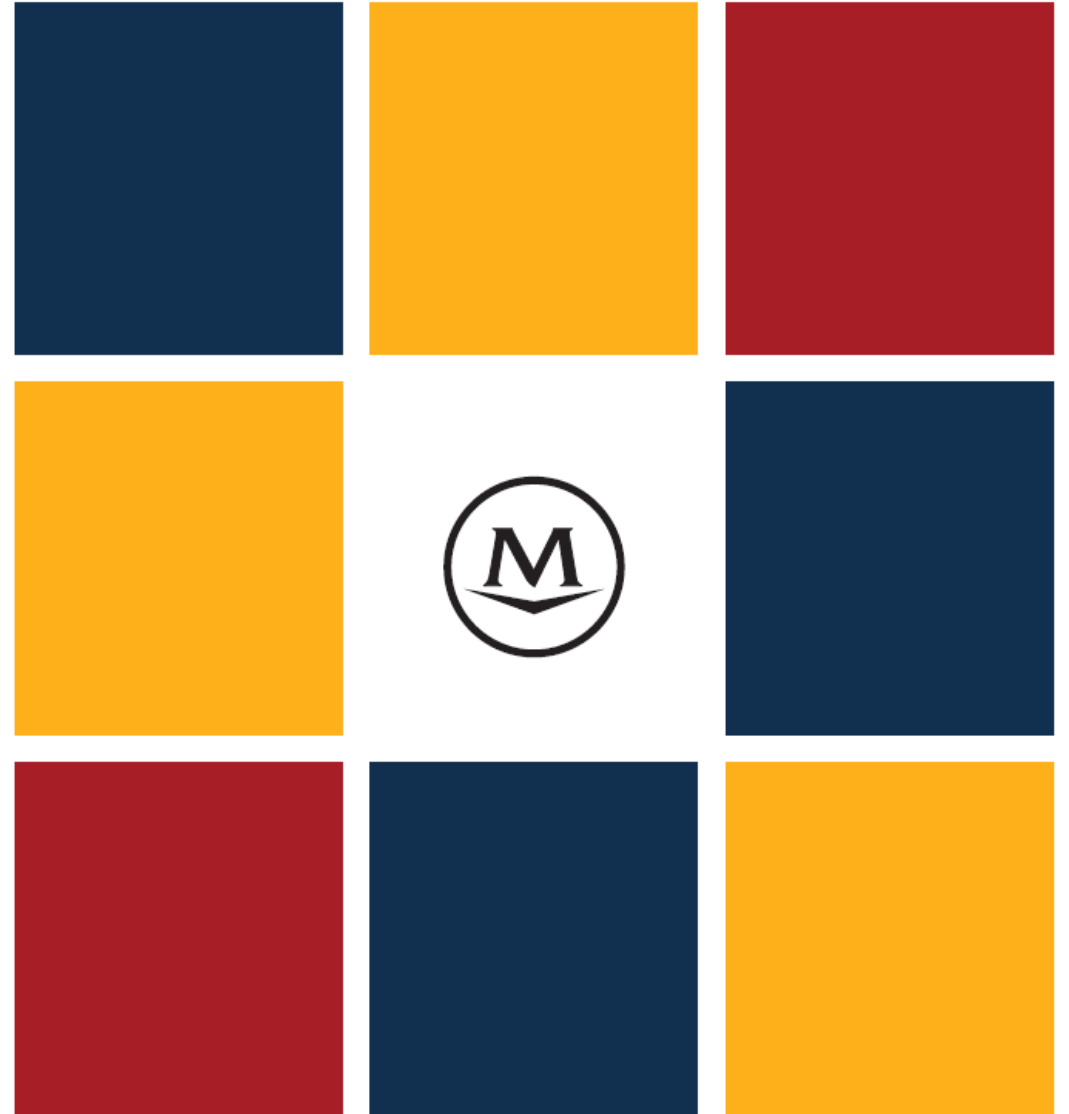


MOVADO GROUP, INC.  
JANUARY 2021

 MOVADO GROUP



# 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, trends in consumer debt levels and bad debt write-offs, general uncertainty related to possible terrorist attacks, natural disasters, 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 and delivery delays from the Company's suppliers as a result of the COVID-19 pandemic, 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 stability of the European Union (including the impact of the United Kingdom's exit from the European Union), the stability of the United Kingdom after its exit from the European Union, and 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, 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 assets including goodwill if the carrying value of any reporting unit were to exceed its fair value, volatility in reported earnings resulting from changes in the estimated fair value of contingent acquisition consideration, 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, 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, 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
- Strong balance sheet with positive cash flow

## OWNED BRANDS

MOVADO

EBEL



OLIVIA · BURTON  
LONDON

CONCORD

MVMTM

## LICENSED BRANDS

  
COACH  
NEW YORK

TOMMY HILFIGER  
WATCHES

BOSS  
HUGO BOSS  
watches

SCUDERIA  
FERRARI

Calvin Klein

LACOSTE 



# OUR HISTORY

1881



Movado Brand  
Founded

1947



Nathan Horwitt  
Designed The Iconic  
Movado Museum

1960



Gedalio "Gerry"  
Grinberg, A Cuban  
Watch Salesman,  
Escaped To The US

1961 - 1970



Grinberg Became Exclusive  
U.S. Distributor For Piaget  
Luxury Swiss Watches,  
Added Corum Swiss  
Watches And Purchased  
Concord Swiss Watches



