



May 11th, 2026

GoPro, Inc. (NASDAQ: GPRO)

Management Commentary

Q1 2026 Earnings Call

Robin Stoecker

Director, Corporate Communications, GoPro, Inc.

Enclosed is GoPro's first quarter 2026 earnings report. Following this brief introduction is management commentary from GoPro's CEO, Nicholas Woodman, and CFO, Brian Tratt. This commentary may include forward-looking statements. Forward-looking statements and all other statements that are not historical facts are not guarantees of future performance and are subject to a number of risks and uncertainties which may cause actual results to differ materially. Additionally, any forward-looking statements made today are based on assumptions as of today. This means that results could change at any time, and we do not undertake any obligation to update these statements as a result of new information or future events. To better understand the risks and uncertainties that could cause actual results to differ from our commentary, we refer you to our most recent annual report on Form 10-K for the year ended December 31, 2025, which is on file with the Securities and Exchange Commission ("SEC") and other reports that we may file from time to time with the SEC.

In the management commentary, we may discuss gross margin, operating expense, net profit and loss, adjusted EBITDA as well as basic and diluted net profit and loss per share in accordance with GAAP, and on a non-GAAP basis. A reconciliation of GAAP to non-GAAP operating expenses can be found in the press release that was issued this afternoon, which is posted on the investor relations section of our website. Unless otherwise noted, all income statement-related numbers that are discussed in the management commentary, other than revenue, are non-GAAP.

Nicholas Woodman

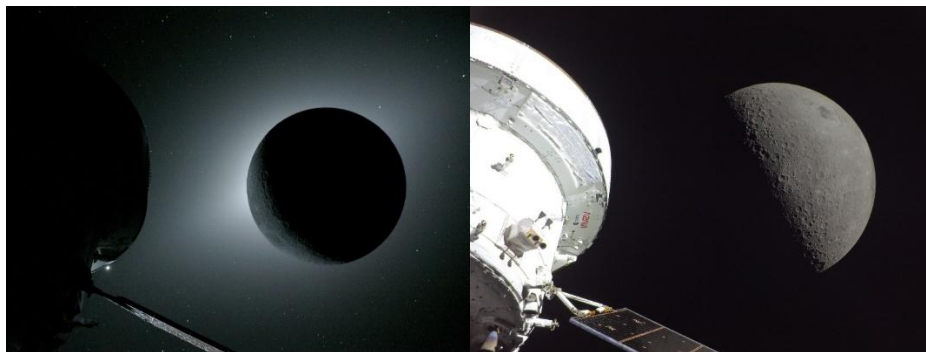
Founder, Chief Executive Officer and Chairman, GoPro, Inc.

Thank you for reading GoPro's Q1 2026 management commentary.

In April, we announced that GoPro is formally exploring opportunities in the defense and aerospace sector, having engaged Oliver Wyman—a global leader in Defense sector consulting—to assess addressable market segments, product synergies, and go-to-market strategies. GoPro cameras have long been used in demanding defense, government and aerospace applications where durability, industry-leading video stabilization and image quality are mission-critical, and we believe there is a meaningful, scalable opportunity to formalize and grow our presence in these sectors.

Following the April announcement of our work with Oliver Wyman, we received several inbound inquiries related to M&A. To capitalize on this interest, GoPro's Board of Directors has authorized the Company to engage in a strategic process, and to engage a financial advisor to assist with that process and evaluate strategic alternatives in order to maximize shareholder value. We believe there is unrealized value in GoPro's technology, IP, brand, product development and scaled manufacturing capabilities, and we look forward to exploring how M&A could unlock that value to the benefit of our shareholders.

Testament to GoPro's credibility as a mission-proven tool for defense and aerospace applications is NASA's use of GoPro cameras on the Artemis II mission. On April 1, 2026, the Orion spacecraft launched with modified GoPro cameras mounted externally on its solar array wings and off-the-shelf GoPro cameras were used inside the ship to capture content for a *National Geographic* documentary about the mission. Everyone at GoPro is deeply honored that our cameras played even a small role in the historic Artemis II mission...it's incredibly meaningful to all of us.



