UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

# FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended April 30, 2024

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____ to ___

Commission File Number: 0-18183

# G-III APPAREL GROUP, LTD.

(Exact name of registrant as specified in its charter)

| | |
|---|---|
| Delaware<br>(State or other jurisdiction of incorporation or organization) | 41-1590959<br>(I.R.S. Employer Identification No.) |
| 512 Seventh Avenue, New York, New York<br>(Address of principal executive offices) | 10018<br>(Zip Code) |

(212) 403-0500
(Registrant’s telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Stock, $0.01 par value per share | GIII | The Nasdaq Stock Market |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.) Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☒ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| Emerging growth company | ☐ | | |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of June 3, 2024, there were 44,987,939 shares of issuer’s common stock, par value $0.1 per share, outstanding.

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## PART I – FINANCIAL INFORMATION

**Item 1. Financial Statements.**

## G-III APPAREL GROUP, LTD. AND SUBSIDIARIES
## CONDENSED CONSOLIDATED BALANCE SHEETS

| | April 30, 2024 | April 30, 2023 | January 31, 2024 |
|---|---|---|---|
| | (Unaudited) | (Unaudited) | |
| | (In thousands, except per share amounts) | | |
| **ASSETS** | | | |
| Current assets | | | |
| Cash and cash equivalents | $ 508,434 | $ 289,729 | $ 507,829 |
| Accounts receivable, net of allowance for doubtful accounts of $1,195, $18,832 and $1,471, respectively | 473,186 | 494,601 | 562,363 |
| Inventories | 479,671 | 630,308 | 520,426 |
| Prepaid income taxes | 19,080 | 7,692 | 1,356 |
| Prepaid expenses and other current assets | 68,143 | 69,432 | 68,344 |
| Total current assets | 1,548,514 | 1,491,762 | 1,660,318 |
| Investments in unconsolidated affiliates | 22,007 | 27,585 | 22,472 |
| Property and equipment, net | 60,588 | 53,157 | 55,084 |
| Operating lease assets | 209,199 | 237,056 | 216,886 |
| Other assets, net | 44,875 | 52,183 | 45,147 |
| Other intangibles, net | 29,653 | 34,131 | 31,676 |
| Deferred income tax assets, net | 25,581 | 26,389 | 19,248 |
| Trademarks | 624,982 | 632,220 | 630,333 |
| Total assets | $ 2,565,399 | $ 2,554,483 | $ 2,681,164 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | | |
| Current liabilities | | | |
| Current portion of notes payable | $ 23,664 | $ 139,418 | $ 15,026 |
| Accounts payable | 158,652 | 140,064 | 182,531 |
| Accrued expenses | 103,854 | 99,092 | 140,535 |
| Customer refund liabilities | 59,865 | 69,408 | 84,054 |
| Current operating lease liabilities | 55,990 | 51,024 | 56,587 |
| Income tax payable | 5,899 | 8,234 | 14,676 |
| Other current liabilities | 141 | 863 | 219 |
| Total current liabilities | 408,065 | 508,103 | 493,628 |
| Notes payable, net of discount and unamortized issuance costs | 402,687 | 403,586 | 402,807 |
| Deferred income tax liabilities, net | 48,152 | 45,561 | 42,736 |
| Noncurrent operating lease liabilities | 168,462 | 202,406 | 178,247 |
| Other noncurrent liabilities | 20,686 | 15,325 | 15,764 |
| Total liabilities | 1,048,052 | 1,174,981 | 1,133,182 |
| | | | |
| Redeemable noncontrolling interests | (2,528) | (945) | (2,278) |
| | | | |
| Stockholders' Equity | | | |
| Preferred stock; 1,000 shares authorized; no shares issued | — | — | — |
| Common stock - $0.01 par value; 120,000 shares authorized; 49,396, 49,396 and 49,396 shares issued, respectively | 264 | 264 | 264 |
| Additional paid-in capital | 450,844 | 472,474 | 458,841 |
| Accumulated other comprehensive loss | (10,090) | (6,936) | (3,207) |
| Retained earnings | 1,165,914 | 987,180 | 1,160,112 |
| Common stock held in treasury, at cost - 4,430, 3,802 and 3,668 shares, respectively | (87,057) | (72,535) | (65,750) |
| Total stockholders' equity | 1,519,875 | 1,380,447 | 1,550,260 |
| Total liabilities, redeemable noncontrolling interests and stockholders' equity | $ 2,565,399 | $ 2,554,483 | $ 2,681,164 |

*The accompanying notes are an integral part of these statements.*

**G-III APPAREL GROUP, LTD. AND SUBSIDIARIES**

**CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE (LOSS) INCOME**

| | Three Months Ended April 30, | |
|---|---|---|
| | 2024 | 2023 |
| | (Unaudited) (In thousands, except per share amounts) | |
| Net sales | $ 609,747 | $ 606,589 |
| Cost of goods sold | 350,854 | 356,788 |
| Gross profit | 258,893 | 249,801 |
| Selling, general and administrative expenses | 236,621 | 227,961 |
| Depreciation and amortization | 8,768 | 6,576 |
| Operating profit | 13,504 | 15,264 |
| Other (loss) income | (223) | 973 |
| Interest and financing charges, net | (5,424) | (12,151) |
| Income before income taxes | 7,857 | 4,086 |
| Income tax expense | 2,305 | 945 |
| Net income | 5,552 | 3,141 |
| Less: Loss attributable to noncontrolling interests | (250) | (95) |
| Net income attributable to G-III Apparel Group, Ltd. | $ 5,802 | $ 3,236 |
| | | |
| **NET INCOME PER COMMON SHARE ATTRIBUTABLE TO G-III APPAREL GROUP, LTD.:** | | |
| Basic: | | |
| Net income per common share | $ 0.13 | $ 0.07 |
| Weighted average number of shares outstanding | 45,484 | 46,286 |
| | | |
| Diluted: | | |
| Net income per common share | $ 0.12 | $ 0.07 |
| Weighted average number of shares outstanding | 46,734 | 47,442 |
| | | |
| Net income | $ 5,552 | $ 3,141 |
| Other comprehensive loss: | | |
| Foreign currency translation adjustments | (6,883) | 4,715 |
| Other comprehensive (loss) income | (6,883) | 4,715 |
| Comprehensive (loss) income | $ (1,331) | $ 7,856 |
| Comprehensive loss attributable to noncontrolling interests: | | |
| Net loss | (250) | (95) |
| Foreign currency translation adjustments | — | 2 |
| Comprehensive loss attributable to noncontrolling interests | (250) | (93) |
| Comprehensive (loss) income attributable to G-III Apparel Group, Ltd. | $ (1,581) | $ 7,763 |

*The accompanying notes are an integral part of these statements.*

**G-III APPAREL GROUP, LTD. AND SUBSIDIARIES**

**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**

| | Common Stock | Additional Paid-In Capital | Accumulated Other Comprehensive Loss | Retained Earnings | Common Stock Held In Treasury | Total |
|---|---|---|---|---|---|---|
| | | | (Unaudited) (In thousands) | | | |
| Balance as of January 31, 2024 | $ 264 | $ 458,841 | $ (3,207) | $ 1,160,112 | $ (65,750) | $ 1,550,260 |
| Equity awards vested, net | — | (7,043) | — | — | 7,043 | — |
| Share-based compensation expense | — | 6,580 | — | — | — | 6,580 |
| Taxes paid for net share settlements | — | (7,534) | — | — | — | (7,534) |
| Other comprehensive loss, net | — | — | (6,883) | — | — | (6,883) |
| Repurchases of common stock | — | — | — | — | (28,350) | (28,350) |
| Net income attributable to G-III Apparel Group, Ltd. | — | — | — | 5,802 | — | 5,802 |
| Balance as of April 30, 2024 | $ 264 | $ 450,844 | $ (10,090) | $ 1,165,914 | $ (87,057) | $ 1,519,875 |
| | | | | | | |
| Balance as of January 31, 2023 | $ 264 | $ 468,712 | $ (11,653) | $ 983,944 | $ (55,819) | $ 1,385,448 |
| Equity awards vested, net | — | (53) | — | — | 53 | — |
| Share-based compensation expense | — | 3,837 | — | — | — | 3,837 |
| Taxes paid for net share settlements | — | (22) | — | — | — | (22) |
| Other comprehensive income, net | — | — | 4,717 | — | — | 4,717 |
| Repurchases of common stock | — | — | — | — | (16,769) | (16,769) |
| Net income attributable to G-III Apparel Group, Ltd. | — | — | — | 3,236 | — | 3,236 |
| Balance as of April 30, 2023 | $ 264 | $ 472,474 | $ (6,936) | $ 987,180 | $ (72,535) | $ 1,380,447 |

*The accompanying notes are an integral part of these statements.*

**G-III APPAREL GROUP, LTD. AND SUBSIDIARIES**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

| | Three Months Ended April 30, | |
|---|---|---|
| | **2024** | **2023** |
| | **(Unaudited, in thousands)** | |
| Cash flows from operating activities | | |
| Net income attributable to G-III Apparel Group, Ltd. | $ 5,802 | $ 3,236 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 8,768 | 6,576 |
| Loss on disposal of fixed assets | 6 | 393 |
| Non-cash operating lease costs | 13,899 | 14,902 |
| Equity loss in unconsolidated affiliates | 893 | 482 |
| Change in fair value of equity securities | — | (1,009) |
| Share-based compensation | 6,580 | 3,837 |
| Deferred financing charges and debt discount amortization | 823 | 2,640 |
| Deferred income taxes | (917) | 778 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable, net | 89,177 | 180,362 |
| Inventories | 40,755 | 79,037 |
| Income taxes, net | (26,501) | (8,448) |
| Prepaid expenses and other current assets | (61) | 2,422 |
| Other assets, net | (487) | 448 |
| Customer refund liabilities | (24,189) | (20,352) |
| Operating lease liabilities | (14,892) | (16,724) |
| Accounts payable, accrued expenses and other liabilities | (54,165) | (46,749) |
| Net cash provided by operating activities | 45,491 | 201,831 |
| | | |
| Cash flows from investing activities | | |
| Operating lease assets initial direct costs | (1,648) | (52) |
| Investment in equity interest of private company | (429) | (3,600) |
| Capital expenditures | (12,720) | (4,978) |
| Net cash used in investing activities | (14,797) | (8,630) |
| | | |
| Cash flows from financing activities | | |
| Repayment of borrowings - revolving facility | (23,528) | (85,400) |
| Proceeds from borrowings - revolving facility | 23,528 | 5,313 |
| Repayment of borrowings - foreign facilities | (30,539) | (36,073) |
| Proceeds from borrowings - foreign facilities | 39,100 | 37,199 |
| Purchase of treasury shares | (28,350) | (16,769) |
| Taxes paid for net share settlements | (7,534) | (22) |
| Net cash used in financing activities | (27,323) | (95,752) |
| | | |
| Foreign currency translation adjustments | (2,766) | 628 |
| Net increase in cash and cash equivalents | 605 | 98,077 |
| Cash and cash equivalents at beginning of period | 507,829 | 191,652 |
| Cash and cash equivalents at end of period | $ 508,434 | $ 289,729 |
| | | |
| Supplemental disclosures of cash flow information | | |
| Cash payments: | | |
| Interest, net | $ 11,953 | $ 16,781 |
| Income tax payments, net | $ 24,182 | $ 9,176 |

*The accompanying notes are an integral part of these statements.*

**G-III APPAREL GROUP, LTD. AND SUBSIDIARIES**

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

## NOTE 1 – BASIS OF PRESENTATION

As used in these financial statements, the term "Company" or "G-III" refers to G-III Apparel Group, Ltd. and its subsidiaries. The Company designs, sources and markets an extensive range of apparel, including outerwear, dresses, sportswear, swimwear, women's suits and women's performance wear, as well as women's handbags, footwear, small leather goods, cold weather accessories and luggage. The Company also operates retail stores and licenses its proprietary brands under several product categories.