# OUR HISTORY

1983



Acquired The Movado Brand, Inclusive Of The Iconic Museum Dial

1998-2012



Licensed Brand Division Built  
EBEL Acquired

2017 - 2018



Olivia Burton and MVMT Acquired

2020



Launched Movado and Hugo Boss Jewelry  
Announced CK for Jewelry and Watches



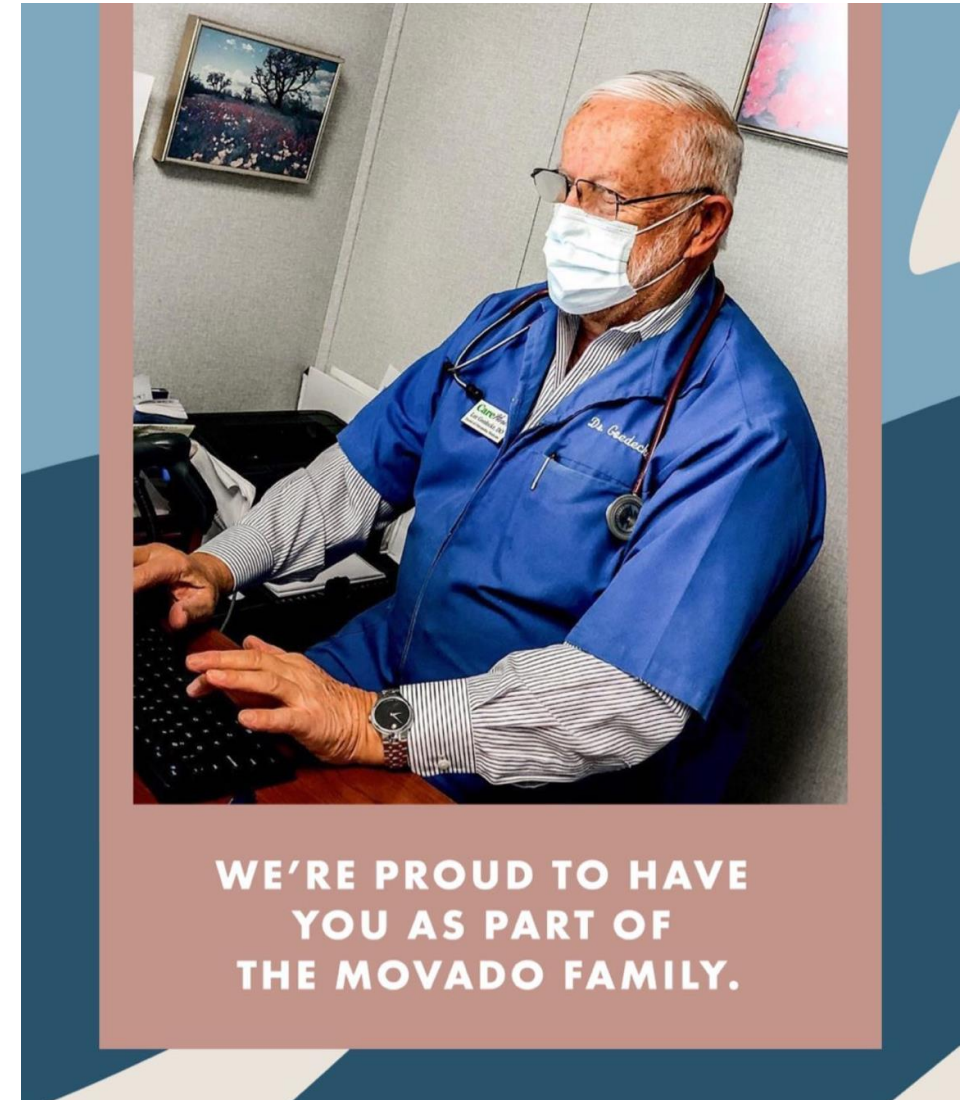
# WHY WE SUCCEED

- Iconic designs drives consistent interest in watches
- 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



