CAPRI

HOLDINGS LIMITED



VERSACE



JIMMY CHOO



MICHAEL KORS

1Q Fiscal Year 2022 Earnings Presentation

July 30, 2021

CAPRI HOLDINGS' STRATEGIC PILLARS

1) Maximize the full potential of our three distinct fashion luxury brands

2) Design innovative and exciting fashion luxury product

3) Create compelling communication to deepen consumer desire and engagement

4) Leverage seamless omni-retailing capabilities to accelerate revenue growth

5) Build upon our corporate values with communities both internally and externally

FIRST QUARTER FISCAL 2022 HIGHLIGHTS



- Revenue increased 178%, driven by strong performance across all three luxury houses
- Adjusted gross margin expanded 90 bps
- Adjusted operating margin expanded to 20.8%
- Increased customer database by 10M versus prior year across our luxury houses
- Raised full year fiscal 2022 adjusted earnings per share outlook to $4.50

VERSACE

GROWTH INITIATIVES

- **COMMUNICATION STRATEGY**
  - Capitalize on high brand engagement and awareness
  - Reinforce three house pillars
  - Accelerate database growth

- **PRODUCT STRATEGY**
  - Expand accessories to $1 billion
  - More than double footwear revenue
  - Further capitalize on iconic brand codes
  - Drive Signature across all product categories

- **OMNI-CHANNEL STRATEGY**
  - Increase omni capabilities to grow E-commerce to $500M
  - Increase global retail footprint to ~300 stores
  - Increase store sales density





VERSACE

1Q 2022 HIGHLIGHTS

- Revenue increased 158%, with strong growth across all regions and channels
- E-commerce sales increased triple digits
- Significant gross margin expansion
- Operating margin expanded to 20.0%
- Global database +24% year-over-year

JIMMY CHOO

GROWTH INITIATIVES

- **COMMUNICATION STRATEGY**
  - Own glamour through emotional brand storytelling
  - Combine storytelling with data analytics
  - Double database size
- **PRODUCT STRATEGY**
  - Capitalize on iconic brand codes
  - Grow accessories to 30% of revenue
  - Maximize casual opportunity
  - Introduce new categories
- **OMNI-CHANNEL STRATEGY**
  - Triple E-commerce revenue
  - Enhance omni-channel services
  - Increase global retail footprint to ~300 stores





JIMMY CHOO

1Q 2022 HIGHLIGHTS

- Revenue increased 178%, with strong growth across all regions and channels
- E-commerce sales increased triple digits
- Significant gross margin expansion
- Operating margin expanded to 7.7%
- Global database +14% year-over-year

MICHAEL KORS

GROWTH INITIATIVES

- **COMMUNICATION STRATEGY**
  - Emotional brand engagement
  - Combine storytelling with data analytics
  - Accelerate database growth
- **PRODUCT STRATEGY**
  - Increase Signature to 50% of the business
  - Grow MKGO to $500M
  - Build Men’s to $500M
- **OMNI-CHANNEL STRATEGY**
  - Leverage seamless omni-channel experience
  - Double E-commerce revenue
  - Optimize global store fleet





MICHAEL KORS

1Q 2022 HIGHLIGHTS

- Revenue increased 184%, with strong growth across all regions and channels
- E-commerce sales increased strong double digits
- Gross margin was above our expectation but below prior year due to higher wholesale penetration
- Operating margin expanded to 27.6%
- Global database +20% year-over-year

NON-GAAP MEASURES

This presentation includes certain non-GAAP financial measures that exclude certain costs associated with COVID-19 related charges, ERP implementation costs, Capri transformation costs, restructuring and other charges. The Company uses non-GAAP financial measures, among other things, to evaluate its operating performance and in order to represent the manner in which the Company conducts and views its business. The Company believes that excluding these items helps its management and investors compare operating performance based on its ongoing operations. While the Company considers the non-GAAP measures to be useful supplemental measures in analyzing its results, they are not intended to replace, nor act as a substitute for, any amounts presented in its consolidated financial statements prepared in conformity with U.S. GAAP and may be different from non-GAAP measures reported by other companies.

