

MOVADO GROUP

JANUARY 2023

SAFE HARBOR STATEMENT

This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The Company has tried, whenever possible, to identify these forward-looking statements using words such as “expects,” “anticipates,” “believes,” “targets,” “goals,” “projects,” “intends,” “plans,” “seeks,” “estimates,” “may,” “will,” “should” and variations of such words and similar expressions. Similarly, statements in this presentation that describe the Company’s business strategy, outlook, objectives, plans, intentions or goals are also forward-looking statements. Accordingly, such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the Company’s actual results, performance or achievements and levels of future dividends to differ materially from those expressed in, or implied by, these statements. These risks and uncertainties may include, but are not limited to general economic and business conditions which may impact disposable income of consumers in the United States and the other significant markets (including Europe) where the Company’s products are sold, uncertainty regarding such economic and business conditions, including inflation, increased commodity prices and tightness in the labor market, trends in consumer debt levels and bad debt write-offs, general uncertainty related to possible terrorist attacks, natural disasters and pandemics, including the effect of the COVID-19 pandemic and other diseases on travel and traffic in the Company’s retail stores and the stores of its wholesale customers, supply disruptions, delivery delays and increased shipping costs, adverse impact on the Company’s wholesale customers and customer traffic in the Company’s stores as a result of increased uncertainty and economic disruption caused by the COVID-19 pandemic, the impact of international hostilities, including the Russian invasion of Ukraine, on global markets, economies and consumer spending, on energy and shipping costs and on the Company’s supply chain and suppliers, defaults on or downgrades of sovereign debt and the impact of any of those events on consumer spending, changes in consumer preferences and popularity of particular designs, new product development and introduction, decrease in mall traffic and increase in e-commerce, the ability of the Company to successfully implement its business strategies, competitive products and pricing including price increases to offset increased costs, the impact of “smart” watches and other wearable tech products on the traditional watch market, seasonality, availability of alternative sources of supply in the case of the loss of any significant supplier or any supplier’s inability to fulfill the Company’s orders, the loss of or curtailed sales to significant customers, the Company’s dependence on key employees and officers, the ability to successfully integrate the operations of acquired businesses without disruption to other business activities, the possible impairment of acquired intangible, risks associated with the Company’s minority investments in early-stage growth companies and venture capital funds that invest in such companies, the continuation of the Company’s major warehouse and distribution centers, the continuation of licensing arrangements with third parties, losses possible from pending or future litigation and administrative proceedings, the ability to secure and protect trademarks, patents and other intellectual property rights, the ability to lease new stores on suitable terms in desired markets and to complete construction on a timely basis, the ability of the Company to successfully manage its expenses on a continuing basis, information systems failure or breaches of network security, complex and quickly-evolving regulations regarding privacy and data protection, the continued availability to the Company of financing and credit on favorable terms, business disruptions, and general risks associated with doing business outside the United States including, without limitation, import duties, tariffs (including retaliatory tariffs), quotas, political and economic stability, changes to existing laws or regulations, and success of hedging strategies with respect to currency exchange rate fluctuations, and the other factors discussed in the Company’s Annual Report on Form 10-K and other filings with the Securities and Exchange Commission. These statements reflect the Company’s current beliefs and are based upon information currently available to it. Be advised that developments subsequent to this presentation are likely to cause these statements to become outdated with the passage of time. The Company assumes no duty to update its forward-looking statements and this presentation shall not be construed to indicate the assumption by the Company of any duty to update its outlook in the future.



COMPANY OVERVIEW

- Strongly positioned in the global watch and accessory market
- Possesses many of the world's most sought-after brands
- World class global infrastructure – systems, talent & processes
- Successful track record of driving change