# ADAPTING TO THE GLOBAL PANDEMIC

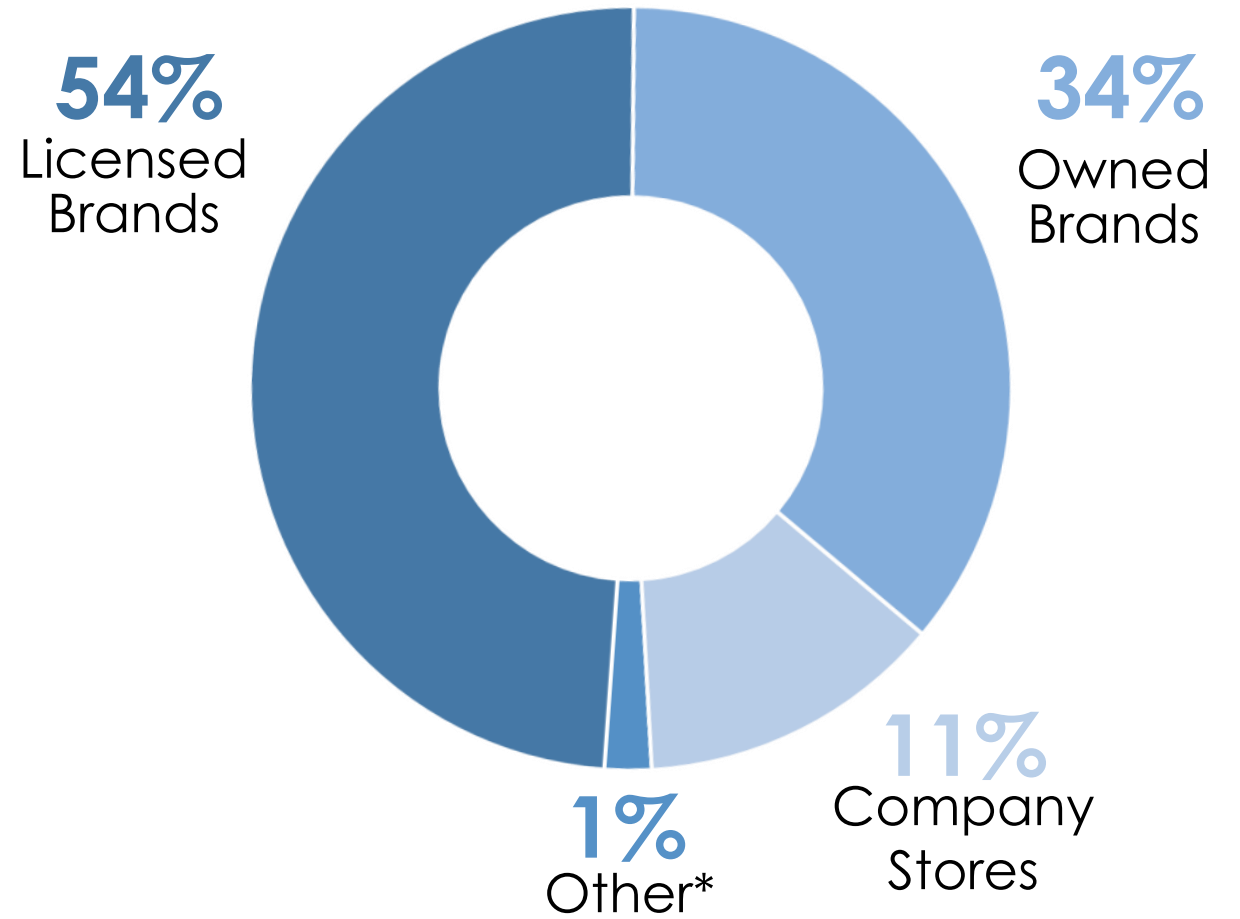
- Recognizing reality
- Operating with a sense of urgency
- Entrepreneurial team – adaptation and flexibility
  - Variable cost structure
  - Inventory management
- Relentless focus on costs and waste
- Drive profitability and cash flow
  - Implemented initiatives expected to generate \$90 million in cost savings
  - Tightly manage operating expenses and inventories



# DIVERSE BRAND PORTFOLIO

Presence in all market segments

Percent of Total MOV Revenue  
(FY '21 3<sup>rd</sup> Quarter Year to Date)



