WOLVERINE worldwide

INVESTOR PRESENTATION

third quarter 2022, ending October 1, 2022

Forward Looking Statements

This presentation contains forward-looking statements, including statements regarding: the Company's corporate strategic priorities; plans regarding its brands' respective purposes and planned 2022 products launches; 2022 full year financial guidance; growth pillars; investment and expansion plans and strategies; its TSR focus; its capital allocation priorities; planned shareholder distributions; and [summarize other forward-looking statements included in the updated slide regarding 2022 outlook]li. In addition, words such as "estimates," "anticipates," "believes," "forecasts," "step," "plans," "predicts," "focused," "projects," "outlook," "is likely," "expects," "intends," "should," "will," "confident," variations of such words, and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions ("Risk Factors") that are difficult to predict and could cause the Company's performance to differ materially from what is expressed in the forward-looking statements. Risk Factors include, among others: the potential effects of the COVID-19 pandemic on the Company's business, operations, financial results and liquidity, including the duration and magnitude of such effects, which will depend on numerous evolving factors that the Company cannot currently accurately predict or assess, including: the duration and scope of the pandemic; the negative impact on global and regional markets, economies and economic activity, including the duration and magnitude of its impact on unemployment rates, consumer discretionary spending and levels of consumer confidence; actions governments, businesses and individuals take in response to the pandemic; the effects of the pandemic, including all of the foregoing, on the Company's distributors, manufacturers, suppliers, joint venture partners, wholesale customers and other counterparties; how quickly economies and demand for the Company's products recover after the pandemic subsides; changes in general economic conditions, employment rates, business conditions, interest rates, tax policies, inflationary pressures and other factors affecting consumer spending in the markets and regions in which the Company's products are sold; the inability for any reason to effectively compete in global footwear, apparel and consumer-direct markets; the inability to maintain positive brand images and anticipate, understand and respond to changing footwear and apparel trends and consumer preferences; the inability to effectively manage inventory levels; increases or changes in duties, tariffs, quotas or applicable assessments in countries of import and export; foreign currency exchange rate fluctuations; currency restrictions; supply chain and capacity constraints, production disruptions, quality issues, price increases or other risks associated with foreign sourcing; the cost, including the effect of inflationary pressures, and availability of raw materials, inventories, services and labor for contract manufacturers; labor disruptions; changes in relationships with, including the loss of, significant wholesale customers; risks related to the significant investment in, and performance of, the Company's consumer-direct operations; risks related to expansion into new markets and complementary product categories; the impact of seasonality and unpredictable weather conditions; changes in general economic conditions and/or the credit markets on the Company's distributors, suppliers and retailers; changes in the Company's effective tax rates; failure of licensees or distributors to meet planned annual sales goals or to make timely payments to the Company; the risks of doing business in developing countries, and politically or economically volatile areas; the ability to secure and protect owned intellectual property or use licensed intellectual property; the impact of regulation, regulatory and legal proceedings and legal compliance risks, including compliance with federal, state and local laws and regulations relating to the protection of the environment, environmental remediation and other related costs, and litigation or other legal proceedings relating to the protection of the environment or environmental effects on human health; the potential breach of the Company's databases or other systems, or those of its vendors, which contain certain personal information, payment card data or proprietary information, due to cyberattack or other similar events; problems affecting the Company's distribution system, including service interruptions at shipping and receiving ports; strategic actions, including new initiatives and ventures, acquisitions and dispositions, and the Company's success in integrating acquired businesses, and implementing new initiatives and ventures; the risk of impairment to goodwill and other intangibles; changes in future pension funding requirements and pension expenses; and additional factors discussed in the Company's reports filed with the Securities and Exchange Commission and exhibits thereto. The foregoing Risk Factors, as well as other existing Risk Factors and new Risk Factors that emerge from time to time, may cause actual results to differ materially from those contained in any forward-looking statements. Given these or other risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Furthermore, the Company undertakes no obligation to update, amend, or clarify forward-looking statements.

This presentation includes non-GAAP financial measures which are indicated by footnote references. Pages 25 and 26 at the end of this presentation include reconciliations of the non-GAAP financial measures to the most comparable GAAP financial measures.

Third Quarter 2022 Review

Announcement of New Brand Group Structure and Reportable Segments

"We are excited to share our new brand group structure and related reportable segments. This important change will allow us to better unlock the capabilities and synergies of our strong portfolio of brands. The new structure was recently approved by our Board of Directors and took effect in the fourth quarter. The financial highlights below provide information under the existing and new reportable segments" said Brendan Hoffman, Wolverine Worldwide's President and Chief Executive Officer.