OWNED BRANDS

MOVADO

EBEL


OLIVIA · BURTON
LONDON

CONCORD

MVMTM

LICENSED BRANDS


COACH
NEW YORK

TOMMY HILFINGER
WATCHES

BOSS
WATCHES

Calvin Klein

LACOSTE 

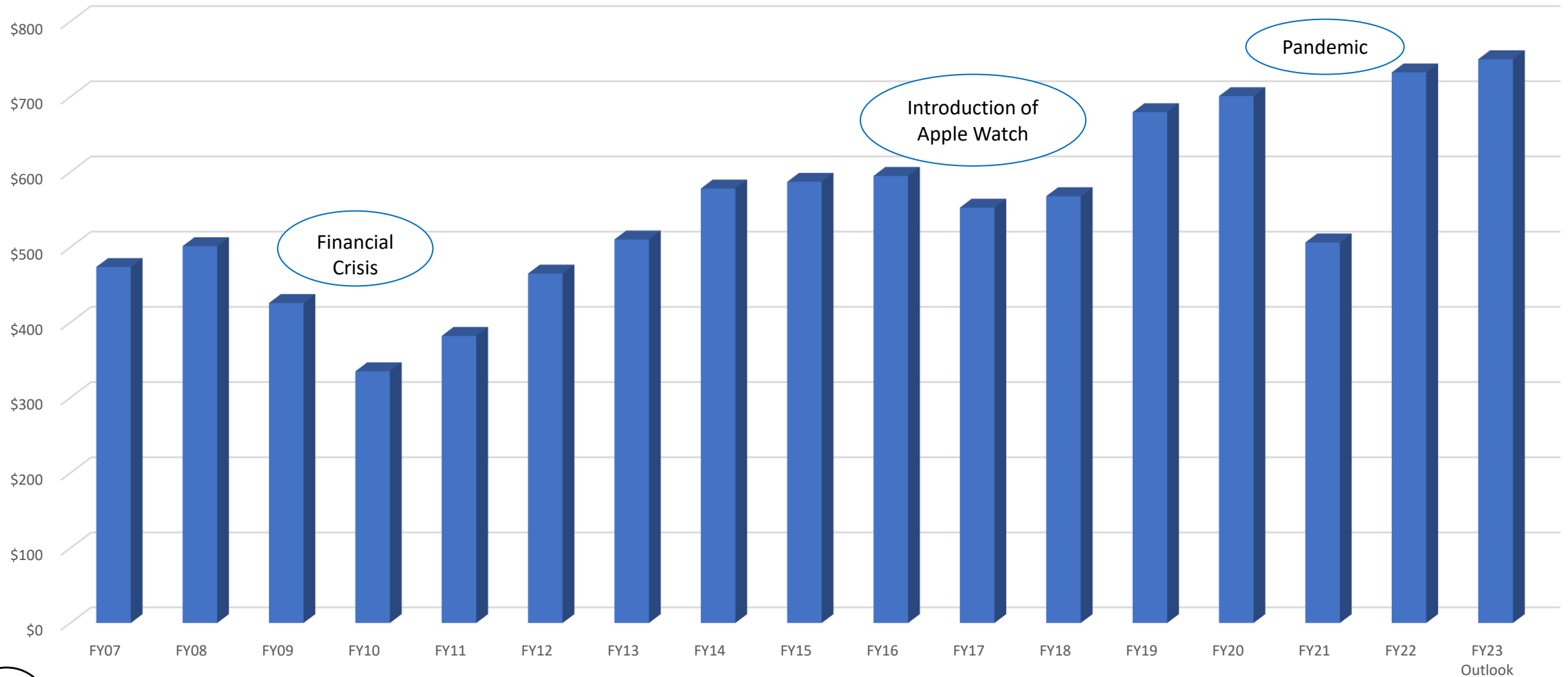


Movado Group Sales History*

FY 2007 – FY 2023 Outlook

in \$ millions

A Resilient & Innovational Company



* Continuing operations. Excludes non-recurring adjustments.



MOVADO AT A GLANCE

- Record Fiscal 22 sales, gross margin and earnings
- FY'22 sales of \$732 million, increase of 44.6% vs last year and 4.5% vs pre-pandemic FY'20
 - Op profit margin* in FY'22 of 16.3% vs 6.1% in FY'21 and 7.1% pre-pandemic FY'20
 - Diluted EPS* in FY'22 of \$3.94 vs \$0.92 in FY'21 and \$1.57 pre-pandemic FY'20
- Strong balance sheet and cash flow



*Adjusted for unusual items. See GAAP reconciliations in our FY22 earnings release at www.movadogroup.com/investor.

FY 2023 3 MONTHS ENDED OCTOBER 2022 FINANCIAL RESULTS*

- Net sales decreased 2.9% versus last year, increased 3.4% on constant currency
 - U.S. sales decreased 5.9% versus last year (2.0% increase vs. FY20)
 - International sales decreased 0.7% versus last year, increased 10.2% on constant currency
- GM 57.3% versus 57.7% last year
- Operating income \$38.9M versus \$42.2M last year
- Net income \$28.9M versus \$32.1M last year
- EPS \$1.31 versus \$1.36 last year
- Cash of \$186.7M as of October 31, 2022, with no debt



*Adjusted for unusual items. See GAAP reconciliations in our FY23 earnings release at www.movadogroup.com/investor.

FY 2023 9 MONTHS ENDED OCTOBER 2022 FINANCIAL RESULTS*

- Net sales increased 5.9% versus last year, 10.9% on constant currency
 - U.S. sales decreased 2.3% versus last year (12.7% increase vs. FY20)
 - International sales increased 13.1% versus last year, 22.3% on constant currency
- GM 58.2% versus 56.7% last year
- Operating income \$96.4M versus \$81.8 last year
- Net income \$73.5M versus \$62.2M last year
- EPS \$3.19 versus \$2.63 last year



*Adjusted for unusual items. See GAAP reconciliations in our FY23 earnings release at www.movadogroup.com/investor.