The Company consolidates the accounts of its wholly-owned and majority-owned subsidiaries. The Company's DKNY and Donna Karan business in China is operated by Fabco Holding B.V. ("Fabco"), a Dutch joint venture limited liability company that was 75% owned by the Company through April 16, 2024 and was treated as a consolidated majority-owned subsidiary. Effective April 17, 2024, the Company acquired the remaining 25% interest in Fabco that it did not previously own and, as a result, Fabco began being treated as a wholly-owned subsidiary. All material intercompany balances and transactions have been eliminated.

Karl Lagerfeld Holding B.V. ("KLH"), a Dutch limited liability company that is wholly-owned by the Company, Vilebrequin International SA ("Vilebrequin"), a Swiss corporation that is wholly-owned by the Company, Sonia Rykiel, a Swiss corporation that is wholly-owned by the Company, and Fabco report results on a calendar year basis rather than on the January 31 fiscal year basis used by the Company. Accordingly, the results of KLH, Vilebrequin, Sonia Rykiel and Fabco are included in the financial statements for the quarter ended or ending closest to the Company's fiscal quarter end. For example, with respect to the Company's results for the three-month period ended April 30, 2024, the results of KLH, Vilebrequin, Sonia Rykiel and Fabco are included for the three-month period ended March 31, 2024. The Company's retail operations segment reports on a 52/53 week fiscal year. For fiscal 2025 and 2024, the three-month periods for the retail operations segment were each 13-week periods and ended on May 4, 2024 and April 29, 2023, respectively.

The results for the three months ended April 30, 2024 are not necessarily indicative of the results expected for the entire fiscal year, given the seasonal nature of the Company's business. The accompanying financial statements included herein are unaudited. All adjustments (consisting of only normal recurring adjustments) necessary for a fair presentation of the financial position, results of operations and cash flows for the interim period presented have been reflected.

The accompanying financial statements should be read in conjunction with the financial statements and notes included in the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 2024 filed with the Securities and Exchange Commission (the "SEC").

Assets and liabilities of the Company's foreign operations, where the functional currency is not the U.S. dollar (reporting currency), are translated from the foreign currency into U.S. dollars at period-end rates, while income and expenses are translated at the weighted-average exchange rates for the period. The related translation adjustments are reflected as a foreign currency translation adjustment in accumulated other comprehensive loss within stockholders' equity.

## NOTE 2 – ALLOWANCE FOR DOUBTFUL ACCOUNTS

The Company's financial instruments consist of trade receivables arising from revenue transactions in the ordinary course of business. The Company considers its trade receivables to consist of two portfolio segments: wholesale and retail trade receivables. Wholesale trade receivables result from credit the Company has extended to its wholesale customers based on pre-defined criteria and are generally due within 30 to 60 days. Retail trade receivables primarily relate to amounts due from third-party credit card processors for the settlement of debit and credit card transactions and are typically collected within 3 to 5 days.

The Company’s accounts receivable and allowance for doubtful accounts as of April 30, 2024, April 30, 2023 and January 31, 2024 were:

| | April 30, 2024 | | |
|---|---|---|---|
| | Wholesale | Retail | Total |
| | | (In thousands) | |
| Accounts receivable, gross | $ 473,075 | $ 1,306 | $ 474,381 |
| Allowance for doubtful accounts | (1,132) | (63) | (1,195) |
| Accounts receivable, net | $ 471,943 | $ 1,243 | $ 473,186 |

| | April 30, 2023 | | |
|---|---|---|---|
| | Wholesale | Retail | Total |
| | | (In thousands) | |
| Accounts receivable, gross | $ 512,315 | $ 1,118 | $ 513,433 |
| Allowance for doubtful accounts | (18,769) | (63) | (18,832) |
| Accounts receivable, net | $ 493,546 | $ 1,055 | $ 494,601 |

| | January 31, 2024 | | |
|---|---|---|---|
| | Wholesale | Retail | Total |
| | | (In thousands) | |
| Accounts receivable, gross | $ 563,130 | $ 704 | $ 563,834 |
| Allowance for doubtful accounts | (1,408) | (63) | (1,471) |
| Accounts receivable, net | $ 561,722 | $ 641 | $ 562,363 |

The allowance for doubtful accounts for wholesale trade receivables is estimated based on several factors. In circumstances where the Company is aware of a specific customer’s inability to meet its financial obligations (such as in the case of bankruptcy filings (including potential bankruptcy filings), extensive delay in payment or substantial downgrading by credit rating agencies), a specific reserve for bad debt is recorded against amounts due from that customer to reduce the net recognized receivable to the amount reasonably expected to be collected. For all other wholesale customers, an allowance for doubtful accounts is determined through analysis of the aging of accounts receivable at the end of the reporting period for financial statements, assessments of collectability based on historical trends and an evaluation of the impact of economic conditions. The Company considers both current and forecasted future economic conditions in determining the adequacy of its allowance for doubtful accounts.

The allowance for doubtful accounts for retail trade receivables is estimated at the credit card chargeback rate applied to the previous 90 days of credit card sales. In addition, the Company considers both current and forecasted future economic conditions in determining the adequacy of its allowance for doubtful accounts.

The Company had the following activity in its allowance for doubtful accounts:

| | Wholesale | Retail | Total |
|---|---|---|---|
| | | (In thousands) | |
| Balance as of January 31, 2024 | $ (1,408) | $ (63) | $ (1,471) |
| Provision for credit losses, net | 276 | — | 276 |
| Accounts written off as uncollectible | — | — | — |
| Balance as of April 30, 2024 | $ (1,132) | $ (63) | $ (1,195) |
| | | | |
| Balance as of January 31, 2023 | $ (18,237) | $ (60) | $ (18,297) |
| Provision for credit losses, net | (532) | (3) | (535) |
| Accounts written off as uncollectible | — | — | — |
| Balance as of April 30, 2023 | $ (18,769) | $ (63) | $ (18,832) |
| | | | |
| Balance as of January 31, 2023 | $ (18,237) | $ (60) | $ (18,297) |
| Provision for credit losses, net | 166 | (3) | 163 |
| Accounts written off as uncollectible | 16,663 | — | 16,663 |
| Balance as of January 31, 2024 | $ (1,408) | $ (63) | $ (1,471) |

**NOTE 3 – INVENTORIES**

Wholesale inventories, which comprise a significant portion of the Company's inventory, and KLH inventories are stated at the lower of cost (determined by the first-in, first-out method) or net realizable value. Retail and Vilebrequin inventories are stated at the lower of cost (determined by the weighted average method) or net realizable value. Substantially all of the Company's inventories consist of finished goods.

The inventory return asset, which consists of the amount of goods that are anticipated to be returned by customers, was $11.3 million, $12.9 million and $16.5 million as of April 30, 2024, April 30, 2023 and January 31, 2024, respectively. The inventory return asset is recorded within prepaid expenses and other current assets on the condensed consolidated balance sheets.

Inventory held on consignment by the Company's customers totaled $10.3 million, $7.6 million and $6.6 million at April 30, 2024, April 30, 2023 and January 31, 2024, respectively. The Company reflects this inventory on its condensed consolidated balance sheets.

**NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS**

Generally Accepted Accounting Principles establish a three-level valuation hierarchy for disclosure of fair value measurements. The determination of the applicable level within the hierarchy for a particular asset or liability depends on the inputs used in its valuation as of the measurement date, notably the extent to which the inputs are market-based (observable) or internally-derived (unobservable). A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels are defined as follows:

- Level 1 — inputs to the valuation methodology based on quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 — inputs to the valuation methodology based on quoted prices for similar assets or liabilities in active markets for substantially the full term of the financial instrument; quoted prices for identical or similar instruments in markets that are not active for substantially the full term of the financial instrument; and model-derived valuations whose inputs or significant value drivers are observable.
- Level 3 — inputs to the valuation methodology based on unobservable prices or valuation techniques that are significant to the fair value measurement.

The following table summarizes the carrying values and the estimated fair values of the Company's debt instruments:

| Financial Instrument | Level | Carrying Value April 30, 2024 | Carrying Value April 30, 2023 | Carrying Value January 31, 2024 | Fair Value April 30, 2024 | Fair Value April 30, 2023 | Fair Value January 31, 2024 |
|---|---|---|---|---|---|---|---|
| | | (In thousands) | | | | | |
| Secured Notes | 1 | $ 400,000 | $ 400,000 | $ 400,000 | $ 401,952 | $ 376,000 | $ 401,080 |
| Note issued to LVMH | 3 | — | 123,019 | — | — | 121,476 | — |
| Unsecured loans | 2 | 8,517 | 11,212 | 8,791 | 8,517 | 11,212 | 8,791 |
| Overdraft facilities | 2 | 6,932 | 4,132 | 2,651 | 6,932 | 4,132 | 2,651 |
| Foreign credit facility | 2 | 13,025 | 8,462 | 8,939 | 13,025 | 8,462 | 8,939 |

The Company's debt instruments are recorded at their carrying values in its condensed consolidated balance sheets, which may differ from their respective fair values. The fair value of the Company's secured notes is based on their current market price as of April 30, 2024. The carrying amount of the Company's variable rate debt approximates the fair value, as interest rates change with market rates. Furthermore, the carrying value of all other financial instruments potentially subject to valuation risk (principally consisting of cash, accounts receivable and accounts payable) also approximates fair value due to the short-term nature of these accounts.