The Moon photographed by a GoPro on the Orion spacecraft's solar array wing. Photo credit: NASA

Turning to Q1, we advanced several partnership initiatives designed to broaden GoPro's reach and appeal.

In January, we announced an exciting partnership with ASUS—a leading Taiwanese multinational technology company—and launched a co-branded ASUS ProArt GoPro Edition laptop. The laptop was purpose-built by ASUS to support GoPro content creator workflows. ASUS has shared that early traction has far exceeded their expectations for the ProArt line, reinforcing the strength of GoPro's brand in technology collaborations.

And in March, we announced our partnership with DICK's Sporting Goods, and integration with their GameChanger app, the number-one-rated youth sports app for scorekeeping, live streaming, statistics, and team management. GameChanger has more than nine million active users, supports over one million teams, and covers upwards of nine million games annually across multiple sports. This partnership combines GoPro's industry-leading video quality with GameChanger's live streaming service, making it easy for families to capture and share game day, live. The GameChanger GoPro product bundle, available online at DICK's Sporting Goods, brings together everything families need for seamless, high-quality live streaming of the game. Millions of existing GoPro HERO13 through HERO7 Black and MAX owners can now pair the GoPro they already own with the GameDay app to start streaming live sporting events.

And just last month, we debuted our new MISSION 1 Series of professional 8K and 4K open gate compact cinema cameras at the National Association of Broadcasters (NAB) trade show in Las Vegas. The launch of the MISSION 1 Series marks GoPro's most significant push into the professional and prosumer creator markets. Featuring a new 50MP 1" sensor and GoPro's new, ultra-efficient, next-generation GP3 processor, the MISSION 1 Series cameras deliver category-leading resolutions, frame rates, runtimes and thermal performance for mission-critical reliability in extreme use cases. The new lineup is comprised of three camera models—MISSION 1 PRO, MISSION 1 PRO ILS and MISSION 1.



The new MISSION 1 Series cameras from GoPro

The response to the MISSION 1 Series of products has been overwhelmingly positive. Recent press coverage has consistently highlighted the cameras' industry-leading specs, image quality, compact and durable design, plus the outright performance and value the cameras deliver relative to dramatically more expensive cinema cameras. Recent press highlights include:

- “After seeing the GoPro Mission 1 Pro ILS in particular, I’m convinced I could ditch my micro four thirds camera altogether. In fact, the Mission 1 makes a compelling argument that the traditional point-and-shoot is finally obsolete.” - [Tom’s Guide](#)
- “GoPro's new Mission 1 Line is the upgrade we’ve been waiting for.” - [Outside Mag](#)
- “It’s everything I’ve ever wanted from a GoPro.” - [Marques Brownlee, MKBHD](#)

At the NAB Show—the largest television industry trade show in the U.S.—the cameras earned three prestigious awards from leading industry outlets: one of six RedShark Best in Show Awards, one of ten ProductionHUB Awards of Excellence, and the MISSION 1 PRO ILS was the sole winner of the CineD Best-of-Show Award in the camera category. These awards go to all of GoPro’s employees whose dedication and passion made the MISSION 1 Series cameras possible...thank you Team and congratulations!

We expect the MISSION 1 Series products to enable GoPro to gain meaningful share in our core markets, as well as in new professional and prosumer markets. The MISSION 1 Series products will be available May 28 at GoPro.com and select authorized retail partners globally—including Best Buy and Walmart, and high-end imaging retailers B&H and Adorama.

In summary, Q1 and the past few weeks marked an exciting array of new partnerships, business opportunity explorations and product launches that we believe will help diversify and grow our business. We've just entered a new era of professional performance capability with the launch of our new MISSION 1 Series of cameras, and we're excited for the impact it can have on our business.