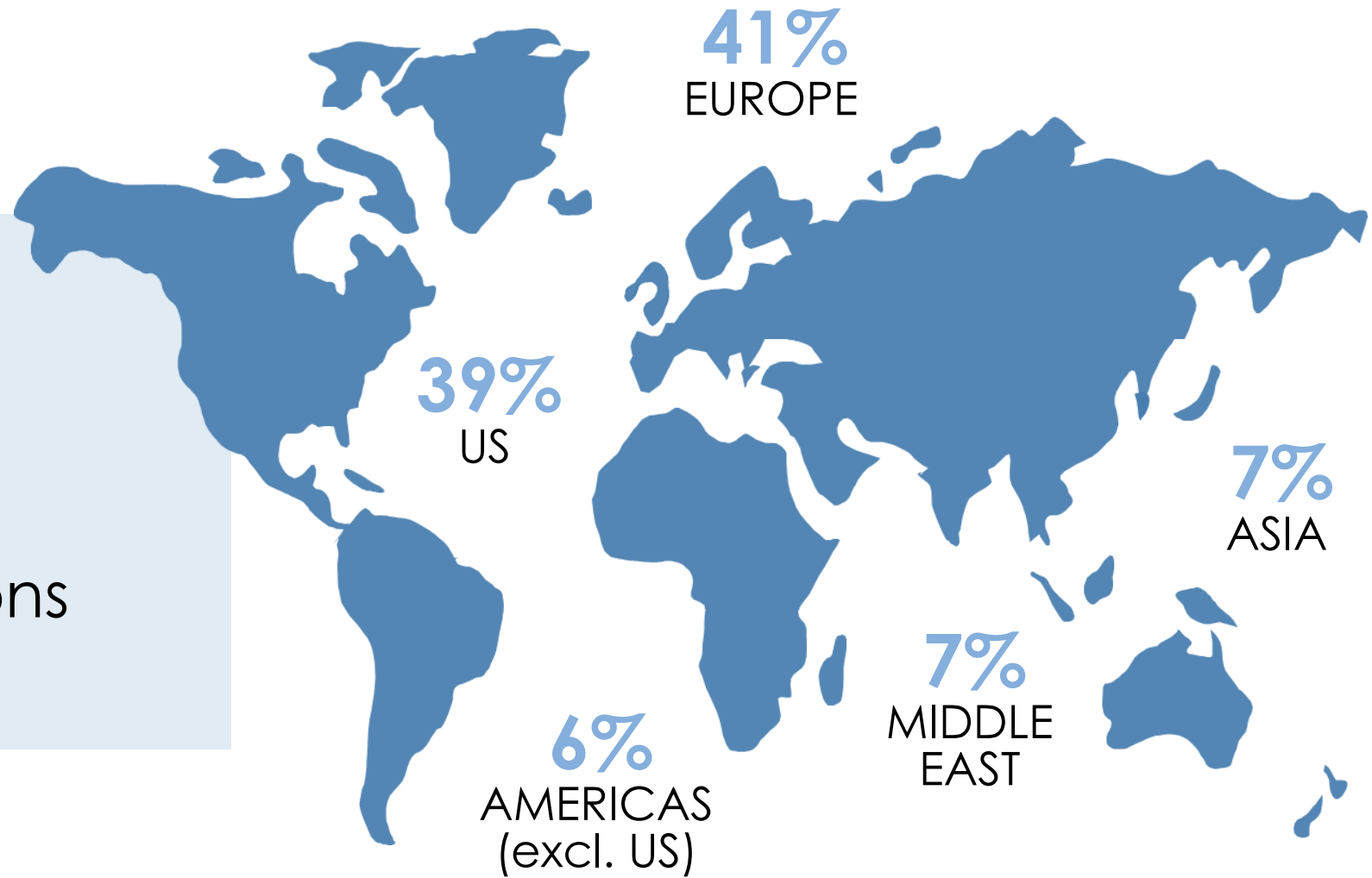
\* Includes after-sales service and all other.





# BROAD GEOGRAPHIC REACH

Presence in all regions  
(FY '21-Q3 YTD )



# FY 2021 3rd Q OCT 2020 FINANCIAL RESULTS\*

- Net sales decreased 17.4% vs. LY
- GM 54.5% vs. 53.5% LY
- Operating income \$25.1M vs. \$24.3M LY
- Net income \$16.4M vs. \$19.0M LY
- EPS \$0.70 vs. \$0.82 LY



\*Adjusted for unusual items. See GAAP reconciliations in our FY20 earnings release at [www.movadogroup.com/investor](http://www.movadogroup.com/investor).

# FY 2021 YTD 3rd Q OCT 2020 FINANCIAL RESULTS\*

- Net sales decreased 35.7% vs. LY
- GM 52.8% vs. 53.8% LY
- Operating income \$6.9M vs. \$41.7M LY
- Net income \$1.7M vs. \$33.0M LY
- EPS \$0.07 vs. \$1.41 LY



\*Adjusted for unusual items. See GAAP reconciliations in our FY20 earnings release at [www.movadogroup.com/investor](http://www.movadogroup.com/investor).

# FY 2021 BALANCE SHEET HIGHLIGHTS

## OCT 31, 2020 vs. OCT 31, 2019

- Cash\* - \$163.2m vs. \$116.0m
- Debt - \$37.3m vs. \$50.7m
- AR - \$103.5m vs. \$136.3m
- Inventory - \$176.8 vs. \$201.2m
- Improvement in Operating Cash Flow of \$37.9m

\*Declared cash dividend in Jan 2021



# CORPORATE PRIORITIES

**BRANDS**  
Realize Each  
Brand's Potential

**REGIONS**  
Capture Significant  
Market Opportunity

**INNOVATION**  
Lead With  
Innovation

**DIGITAL**  
Connect Directly  
With Our Consumers



# CORPORATE PRIORITIES

REALIZE THE POTENTIAL  
OF ALL BRANDS



MOVADO GROUP

# 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



# 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
- Launched on Salesforce Commerce Cloud platform



# OLIVIA BURTON

- Olivia Burton is the British accessories brand founded by best friends and ex-fashion buyers, Jemma and Lesa, in 2012.
- With unparalleled attention to detail, creativity and a hands-on approach, Olivia Burton creates feminine and unique accessories you simply won't find anywhere else.
- The brand has evolved into a globally recognized name with a strong presence in over 65 countries and can be found in over 2,000 doors.
- Since 2016, the brand has consistently ranked amongst the top 3 fashion watch brands in the UK and continues to dominate this category. Since the expansion of their jewelry offering 2 years ago, Olivia Burton has seen exponential growth within this category.