The 2% note in the original principal amount of $125 million (the "LVMH Note") issued to LVMH Moet Hennessy Louis Vuitton Inc. ("LVMH") in connection with the acquisition of DKNY and Donna Karan was recorded on the balance sheet at a discount of $40.0 million in accordance with ASC 820 – *Fair Value Measurements* ("ASC 820"). For purposes of this fair value disclosure, the Company based its fair value estimate for the LVMH Note on the initial fair value as determined at the date of the acquisition of DKNY and Donna Karan and recorded amortization using the effective interest method over the term of the LVMH Note. The Company repaid $75.0 million of the principal amount of the LVMH Note on June 1, 2023 and the remaining $50.0 million of such principal amount on December 1, 2023.

The fair value of the LVMH Note was considered a Level 3 valuation in the fair value hierarchy.

*Non-Financial Assets and Liabilities*

The Company's non-financial assets that are measured at fair value on a nonrecurring basis include long-lived assets, which consist primarily of property and equipment and operating lease assets. The Company reviews these assets for impairment whenever events or changes in circumstances indicate that their carrying value may not be fully recoverable. For assets that are not recoverable, an impairment loss is recognized equal to the difference between the carrying amount of the asset or asset group and its estimated fair value. For operating lease assets, the Company determines the fair value of the assets by discounting the estimated market rental rates over the remaining term of the lease. These fair value measurements are considered level 3 measurements in the fair value hierarchy. During fiscal 2024, the Company recorded a $1.3 million impairment charge primarily related to leasehold improvements, furniture and fixtures, computer hardware and operating lease assets at certain DKNY, Karl Lagerfeld and Vilebrequin stores as a result of the performance of these stores.

**NOTE 5 – LEASES**

The Company leases retail stores, warehouses, distribution centers, office space and certain equipment. Leases with an initial term of 12 months or less are not recorded on the balance sheet. The Company recognizes lease expense for these leases on a straight-line basis over the lease term.

Most leases are for a term of one to ten years. Some leases include one or more options to renew, with renewal terms that can extend the lease term from one to ten years. Several of the Company's retail store leases include an option to terminate the lease based on failure to achieve a specified sales volume. The exercise of lease renewal options is generally at the Company's sole discretion. The exercise of lease termination options is generally by mutual agreement between the Company and the lessor.

Certain of the Company's lease agreements include rental payments based on a percentage of retail sales over contractual levels and others include rental payments adjusted periodically for inflation. The Company's leases do not contain any material residual value guarantees or material restrictive covenants.

The Company's operating lease assets and liabilities as of April 30, 2024, April 30, 2023 and January 31, 2024 consist of the following:

| Leases | Classification | April 30, 2024 | April 30, 2023 (In thousands) | January 31, 2024 |
|---|---|---|---|---|
| Assets | | | | |
| Operating | Operating lease assets | $ 209,199 | $ 237,056 | $ 216,886 |
| | | | | |
| Liabilities | | | | |
| Current operating | Current operating lease liabilities | $ 55,990 | $ 51,024 | $ 56,587 |
| Noncurrent operating | Noncurrent operating lease liabilities | 168,462 | 202,406 | 178,247 |
| Total lease liabilities | | $ 224,452 | $ 253,430 | $ 234,834 |

The Company recorded lease costs of $18.2 million and $18.6 million during the three months ended April 30, 2024 and 2023, respectively. Lease costs are recorded within selling, general and administrative expenses in the Company's condensed consolidated statements of operations and comprehensive income. The Company recorded variable lease costs and short-term lease costs of $5.3 million and $5.9 million for the three months ended April 30, 2024 and 2023, respectively. Short-term lease costs are immaterial.

As of April 30, 2024, the Company's maturity of operating lease liabilities in the years ending up to January 31, 2029 and thereafter are as follows:

| Year Ending January 31, | Amount (In thousands) |
|---|---|
| 2025 | $ 54,456 |
| 2026 | 62,049 |
| 2027 | 49,360 |
| 2028 | 39,594 |
| 2029 | 26,657 |
| After 2029 | 42,222 |
| Total lease payments | $ 274,338 |
| Less: Interest | 49,886 |
| Present value of lease liabilities | $ 224,452 |

As of April 30, 2024, there are no material leases that are legally binding but have not yet commenced.

As of April 30, 2024, the weighted average remaining lease term related to operating leases is 4.9 years. The weighted average discount rate related to operating leases is 6.7%.

Cash paid for amounts included in the measurement of operating lease liabilities was $19.4 million and $21.2 million during the three months ended April 30, 2024 and 2023, respectively. Right-of-use assets obtained in exchange for lease obligations were $6.8 million and $10.5 million during the three months ended April 30, 2024 and 2023, respectively.

## NOTE 6 – NET INCOME PER COMMON SHARE

Basic net income per common share has been computed using the weighted average number of common shares outstanding during each period. Diluted net income per share, when applicable, is computed using the weighted average number of common shares and potential dilutive common shares, consisting of unvested restricted stock unit awards outstanding during the period. Approximately 9,500 and 302,200 shares of common stock have been excluded from the diluted net income per share calculation for the three months ended April 30, 2024 and 2023, respectively. All share-based payments outstanding that vest based on the achievement of performance conditions, and for which the respective performance conditions have not been achieved, have been excluded from the diluted per share calculation.

The following table reconciles the numerators and denominators used in the calculation of basic and diluted net income per share:

| | Three Months Ended April 30, | |
|---|---|---|
| | 2024 | 2023 |
| | (In thousands, except share and per share amounts) | |
| Net income attributable to G-III Apparel Group, Ltd. | $ 5,802 | $ 3,236 |
| Basic net income per share: | | |
| Basic common shares | 45,484 | 46,286 |
| Basic net income per share | $ 0.13 | $ 0.07 |
| | | |
| Diluted net income per share: | | |
| Basic common shares | 45,484 | 46,286 |
| Dilutive restricted stock unit awards and stock options | 1,250 | 1,156 |
| Diluted common shares | 46,734 | 47,442 |
| Diluted net income per share | $ 0.12 | $ 0.07 |

## NOTE 7 – NOTES PAYABLE

Long-term debt consists of the following:

| | April 30, 2024 | April 30, 2023 | January 31, 2024 |
|---|---|---|---|
| | | (In thousands) | |
| Secured Notes | $ 400,000 | $ 400,000 | $ 400,000 |
| LVMH Note | — | 125,000 | — |
| Unsecured loans | 8,517 | 11,212 | 8,791 |
| Overdraft facilities | 6,932 | 4,132 | 2,651 |
| Foreign credit facility | 13,025 | 8,462 | 8,939 |
| Subtotal | 428,474 | 548,806 | 420,381 |
| Less: Net debt issuance costs (1) | (2,123) | (3,821) | (2,548) |
| Debt discount | — | (1,981) | — |
| Current portion of long-term debt | (23,664) | (139,418) | (15,026) |
| Total | $ 402,687 | $ 403,586 | $ 402,807 |

(1) Does not include debt issuance costs, net of amortization, totaling $2.0 million, $3.6 million and $2.4 million as of April 30, 2024, April 30, 2023 and January 31, 2024, respectively, related to the revolving credit facility. These debt issuance costs have been deferred and are classified in assets in the accompanying condensed consolidated balance sheets in accordance with ASC 835.

*Senior Secured Notes*

In August 2020, the Company completed a private debt offering of $400 million aggregate principal amount of its 7.875% Senior Secured Notes due August 2025 (the “Notes”). The terms of the Notes are governed by an indenture (the “Indenture”), among the Company, the guarantors party thereto and U.S. Bank, National Association, as trustee and collateral agent (the “Collateral Agent”). The net proceeds of the Notes were used (i) to repay the $300 million that was outstanding under the Company’s prior term loan facility due 2022 (the “Term Loan”), (ii) to pay related fees and expenses and (iii) for general corporate purposes.

The Notes bear interest at a rate of 7.875% per year payable semi-annually in arrears on February 15 and August 15 of each year.

The Notes are unconditionally guaranteed on a senior-priority secured basis by the Company’s current and future wholly-owned domestic subsidiaries that guarantee any of the Company’s credit facilities, including the Company’s ABL facility (the "ABL Facility") pursuant to the ABL Credit Agreement, or certain future capital markets indebtedness of the Company or the guarantors.

The Notes and the related guarantees are secured by (i) first priority liens on the Company's Cash Flow Priority Collateral (as defined in the Indenture), and (ii) a second-priority lien on the Company's ABL Priority Collateral (as defined in the Indenture), in each case subject to permitted liens described in the Indenture.

In connection with the issuance of the Notes and execution of the Indenture, the Company and the Guarantors entered into a pledge and security agreement (the "Pledge and Security Agreement"), among the Company, the Guarantors and the Collateral Agent.

The Notes are subject to the terms of the intercreditor agreement which governs the relative rights of the secured parties in respect of the ABL Facility and the Notes (the "Intercreditor Agreement"). The Intercreditor Agreement restricts the actions permitted to be taken by the Collateral Agent with respect to the Collateral on behalf of the holders of the Notes.

The Company may redeem some or all of the Notes at any time and from time to time at the redemption prices set forth in the Indenture, plus accrued and unpaid interest, if any, to, but excluding, the applicable redemption date.

If the Company experiences a Change of Control (as defined in the Indenture), the Company is required to offer to repurchase the Notes at 101% of the principal amount of such Notes plus accrued and unpaid interest, if any, to, but excluding, the date of repurchase.

The Indenture contains covenants that, among other things, limit the Company's ability and the ability of its restricted subsidiaries to incur or guarantee additional indebtedness, pay dividends or make other restricted payments, make certain investments, incur restrictions on the ability of the Company's restricted subsidiaries that are not guarantors to pay dividends or make certain other payments, create or incur certain liens, sell assets and subsidiary stock, impair the security interests, transfer all or substantially all of the Company's assets or enter into merger or consolidation transactions, and enter into transactions with affiliates. The Indenture provides for customary events of default which include (subject in certain cases to customary grace and cure periods), among others, nonpayment of principal or interest, breach of other agreements in the Indenture, failure to pay certain other indebtedness, failure of certain guarantees to be enforceable, failure to perfect certain collateral securing the Notes, failure to pay certain final judgments, and certain events of bankruptcy or insolvency.