Brian Tratt

Chief Financial Officer, GoPro, Inc.

Turning to our financial results—revenue in Q1 2026 was \$99 million, within our guidance, and compared to \$134 million in the prior year period. Macro challenges in the consumer electronics sector, including rising memory costs, supply chain constraints, and fluctuating tariffs prompted us to take some discrete actions in the quarter that impacted gross margins and earnings per share for the period. Despite these pressures, some of which materialized in the last week of the quarter, we made meaningful progress on the metrics within our control: cash used in operations improved \$21 million year-over-year to \$37 million, operating expenses declined year-over-year, and we continued to reduce both owned and channel inventory sequentially and year-over-year.

Additional first quarter performance highlights:

- Revenue from our retail channel was \$61 million, or 61% of revenue, compared to 70% of Q1 2025 revenue.
- Revenue from our GoPro.com channel, which includes subscription and service revenue, was \$38 million, or 39% of revenue, compared to 30% of Q1 2025 revenue.
- Subscription and service revenue was flat year-over-year at \$27 million, or 27% of revenue.
- Subscription attach-rate from cameras sold across all channels was 51%, compared to 49% in Q1 2025.
- Street ASP was \$371, a 6% improvement year-over-year.
- Operating expenses were \$59 million compared to \$62 million in the prior year period, a 6% decrease year-over-year.
- The following results reflect the discrete actions mentioned above:
 - Gross margin was 4.5% compared to 32.3% in Q1 2025. Excluding the discrete actions, gross margin would have been approximately 31%.
 - Net loss was \$58 million compared to prior year net loss of \$19 million.
 - GAAP and non-GAAP loss per share were \$(0.50) and \$(0.35), respectively, compared to a prior year loss per share of \$(0.30) and \$(0.12), respectively. Excluding the discrete actions, non-GAAP loss per share would have been \$(0.20).

- Adjusted EBITDA was negative \$50 million, compared to negative \$16 million in the prior year period. Excluding the discrete actions, Adjusted EBITDA would have been negative \$25 million.
- We ended the quarter with inventory of \$72 million, a 25% decrease year-over-year and an 8% decrease from Q4 2025.
- Channel inventory declined 20% from the prior year quarter and 6% sequentially.

First Quarter Results, Prior Guidance and Prior Year Results

	Q1'26 Result	Q1'26 Guidance	Q1'25 Result
Revenue	\$99M	\$100M +/- \$5M	\$134M
Unit sell-through	~313ku	~300ku - 350ku	~440ku
Street ASP	\$371	~\$420	\$349
Non-GAAP gross margin*	4.5%	33.0% +/- 50bps	32.3%
Non-GAAP loss per share*	\$(0.35)	\$(0.20) +/- \$0.03	\$(0.12)

*A discrete \$24.5 million charge related to certain component purchase commitments and \$4.5 million sale of slow-moving inventory resulted in a decrease in Non-GAAP gross margin and loss per share relative to guidance. Excluding these items, non-GAAP gross margin and loss per share would have been 31% and \$(0.20), respectively.

First quarter revenue was \$99 million, down 26% year-over-year, primarily due to lower camera units shipped of 267 thousand in Q1 2026 compared to 385 thousand in the prior year quarter. The year-over-year decrease was primarily driven by a reduction in HERO13 Black shipments as we prepare to introduce our new Mission line of cameras in Q2 2026.

Looking at first quarter revenue by geography year-over-year, Asia-Pacific decreased by 12%, Americas decreased by 18%, and EMEA decreased by 48%. Revenue from the U.S. was \$55 million in the first quarter of 2026, down 12% year-over-year.

First quarter 2026 Street ASP increased 6% year-over-year to \$371 compared to \$349 in the prior year period, primarily due to a higher mix of subscription and services compared to total revenue.