ACTIVE

MERRELL
Chaco
Sweaty Betty
saucony

The footwear brands will report to Chris Hufnagel and Sweaty Betty will continue to report to Brendan Hoffman. This group includes brands with the highest future growth potential

WORK

WOLVERINE
HYTEST SAFETY FOOTWEAR
CAT
BATES
HARLEY-DAVIDSON MOTOR CYCLES FOOTWEAR

The work segment will report to Tom Kennedy and this group includes brands that will produce stable growth while contributing profit and cash flow to support our highest-growth brands

LIFESTYLE

SPERRY
Hush Puppies®
Keds®

The lifestyle segment will report to Katherine Cousins. This group represents our turnaround brands. Combined, the group delivers positive cash flow but the brands are not achieving their potential. We are evaluating the best go-forward options for each brand

New Brand Groups and Reportable Segments

- Reorganizing the brand group structure into the Active, Work, and Lifestyle Groups, to leverage common product and consumer categories, align with the Company's view of its global portfolio, and provide increased transparency to investors;
- Appointing new leaders of these brand groups, to better position each brand for success; and
- Establishing a Profit Improvement Office to accelerate cost savings and efficiencies that will accelerate operating margin expansion and provide capacity for future investments.
- Amounts below recast[1] third quarter performance assuming new segments were in effect.

ACTIVE

MERRELL, saucony, Sweaty Betty, Chaco

Revenue: $398.2M

% Change vs. Q3 2021: +13.0%

WORK

WOLVERINE, HYTEST SAFETY FOOTWEAR, CAT, BATES, HARLEY-DAVIDSON MOTOR CYCLES FOOTWEAR

Revenue: $157.8M

% Change vs. Q3 2021: +11.2%

LIFESTYLE

SPERRY, Keds, Hush Puppies

Revenue: $117.7M

% Change vs. Q3 2021: -6.9%

1) Recast segment information (a) is being provided for illustrative purposes only; (b) is unaudited and may change based on the Company's audit; (c) reflects only the manner in which the operating segment results are reported and does not reflect any changes in the Company's previously reported consolidated financials for any period; and (d) does not reflect any subsequent information or events, other than as required to reflect the change in segments.

Historical Quarterly Recast[1] of New Brand Groups and Reportable Segments

(In millions)	(unaudited) Quarter Ended April 3, 2021	July 3, 2021	October 2, 2021	January 1, 2022	April 2, 2022	July 2, 2022	October 1, 2022
Revenue:							
Active	$283.1	$343.7	$352.5	$340.4	$346.1	$428.3	$398.2
Work	116.7	140.6	141.9	149.5	138.5	139.5	157.8
Lifestyle	97.4	126.3	126.4	126.9	108.1	121.1	117.7
Other	13.5	21.3	15.9	18.8	22.1	24.7	17.7
Total	**$510.7**	**$631.9**	**$636.7**	**$635.6**	**$614.8**	**$713.6**	**$691.4**
Segment operating profit (loss):							
Active	$56.3	$72.6	$62.8	$37.6	$53.2	$72.7	$54.9
Work	23.1	28.1	27.0	25.4	25.5	28.0	28.2
Lifestyle	12.9	20.4	15.9	18.4	13.2	16.6	13.4
Other	1.3	2.6	2.1	2.4	2.5	4.4	2.8
Corporate	(35.5)	(59.9)	(65.3)	(92.5)	(74.8)	46.2	(40.5)
Total	**$58.1**	**$63.8**	**$42.5**	**($8.7)**	**$19.6**	**$167.9**	**$58.8**

1) Recast segment information (a) is being provided for illustrative purposes only; (b) is unaudited and may change based on the Company's audit; (c) reflects only the manner in which the operating segment results are reported and does not reflect any changes in the Company's previously reported consolidated financials for any period; and (d) does not reflect any subsequent information or events, other than as required to reflect the change in segments. See Form 8-K/A filed with the Securities Exchange Commission on November 10, 2022 for additional detail on historical recast of new brand groups and reportable segments

Q3 2022 Highlights

Revenue	Adjusted[(1)] Gross Margin	Adjusted[(1)] Operating Margin	Adjusted[(1)] EPS
$691.4M +8.6% +12.2% Constant Currency[2]	40.3% -320 bps	9.0% -190 bps	$0.48 -14.3% +0% Constant Currency[2]

- Delivered third quarter revenue growth of 9% and 12% on a constant currency[2] basis, both revenue and profit came in below our expectations reflecting ongoing supply chain disruption, heightened promotional activity at retail, and deteriorating macro conditions.
- Despite these external headwinds we saw notable strength in our international business and, within our portfolio, Merrell continued its strong momentum delivering 39% constant currency[2] growth.
- We continue to strengthen the foundation of our business through a refined corporate strategy that is focused on prioritizing the brands that we believe have the highest potential for growth and optimizing the brands that create value through strong profit and cash flow contribution.