FY 2023 BALANCE SHEET HIGHLIGHTS OCTOBER 31, 2022 vs. OCTOBER 31, 2021

- Cash - \$186.7m vs. \$201.8m
- Debt - \$0
- AR - \$135.6m vs. \$136.4m
- Inventory - \$215.0 vs. \$170.7m



WHY WE SUCCEED

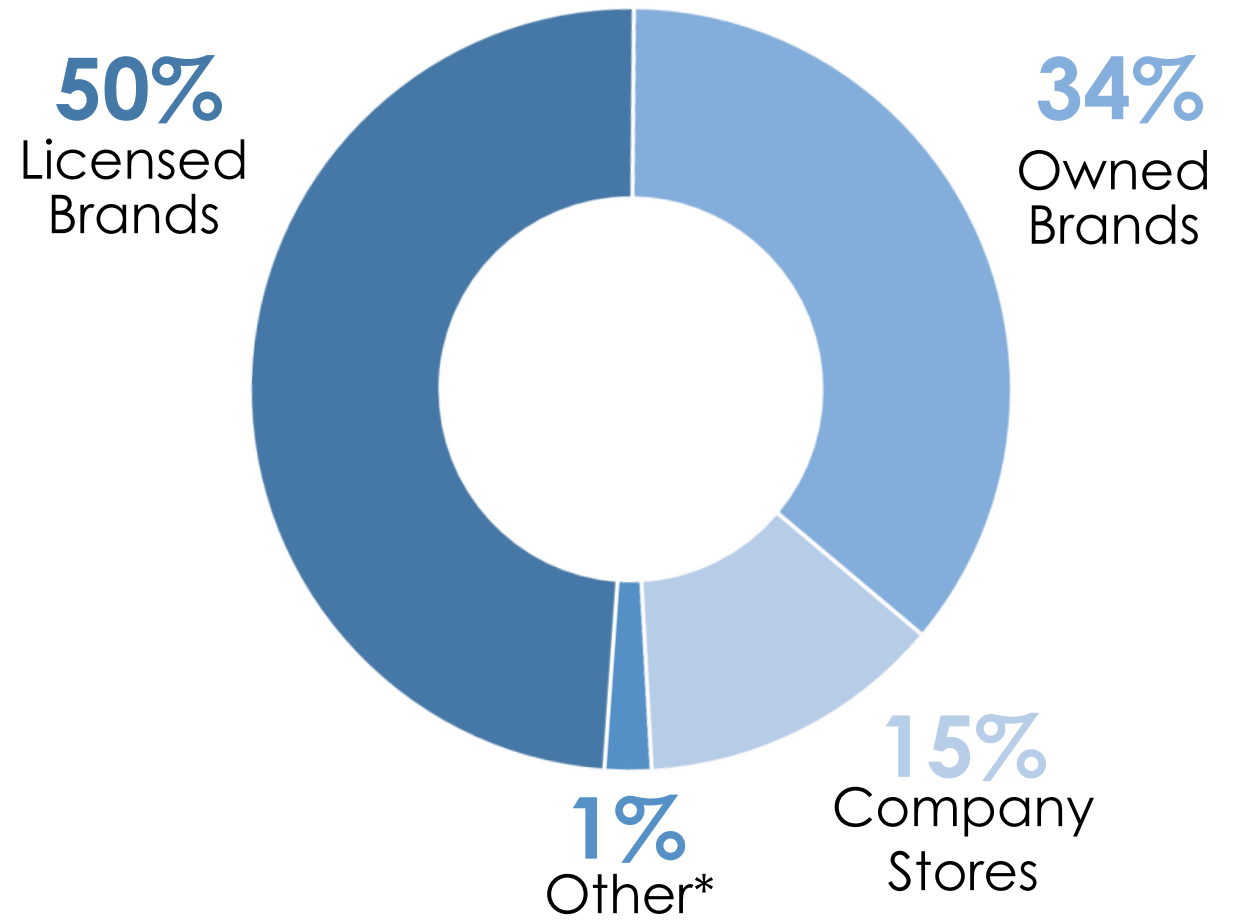
- Iconic and innovative designs drives growing interest in watches
- Strong corporate culture with engaged and experience workforce
- Driving growth by:
 - Engaging with consumers in new ways, leveraging technology
 - Maximizing both online and in-store consumer experience
 - Distributing across channels, geographies and consumer types
 - Increasing Direct-To-Consumer business