The Company incurred debt issuance costs totaling $8.5 million related to the Notes. In accordance with ASC 835, the debt issuance costs have been deferred and are presented as a contra-liability, offsetting the outstanding balance of the Notes, and are amortized over the remaining life of the Notes.

*Second Amended and Restated ABL Credit Agreement*

In August 2020, the Company's subsidiaries, G-III Leather Fashions, Inc., Riviera Sun, Inc., CK Outerwear, LLC, AM Retail Group, Inc. and The Donna Karan Company Store LLC (collectively, the "Borrowers"), entered into the second amended and restated credit agreement (the "Second ABL Credit Agreement") with the Lenders named therein and with JPMorgan Chase Bank, N.A., as Administrative Agent. The Second ABL Credit Agreement is a five year senior secured credit facility subject to a springing maturity date if, subject to certain conditions, the Notes are not refinanced or repaid prior to the date that is 91 days prior to the date of any relevant payment thereunder. The Second ABL Credit Agreement provides for borrowings in the aggregate principal amount of up to $650 million. The Company and certain of its subsidiaries (the "Guarantors"), are Loan Guarantors under the Second ABL Credit Agreement.

The Second ABL Credit Agreement refinanced, amended and restated the Amended Credit Agreement, dated as of December 1, 2016 (as amended, supplemented or otherwise modified from time to time prior to August 7, 2020, the "Prior Credit Agreement"). The Prior Credit Agreement provided for borrowings of up to $650 million and was due to expire in December 2021. The Second ABL Credit Agreement extended the maturity date to August 2025, subject to a springing maturity date if, subject to certain conditions, the Notes are not refinanced or repaid prior to the date that is 91 days prior to the date of any relevant payment thereunder.

Amounts available under the Second ABL Credit Agreement are subject to borrowing base formulas and overadvances as specified in the Second ABL Credit Agreement. Borrowings originally bore interest, at the Borrowers' option, at LIBOR plus a margin of 1.75% to 2.25% or an alternate base rate margin of 0.75% to 1.25% (defined as the greatest of (i) the "prime rate" of JPMorgan Chase Bank, N.A. from time to time, (ii) the federal funds rate plus 0.5% and (iii) the LIBOR rate for a borrowing with an interest period of one month) plus 1.00%, with the applicable margin determined based on Borrowers' availability under the Second ABL Credit Agreement. In April 2023, the Company amended the Second ABL Credit Agreement to replace LIBOR with the Adjusted Term Secured Overnight Financing Rate ("SOFR") as a successor rate. All other material terms and conditions of the Second ABL Credit Agreement were unchanged. Borrowings under the Second ABL Credit Agreement now bear interest, at the Borrower's option, at the alternate base rate (defined as, for a given day, the greatest of (i) the "prime rate" in effect on such day, (ii) the NYFRB Rate (as defined in the amendment) in effect on such day plus 0.5% and (iii) the SOFR (defined as an interest rate per annum equal to SOFR for such interest period plus 0.10%) for a one-month interest period as published two business days prior to such day plus 1%) plus an applicable spread or SOFR plus an applicable spread. The Company applied certain provisions and practical expedients of ASC 848 – Reference Rate Reform related to the transition from LIBOR to SOFR.

The Second ABL Credit Agreement is secured by specified assets of the Borrowers and the Guarantors. In addition to paying interest on any outstanding borrowings under the Second ABL Credit Agreement, the Company is required to pay a commitment fee to the lenders under the credit agreement with respect to the unutilized commitments. The commitment fee accrues at a tiered rate equal to 0.50% per annum on the average daily amount of the available commitments when the average usage is less than 50% of the total available commitments and decreases to 0.35% per annum on the average daily amount of the available commitments when the average usage is greater than or equal to 50% of the total available commitments.

The Second ABL Credit Agreement contains covenants that, among other things, restrict the Company's ability to, subject to specified exceptions, incur additional debt; incur liens; sell or dispose of certain assets; merge with other companies; liquidate or dissolve the Company; acquire other companies; make loans, advances, or guarantees; and make certain investments. In certain circumstances, the revolving credit facility also requires the Company to maintain a fixed charge coverage ratio, as defined in the agreement, not less than 1.00 to 1.00 for each period of twelve consecutive fiscal months of the Company. As of April 30, 2024, the Company was in compliance with these covenants.

As of April 30, 2024, the Company had no borrowings outstanding under the Second ABL Credit Agreement. The Second ABL credit agreement also includes amounts available for letters of credit. As of April 30, 2024, there were outstanding trade and standby letters of credit amounting to $4.8 million and $2.9 million, respectively.

The Company has recorded $8.0 million of debt issuance costs related to the Second ABL Credit Agreement. As permitted under ASC 835, the debt issuance costs have been deferred and are presented as an asset which is amortized ratably over the term of the Second ABL Credit Agreement.

In June 2024, the Company entered into the third amended and restated credit agreement that provides for borrowings in the aggregate principal amount of up to $700 million and extends the maturity date to June 2029, subject to certain conditions. See Note 12 – Subsequent Events for more information.

*LVMH Note*

As a portion of the consideration for the acquisition of DKNY and Donna Karan, the Company issued to LVMH a junior lien secured promissory note in the principal amount of $125.0 million that bore interest at the rate of 2% per year. $75.0 million of the principal amount of the LVMH Note was paid on June 1, 2023 and the remaining $50.0 million of such principal amount was paid on December 1, 2023.

ASC 820 required the LVMH Note to be recorded at fair value at issuance. As a result, the Company recorded a $40.0 million debt discount. This discount was amortized as interest expense using the effective interest method over the term of the LVMH Note.

*Unsecured Loans*

Several of the Company’s foreign entities borrow funds under various unsecured loans of which a portion is to provide funding for operations in the normal course of business while other loans are European state backed loans as part of COVID-19 relief programs. In the aggregate, the Company is currently required to make quarterly installment payments of principal in the amount of €0.6 million under these loans. Interest on the outstanding principal amount of the unsecured loans accrues at a fixed rate equal to 0% to 5.0% per annum, payable on either a quarterly or monthly basis. As of April 30, 2024, the Company had an aggregate outstanding balance of €7.9 million ($8.5 million) under these unsecured loans.

*Overdraft Facilities*

During fiscal 2021 and 2025, certain of the Company’s foreign entities entered into overdraft facilities that allow for applicable bank accounts to be in a negative position up to a certain maximum overdraft. These uncommitted overdraft facilities with HSBC Bank allow for an aggregate maximum overdraft of €10 million. Interest on drawn balances accrues at a rate equal to the Euro Interbank Offered Rate plus a margin of 1.75% per annum, payable quarterly. The facility may be cancelled at any time by the Company or HSBC Bank. As part of a COVID-19 relief program, certain of the Company’s foreign entities entered into several state backed overdraft facilities with UBS Bank in Switzerland for an aggregate of CHF 4.7 million at varying interest rates of 0% to 0.5%. As of April 30, 2024, the Company had an aggregate of €6.4 million ($6.9 million) drawn under these various facilities.

*Foreign Credit Facility*

KLH has a credit agreement with ABN AMRO Bank N.V. with a credit limit of €15.0 million which is secured by specified assets of KLH. Borrowings bear interest at the Euro Interbank Offered Rate plus a margin of 1.7%. As of April 30, 2024, KLH had €12.1 million ($13.0 million) of borrowings outstanding under this credit facility.

## NOTE 8 – REVENUE RECOGNITION

*Disaggregation of Revenue*

In accordance with ASC 606 – *Revenue from Contracts with Customers*, the Company discloses its revenues by segment. Each segment presents its own characteristics with respect to the timing of revenue recognition and the type of customer. In addition, disaggregating revenues using a segment basis is consistent with how the Company’s Chief Operating Decision Maker manages the Company. The Company has identified the wholesale operations segment and the retail operations segment as distinct sources of revenue.

*Wholesale Operations Segment.* Wholesale revenues include sales of products to retailers under owned, licensed and private label brands, as well as sales related to the Vilebrequin and Karl Lagerfeld businesses, including from retail stores operated by Vilebrequin and Karl Lagerfeld, other than sales of product under the Karl Lagerfeld Paris brand generated by the Company’s retail stores and digital outlets. Wholesale revenues from sales of products are recognized when control transfers to the customer. The Company considers control to have been transferred when the Company has transferred physical possession of the product, the Company has a right to payment for the product, the customer has legal title to the product and the customer has the significant risks and rewards of the product. Wholesale revenues are adjusted by variable consideration arising from implicit or explicit obligations. Wholesale revenues also include revenues from license agreements related to the DKNY, Donna Karan, Karl Lagerfeld, G.H. Bass, Andrew Marc, Vilebrequin and Sonia Rykiel trademarks owned by the Company.

*Retail Operations Segment.* Retail store revenues are generated by direct sales to consumers through Company-operated stores and product sales through the Company’s digital channels for the DKNY, Donna Karan, Karl Lagerfeld Paris, G.H. Bass and Wilsons Leather businesses. Retail stores primarily consist of DKNY and Karl Lagerfeld Paris retail stores, substantially all of which are operated as outlet stores. Retail operations segment revenues are recognized at the point of sale when the customer takes possession of the goods and tenders payment. Digital revenues primarily consist of sales to consumers through the Company’s digital platforms. Digital revenue is recognized when a customer takes possession of the goods. Retail sales are recorded net of applicable sales tax.

*Contract Liabilities*

The Company's contract liabilities, which are recorded within accrued expenses in the accompanying condensed consolidated balance sheets, primarily consist of gift card liabilities and advance payments from licensees. In some of its retail concepts, the Company also offers a limited loyalty program where customers accumulate points redeemable for cash discount certificates that expire 90 days after issuance. Total contract liabilities were $4.8 million, $4.1 million and $5.2 million at April 30, 2024, April 30, 2023 and January 31, 2024, respectively. The Company recognized $3.6 million in revenue for the three months ended April 30, 2024 related to contract liabilities that existed at January 31, 2024. The Company recognized $3.6 million in revenue for the three months ended April 30, 2023 related to contract liabilities that existed at January 31, 2023. There were no contract assets recorded as of April 30, 2024, April 30, 2023 and January 31, 2024. Substantially all of the advance payments from licensees as of April 30, 2024 are expected to be recognized as revenue within the next twelve months.

