$24.1 million in the prior-year quarter. The increase in sales is primarily due to the addition of Baby Boom which contributed \$3.4 million of net sales in the current-year quarter, partially offset by declines in the Company's legacy businesses, including the loss of a bib program at a major retailer.

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Gross profit was 28.4% versus 27.3% in the second quarter of 2024. The increase in gross profit is considered to be materially consistent with the prior period and resulted from minor changes in product mix offset by increases in rent at the Company's Compton facility. Marketing and administrative expenses were \$5.4 million, compared to \$4.0 million in the second quarter of the prior year. Fiscal 2025 includes \$788,000 in costs associated with the Baby Boom acquisition. Net income for the quarter was \$860,000, or \$0.08 per diluted share, compared to net income of \$1.8 million, or \$0.18 per diluted share in the prior-year quarter.

#### **Quarterly Cash Dividend**

The Company also announced that its Board of Directors declared a quarterly cash dividend on the Company's Series A common stock of \$0.08 per share, which will be paid on January 3, 2025 to stockholders of record at the close of business on December 13, 2024.

#### **Conference Call**

The Company will host a teleconference today at 8:00 a.m. Central Standard Time to discuss the results, during which interested individuals will be given the opportunity to ask appropriate questions. To join the teleconference, dial (844) 861-5504 and ask to join the Crown Crafts call. The teleconference can also be accessed in listen-only mode by visiting the Company's website at [www.crowncrafts.com](http://www.crowncrafts.com). The financial information to be discussed during the teleconference may be accessed prior to the call on the investor relations portion of the Company's website. A telephone replay of the teleconference will be available one hour after the end of the call through 4:00 p.m. Central Standard Time on February 11, 2025. To access the replay, dial (877) 344-7529 in the United States or (412) 317-0088 from international locations and enter replay access code **3679859**.

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## About Crown Crafts, Inc.

Crown Crafts, Inc. designs, markets and distributes infant, toddler and juvenile consumer products. Founded in 1957, Crown Crafts is one of America's largest producers of infant bedding, toddler bedding, diaper bags, bibs, toys and disposable products. The Company operates through its two wholly owned subsidiaries, NoJo Baby & Kids, Inc. and Sassy Baby, Inc., which market a variety of infant, toddler and juvenile products under Company-owned trademarks, as well as licensed collections and exclusive private label programs. Sales are made directly to retailers such as mass merchants, large chain stores and juvenile specialty stores. For more information, visit the Company's website at [www.crowncrafts.com](http://www.crowncrafts.com).

## Forward-Looking Statements

*The foregoing contains forward-looking statements within the meaning of the Securities Act of 1933, the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Such statements are based upon management's current expectations, projections, estimates and assumptions. Words such as "expects," "believes," "anticipates" and variations of such words and similar expressions 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, among others, general economic conditions, including changes in interest rates, in the overall level of consumer spending and in the price of oil, cotton and other raw materials used in the Company's products, changing competition, changes in the retail environment, the Company's ability to successfully integrate newly acquired businesses, the level and pricing of future orders from the Company's customers, the extent to which the Company's business is concentrated in a small number of customers, the Company's dependence upon third-party suppliers, including some located in foreign countries, 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 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.*

### Contact:

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Vice President and Chief Financial Officer  
(225) 647-9118  
[cdemarest@crowncrafts.com](mailto:cdemarest@crowncrafts.com)

### Investor Relations:

Three Part Advisors  
Steven Hooser, Partner, or John Beisler, Managing Director  
(817) 310-8776

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CROWN CRAFTS, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
SELECTED FINANCIAL DATA  
In thousands, except percentages and per share amounts  
(Unaudited)

	Three-Month Periods Ended		Six-Month Periods Ended	
	September 29, 2024	October 1, 2023	September 29, 2024	October 1, 2023
Net sales	\$ 24,460	\$ 24,129	\$ 40,672	\$ 41,252
Gross profit	6,957	6,596	10,923	11,338
Gross profit percentage	28.4%	27.3%	26.9%	27.5%
Marketing and administrative expenses	5,448	4,036	9,711	8,082
Income from operations	1,509	2,560	1,212	3,256
Income before income tax expense	1,127	2,372	741	2,878
Income tax expense	267	550	203	690
Net income	860	1,822	538	2,188
Basic and diluted earnings per share	\$ 0.08	\$ 0.18	\$ 0.05	\$ 0.21
Weighted Average Shares Outstanding:				
Basic	10,354	10,199	10,332	10,177
Diluted	10,355	10,201	10,335	10,182

CONSOLIDATED BALANCE SHEETS  
SELECTED FINANCIAL DATA  
In thousands

	(Unaudited)	
	September 29, 2024	March 31, 2024
Cash and cash equivalents	\$ 1,982	\$ 829
Accounts receivable, net of allowances	24,375	22,403
Inventories	33,394	29,709
Total current assets	61,200	54,824
Operating lease right of use assets	13,865	14,949
Finite-lived intangible assets - net	8,048	2,872
Goodwill	13,245	7,926
Total assets	\$ 99,350	\$ 82,706
Current maturities of long-term debt	1,990	-
Operating lease liabilities, current	3,785	3,587
Total current liabilities	18,439	10,461
Long-term debt	18,761	8,112
Operating lease liabilities, noncurrent	10,903	12,138
Shareholders' equity	50,835	51,601
Total liabilities and shareholders' equity	\$ 99,350	\$ 82,706