1) See pages 25 and 26 for reconciliations to the most comparable GAAP measures
2) Constant currency growth is a non-GAAP measure

Third Quarter Performance

Third Quarter Highlights

MERRELL

Revenue: $198.6M
% Change vs. Q3 2021: +33.6%
% Change vs. Q3 2019: +31.1%

- Named **Brand of the Year** by Footwear News.
- **MTL (Merrell Test Lab)** is our innovation incubator where all our top products come to life. We test and refine right on the trail, using nature as our guide and elite athletes as our North Star.
- New 8oz shoe, **Skyfire**, is a product of MTL and helps grow our share in light trail running category.

saucony

Revenue: $129.7M
% Change vs. Q3 2021: -0.6%
% Change vs. Q3 2019: +59.1%

- **Tempus** and **Triumph 20**, launched in the quarter and had strong sell throughs, reflecting the demand and interest in Saucony.
- Saucony sponsored the **Hood to Coast** relay in China in August. The team launched its **House of Speed** consumer activation booths at the start and finish lines which reached **2,500 runners** and **100+ media outlets**.

SPERRY

Revenue: $70.0M
% Change vs. Q3 2021: -12.4%
% Change vs. Q3 2019: -32.1%

- Demand trends in the US boat category and women's sneakers softened in the third quarter compared to earlier in the year.
- Sperry continues to possess high aided **brand awareness at 57%** and is seeing a notable increase in search engine interest.
- Innovative product stories include our **Jaws**, **Seacycled** and **Moc-Sider** boat lines.

WOLVERINE

Revenue: $59.1M
% Change vs. Q3 2021: -1.2%
% Change vs. Q3 2019: +4.6%

- Third collaboration with **Old Rip Van Winkle** bourbon launched 10/25 and sold out in less than 48 hours and earned **500 million** media impressions.
- This month we are launching our third collaboration with **Rawlings,** celebrating the famous **Gold Glove Awards.**

Sweaty Betty

Revenue: $37.8M
% Change vs. Q3 2021: -28.3%[1]
% Change vs. Q3 2019: +83.2%[2]

- Continued macro headwinds in the UK and throughout Europe.
- Sweaty Betty opened its **first concept store** in London at **Battersea Power Station**, one of the most covetable new retail developments in the UK.
- Held loyalty **Insiders week** achieving 16.8K new Insiders and 34% of the new cohort purchased during Insiders week.

1) Sweaty Betty FY 2021 proforma revenue & growth rate assuming it was acquired on January 3, 2021
2) Sweaty Betty FY 2019 proforma revenue & growth rate assuming it was acquired on December 30, 2018

2022 Full Year Financial Guidance

Revenue	Gross Margin	Adjusted[1] Operating Margin	Adjusted[1] EPS
$2.670B - $2.695B +11% to +12% +14% to 15% Constant Currency [2]	**Approximately 41.0%**	**Approximately 7.0%**	**$1.41 - $1.51** (24.1%) to (18.7%) (17.1%) to (11.6%) Constant Currency [2]

1) See pages 25 and 26 for reconciliations to the most comparable GAAP measures
2) Constant currency is a non-GAAP measure

Key Strengths & Growth Pillars

Key Strengths

Brands + Product

- Portfolio of 13 performance and lifestyle brands
- Well positioned in hiking, running, athletic apparel and work categories
- Category leaders

Diversified Business

- Product categories
- Regions & markets
- Distribution channels – led by eCommerce
- Broad consumer base

Financial Strength

- Strong balance sheet
- Nimble cost structure
- Relatively low fixed cost model
- Capacity to invest in long term growth

Strong Operational Platform

- Shared centers-of-excellence – such as eCommerce
- Robust and agile supply chain

Experienced Management

- Industry experience
- Leadership longevity

Growth Pillars

DTC Focus, Digital Priority

- Engaging consumers with pinnacle brand and shopping experiences online
- Constant flow of compelling digital content and storytelling
- Global expansion of our eCommerce platforms
- Direct consumer dialog and testing to inform decisions
- Outpaced growth with third party digital customers and distributors

Powerful Product Engine

- Increased supply base capacity to support growth in demand
- Relentless and frequent introduction of craveable product
- Stronger consumer insights and use of digital tools to style test products more quickly and effectively
- Speed-to-market initiatives and deployment of digital product development tools to design and sample products more quickly and efficiently

Accelerated International Growth

- Strengthening regional teams, especially in China
- Regional merchandising to enhance development of market-right product
- Expanding network of core partners and continuous evaluation of business models
- Investing in digital capabilities in new markets

Brands + Product

MERRELL

We now expect record revenue with mid-teens growth in 2022

Category Share Leader(1)
#1 Hike

Financial Performance

Full Year 2021:

Revenue: $624M

- *+22% vs. ‘20*

DTC[2] Revenue: $183M

- *+28% vs. ‘20*

Brand Purpose:

THE TRAIL AHEAD

At Merrell, we believe in sharing the simple power of the outside – no matter who you are, where you came from, who you love, or how you move. We’re committed to building a better tomorrow by creating more inclusive, welcoming, and equitable spaces in the outdoors.