**NOTE 9 – SEGMENTS**

The Company's reportable segments are business units that offer products through different channels of distribution. The Company has two reportable segments: wholesale operations and retail operations. The wholesale operations segment includes sales of products to retailers under owned, licensed and private label brands, as well as sales related to the Vilebrequin and Karl Lagerfeld businesses, including from retail stores operated by Vilebrequin and Karl Lagerfeld, other than sales of product under the Karl Lagerfeld Paris brand generated by the Company's retail stores and digital outlets. Wholesale revenues also include royalty revenues from license agreements related to the DKNY, Donna Karan, Karl Lagerfeld, Vilebrequin, G.H. Bass, Andrew Marc and Sonia Rykiel trademarks owned by the Company. The retail operations segment consists primarily of direct sales to consumers through Company-operated stores, which consists primarily of DKNY and Karl Lagerfeld Paris stores, as well as the digital channels for DKNY, Donna Karan, Karl Lagerfeld Paris, G.H. Bass and Wilsons Leather. Substantially all DKNY and Karl Lagerfeld Paris stores are operated as outlet stores.

The following segment information is presented for the three month periods indicated below:

| | Three Months Ended April 30, 2024 | | | |
|---|---|---|---|---|
| | Wholesale | Retail | Elimination [(1)] | Total |
| | (In thousands) | | | |
| Net sales | $ 597,766 | $ 30,528 | $ (18,547) | $ 609,747 |
| Cost of goods sold | 353,228 | 16,173 | (18,547) | 350,854 |
| Gross profit | 244,538 | 14,355 | — | 258,893 |
| Selling, general and administrative expenses | 215,575 | 21,046 | — | 236,621 |
| Depreciation and amortization | 7,015 | 1,753 | — | 8,768 |
| Operating profit (loss) | $ 21,948 | $ (8,444) | $ — | $ 13,504 |

| | Three Months Ended April 30, 2023 | | | |
|---|---|---|---|---|
| | Wholesale | Retail | Elimination [(1)] | Total |
| | (In thousands) | | | |
| Net sales | $ 586,903 | $ 30,217 | $ (10,531) | $ 606,589 |
| Cost of goods sold | 352,470 | 14,849 | (10,531) | 356,788 |
| Gross profit | 234,433 | 15,368 | — | 249,801 |
| Selling, general and administrative expenses | 204,089 | 23,872 | — | 227,961 |
| Depreciation and amortization | 5,745 | 831 | — | 6,576 |
| Operating profit (loss) | $ 24,599 | $ (9,335) | $ — | $ 15,264 |

(1) Represents intersegment sales to the Company's retail operations segment.

The total net sales by licensed and proprietary product sales for each of the Company's reportable segments are as follows:

| | Three Months Ended April 30, 2024 | Three Months Ended April 30, 2023 |
|---|---|---|
| | (In thousands) | |
| Licensed brands | $ 261,706 | $ 298,005 |
| Proprietary brands | 336,060 | 288,898 |
| Wholesale net sales | $ 597,766 | $ 586,903 |
| | | |
| Licensed brands | $ — | $ — |
| Proprietary brands | 30,528 | 30,217 |
| Retail net sales | $ 30,528 | $ 30,217 |

**NOTE 10 – STOCKHOLDERS' EQUITY**

For the three months ended April 30, 2024, the Company issued no shares of common stock and utilized 267,129 shares of treasury stock in connection with the vesting of equity awards. For the three months ended April 30, 2023, the Company issued no shares of common stock and utilized 2,001 shares of treasury stock in connection with the vesting of equity awards.

**NOTE 11 – RECENT ADOPTED AND ISSUED ACCOUNTING PRONOUNCEMENTS**

*Recently Adopted Accounting Guidance*

There was no accounting guidance adopted during the three months ended April 30, 2024.

*Issued Accounting Guidance Being Evaluated for Adoption*

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures". The ASU expands the scope and frequency of segment disclosures and introduces the concept of a "significant expense principle," which requires entities to disclose significant expense categories and amounts that are regularly provided to the chief operating decision maker ("CODM") and included within the reported measure of a segment's profit or loss. The ASU also changes current disclosure requirements by allowing entities to report multiple measures of a segment's profit or loss, provided the reported measures are used by the CODM to assess performance and allocate resources and that the measure closest to GAAP is also provided. Finally, the ASU requires all segment profit or loss and assets disclosures to be provided on both an annual and interim basis and requires entities to disclose the title and position of the individual identified as the CODM. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024 and shall be applied retrospectively to all periods presented in the financial statements. The Company is currently evaluating the standard and determining the extent of additional interim and annual segment disclosures that may be required.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures". The ASU requires public companies to disclose, on an annual basis, a tabular reconciliation of the effective tax rate to the statutory rate for federal, state and foreign income taxes. It also requires greater detail about individual reconciling items in the rate reconciliation to the extent the impact of those items exceeds a specified threshold. In addition, the ASU requires public companies to disclose their income tax payments (net of refunds received), disaggregated between federal, state/local and foreign jurisdictions. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the standard and determining the extent of additional disclosures that may be required.

**NOTE 12 – SUBSEQUENT EVENTS**

*Investment in AWWG*

In May 2024, the Company acquired a 12% minority interest in AWWG Investments B.V. (“AWWG”) for €50 million ($53.6 million). AWWG is a global fashion group and premier platform for international brands. AWWG owns a portfolio of brands including Hackett, Pepe Jeans and Façonnable and manages the Iberian business for PVH Corp. The Company intends to leverage AWWG’s expertise with AWWG becoming the agent for Karl Lagerfeld, DKNY and Donna Karan in Spain and Portugal. This investment is intended to accelerate several of the Company’s priorities, including expanding its international business and identifying opportunities for growth of our owned brands.

*Third Amended and Restated ABL Credit Agreement*

On June 4, 2024, the Company’s subsidiaries, G-III Leather Fashions, Inc., Riviera Sun, Inc., AM Retail Group, Inc. and The Donna Karan Company Store LLC (collectively, the “Borrowers”), entered into the third amended and restated credit agreement (the “Third ABL Credit Agreement”) with the lenders named therein and with JPMorgan Chase Bank, N.A., as administrative agent. The Third ABL Credit Agreement is a five-year senior secured asset-based revolving credit facility providing for borrowings in an aggregate principal amount of up to $700 million. The Company and certain of its wholly-owned domestic subsidiaries, as well as G-III Apparel Canada ULC (collectively, the “Guarantors”), are guarantors under the Third ABL Credit Agreement.

The Third ABL Credit Agreement amends and restates the Second Amended Credit Agreement, dated as of August 7, 2020 (as amended, supplemented or otherwise modified from time to time prior to June 4, 2024, the “Second Credit Agreement”), by and among the Borrowers and the Guarantors, the lenders from time-to-time party thereto, and JPMorgan Chase Bank, N.A., in its capacity as the administrative agent thereunder. The Second Credit Agreement provided for borrowings of up to $650 million and was due to expire on August 7, 2025. The Third ABL Credit Agreement extends the maturity date to June 2029, subject to a springing maturity date as defined within the credit agreement.

Amounts available under the Third ABL Credit Agreement are subject to borrowing base formulas and overadvances as specified in the Third ABL Credit Agreement. Borrowings bear interest, at the Borrowers’ option, at Adjusted Term Secured Overnight Financing Rate (“SOFR”) plus a margin of 1.50% to 2.00%, or the alternate base rate plus a margin of 0.50% to 1.00% (defined as the greatest of (i) the “prime rate” of JPMorgan Chase Bank, N.A. from time to time, (ii) the federal funds rate plus 0.5% and (iii) SOFR for a borrowing with an interest period of one month plus 1.00%), with the applicable margin determined based on the Borrowers’ average daily availability under the Third ABL Credit Agreement. The Third ABL Credit Agreement is secured by specified assets of the Borrowers and the Guarantors.

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

Unless the context otherwise requires, "G-III," "us," "we" and "our" refer to G-III Apparel Group, Ltd. and its subsidiaries. References to fiscal years refer to the year ended or ending on January 31 of that year. For example, our fiscal year ending January 31, 2025 is referred to as "fiscal 2025."

KLH, Vilebrequin, Sonia Rykiel and Fabco report results on a calendar year basis rather than on the January 31 fiscal year basis used by G-III. Accordingly, the results of KLH, Vilebrequin, Sonia Rykiel and Fabco are included in the financial statements for the quarter ended or ending closest to G-III's fiscal quarter end. For example, with respect to our results for the three-month period ended April 30, 2024, the results of KLH, Vilebrequin, Sonia Rykiel and Fabco are included for the three-month period ended March 31, 2024. Our retail operations segment uses a 52/53-week fiscal year. For fiscal 2025 and 2024, the three-month periods for the retail operations segment were each 13-week periods and ended on May 4, 2024 and April 29, 2023, respectively.

Various statements contained in this Form 10-Q, in future filings by us with the SEC, in our press releases and in oral statements made from time to time by us or on our behalf constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on current expectations and are indicated by words or phrases such as "anticipate," "estimate," "expect," "will," "project," "we believe," "is or remains optimistic," "currently envisions," "forecasts," "goal" and similar words or phrases and involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from the future results, performance or achievements expressed in or implied by such forward-looking statements. Forward-looking statements also include representations of our expectations or beliefs concerning future events that involve risks and uncertainties, including, but not limited to, the following:

- the failure to maintain our material license agreements could cause us to lose significant revenues and have a material adverse effect on our results of operations;
- unless we are able to increase the sales of our other products, acquire new businesses and/or enter into other license agreements covering different products, the limited extension period of the amended Calvin Klein and Tommy Hilfiger license agreements could cause a significant decrease in our net sales and have a material adverse effect on our results of operations;
- any adverse change in our relationship with PVH Corp. and its Calvin Klein or Tommy Hilfiger brands would have a material adverse effect on our results of operations;
- our dependence on the strategies and reputation of our licensors;
- risks relating to our wholesale operations including, among others, maintaining the image of our proprietary brands and business practices of our customers that could adversely affect us;
- our significant customer concentration, and the risk that the loss of one of our largest customers could adversely affect our business;
- risks relating to our retail operations segment;
- our ability to achieve operating enhancements and cost reductions from our retail operations;
- dependence on existing management;
- our ability to make strategic acquisitions and possible disruptions from acquisitions, including our ownership of the entire Karl Lagerfeld business;
- need for additional financing;
- seasonal nature of our business and effect of unseasonable or extreme weather on our business;
- possible adverse effects from disruptions to the worldwide supply chain;
- price, availability and quality of materials used in our products;
- the need to protect our trademarks and other intellectual property;
- risk that our licensees may not generate expected sales or maintain the value of our brands;
- the impact of the current economic and credit environment on us, our customers, suppliers and vendors, including without limitation, the effects of inflationary cost pressures and higher interest rates;
- effects of war, acts of terrorism, natural disasters or public health crises could adversely affect our business and results of operations, including the wars in Ukraine and the Middle East;
- our dependence on foreign manufacturers;
- risks of expansion into foreign markets, conducting business internationally and exposures to foreign currencies;

- risks related to the implementation of the national security law in Hong Kong;
- the need to successfully upgrade, maintain and secure our information systems;
- increased exposure to consumer privacy, cybersecurity and fraud concerns, including as a result of a remote working environment;
- possible adverse effects of data security or privacy breaches;
- the impact on our business of the imposition of tariffs by the United States government and the escalation of trade tensions between countries;
- changes in tax legislation or exposure to additional tax liabilities that could impact our business;
- the effect of regulations applicable to us as a U.S. public company;
- focus on corporate responsibility issues by stakeholders;
- potential effect on the price of our stock if actual results are worse than financial forecasts or if we are unable to provide financial forecasts;
- fluctuations in the price of our common stock;
- impairment of our trademarks or other intangibles may require us to record charges against earnings; and
- risks related to our indebtedness.