DIVERSE BRAND PORTFOLIO

Presence in all market segments

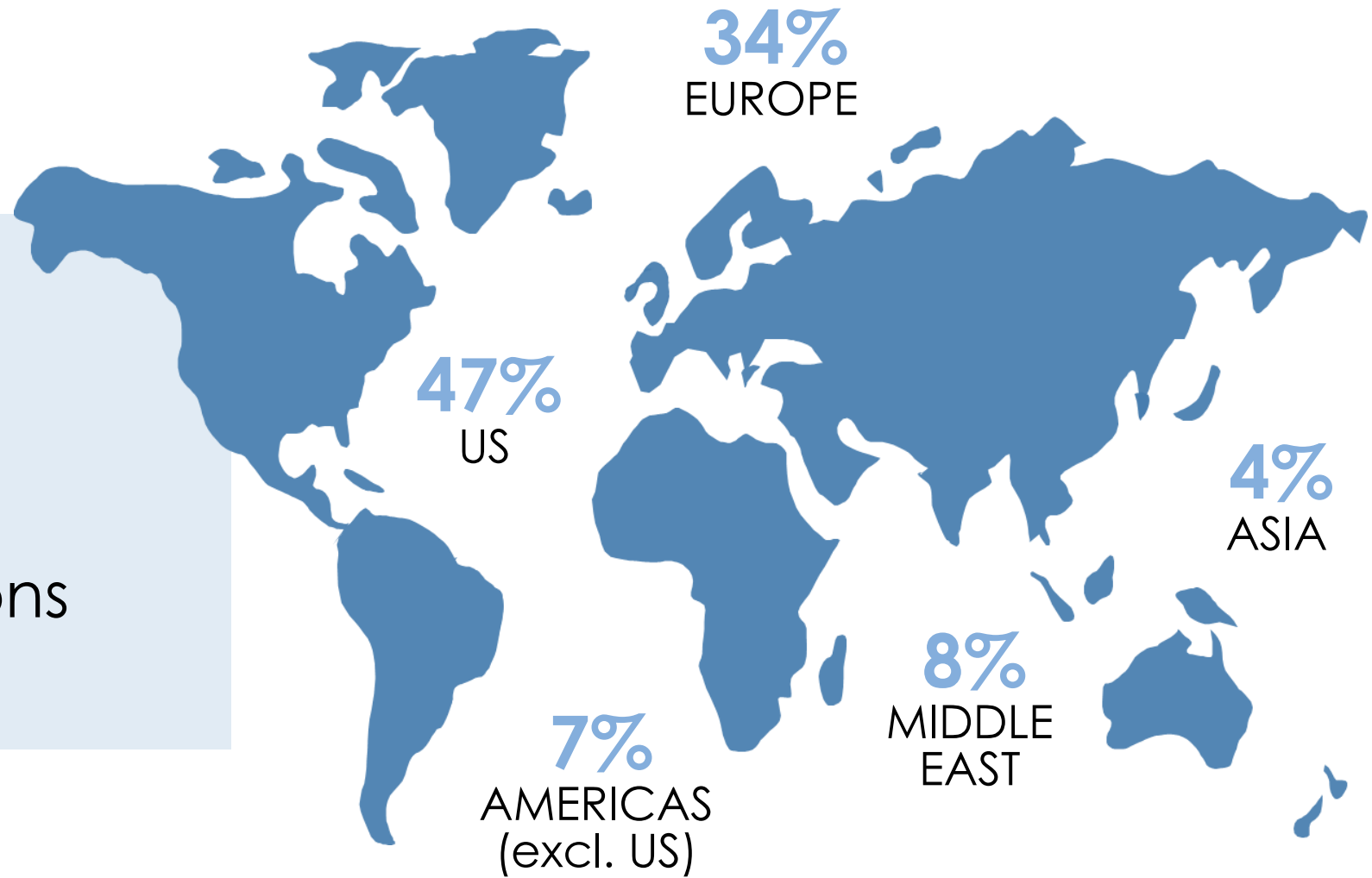
Percent of Total MOV Revenue (FY '22)



* Includes after-sales service and all other.

BROAD GEOGRAPHIC REACH

Presence in all regions
(FY '22)



CORPORATE PRIORITIES

BRANDS
Realize Each
Brand's Potential

REGIONS
Capture Significant
Market Opportunity

INNOVATION
Lead With
Innovation

DIGITAL
Connect Directly
With Our Consumers



Financial and operating goals

- Driving omni-channel growth
- Improving gross margin
- Delivering 15% operating income
- Efficiently invest in growth
- Successful launch of Calvin Klein
- Support growing jewelry business across our portfolio
- Environmental, Social, Governance priorities
- Working with a sense of urgency
- Drive culture of engagement at all levels of the company



CORPORATE PRIORITIES

REALIZE THE POTENTIAL
OF ALL BRANDS



MOVADO GROUP

LUXURY BRANDS

- Swiss made heritage
 - Movado founded in 1881
 - Concord founded in 1908
 - Ebel founded in 1911
- Valued designs and identities
- Aspirational imaging



MOVADO

- Elevation of the Movado brand
- Aspirational new product
- Launched jewelry
- Drive Direct-To-Consumer business

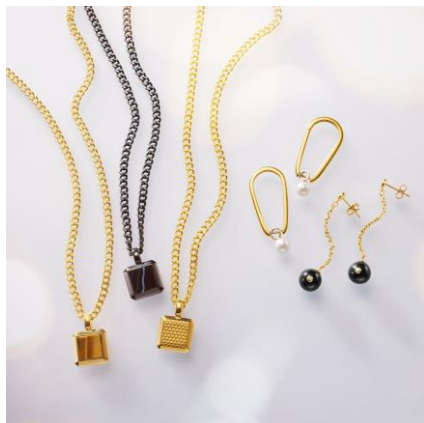


MOVADO

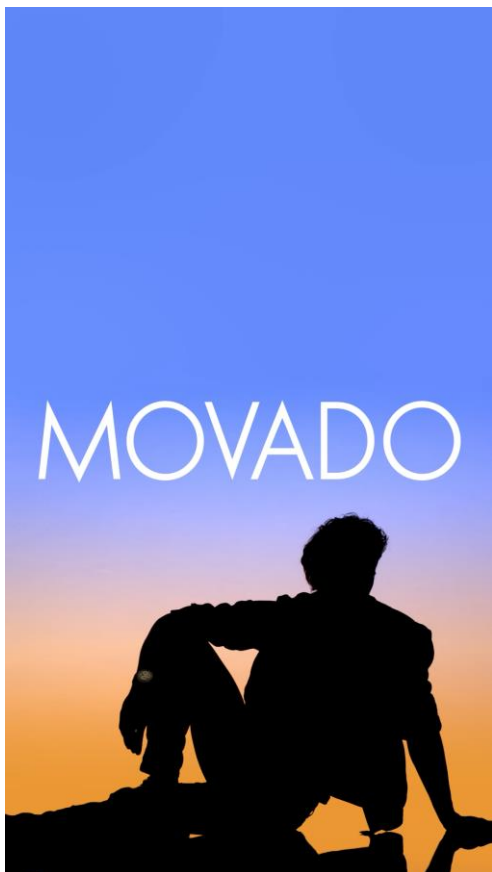
- Unique brand and design point-of-difference
- Leading US market share in its segment
- Trend has outpaced the market
- Strong digital presence
- Great new product pipeline