Key Franchises:


Moab


Moab Speed


Nova/Antora


Hydro Moc


Alpine

2022 New Product Launch Highlights:


Moab 3


Bravada 2


Antora 2 Galactic


Thermo Rogue 3


Hut Moc 2

1) Source: NPD data for 12 months ending September 2022
2) Owned stores and eCommerce

We now expect record revenue with high single digit growth in 2022

WOLVERINE

Category Share Leader (1)
#1 Work Boots

Financial Performance

Full Year 2021:

Revenue: $227M

- *+28% vs. ‘20*

DTC[2] Revenue: $33M

- *+17% vs. ‘20*

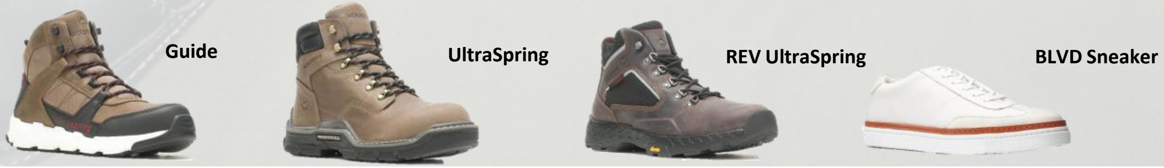
Brand Purpose:

We exist to support the people who forge their own path; men and women who stop at nothing to build the future they want.

Key Franchises:

2022 New Product Launch Highlights:

- UltraSpring technology focus across big launches in Hellcat (core work), Rev (OccuSafety), Guide (Outdoor), and Forge (Work Casual). Introducing the Raider Revolution with Durashocks, and also launching new colorways in the BLVD collection.
- Kicked off 2022 with purpose-led product collaboration with Uncommon Construction and will anniversary previous collaborations in fresh new ways, while introducing new mainstream partners throughout 2022.



1) Source: NPD data for 12 months ending September 2022
2) Owned stores and eCommerce

We now expect high single digit growth in 2022

Financial Performance

Full Year 2021:

Revenue: $454M

- *+57% vs. '20*

DTC[1] Revenue: $65M

- *+51% vs. '20*

Brand Purpose:

RUN FOR GOOD

We exist to inspire and serve all humans to live their best life by providing access to running, self-expression and creating a better world.

Key Franchises:

- Peregrine, Kinvara, Ride, Guide, Triumph,
- Endorphin Collection (Pro, Speed, Shift)
- Jazz & Shadow (Originals)

2022 New Product Launch Highlights:

- Tempus, Endorphin Trail, Endorphin Edge, Shadow 500 Premium

TEMPUS

ENDORPHIN EDGE

SHADOW 5000 PREMIUM

1) Owned stores and eCommerce

SPERRY

We now expect revenue to be down mid-teens in 2022

Category Share Leader (1)
#1
Boat

Category Share Leader (1)
#1
Rain Boots

Financial Performance

Full Year 2021:

Revenue: $305M

- *+25% vs. ‘20*

DTC[2] Revenue: $126M

- *+24% vs. ‘20*

Brand Purpose:

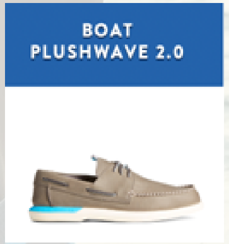
ALL FOR WATER & WATER FOR ALL
We believe in the power of water. And we will always work to share, celebrate, and protect it.

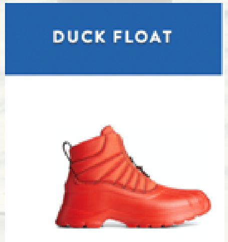
Key Franchises:

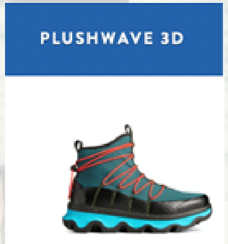
- Boat, Moc-Sider, Float, Torrent, Saltwater Duck boots

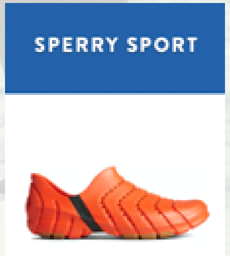
2022 New Product Launch Highlights:

- Boat, Plushwave 2.0, Duck Float, Plushwave 3D, Sperry Sport









1) Source: NPD data for 12 months ending September 2022
2) Owned stores and eCommerce