Any forward-looking statements are based largely on our expectations and judgments and are subject to a number of risks and uncertainties, many of which are unforeseeable and beyond our control. A detailed discussion of significant risk factors that have the potential to cause our actual results to differ materially from our expectations is described under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended January 31, 2024. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

**Overview**

G-III designs, sources and markets an extensive range of apparel, including outerwear, dresses, sportswear, swimwear, women's suits and women's performance wear, as well as women's handbags, footwear, small leather goods, cold weather accessories and luggage. G-III has a substantial portfolio of more than 30 licensed and proprietary brands, anchored by our key brands: DKNY, Donna Karan, Karl Lagerfeld, Nautica and Halston, as well as other major brands that currently drive our business, including Calvin Klein and Tommy Hilfiger. We distribute our products through multiple channels and in markets located in a variety of geographies.

Our own proprietary brands include DKNY, Donna Karan, Karl Lagerfeld, Karl Lagerfeld Paris, Vilebrequin, G.H. Bass, Eliza J, Jessica Howard, Andrew Marc, Marc New York, Wilsons Leather and Sonia Rykiel. We have an extensive portfolio of well-known licensed brands, including Calvin Klein, Tommy Hilfiger, Nautica, Halston, Levi's, Kenneth Cole, Cole Haan, Vince Camuto, Dockers and Champion. Through our team sports business, we have licenses with the National Football League, National Basketball Association, Major League Baseball, National Hockey League and over 150 U.S. colleges and universities. We also source and sell products to major retailers for their own private label programs.

Our products are sold through a cross section of leading retailers such as Macy's, including its Bloomingdale's division, Dillard's, Hudson's Bay Company, including its Saks Fifth Avenue division, Nordstrom, Kohl's, TJX Companies, Ross Stores, Burlington and Costco. We also sell our products using digital channels through retail partners such as macys.com, nordstrom.com and dillards.com, each of which operates significant digital businesses. In addition, we sell to leading online retail partners such as Amazon, Fanatics, Zalando and Zappos.

We also distribute apparel and other products directly to consumers through our own DKNY, Karl Lagerfeld, Karl Lagerfeld Paris and Vilebrequin retail stores, as well as through our digital sites for our DKNY, Donna Karan, Karl Lagerfeld, Karl Lagerfeld Paris, Vilebrequin, G.H. Bass, Wilsons Leather and Sonia Rykiel brands.

We operate in fashion markets that are intensely competitive. Our ability to continuously evaluate and respond to changing consumer demands and tastes, across multiple market segments, distribution channels and geographic areas is critical to our success. Although our portfolio of brands is aimed at diversifying our risks in this regard, misjudging shifts in consumer preferences could have a negative effect on our business. Our continued success depends on our ability to design products that are accepted in the marketplace, source the manufacture of our products on a competitive basis and continue to diversify our product portfolio and the markets we serve.

We believe that consumers prefer to buy brands they know, and we have continually sought to increase the portfolio of name brands we can offer through different tiers of retail distribution, for a wide array of products at a variety of price points. We have increased the portfolio of brands we offer through licenses, acquisitions and joint ventures. It is our objective to continue to expand our product offerings and we are continually discussing new licensing opportunities with brand owners and seeking to acquire established brands.

**Recent Developments**

*Repositioning and Expansion of Donna Karan*

We acquired the DKNY and Donna Karan brands, two of the most iconic American fashion brands, in December 2016. We initially repositioned and relaunched DKNY and we have successfully grown the brand. In February 2024, we relaunched the Donna Karan brand with new designs supported by a powerful ad campaign and an updated digital experience. Our new Donna Karan product is currently being distributed in the United States through our diversified distribution network, including better department stores, digital channels and our own Donna Karan website.

We intend to continue to focus on several initiatives to continue the momentum and invest in marketing to further drive awareness of the Donna Karan brand, as well as to expand the brand into complementary categories through licensing. Donna Karan is widely considered to be a top fashion brand and is recognized as one of the most famous designer names in American fashion. We believe that the strength of the Donna Karan brand, along with our success with the DKNY brand, demonstrates the potential for our new Donna Karan products.

*Investment in AWWG*

In May 2024, we acquired a 12% minority interest in AWWG Investments B.V. (“AWWG”) for €50 million ($53.6 million). AWWG is a global fashion group and premier platform for international brands. AWWG owns a portfolio of brands including Hackett, Pepe Jeans and Façonnable and manages the Iberian business for PVH Corp. We intend to leverage AWWG’s expertise with AWWG becoming the agent for Karl Lagerfeld, DKNY and Donna Karan in Spain and Portugal. This investment is intended to accelerate several of our priorities including expanding our international business and identifying opportunities for growth of our owned brands.

*License Agreement for Nautica Brand*

In March 2023, we entered into a long-term license with Authentic Brands Group for women’s apparel under the Nautica brand in North America.

We currently produce a full women’s jeanswear line under the Nautica brand and plan to expand in a phased approach into additional categories including sportswear, suit separates and dresses. This five-year license agreement, effective as of January 2024, includes three extensions for five years each. First deliveries began in January 2024. Our Nautica product is distributed in North America through our diversified distribution network, including better department stores, digital channels and Nautica’s stores and website, as well as in franchised stores globally. We believe that significant opportunity exists for Nautica in the better women’s apparel space in categories where we have significant expertise.

*Third Amended and Restated ABL Credit Agreement*

On June 4, 2024, our subsidiaries, G-III Leather Fashions, Inc., Riviera Sun, Inc., AM Retail Group, Inc. and The Donna Karan Company Store LLC (collectively, the “Borrowers”), entered into the third amended and restated credit agreement (the “Third ABL Credit Agreement”) with the lenders named therein and with JPMorgan Chase Bank, N.A., as administrative agent. The Third ABL Credit Agreement is a five-year senior secured asset-based revolving credit facility providing for borrowings in an aggregate principal amount of up to $700 million. We and certain of our wholly-owned domestic subsidiaries, as well as G-III Apparel Canada ULC (collectively, the “Guarantors”), are guarantors under the Third ABL Credit Agreement.

The Third ABL Credit Agreement amends and restates the Second Amended Credit Agreement, dated as of August 7, 2020 (as amended, supplemented or otherwise modified from time to time prior to June 4, 2024, the “Second Credit

Agreement"), by and among the Borrowers and the Guarantors, the lenders from time-to-time party thereto, and JPMorgan Chase Bank, N.A., in its capacity as the administrative agent thereunder. The Second Credit Agreement provided for borrowings of up to $650 million and was due to expire on August 7, 2025. The Third ABL Credit Agreement extends the maturity date to June 2029, subject to a springing maturity date as defined within the credit agreement.

Amounts available under the Third ABL Credit Agreement are subject to borrowing base formulas and overadvances as specified in the Third ABL Credit Agreement. Borrowings bear interest, at the Borrowers' option, at Adjusted Term Secured Overnight Financing Rate ("SOFR") plus a margin of 1.50% to 2.00%, or the alternate base rate plus a margin of 0.50% to 1.00% (defined as the greatest of (i) the "prime rate" of JPMorgan Chase Bank, N.A. from time to time, (ii) the federal funds rate plus 0.5% and (iii) SOFR for a borrowing with an interest period of one month plus 1.00%), with the applicable margin determined based on the Borrowers' average daily availability under the Third ABL Credit Agreement. The Third ABL Credit Agreement is secured by specified assets of the Borrowers and the Guarantors.

**Segments**

We report based on two segments: wholesale operations and retail operations.

Our wholesale operations segment includes sales of products to retailers under owned, licensed and private label brands, as well as sales related to the Karl Lagerfeld and Vilebrequin businesses, including from retail stores operated by Vilebrequin and Karl Lagerfeld, other than sales of product under the Karl Lagerfeld Paris brand generated by our retail stores and digital sites. Wholesale revenues also include royalty revenues from license agreements related to our owned trademarks including DKNY, Donna Karan, Karl Lagerfeld, G.H. Bass, Andrew Marc, Vilebrequin and Sonia Rykiel.

Our retail operations segment consists primarily of direct sales to consumers through our company-operated stores and product sales through our digital sites for the DKNY, Donna Karan, Karl Lagerfeld Paris, G.H. Bass and Wilsons Leather brands. Our company-operated stores primarily consist of DKNY and Karl Lagerfeld Paris retail stores, substantially all of which are operated as outlet stores.

**Trends Affecting Our Business**

*Industry Trends*

Significant trends that affect the apparel industry include retail chains closing unprofitable stores, an increased focus by retail chains and others on expanding digital sales and providing convenience-driven fulfillment options, the continued consolidation of retail chains and the desire on the part of retailers to consolidate vendors supplying them.

In addition, we sell our products online through retail partners such as macys.com, nordstrom.com and dillards.com, each of which has a substantial online business. As sales of apparel through digital channels continue to increase, we are developing additional digital marketing initiatives on both our web sites and third party web sites and through social media. We are investing in digital personnel, marketing, logistics, planning, distribution and other strategic opportunities to expand our digital footprint. Our digital business consists of our own web platforms at www.dkny.com, www.donnakaran.com, www.ghbass.com, www.vilebrequin.com, www.wilsonsleather.com, www.soniarykiel.com, www.karllagerfeldparis.com and www.karl.com. In addition, we sell to leading online retail partners such as Amazon, Fanatics, Zalando and Zappos.

A number of retailers have experienced financial difficulties, which in some cases have resulted in bankruptcies, liquidations and/or store closings. The financial difficulties of a retail customer of ours could result in reduced business with that customer. We may also assume higher credit risk relating to receivables of a retail customer experiencing financial difficulty that could result in higher reserves for doubtful accounts or increased write-offs of accounts receivable. We attempt to mitigate credit risk from our customers by closely monitoring accounts receivable balances and shipping levels, as well as the ongoing financial performance and credit standing of customers.