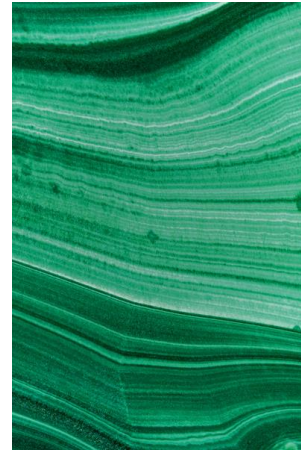
MOVADO JEWELRY



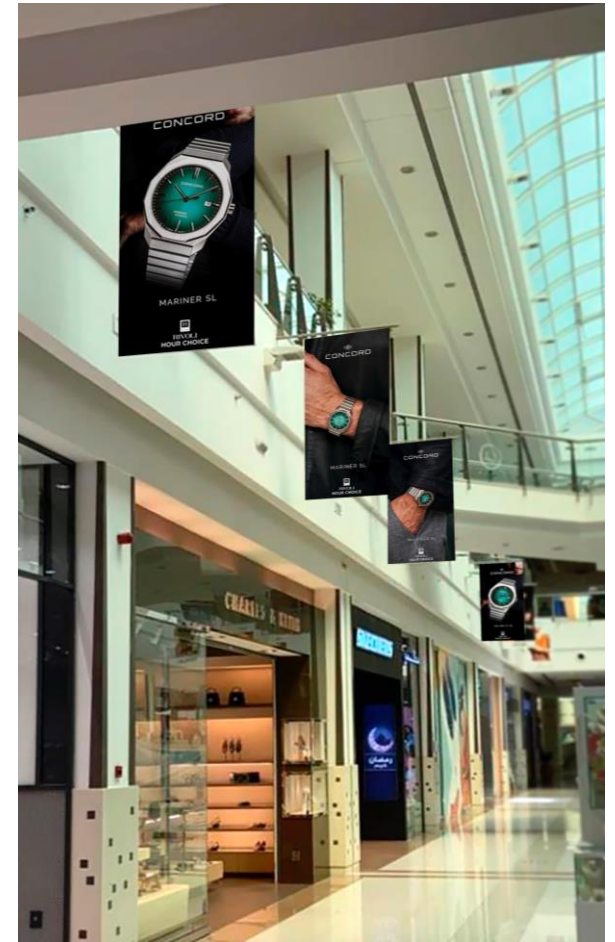
MOVADO WATCHES



EBEL



CONCORD



LICENSED BRANDS

- Strong global presence
- Drive product innovation and strong value
- Focus on digital content and marketing
- Focus on key owned markets
- Calvin Klein license for watches and jewelry launched in 2022


COACH
NEW YORK

TOMMY  HILFIGER
WATCHES

BOSS
WATCHES

LACOSTE 

Calvin Klein



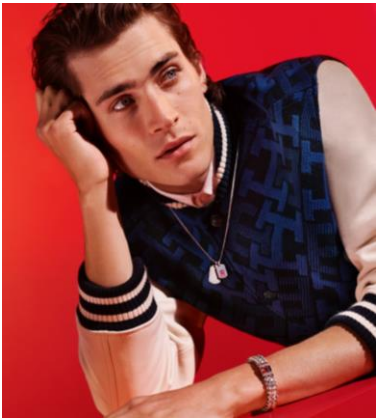
COACH



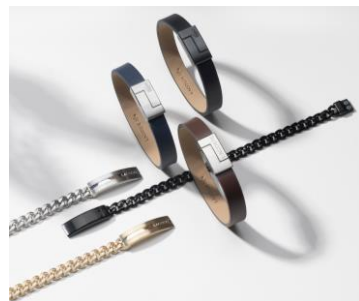
BOSS



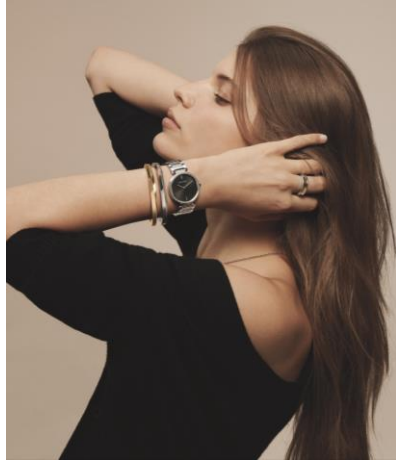
TOMMY HILFIGER



LACOSTE



CALVIN KLEIN



YOUNG BRANDS

- Acquired MVMT in 2018 and Olivia Burton in 2017
- Updated leadership teams
- Strong on-line presence
- Organic engagement
- Provides prospects for growth