NEVER LET  
ANYONE DULL YOUR  
*sparkle*



DREAM BIG  
SHINE BRIGHT  
SPARKLE MORE

# LICENSED BRANDS

- Strong performance despite global pandemic
- Drive product innovation and strong value
- Focus on digital content and marketing
- Focus on key owned markets
- Announced signing of Calvin Klein license for watches and jewelry to be launched in 2022



# COACH



# HUGO BOSS



**BOSS**  
HUGO BOSS





# TOMMY HILFIGER



CARNATION ON  
GUN METAL



BLUE ON  
STEEL



# LACOSTE



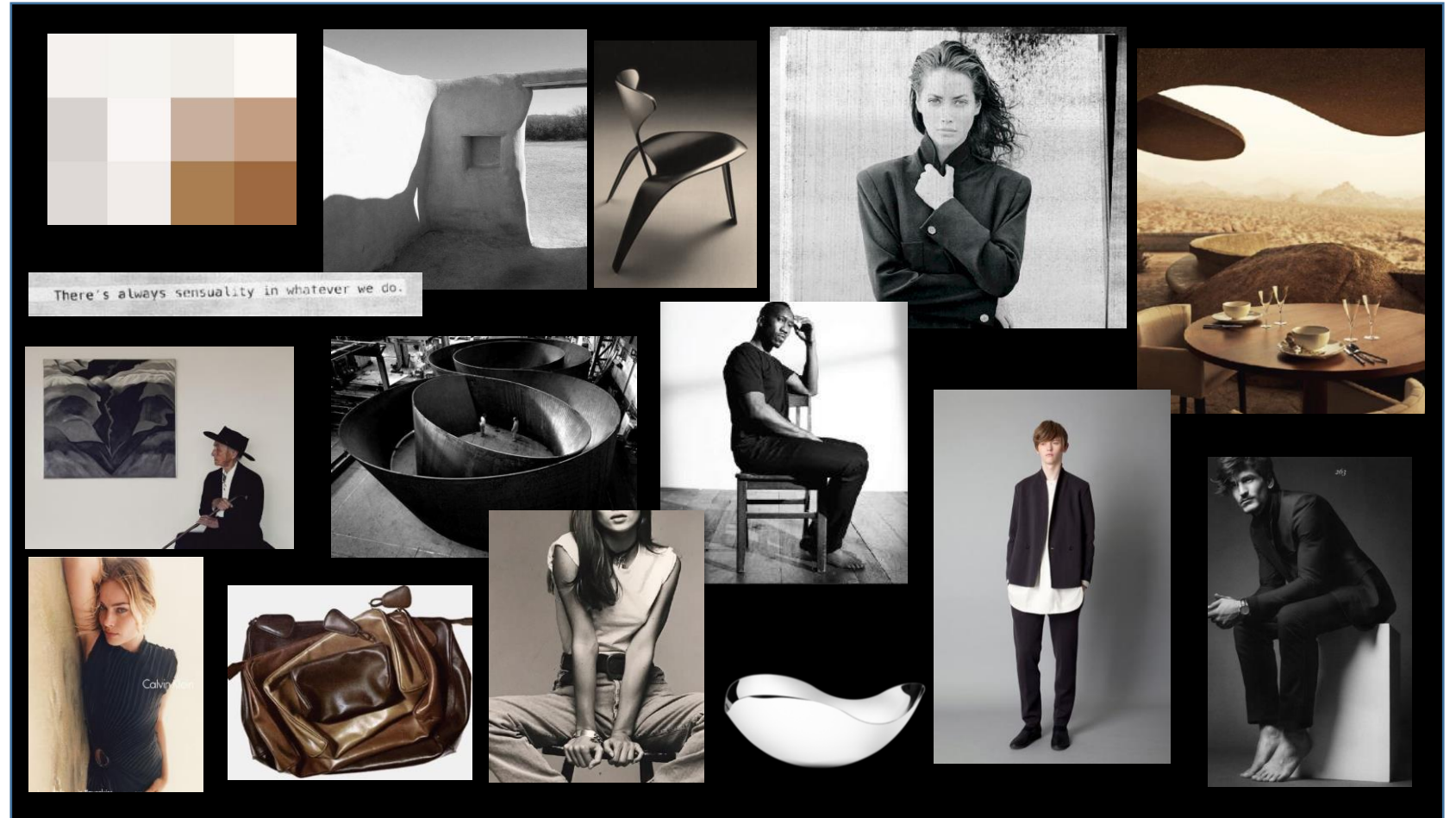
# SCUDERIA FERRARI



# CALVIN KLEIN

## The Watch Design

Modern, Sensual,  
Sculptural, Minimalist  
& Well Designed





# OUTLET COMPANY STORES STRATEGY

- Currently 47 stores, predominately outdoor locations in “A” centers
- Drive profitability and operational efficiency
- Elevated Customer Experience
- Direct to consumer opportunities
  - Brick and mortar
  - Ecommerce, Launch MCS.com
- International opportunity