Retailers are seeking to differentiate their offerings by devoting more resources to the development of exclusive products, whether by focusing on their own private label products or on products produced exclusively for a retailer by a national brand manufacturer. Exclusive brands are only made available to a specific retailer. As a result, customers loyal to their brands can only find them in the stores of that retailer.

We have attempted to respond to general trends in our industry by continuing to focus on selling products with recognized brand equity, by attention to design, quality and value and by improving our sourcing capabilities. We have also responded with the strategic acquisitions made by us, such as our purchase of the interests not previously owned by us that resulted in Karl Lagerfeld becoming our wholly-owned subsidiary, and new license agreements entered into by us, such as our recent license agreements for the Nautica, Halston and Champion brands. Our actions added to our portfolio of licensed and proprietary brands and helped diversify our business by adding new product lines and expanding distribution channels. We believe that our broad distribution capabilities help us to respond to the various shifts by consumers between distribution channels and that our operational capabilities will enable us to continue to be a vendor of choice for our retail partners.

*Tax Laws and Regulations*

In December 2022, the Council of the European Union ("EU") announced that EU member states reached an agreement to implement the minimum tax component of the Organization for Economic Co-operation and Development's international tax reform initiative, known as Pillar Two. The Pillar Two Model Rules provide for a global minimum tax of 15% for multinational enterprise groups, and is effective for fiscal 2025. While we do not expect these rules to have a material impact on our effective tax rate or financial results, we will continue to monitor evolving tax legislation in the jurisdictions in which we operate.

*Inflation and Interest Rates*

Inflationary pressures have impacted the entire economy, including our industry. Recent high rates of inflation, including increased fuel and food prices, have led to a softening of consumer demand and increased promotional activity in the apparel categories we sell. Ongoing inflation may lead to further challenges to increase our sales and may also negatively impact our cost structure and labor costs in the future.

The Federal Reserve raised interest rates several times in fiscal 2024 in response to concerns about inflation. It is unclear whether the Federal Reserve will reduce interest rates, maintain the current high rates or even raise interest rates in fiscal 2025. Higher interest rates increase the cost of our borrowing under our revolving credit facility, may increase economic uncertainty and may negatively affect consumer spending. Volatility in interest rates may adversely affect our business or our customers. If the equity and credit markets deteriorate, it may make any necessary debt or equity financing more difficult to obtain in a timely manner or on favorable terms, or at all.

*Foreign currency fluctuation*

Our consolidated operations are impacted by the relationships between our reporting currency, the U.S. Dollar, and those of our non-United States subsidiaries whose functional/local currency is other than the U.S. Dollar, primarily the Euro. Volatility in the global foreign currency exchange rates may have a negative impact on the reported results of certain of our non-United States subsidiaries in the future, when translated to the U.S. Dollar.

*Supply Chain*

In fiscal 2024, the Panama Canal experienced severe drought conditions which forced the canal to reduce the number of vessels transiting through it on a daily basis by approximately one-third. In addition, conflicts in the Middle East have caused major disruptions to global supply chains by impacting critical shipping routes through the Suez Canal and Red Sea for cargo, adding time and cost to shipments. While the conditions at the Panama Canal are improving, port congestion and capacity shortages in Asia are beginning to disrupt container shipping and impact our supply chain in fiscal 2025. Transit times have increased to destinations on the east coast of the United States and Europe. These delays have not as yet resulted in a significant loss of customer sales. We have not yet experienced significant increases in transportation costs to North America, but have experienced increased transportation costs for shipments to Europe. We anticipate moderate increases in our shipping costs in North America and Europe in fiscal 2025.

We continue to monitor supply chain challenges and coordinate with our partners to divert or adjust routes accordingly to ensure delivery of our product.

*International Conflicts*

We are monitoring the direct and indirect impacts from the military conflicts between Russia and Ukraine and between Israel and Hamas, as well as other confrontations in the Middle East related to the Israel and Hamas conflict. These international conflicts and the continued threat of terrorism, heightened security measures and military action in response to acts of terrorism or civil unrest have disrupted commerce and intensified concerns regarding the United States and world economies. Our sales in Russia, Ukraine and Israel are not material to our financial results. However, the imposition of additional sanctions by the United States and/or foreign governments, as well as the sanctions already in place, could lead to restrictions related to sales and our supply chain for which the financial impact is uncertain. In addition, the continuation or escalation of these international conflicts, including the potential for additional countries to declare war against each other, may lead to further, broader unfavorable macroeconomic conditions, including unfavorable foreign exchange rates, increases in fuel prices, food shortages, a weakening of the worldwide economy, lower consumer demand and volatility in financial markets. The possible effects of these international conflicts could have a material adverse effect on our business and our results of operations.

**Results of Operations**

***Three months ended April 30, 2024 compared to three months ended April 30, 2023***

Net sales for the three months ended April 30, 2024 increased to $609.7 million from $606.6 million in the same period last year. Net sales of our segments are reported before intercompany eliminations.

Net sales of our wholesale operations segment increased to $597.8 million for the three months ended April 30, 2024 from $586.9 million in the comparable period last year. This increase was primarily the result of an increase in net sales of our Karl Lagerfeld and DKNY products. In addition, the relaunched Donna Karan products started shipping during the current year period which contributed to the increase in net sales. The increase in sales of Karl Lagerfeld products was primarily related to sportswear and handbags and the increase in sales of DKNY products was primarily related to sportswear. These increases were partially offset by a decrease in net sales of Calvin Klein and Tommy Hilfiger licensed products.

Net sales of our retail operations segment were $30.5 million for the three months ended April 30, 2024 compared to $30.2 million in the same period last year. The number of retail stores operated by us decreased from 61 at April 30, 2023 to 52 at April 30, 2024. The increase in sales in our retail operations segment was the result of increased sales at our Karl Lagerfeld Paris stores, partially offset by decreased sales at our DKNY stores.

Gross profit was $258.9 million, or 42.5% of net sales, for the three months ended April 30, 2024, compared to $249.8 million, or 41.2% of net sales, in the same period last year. The gross profit percentage in our wholesale operations segment was 40.9% in the three months ended April 30, 2024 compared to 39.9% in the same period last year. The gross profit percentage in the current year period was positively impacted by a shift in sales to product related to our owned brands which have no royalty costs, as well as a more favorable product mix. The gross profit percentage in our retail operations segment was 47.0% for the three months ended April 30, 2024 compared to 50.9% for the same period last year. The gross profit percentage in the current year period was negatively impacted by an increase in promotional activity.

Selling, general and administrative expenses increased to $236.6 million in the three months ended April 30, 2024 from $228.0 million in the same period last year. The increase in expenses was primarily due to an increase of $10.6 million in advertising expenses, primarily related to the relaunch of the Donna Karan brand and higher spending on the DKNY brand, as well as an increase of $2.8 million in compensation expenses, primarily due to an increase in salaries. These increases were partially offset by a decrease of $5.5 million in third-party warehouse and facility expenses associated with carrying lower levels of inventory.

Depreciation and amortization was $8.8 million for the three months ended April 30, 2024 compared to $6.6 million in the same period last year. This increase primarily results from higher depreciation and amortization related to information technology expenditures and fixturing costs at department stores.

Other loss was $0.2 million in the three months ended April 30, 2024 compared to other income of $1.0 million in the same period last year. Other loss in the current period was impacted by $0.9 million of losses from unconsolidated affiliates during the current year period compared to $0.5 million of such losses in the same period last year. Additionally, other loss in the current period was impacted by $0.6 million of foreign currency income during the current year period compared to $0.4 million of such income in the same period last year.

Interest and financing charges, net, for the three months ended April 30, 2024 were $5.4 million compared to $12.2 million in the same period last year. The decrease in interest and financing charges was primarily due to a $4.3 million increase in investment income from having a larger cash position in fiscal 2025 compared to fiscal 2024 and a decrease of $2.4 million in interest charges related to the LVMH Note as a result of the repayment of $125 million in principal of this Note in fiscal 2024.

Income tax expense was $2.3 million for the three months ended April 30, 2024 compared to $0.9 million for the same period last year. Our effective tax rate increased to 29.3% in the current year's quarter from 23.1% in last year's comparable quarter. The lower effective tax rate in the prior year period was due to discrete items in the quarter.

**Liquidity and Capital Resources**

*Cash Availability*

We rely on our cash flows generated from operations, cash and cash equivalents and the borrowing capacity under our revolving credit facility to meet the cash requirements of our business. The cash requirements of our business are primarily related to the seasonal buildup in inventories, compensation paid to employees, occupancy, payments to vendors in the normal course of business, capital expenditures, interest payments on debt obligations and income tax payments. We have also used cash to repurchase our shares and make minority investments.

As of April 30, 2024, we had cash and cash equivalents of $508.4 million and availability under our revolving credit facility in excess of $480 million. As of April 30, 2024, we were in compliance with all covenants under our senior secured notes and revolving credit facility. In May 2024, we used $53.6 million of our cash to acquire the minority interest in AWWG.

*Senior Secured Notes*

In August 2020, we completed a private debt offering of $400 million aggregate principal amount of our 7.875% Senior Secured Notes due August 2025 (the "Notes"). The terms of the Notes are governed by an indenture, dated as of August 7, 2020 (the "Indenture"), among us, the guarantors party thereto and U.S. Bank, National Association, as trustee and collateral agent (the "Collateral Agent"). The net proceeds of the Notes were used (i) to repay the $300 million that was outstanding under our prior term loan facility that was due in 2022 (the "Term Loan"), (ii) to pay related fees and expenses and (iii) for general corporate purposes.

The Notes bear interest at a rate of 7.875% per year payable semi-annually in arrears on February 15 and August 15 of each year.

The Notes are unconditionally guaranteed on a senior-priority secured basis by our current and future wholly-owned domestic subsidiaries that guarantee any of our credit facilities, including our ABL facility (the "ABL Facility") pursuant to the ABL Credit Agreement, or certain future capital markets indebtedness of ours or the guarantors.

The Notes and the related guarantees are secured by (i) first priority liens on our Cash Flow Priority Collateral (as defined in the Indenture), and (ii) a second-priority lien on our ABL Priority Collateral (as defined in the Indenture), in each case subject to permitted liens described in the Indenture.

In connection with the issuance of the Notes and execution of the Indenture, we and the Guarantors entered into a pledge and security agreement (the "Pledge and Security Agreement"), among us, the Guarantors and the Collateral Agent.