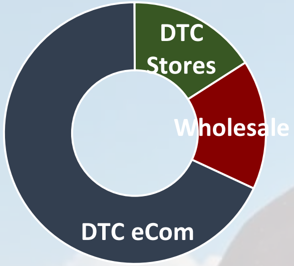
We now expect revenue to be down[2] mid-teens in 2022

Sweaty Betty

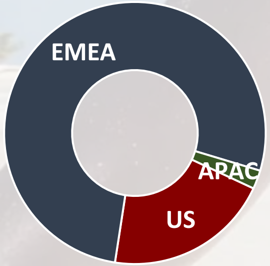
Financial Performance:

2021 Proforma revenue[1] $245M
+40% versus prior year

2021 Revenue[1] by Channel



2021 Revenue[1] by Region



Brand Purpose:

EMPOWERING WOMEN THROUGH FITNESS AND BEYOND

Our on-the-go community treats every day like it's made for moving, and we're always pushing to do better too. Like crafting clothes from responsibly sourced materials and recycled bottles; caring for both your body and the planet.

Key Franchises:

- Power Leggings

2022 New Product Launch Highlights:

- Sand Wash Pants, After Class Hoody, Free Fall Parka, Super Soft Franchise

1) Sweaty Betty FY 2021 revenue, growth rate, and channel and revenue allocation, assuming it was acquired on December 29, 2019
2) Outlook versus 2021 pro forma revenue

Diversified Business




CATEGORIES






CONSUMERS




REGIONS


DTC | eCommerce | Sporting Goods | **CHANNELS** | Specialty | Independents | Department Stores

Consumers shown are illustrative of brands' consumers, not actual consumers

Go-to-Market & Distribution

Global Online Sales Across All Channels[1]

More than

40%

of 2021 Revenue

U.S. Wholesale

amazon, DICK'S Sporting Goods, REI co-op, Zappos.com, Academy Sports + Outdoors, Cabela's, Dillard's, DSW Designer Shoe Warehouse, TSC

Rest of World

170+ countries and territories in which products are marketed globally[2]

Business models include owned markets, distributors, licensees, and joint ventures

Independent distributors across EMEA, Asia Pacific, and Latin America[2]:

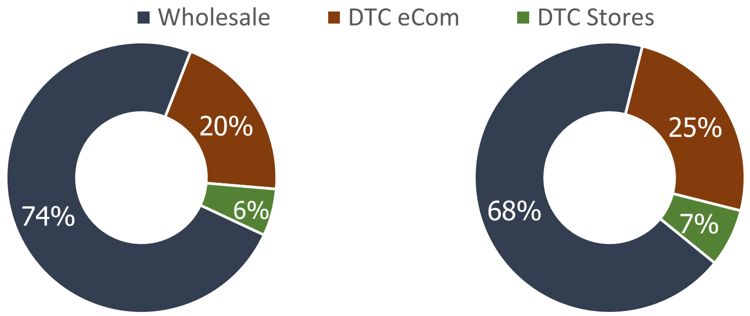
300+

Retail Partners: JD, TMALL天猫, amazon, DECATHLON, Mark's

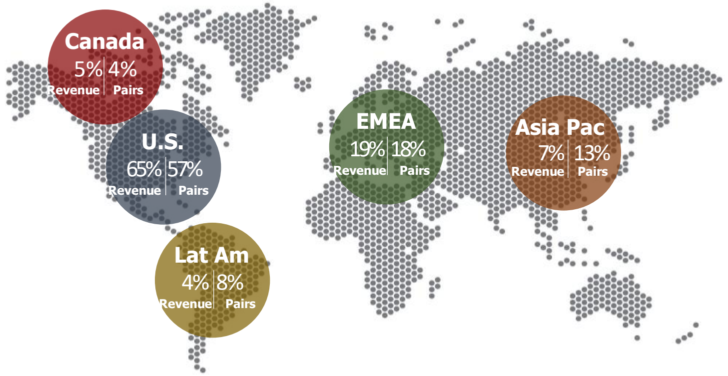
Revenue by Channel

2021 Global Revenue

2021 U.S. Revenue



2021 Sales by Region



43% of pairs outside the U.S. (35% of revenue)

1) Represents owned online business and the estimated online business of our wholesale customers and International distributor partners
2) Countries and territories and distributor figures as of end of 2021

2021 at-a-Glance

MERRELL
Chaco
Hush Puppies
HARLEY-DAVIDSON FOOTWEAR
WOLVERINE
CAT
BATES
HYTEST SAFETY FOOTWEAR
SPERRY
saucony
Keds
Sweaty Betty

Our Vision:

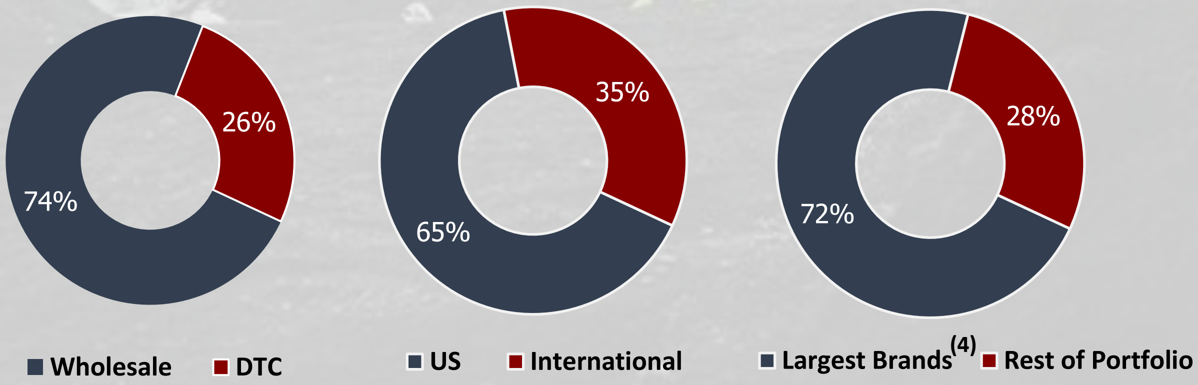
To build a family of the most admired performance & lifestyle brands on earth

Our Mission:

To empower, engage, and inspire our consumers — every step of the way

Revenue	**$2.41 Billion**	**+35%** +28%[2]
Adjusted[1] EPS	**$1.85**	**+99%** +87%[2]
Merrell, Saucony and Wolverine all-time record revenue		
Organic revenue exceeds pre-pandemic FY19		
Acquired Sweaty Betty in August		
Successful CEO transition		

Revenue by Channel, Region & Brand



Revenue Growth FY21

MERRELL	+22%
saucony	+57%
SPERRY	+25%
WOLVERINE	+28%
Sweaty Betty	+40%[3]

1) See pages 25 and 26 for reconciliations to the most comparable GAAP measures. 2021 adjustments previously reported included an adjustment for air freight charges related to production and shipping delays caused by the COVID-19 pandemic; the Company has recalculated As Adjusted EPS to remove this adjustment.
2) Non-GAAP organic growth figures, which exclude Sweaty Betty results
3) Sweaty Betty FY 2021 proforma revenue & growth rate assuming it was acquired on December 29, 2019
4) Largest brands: Merrell, Saucony, Sperry, Wolverine & Sweaty Betty

Financial Highlights

3Q22 and FY21 Financials

(In millions, except per share data)	Q3 2022	Change vs Q3 2021	FY 2021[1]	FY 2021 vs 2020
Michigan Group	$ 390.2	*20.1%*	$ 1,298.9	*23.6%*
Boston Group	247.7	*-4.3%*	935.8	*34.5%*
Sweaty Betty & Other	53.5	*0.8%*	180.2	*308.6%*
Total Revenue	$ 691.4	*8.6%*	2,414.9	*34.8%*
Constant $*		*12.2%*		*33.4%*
Gross Profit	277.8	*1.1%*	1,029.9	*40.0%*
Gross Margin	40.2%	*(300 bps)*	42.6%	*150 bps*
Adjusted Operating Profit*	62.1	*-10.5%*	230.8	*72.4%*
Adjusted Operating Margin	9.0%	*(190 bps)*	9.6%	*210 bps*
Reported EPS	$ 0.48		$ 0.81	
Adjusted EPS*	$ 0.48	*-14.3%*	$ 1.85	*98.9%*

- See pages 25 and 26 for reconciliations to the most comparable GAAP measures

1) 2021 adjustments previously reported included an adjustment for air freight charges related to production and shipping delays caused by the COVID-19 pandemic; the Company has recalculated adjusted results to remove this adjustment.

Net Debt and Liquidity

End of Third Quarter 2022

Gross Debt:	$1.48B
Less: Cash & Cash Equivalents	$0.13B
Net Debt:	$1.35B

Available Liquidity: $400M
Bank-Defined Leverage Ratio: 3.4x

Outlook – End of Fiscal 2022

We expect to generate $250M - $300M of operating free cash flow in the fourth quarter of 2022, bringing the bank-defined leverage ratio down to approximately 3x.

