

CAPRI

HOLDINGS LIMITED



VERSACE



JIMMY CHOO



MICHAEL KORS

1Q Fiscal Year 2023 Earnings Presentation

August 9, 2022

FIRST QUARTER FISCAL 2023 HIGHLIGHTS



- Delivered record 1Q23 revenue and adjusted EPS
- Revenue increased 9% (+15% Constant Currency)
- Excluding Mainland China, revenue +15% (+22% CC)
- Increased customer database by 20% versus prior year
- Adjusted operating margin of 18.5%, ahead of expectations
- Adjusted EPS of \$1.50

VERSACE

PATH TO \$2B+

- Lead with Versace runway glamour
- Reinforce brand codes
- Significantly grow accessories
- Significantly grow footwear
- Drive retail and Ecommerce to full potential





VERSACE

1Q23 HIGHLIGHTS

- Revenue increased 15% (+30% Constant Currency)
- Excluding Mainland China, revenue +28% (+45% CC)
- Global database +40% year-over-year
- Women's accessories retail sales increased ~80%
- Operating margin of 18.9%, significantly ahead of expectations

JIMMY CHOO

PATH TO \$1B

- Engage and excite new and existing consumers with glamorous Time to Dare campaign
- Reinforce brand codes
- Significantly grow accessories
- Double size of casual footwear
- Drive retail and Ecommerce to full potential





JIMMY CHOO

1Q23 HIGHLIGHTS

- Revenue increased 21% (+30% Constant Currency)
- Excluding Mainland China, revenue +32% (+43% CC)
- Global database +30% year-over-year
- Women's accessories retail sales increased ~50%
- Operating margin of 11%, significantly above expectations

MICHAEL KORS

RUNWAY TO \$5B

- Continue to elevate the brand positioning
- Engage and excite new and existing consumers
- Reinforce brand codes
- Double revenue in Asia
- Significant opportunity in Men's
- Drive retail and Ecommerce to full potential





MICHAEL KORS

1Q23 HIGHLIGHTS

- Revenue increased 5% (+9% Constant Currency)
- Excluding Mainland China, revenue +9% (+13% CC)
- Global database +17% year-over-year
- Operating margin of 24.3%, above expectations

FISCAL YEAR 2023 OUTLOOK

	2Q	3Q	4Q	FY23
Revenue	~\$1.40B	~\$1.65B	~\$1.44B	~\$5.85B
Versace	~\$300M			~\$1.175B
Jimmy Choo	~\$140M			~\$650M
Michael Kors	~\$960M			~\$4.025B
Adjusted Operating Margin	~17%	~22%	~14%	~18%
Versace	mid-teens			~16%
Jimmy Choo	slightly positive			~5%
Michael Kors	low-to-mid 20%			~24%
Adjusted EPS	~\$1.55	~\$2.45	~\$1.35	~\$6.85

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

(In millions, except per share data)

	Three Months Ended July 2, 2022						As Adjusted
	As Reported	Restructuring and Other Charges ⁽¹⁾	COVID-19 Related Charges	ERP Implementation	Capri Transformation		
Gross profit	\$ 901	\$ —	\$ (1)	\$ —	\$ —	\$ 900	
Operating expenses	\$ 670	\$ (3)	\$ —	\$ (9)	\$ (9)	\$ 649	
Total income from operations	\$ 231	\$ 3	\$ (1)	\$ 9	\$ 9	\$ 251	
Income before provision for income taxes	\$ 231	\$ 3	\$ (1)	\$ 9	\$ 9	\$ 251	
Provision for income taxes	\$ 28	\$ 1	\$ —	\$ 2	\$ 3	\$ 34	
Net income attributable to Capri	\$ 201	\$ 2	\$ (1)	\$ 7	\$ 6	\$ 215	
Diluted net income per ordinary share – Capri	\$ 1.40	\$ 0.01	\$ —	\$ 0.05	\$ 0.04	\$ 1.50	

⁽¹⁾ Primarily Includes other costs recorded in connection with the acquisitions of Gianni Versace S.r.l and costs related to other restructuring initiatives.

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

(In millions, except per share data)

	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.

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 impact of 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 and to successfully execute our growth strategies; the risk of disruptions to the Company’s businesses; risks associated with operating in international markets and our global sourcing activities, including disruptions or delays in manufacturing or shipments; the risk of cybersecurity threats and privacy of data security breaches; 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; high consumer debt levels, recession and inflationary pressures; 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; extreme weather conditions and natural disasters; political or economic instability in principal markets; adverse outcomes in litigation; and general, local and global economic, political, business and market conditions including acts of war and other geopolitical conflicts; as well as those risks set forth in the Company’s filings with the U.S. Securities and Exchange Commission (the “SEC”), including the Company’s Annual Report on Form 10-K for the fiscal year ended April 2, 2022 (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.