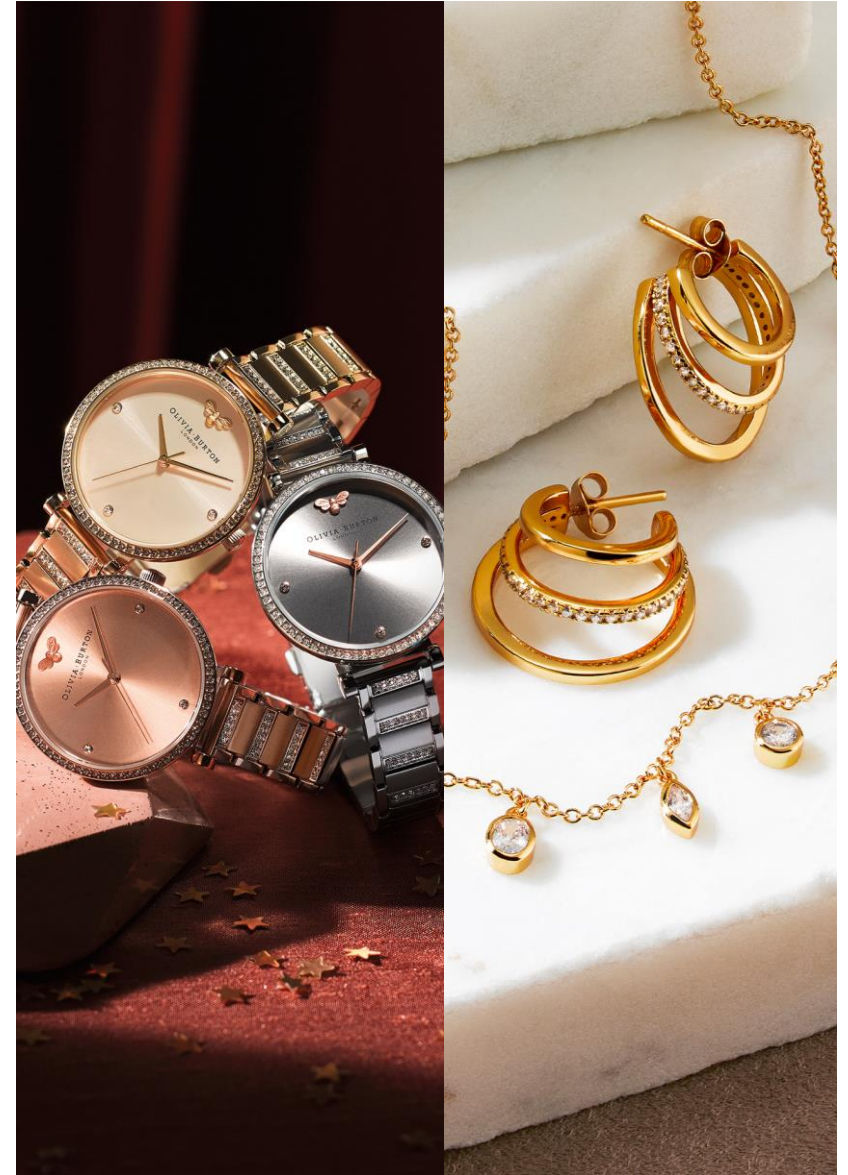
MVMT

- Founded in 2013 by 2 millennial entrepreneurs
- ~4 MM Facebook and 1+ MM Instagram followers
- Beautiful quality watches, sunglasses, jewelry
- A digital brand experience that resonates with millennials



OLIVIA BURTON

- Olivia Burton a British watch and accessories brand founded in 2012.
- Unique watch and jewelry designs at accessible prices.
- Global distribution in over 2,000 doors in 65 countries.
- Received multiple awards, consistently ranking amongst the top women's fashion accessory brands in the UK.



OUTLET COMPANY STORES STRATEGY

- Currently 55 stores, predominately outdoor locations in “A” centers
- Drive profitability and operational efficiency
- Elevated Customer Experience
- Direct to consumer
 - Brick and mortar
 - Ecommerce, Launched MCS.com