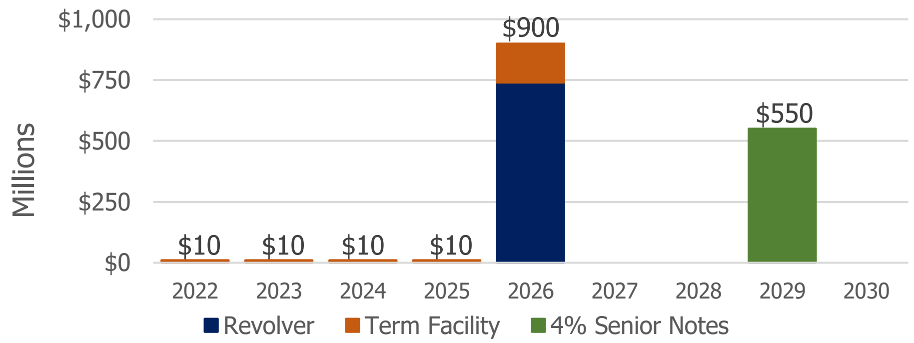
Components of Third Quarter 2022 Gross Debt

53% of Debt is at a Fixed Interest Rate

- $193M - Term Facility (Variable*)
- $740M – Borrowings under revolving credit agreements (Variable*)
- $550M – Senior Notes (4% Fixed)

*The company has an interest rate swap arrangement, with a nominal amount of $241M at the end of Q3 2022, which exchanges floating rate interest payments for fixed rate payments. At October 1, 2022, the Term Facility and the Revolving Facility had a weighted-average interest rate of 3.81%

Debt Maturities



GAAP to Non-GAAP Adjustments

RECONCILIATION OF REPORTED REVENUE
TO ADJUSTED REVENUE ON A CONSTANT CURRENCY BASIS*
(Unaudited)
(In millions)

REVENUE	GAAP Basis	Foreign Exchange Impact	Constant Currency Revenue	Prior Year GAAP Basis	Constant Currency Growth	Reported Growth
Fiscal 2022 Q3	$691.4	$22.9	$714.3	$636.7	*12.2%*	*8.6%*
Fiscal 2021	$2,414.9	-$25.3	$2,389.6	$1,791.1	*33.4%*	*34.8%*
Fiscal 2020	$1,791.1	$0.5	$1,791.6	$2,273.7	*-21.2%*	*-21.2%*

RECONCILIATION OF REPORTED OPERATING MARGIN TO ADJUSTED OPERATING MARGIN
(Unaudited)
(In millions)

	GAAP Basis	Adjustments[1]	As Adjusted
Operating Profit - Fiscal 2022 Q3	$ 58.8	$ 3.3	$ 62.1
Operating Margin	*8.5%*		*9.0%*
Operating Profit - Fiscal 2021[2] Q3	$ 42.5	$ 26.8	$ 69.3
Operating Margin[2]	*6.7%*		*10.9%*
Operating Profit - Fiscal 2021[2]	$ 155.7	$ 75.1	$ 230.8
Operating Margin[2]	*6.4%*		*9.6%*
Operating Profit - Fiscal 2020	$ (137.1)	$ 271.0	$ 133.9
Operating Margin	*-7.7%*		*7.5%*

1) Q3 2022 adjustments $2.2 million of environmental and other related costs net of recoveries and $1.1 million of costs associated with Sweaty Betty® integration. Q3 2021 adjustments reflect $17.3 million of environmental and other related costs net of recoveries and $9.5 million of costs associated with the acquisition of the Sweaty Betty® brand.

2021 adjustments reflect $56.4 million of environmental and other related costs net of recoveries, and $18.7 million of costs associated with the acquisition of Sweaty Betty®. 2020 adjustments reflect $222.2 million for a non-cash impairment of the Sperry® trade name, $37.7 million of expenses related to the COVID-19 pandemic including $10.9 million of severance expenses, $8.5 million of credit loss expenses, $4.9 million of inventory charges, $3.9 million of air freight charges related to production delays, $3.6 million of facility exit costs and $5.9 million of other costs, and $11.1 million of environmental and other related costs net of recoveries.

2) 2021 adjustments previously reported included an adjustment for air freight charges related to production and shipping delays caused by the COVID-19 pandemic; the Company has recalculated As Adjusted Operating Profit and As Adjusted Operating Margin to remove this adjustment.

RECONCILIATION OF REPORTED GROSS MARGIN TO ADJUSTED GROSS MARGIN
(Unaudited)
(In millions)

	GAAP Basis	Adjustments[1]	As Adjusted
Gross Profit - Fiscal 2022 Q3	$ 277.8	$ 0.7	$ 278.5
Gross Margin	*40.2%*		*40.3%*
Gross Profit - Fiscal 2021[2] Q3	$ 274.8	$ 2.2	$ 277.0
Gross Margin[2]	*43.2%*		*43.5%*
Gross Profit - Fiscal 2021[2]	$ 1,029.9	$ 9.1	$ 1,039.0
Gross Margin[2]	*42.6%*		*43.0%*
Gross Profit - Fiscal 2020	$ 735.6	$ 8.3	$ 743.9
Gross Margin	*41.1%*		*41.5%*

(1) Q3 2022 adjustment reflects $0.7 million of costs associated with Sweaty Betty® integration. Q3 2021 adjustments reflect $2.2 million of costs associated with the acquisition of the Sweaty Betty® brand.