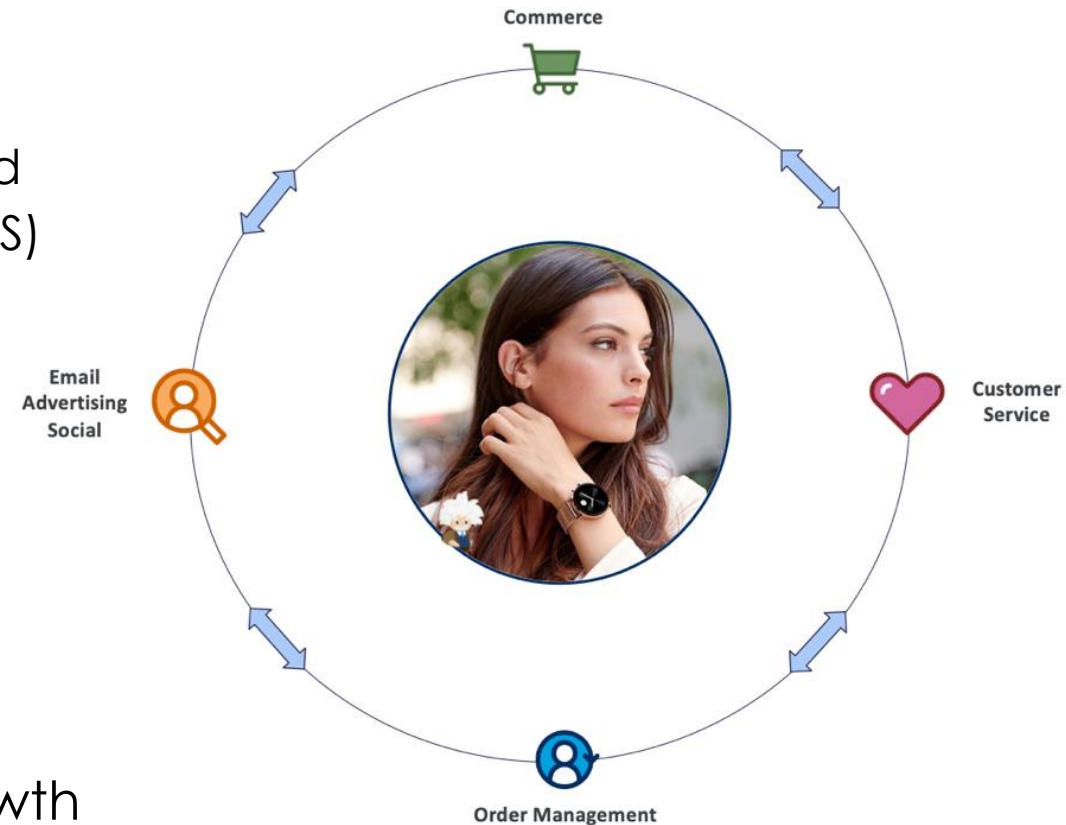
# CORPORATE PRIORITIES

DIGITAL TRANSFORMATION



# DIGITAL – Ecommerce

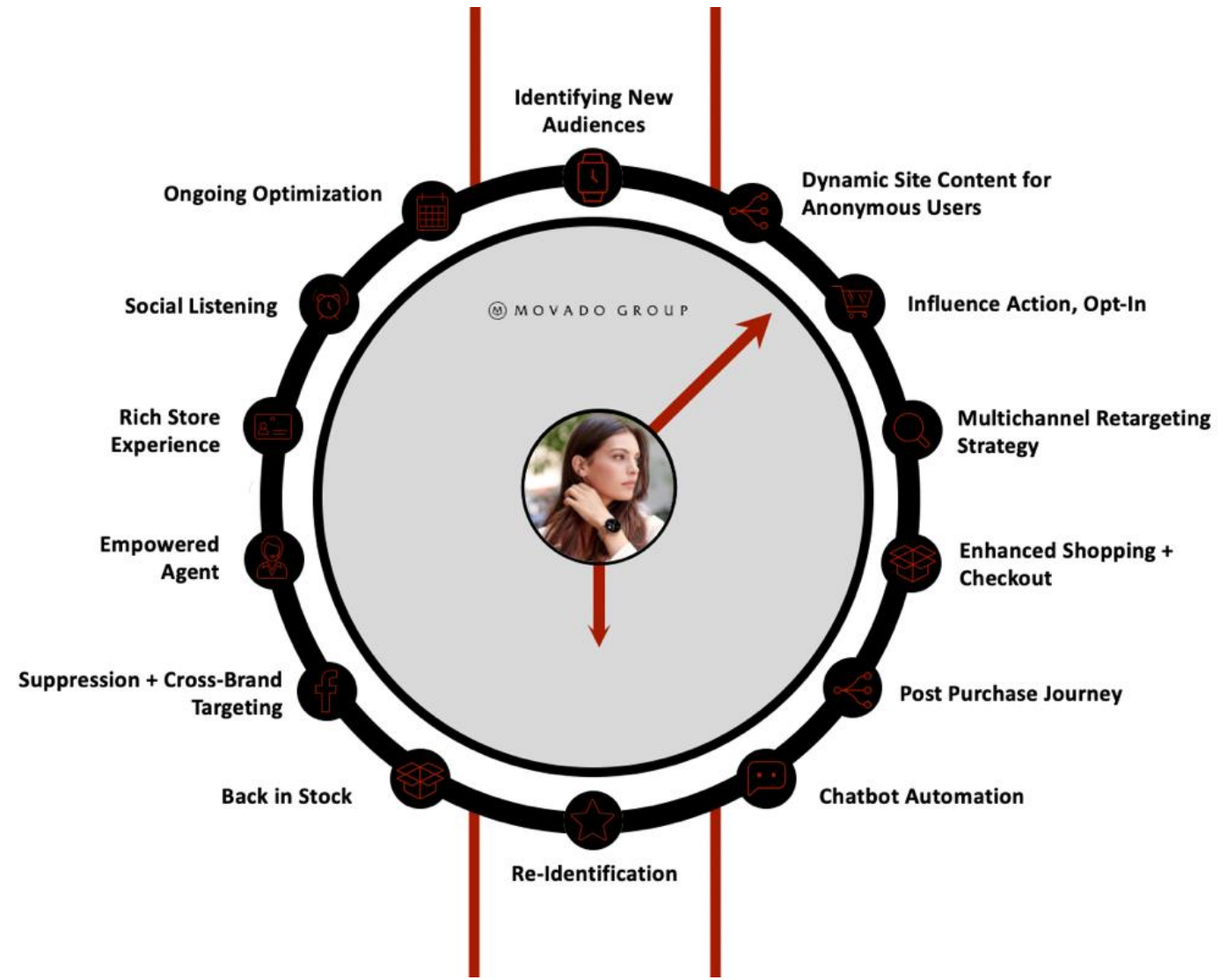
- World-class Global Technology Stack to Power Ecommerce
  - Salesforce Commerce, Marketing, Service Cloud
  - Omni-channel Order Management System (OMS)
  - Cross-border solution
- Improved customer experience
  - Site redesigns
  - Mobile first – Over 80% online traffic
  - Optimized for speed
- Dedicated centralized digital resources drive efficiency and best practices
- Hyper grow - Movado.com 100% revenue growth