CORPORATE PRIORITIES

PUTTING THE CONSUMER FIRST IN AN
OMNI-CHANNEL WORLD



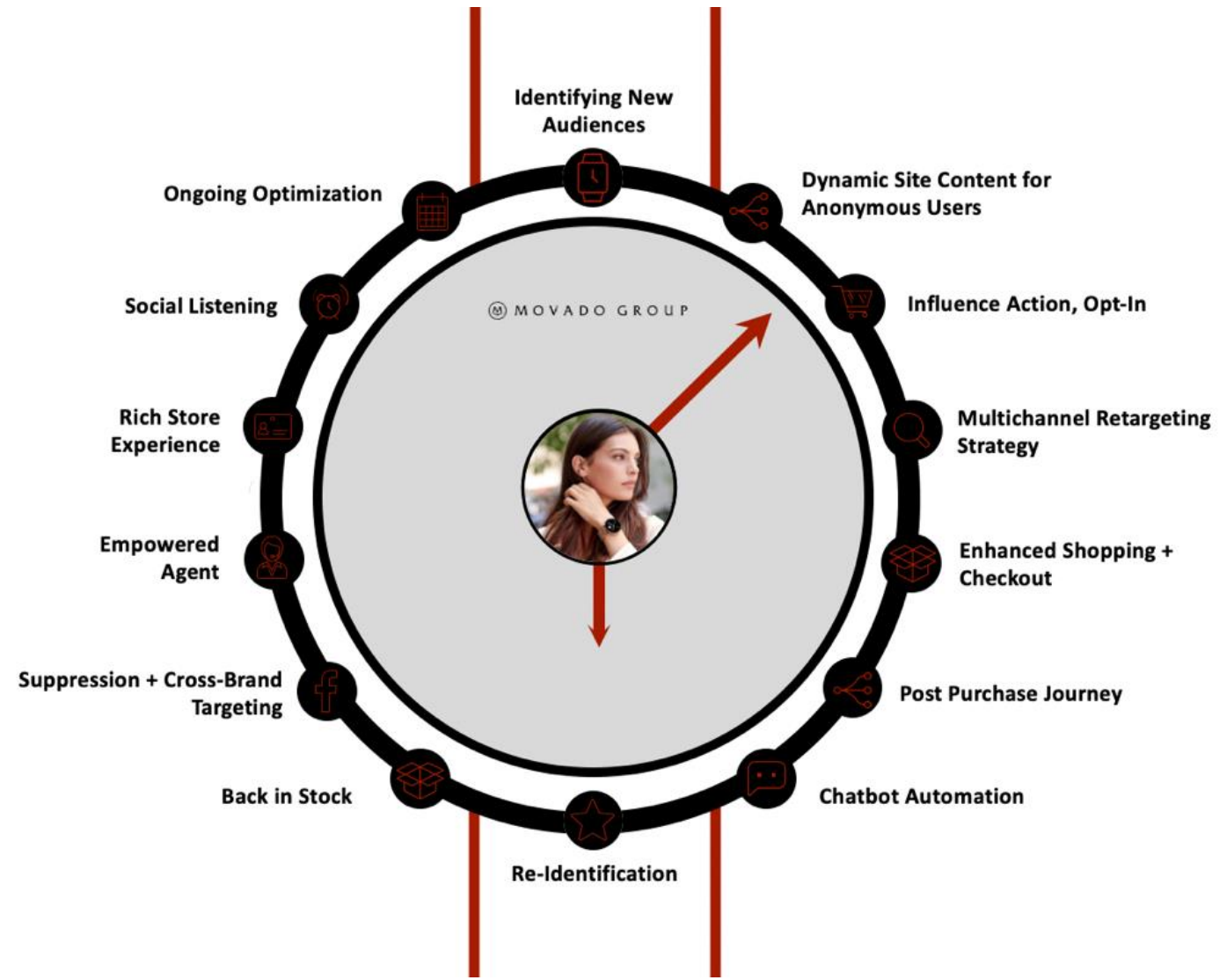
DIGITAL – Data Sciences

- Centralized Multi-brand Omni Channel Team
- Scalable Cloud based Data Lake infrastructure – With over a billion data points already
- Focused Areas:
 - Marketing Efficiency Measurement and improvement using Machine Learning
 - Website Optimization & User behavior
 - Consumer Insights, enrichment and analytics



DIGITAL – Marketing

- 360 Consumer B2C Marketing Platform
- Growing customer files across DTC businesses
- Optimizing marketing mix and preparing for cookie-less future
- New marketing channels: Amazon, Social, Affiliates & Retailer's Media networks
- Reaching our consumers wherever they choose to shop



WHY MOVADO GROUP

- Strongly positioned in the global watch and accessory category
- Portfolio includes many of the world's most sought-after brands
- World class global infrastructure – systems, talent & processes
- Relentless focus on driving performance
- Strong balance sheet with positive cash flow





MOVADO GROUP

JANUARY 2023

APPENDIX

• Reconciliations of Non-GAAP Measures

In this presentation, the Company presents certain financial measures that are not calculated according to generally accepted accounting principles in the United States (“GAAP”). Specifically, the Company is presenting adjusted gross profit, adjusted gross margin, adjusted operating expenses and adjusted operating income, which are gross profit, gross margin, operating expenses and operating income, respectively, under GAAP, adjusted to eliminate the amortization of acquisition accounting adjustments related to the Olivia Burton and MVMT acquisitions, corporate initiatives and the impairment of goodwill and certain intangible assets. The Company is also presenting adjusted tax provision, which is the tax provision under GAAP, adjusted to eliminate the impact of charges for the Olivia Burton and MVMT acquisitions, corporate initiatives, the impairment of goodwill and certain intangible assets, the gain on the sale of a non-operating asset and the CARES Act. The Company believes these adjusted measures are useful because they give investors information about the Company’s financial performance without the effect of certain items that the Company believes are not characteristic of its usual operations. The Company is also presenting adjusted net income, adjusted earnings per share and adjusted effective tax rate, which are net income, earnings per share and effective tax rate, respectively, under GAAP, adjusted to eliminate the after-tax impact of amortization of acquisition accounting adjustments related to the Olivia Burton and MVMT acquisitions, corporate initiatives, the impairment of goodwill and certain intangibles, the gain on the sale of a non-operating asset and the CARES Act. The Company believes that adjusted net income, adjusted earnings per share and adjusted effective tax rate are useful measures of performance because they give investors information about the Company’s financial performance without the effect of certain items that the Company believes are not characteristic of its usual operations. Additionally, the Company is presenting constant currency information to provide a framework to assess how its business performed excluding the effects of foreign currency exchange rate fluctuations in the current period. Comparisons of financial results on a constant dollar basis are calculated by translating each foreign currency at the same U.S. dollar exchange rate as in effect for the prior-year period for both periods being compared. The Company believes this information is useful to investors to facilitate comparisons of operating results. These non-GAAP financial measures are designed to complement the GAAP financial information presented in this release. The non-GAAP financial measures presented should not be considered in isolation from or as a substitute for the comparable GAAP financial measures, and the methods of their calculation may differ substantially from similarly titled measures used by other companies.