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

	Three Months Ended June 26, 2021				
	As Reported	Restructuring and Other Charges [1]	COVID-19 Related Charges	ERP Implementation	As Adjusted
Gross profit	$ 856	$ —	$ (3)	$ —	$ 853
Operating expenses	$ 598	$ (3)	$ —	$ (3)	$ 592
Total income from operations	$ 258	$ 3	$ (3)	$ 3	$ 261
Income before provision for income taxes	$ 256	$ 3	$ (3)	$ 3	$ 259
Provision for income taxes	$ 37	$ 1	$ (1)	$ 1	$ 38
Net income attributable to Capri	$ 219	$ 2	$ (2)	$ 2	$ 221
Diluted net income per ordinary share - Capri	$ 1.41	$ 0.01	$ (0.01)	$ 0.01	$ 1.42

[1] Includes store closure costs which have been incorporated into the Capri Retail Store Optimization Program, other restructuring initiatives, and other costs recorded in connection with the acquisitions of Gianni Versace S.r.l. and Jimmy Choo Group Limited

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

	Three Months Ended June 27, 2020				
	As Reported	Restructuring and Other Charges [1]	COVID-19 Related Charges	ERP Implementation	As Adjusted
Gross profit	$ 302	$ —	$ 1	$ —	$ 303
Operating expenses	$ 464	$ (8)	$ (4)	$ (2)	$ 450
Total loss from operations	$ (162)	$ 8	$ 5	$ 2	$ (147)
Loss before provision for income taxes	$ (175)	$ 8	$ 5	$ 2	$ (160)
Provision for (benefit from) income taxes	$ 5	$ (5)	$ (3)	$ (1)	$ (4)
Net loss attributable to Capri	$ (180)	$ 13	$ 8	$ 3	$ (156)
Diluted net loss per ordinary share - Capri	$ (1.21)	$ 0.09	$ 0.06	$ 0.02	$ (1.04)

[1] Includes store closure costs which have been incorporated into the Capri Retail Store Optimization Program, other restructuring initiatives, and other costs recorded in connection with the acquisitions of Gianni Versace S.r.l. and Jimmy Choo Group Limited

SAFE HARBOR STATEMENT

This presentation contains statements which are, or may be deemed to be, “forward-looking statements.” Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Capri Holdings Limited (the “Company”) about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. All statements other than statements of historical facts included herein, may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “plans”, “believes”, “expects”, “intends”, “will”, “should”, “could”, “would”, “may”, “anticipates”, “might” or similar words or phrases, are forward-looking statements. These forward-looking statements are not guarantees of future financial performance. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions, which could cause actual results to differ materially from those projected or implied in any forward-looking statements. These risks, uncertainties and other factors include the effect of the COVID-19 pandemic and its potential material and significant impact on the Company’s future financial and operational results if retail stores are forced to close again and the pandemic is prolonged, including that our estimates could materially differ if the severity of the COVID-19 situation worsens, the length and severity of such outbreak across the globe and the pace of recovery following the COVID-19 pandemic, levels of cash flow and future availability of credit, compliance with restrictive covenants under the Company’s credit agreement, the Company’s ability to integrate successfully and to achieve anticipated benefits of any acquisition; the risk of disruptions to the Company’s businesses; the negative effects of events on the market price of the Company’s ordinary shares and its operating results; significant transaction costs; unknown liabilities; the risk of litigation and/or regulatory actions related to the Company’s businesses; fluctuations in demand for the Company’s products; levels of indebtedness (including the indebtedness incurred in connection with acquisitions); the timing and scope of future share buybacks, which may be made in open market or privately negotiated transactions, and are subject to market conditions, applicable legal requirements, trading restrictions under the Company’s insider trading policy and other relevant factors, and which share repurchases may be suspended or discontinued at any time, the level of other investing activities and uses of cash; changes in consumer traffic and retail trends; loss of market share and industry competition; fluctuations in the capital markets; fluctuations in interest and exchange rates; the occurrence of unforeseen epidemics and pandemics, disasters or catastrophes; political or economic instability in principal markets; adverse outcomes in litigation; and general, local and global economic, political, business and market conditions, as well as those risks set forth in the Company’s filings with the U.S. Securities and Exchange Commission, including the Company’s Annual Report on Form 10-K for the fiscal year ended March 27, 2021 (File No. 001-35368). Any forward-looking statement in this press release speaks only as of the date made and the Company disclaims any obligation to update or revise any forward-looking or other statements contained herein other than in accordance with legal and regulatory obligations.