# DIGITAL – Marketing

- 360 Consumer B2C Marketing Platform
- New Social listening and response tools
- Significant YOY marketing efficiency improvement
- New marketing channels: Amazon, Affiliates & connected TV



# 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



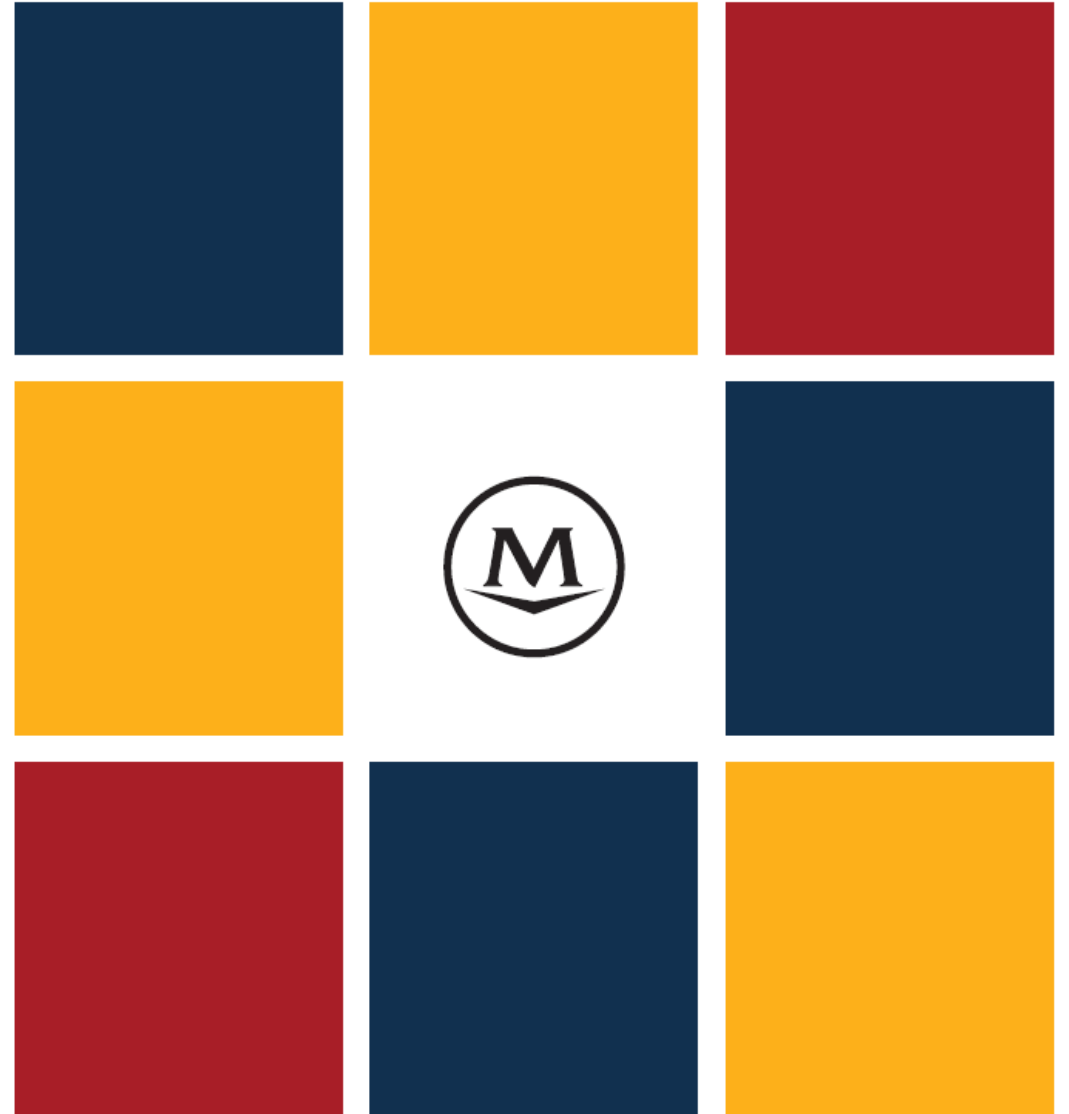
# WHY MOVADO GROUP

- 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, INC.  
JANUARY 2021

 MOVADO GROUP



# 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 and the gain on sale of a non-operating asset. 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 and the gain on sale of a non-operating asset. 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>Operating Income/(Loss)</u>	<u>Pre-tax Income/(Loss)</u>	<u>Provision/(Benefit) for Income Taxes</u>	<u>Net Income/(Loss) Attributable to Movado Group, Inc.</u>	<u>Diluted EPS</u>
<b>Three Months Ended October 31, 2020</b>							
<b>As Reported (GAAP)</b>	\$ 169,863	\$ 92,453	\$ 23,067	\$ 22,467	\$ 7,524	\$ 14,825	\$ 0.63
Olivia Burton Costs (1)	-	-	677	677	128	549	0.02
MVMT Costs (2)	-	-	555	555	211	344	0.02
Corporate Initiatives (3)	-	43	781	781	143	638	0.03
<b>Adjusted Results (Non-GAAP)</b>	<u>\$ 169,863</u>	<u>\$ 92,496</u>	<u>\$ 25,080</u>	<u>\$ 24,480</u>	<u>\$ 8,006</u>	<u>\$ 16,356</u>	<u>\$ 0.70</u>
<b>Three Months Ended October 31, 2019</b>							
<b>As Reported (GAAP)</b>	\$ 205,618	\$ 110,069	\$ 22,638	\$ 22,416	\$ 4,955	\$ 17,765	\$ 0.76
Olivia Burton Costs (1)	-	-	676	676	128	548	0.03
MVMT Costs (2)	-	-	936	936	225	711	0.03
<b>Adjusted Results (Non-GAAP)</b>	<u>\$ 205,618</u>	<u>\$ 110,069</u>	<u>\$ 24,250</u>	<u>\$ 24,028</u>	<u>\$ 5,308</u>	<u>\$ 19,024</u>	<u>\$ 0.82</u>

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

(2) Related to the amortization of acquired intangible assets, accounting adjustments and deferred compensation of MVMT, where applicable.

(3) Related to provision established associated with corporate initiatives, including restructuring plan.



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