MOVADO GROUP, INC.
GAAP AND NON-GAAP MEASURES
(In thousands, except per share data)
(Unaudited)

	<u>Net Sales</u>	<u>Gross Profit</u>	<u>Total Operating Expenses</u>	<u>Operating Income</u>	<u>Pre-tax Income</u>	<u>Provision for Income Taxes</u>	<u>Net Income Attributable to Movado Group, Inc.</u>	<u>Diluted EPS</u>
Three Months Ended October 31, 2022								
As Reported (GAAP)	\$ 211,397	\$ 121,027	\$ 82,756	\$ 38,271	\$ 38,550	\$ 8,439	\$ 29,286	\$ 1.28
Olivia Burton Costs (1)	-	-	(600)	600	600	115	485	0.03
MVMT Costs (2)	-	-	(71)	71	71	17	54	0.00
Adjusted Results (Non-GAAP)	<u>\$ 211,397</u>	<u>\$ 121,027</u>	<u>\$ 82,085</u>	<u>\$ 38,942</u>	<u>\$ 39,221</u>	<u>\$ 8,571</u>	<u>\$ 29,825</u>	<u>\$ 1.31</u>
Three Months Ended October 31, 2021								
As Reported (GAAP)	\$ 217,746	\$ 125,574	\$ 84,171	\$ 41,403	\$ 41,356	\$ 9,561	\$ 31,405	\$ 1.33
Olivia Burton Costs (1)	-	-	(714)	714	714	136	578	0.03
MVMT Costs (2)	-	-	(103)	103	103	26	77	0.00
Adjusted Results (Non-GAAP)	<u>\$ 217,746</u>	<u>\$ 125,574</u>	<u>\$ 83,354</u>	<u>\$ 42,220</u>	<u>\$ 42,173</u>	<u>\$ 9,723</u>	<u>\$ 32,060</u>	<u>\$ 1.36</u>

(1) Related to the amortization of acquired intangible assets for Olivia Burton.

(2) Related to the amortization of acquired intangible assets and the MVMT brand's deferred compensation, where applicable.



MOVADO GROUP, INC.
GAAP AND NON-GAAP MEASURES
(In thousands, except per share data)
(Unaudited)

	<u>Net Sales</u>	<u>Gross Profit</u>	<u>Total Operating Expenses</u>	<u>Operating Income</u>	<u>Pre-tax Income</u>	<u>Provision for Income Taxes</u>	<u>Net Income Attributable to Movado Group, Inc.</u>	<u>Diluted EPS</u>
<u>Nine Months Ended October 31, 2022</u>								
As Reported (GAAP)	\$ 557,625	\$ 324,639	\$ 230,417	\$ 94,222	\$ 94,570	\$ 20,868	\$ 71,802	\$ 3.12
Olivia Burton Costs (1)	-	-	(1,924)	1,924	1,924	366	1,558	0.07
MVMT Costs (2)	-	-	(228)	228	228	55	173	0.00
Adjusted Results (Non-GAAP)	<u>\$ 557,625</u>	<u>\$ 324,639</u>	<u>\$ 228,265</u>	<u>\$ 96,374</u>	<u>\$ 96,722</u>	<u>\$ 21,289</u>	<u>\$ 73,533</u>	<u>\$ 3.19</u>
 <u>Nine Months Ended October 31, 2021</u>								
As Reported (GAAP)	\$ 526,418	\$ 298,229	\$ 218,937	\$ 79,292	\$ 79,153	\$ 18,206	\$ 60,224	\$ 2.54
Olivia Burton Costs (1)	-	-	(2,161)	2,161	2,161	411	1,750	0.08
MVMT Costs (2)	-	-	(335)	335	335	84	251	0.01
Adjusted Results (Non-GAAP)	<u>\$ 526,418</u>	<u>\$ 298,229</u>	<u>\$ 216,441</u>	<u>\$ 81,788</u>	<u>\$ 81,649</u>	<u>\$ 18,701</u>	<u>\$ 62,225</u>	<u>\$ 2.63</u>

(1) Related to the amortization of acquired intangible assets for Olivia Burton.

(2) Related to the amortization of acquired intangible assets and the MVMT brand's deferred compensation, where applicable.