First quarter demand as measured via sell-through was approximately 313,000 units, down 29% year-over-year, primarily driven by modest product price increases implemented in May 2025 to address the global tariff environment, lower promotional activity, and consumer anticipation for the launch of our Mission line of cameras later this month. Year-over-year changes in first quarter sell-through by geography were: Americas decreased 20%, EMEA decreased 35%, and Asia-Pacific decreased 40%.

First quarter 2026 subscription and service revenue was \$27 million, flat compared to the prior year. ARPU increased 8% year-over-year, primarily driven by a slight price increase of our Premium subscription in December 2025, partially offset by an 8% decline in subscribers to 2.26 million as of the end of Q1 2026. Subscription attach rate from cameras sold across all channels was 51% in Q1 2026 compared to 49% in Q1 2025.

Our aggregate retention rate for annual subscribers was 71% in Q1 2026, compared to 70% in the prior-year quarter. Our annual subscriber retention rate for the first year continues to be approximately 60%, while our second-year and beyond renewals remain in a range of 70% to 80%.

Turning to gross margin—Q1 came in below our guidance range, driven by a discrete \$24.5 million charge related to certain purchase commitments for components used in our existing line of cameras. The sharp rise in memory pricing, combined with a challenging memory supply environment, pressured the economics of our previously estimated unit volumes, which contributed to the discrete charge. Memory pricing increased from a range of 80% to 115% in the last week of the quarter. We also took the opportunity to sell out of a slower moving product and convert that inventory into cash more quickly, impacting gross margin. Excluding the discrete charge and sale of slow moving inventory, gross margin would have been approximately 31%.

First quarter 2026 operating expenses decreased 6% year-over-year to \$59 million. The decrease was primarily due to a reduction in legal costs to defend our IP in the prior year, our prior restructuring actions that reduced employee-related costs, as well as a strong focus on expense management while retaining our product roadmap, partially offset by an increase in advertising and marketing-related activities. We remain committed to controlling operating expenses, working capital, and liquidity for the business. Our restructuring actions announced last month are on track.

GAAP and non-GAAP tax expense were both \$1.8 million in the first quarter.

First quarter GAAP and non-GAAP net loss per share was \$(0.50) and \$(0.35), respectively. Adjusted EBITDA was negative \$50 million in the quarter, compared to negative \$16 million in the prior year period. Excluding the discrete charge and sale of slow-moving inventory, non-GAAP net loss per share and Adjusted EBITDA would have been \$(0.20) and negative \$25 million, respectively.

Turning to the balance sheet, we ended the first quarter of 2026 with \$41 million in cash, cash equivalents, and marketable securities, which was down \$9 million sequentially. Cash flow used in operations was \$37 million in the first quarter, a \$21 million improvement from the prior year period where cash used in operations was \$57 million. Cash used in the first quarter of 2026 was primarily due to adjusted EBITDA of negative \$50 million and working capital changes of \$13 million. Sequential working capital changes were primarily due to a \$32 million decrease in accounts receivable and a \$6 million decrease in inventory, partially offset by a \$24 million decrease in accounts payable and other liabilities, which included the \$24 million component purchase commitment described in our gross margin commentary.

We ended the first quarter with inventory of \$72 million, down 25% year-over-year. Accounts receivable decreased \$32 million sequentially or 34%. Our days' sales outstanding was 56 days, up from 51 days a year ago. We remain committed to controlling operating expenses, working capital, and liquidity for the business.

Given the macro challenges in the consumer electronics sector and the strategic process we've initiated to evaluate opportunities for the sale of the company, we will not be providing forward-looking guidance and are withdrawing our full-year guidance at this time.

We're encouraged by the early, positive response to our MISSION 1 line of cameras. And as Nick mentioned, we're excited about the strategic momentum building around our defense and aerospace exploration with Oliver Wyman, and the plan to engage a financial advisor to evaluate strategic alternatives—both of which we believe can unlock unrealized value in GoPro's technology, IP, and brand.