	<u>Net Sales</u>	<u>Gross Profit</u>	<u>Operating (Loss)/Income</u>	<u>Pre-tax (Loss)/Income</u>	<u>(Benefit)/Provision for Income Taxes</u>	<u>Net (Loss)/Income Attributable to Movado Group, Inc.</u>	<u>Diluted EPS</u>
<b>Nine Months Ended October 31, 2020</b>							
<b>As Reported (GAAP)</b>	\$ 328,067	\$ 169,702	\$ (168,012)	\$ (168,133)	\$ (26,365)	\$ (141,783)	\$ (6.11)
Olivia Burton Costs (1)	-	-	2,033	2,033	386	1,647	0.07
MVMT Costs (2)	-	-	1,536	1,536	584	952	0.04
Corporate Initiatives (3)	-	3,551	15,389	15,389	4,735	10,654	0.46
Goodwill and Intangible Asset Impairment (4)	-	-	155,919	155,919	24,867	131,052	5.64
Gain On Sale of a Non-Operating Asset (5)	-	-	-	(1,317)	(474)	(843)	(0.03)
<b>Adjusted Results (Non-GAAP)</b>	<u>\$ 328,067</u>	<u>\$ 173,253</u>	<u>\$ 6,865</u>	<u>\$ 5,427</u>	<u>\$ 3,733</u>	<u>\$ 1,679</u>	<u>\$ 0.07</u>
<b>Nine Months Ended October 31, 2019</b>							
<b>As Reported (GAAP)</b>	\$ 509,983	\$ 274,281	\$ 36,388	\$ 49,389	\$ 10,543	\$ 39,195	\$ 1.68
Olivia Burton Costs (1)	-	-	2,078	2,078	395	1,683	0.07
MVMT Costs (2)	-	140	3,534	3,534	848	2,686	0.11
Change In Contingent Consideration (6)	-	-	-	(13,627)	(3,270)	(10,357)	(0.44)
Cost Savings Initiatives (7)	-	-	(320)	(320)	(77)	(243)	(0.01)
<b>Adjusted Results (Non-GAAP)</b>	<u>\$ 509,983</u>	<u>\$ 274,421</u>	<u>\$ 41,680</u>	<u>\$ 41,054</u>	<u>\$ 8,439</u>	<u>\$ 32,964</u>	<u>\$ 1.41</u>

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

(2) Related to the amortization of acquired intangible assets, accounting adjustments and deferred compensation of MVMT, where applicable.

(3) Related to provision established associated with corporate initiatives, including restructuring plan.

(4) Related to the impairment of goodwill for MVMT, Olivia Burton and City Time and impairment of certain of MVMT's intangible assets.

(5) Related to a gain on sale of a non-operating asset in Switzerland.

(6) Remeasurement of contingent consideration liability.

(7) Change in estimate in Fiscal 2020 for severance and occupancy expenses.