2021 adjustments reflect $9.1 million of costs associated with the acquisition of Sweaty Betty®. 2020 adjustments reflect expenses related to the COVID-19 pandemic including $4.4 million of inventory charges and $3.9 million of air freight charges related to production delays.

2) 2021 adjustments previously reported included an adjustment for air freight charges related to production and shipping delays caused by the COVID-19 pandemic; the Company has recalculated As Adjusted Gross Profit and As Adjusted Gross Margin to remove this adjustment.

GAAP to Non-GAAP Adjustments

RECONCILIATION OF REPORTED DILUTED EPS TO ADJUSTED DILUTED EPS*
(Unaudited)
(In millions)

	GAAP Basis	Adjustments[1]	As Adjusted	Foreign Exchange Impact	As Adjusted EPS on a Constant Currency Basis
EPS - Fiscal 2022 Q3	$ 0.48	$ -	$ 0.48	$ 0.08	$ 0.56
EPS - Fiscal 2021[2] Q3	$ -	$ 0.56	$ 0.56	$ -	$ -
EPS - Fiscal 2021[2]	$ 0.81	$ 1.04	$ 1.85	$ (0.04)	$ 1.81
EPS - Fiscal 2020	$ (1.70)	$ 2.63	$ 0.93	$ 0.02	$ 0.95

(1) Q3 2022 adjustment reflects environmental and other related costs net of recoveries and costs associated with Sweaty Betty® integration, offset by income tax benefits included in the GAAP effective tax rate. Q3 2021 adjustment reflect debt extinguishment costs ($0.31 per share), costs associated with the acquisition of the Sweaty Betty® brand ($0.09 per share) and environmental and other related costs net of recoveries ($0.16 per share).

2021 adjustments reflect debt extinguishment costs, costs associated with the acquisition of the Sweaty Betty®, environmental and other related costs net of recoveries and non-cash impairment related to one of the Company's joint ventures. 2020 adjustments reflect a non-cash impairment of the Sperry® trade name, expenses related to the COVID-19 pandemic, and environmental and other related costs net of recoveries.

2) 2021 adjustments previously reported included an adjustment for air freight charges related to production and shipping delays caused by the COVID-19 pandemic; the Company has recalculated As Adjusted EPS to remove this adjustment.

2022 GUIDANCE RECONCILIATION TABLES
RECONCILATION OF REPORTED OPERATING MARGIN GUIDANCE TO ADJUSTED OPERATING MARGIN GUIDANCE, REPORTED DILUTED EPS GUIDANCE TO ADJUSTED DILUTED EPS GUIDANCE
(Unaudited)
(In millions, except earnings per share)

	GAAP Basis	Adjustments[1]	As Adjusted
Operating Margin - Fiscal 2022 Full Year	9.0%	2.0%	7.0%
Dilutive EPS - Fiscal 2022 Full Year	$1.90 - $2.00	$0.49	$1.41 - $1.51

1) 2022 adjustments reflect income from the sale of the Champion trademarks partially offset by estimated environmental and other related costs net of recoveries and estimated Sweaty Betty® integration costs.

*To supplement the consolidated condensed financial statements presented in accordance with Generally Accepted Accounting Principles ("GAAP"), the Company describes what certain financial measures would have been if, environmental and other related costs net of recoveries, Sweaty Betty® integration costs, Sweaty Betty® acquisition costs and debt extinguishment costs were excluded. The Company also describes what certain financial measures would have been if the previously described financial measures also excluded the results of Sweaty Betty ®. The Company believes these non-GAAP measures provide useful information to both management and investors by increasing comparability to the prior period by adjusting for certain items that may not be indicative of core operating measures and to better identify trends in the Company's business. The adjusted financial results are used by management to, and allow investors to, evaluate the operating performance of the Company on a comparable basis.

The constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates. The Company believes providing constant currency information provides valuable supplemental information regarding results of operations, consistent with how the Company evaluates performance. The Company calculates constant currency by converting the current-period local currency financial results using the prior period exchange rates and comparing these adjusted amounts to the Company's current period reported results.

Management does not, nor should investors, consider such non-GAAP financial measures in isolation from, or as a substitution for, financial information prepared in accordance with GAAP. A reconciliation of all non-GAAP measures included in this press release, to the most directly comparable GAAP measures are found in the financial tables above.

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