The Notes are subject to the terms of the intercreditor agreement which governs the relative rights of the secured parties in respect of the ABL Facility and the Notes (the "Intercreditor Agreement"). The Intercreditor Agreement restricts the actions permitted to be taken by the Collateral Agent with respect to the Collateral on behalf of the holders of the Notes.

We may redeem some or all of the Notes at any time and from time to time at the redemption prices set forth in the Indenture, plus accrued and unpaid interest, if any, to, but excluding, the applicable redemption date.

If we experience a Change of Control (as defined in the Indenture), we are required to offer to repurchase the Notes at 101% of the principal amount of such Notes plus accrued and unpaid interest, if any, to, but excluding, the date of repurchase.

The Indenture contains covenants that, among other things, limit our ability and the ability of our restricted subsidiaries to incur or guarantee additional indebtedness, pay dividends or make other restricted payments, make certain investments, incur restrictions on the ability of our restricted subsidiaries that are not guarantors to pay dividends or make certain other payments, create or incur certain liens, sell assets and subsidiary stock, impair the security interests, transfer all or substantially all of our assets or enter into merger or consolidation transactions, and enter into transactions with affiliates. The Indenture provides for customary events of default which include (subject in certain cases to customary grace and cure periods), among others, nonpayment of principal or interest, breach of other agreements in the Indenture, failure to pay certain other indebtedness, failure of certain guarantees to be enforceable, failure to perfect certain collateral securing the Notes, failure to pay certain final judgments, and certain events of bankruptcy or insolvency.

We incurred debt issuance costs totaling $8.5 million related to the Notes. In accordance with ASC 835, the debt issuance costs have been deferred and are presented as a contra-liability, offsetting the outstanding balance of the Notes, and are amortized over the remaining life of the Notes.

*Second Amended and Restated ABL Credit Agreement*

In August 2020, our subsidiaries, G-III Leather Fashions, Inc., Riviera Sun, Inc., CK Outerwear, LLC, AM Retail Group, Inc. and The Donna Karan Company Store LLC (collectively, the "Borrowers"), entered into the second amended and restated credit agreement (the "Second ABL Credit Agreement") with the Lenders named therein and with JPMorgan Chase Bank, N.A., as Administrative Agent. The Second ABL Credit Agreement is a five year senior secured credit facility subject to a springing maturity date if, subject to certain conditions, the Notes are not refinanced or repaid prior to the date that is 91 days prior to the date of any relevant payment thereunder. The Second ABL Credit Agreement provides for borrowings in the aggregate principal amount of up to $650 million. We and certain of our subsidiaries (the "Guarantors"), are Loan Guarantors under the Second ABL Credit Agreement.

The Second ABL Credit Agreement refinanced, amended and restated the Amended Credit Agreement, dated as of December 1, 2016 (as amended, supplemented or otherwise modified from time to time prior to August 7, 2020, the "Prior Credit Agreement"). The Prior Credit Agreement provided for borrowings of up to $650 million and was due to expire in December 2021. The Second ABL Credit Agreement extended the maturity date to August 2025, subject to a springing maturity date if, subject to certain conditions, the Notes are not refinanced or repaid prior to the date that is 91 days prior to the date of any relevant payment thereunder.

Amounts available under the Second ABL Credit Agreement are subject to borrowing base formulas and overadvances as specified in the Second ABL Credit Agreement. Borrowings originally bore interest, at the Borrowers' option, at LIBOR plus a margin of 1.75% to 2.25% or an alternate base rate margin of 0.75% to 1.25% (defined as the greatest of (i) the "prime rate" of JPMorgan Chase Bank, N.A. from time to time, (ii) the federal funds rate plus 0.5% and (iii) the LIBOR rate for a borrowing with an interest period of one month) plus 1.00%, with the applicable margin determined based on Borrowers' availability under the Second ABL Credit Agreement. In April 2023, we amended the Second ABL Credit Agreement to replace LIBOR with Adjusted Term Secured Overnight Financing Rate ("SOFR") as a successor rate. All other material terms and conditions of the Second ABL Credit Agreement were unchanged. Borrowings under the amended Second ABL Credit Agreement now bear interest, at the Borrower's option, at the alternate base rate (defined as, for a given day, the greatest of (i) the "prime rate" in effect on such day, (ii) the NYFRB Rate (as defined in the amendment) in effect on such day plus 0.5% and (iii) the Adjusted Term SOFR (defined as an interest rate per annum equal to the Term SOFR for such interest period plus 0.10%) for a one-month interest period as published two business days prior to such day plus 1%) plus an applicable spread or the Adjusted Term SOFR Rate plus an applicable spread. We applied certain provisions and practical expedients of ASC 848 – Reference Rate Reform related to the transition from LIBOR to SOFR. There was not a material change to our interest expense or results of operations as a result of transitioning the reference rate used in our Second ABL Credit Agreement from LIBOR to SOFR.

The Second ABL Credit Agreement is secured by specified assets of the Borrowers and the Guarantors. In addition to paying interest on any outstanding borrowings under the Second ABL Credit Agreement, we are required to pay a commitment fee to the lenders under the credit agreement with respect to the unutilized commitments. The commitment fee accrues at a tiered rate equal to 0.50% per annum on the average daily amount of the available commitments when the average usage is less than 50% of the total available commitments and decreases to 0.35% per annum on the average daily amount of the available commitments when the average usage is greater than or equal to 50% of the total available commitments.

The Second ABL Credit Agreement contains covenants that, among other things, restrict our ability to, subject to specified exceptions, incur additional debt; incur liens; sell or dispose of certain assets; merge with other companies; liquidate or dissolve the Company; acquire other companies; make loans, advances, or guarantees; and make certain investments. In certain circumstances, the revolving credit facility also requires us to maintain a fixed charge coverage ratio, as defined in the agreement, not less than 1.00 to 1.00 for each period of twelve consecutive fiscal months. As of April 30, 2024, we were in compliance with these covenants.

As of April 30, 2024, we had no borrowings outstanding under the Second ABL Credit Agreement. The Second ABL Credit Agreement also includes amounts available for letters of credit. As of April 30, 2024, there were outstanding trade and standby letters of credit amounting to $4.8 million and $2.9 million, respectively.

We have incurred a total of $8.0 million of debt issuance costs related to our Second ABL Credit Agreement. As permitted under ASC 835, the debt issuance costs have been deferred and are presented as an asset which is amortized ratably over the term of the Second ABL Credit Agreement.

In June 2024, we entered into the third amended and restated credit agreement that provides for borrowings in the aggregate principal amount of up to $700 million and extends the maturity date to June 2029, subject to certain conditions. See "Recent Developments – Third Amended and Restated Credit Agreement" for more information.

*LVMH Note*

We issued to LVMH, as a portion of the consideration for the acquisition of DKI, a junior lien secured promissory note in favor of LVMH in the principal amount of $125 million (the "LVMH Note") that bore interest at the rate of 2% per year. $75 million of the principal amount of the LVMH Note was paid on June 1, 2023 and the remaining $50 million of such principal amount was paid on December 1, 2023.

Based on an independent valuation, it was determined that the LVMH Note should be treated as having been issued at a discount of $40 million in accordance with ASC 820 — *Fair Value Measurements*. This discount was amortized as interest expense using the effective interest method over the term of the LVMH Note.

*Unsecured Loans*

Several of our foreign entities borrow funds under various unsecured loans of which a portion is to provide funding for operations in the normal course of business while other loans are European state backed loans that were part of COVID-19 relief programs. In the aggregate, we are currently required to make quarterly installment payments of principal in the amount of €0.6 million. Interest on the outstanding principal amount of the unsecured loans accrues at a fixed rate equal to 0% to 5.0% per annum, payable on either a quarterly or monthly basis. As of April 30, 2024, the Company had an aggregate outstanding balance of €7.9 million ($8.5 million) under these various unsecured loans.

*Overdraft Facilities*

During fiscal 2021 and 2025, certain of the Company's foreign entities entered into overdraft facilities that allow for applicable bank accounts to be in a negative position up to a certain maximum overdraft. These uncommitted overdraft facilities with HSBC Bank allow for an aggregate maximum overdraft of €10 million. Interest on drawn balances accrues at a rate equal to the Euro Interbank Offered Rate plus a margin of 1.75% per annum, payable quarterly. The facility may be cancelled at any time by the Company or HSBC Bank. As part of a COVID-19 relief program, certain of the Company's foreign entities have also entered into several state backed overdraft facilities with UBS Bank in Switzerland for an aggregate of CHF 4.7 million at varying interest rates of 0% to 0.5%. As of April 30, 2024, the Company had an aggregate of €6.4 million ($6.9 million) drawn under these various facilities.

*Foreign Credit Facility*

KLH has a credit agreement with ABN AMRO Bank N.V. with a credit limit of €15.0 million which is secured by specified assets of KLH. Borrowings bear interest at the Euro Interbank Offered Rate plus a margin of 1.7%. As of April 30, 2024, KLH had €12.1 million ($13.0 million) of borrowings outstanding under this credit facility.

*Outstanding Borrowings*

Our primary operating cash requirements are to fund our seasonal buildup in inventories and accounts receivable, primarily during the second and third fiscal quarters each year. Due to the seasonality of our business, we generally reach our peak borrowings under our asset-based credit facility during our third fiscal quarter. The primary sources to meet our operating cash requirements have been borrowings under this credit facility and cash generated from operations.

We had no borrowings outstanding under our Second ABL Credit Agreement at April 30, 2024 and 2023, respectively. We had $400 million in borrowings outstanding under the Notes at April 30, 2024 and 2023, respectively. Our contingent liability under open letters of credit was approximately $7.6 million and $10.7 million at April 30, 2024 and 2023, respectively. At April 30, 2023, we had $125.0 million of face value principal amount outstanding under the LVMH Note. The amount outstanding under the LVMH Note was repaid during fiscal 2024. We had an aggregate of €7.9 million ($8.5 million) and €10.3 million ($11.2 million) outstanding under the Company's various unsecured loans as of April 30, 2024 and 2023, respectively. We had €6.4 million ($6.9 million) and €3.8 million ($4.1 million) outstanding under our various overdraft facilities as of April 30, 2024 and 2023, respectively. We had €12.1 million ($13.0 million) and €7.8 million ($8.5 million) outstanding under KLH's foreign credit facility as of April 30, 2024 and 2023, respectively.

*Share Repurchase Program*

In August 2023, our Board of Directors authorized an increase in the number of shares covered by our share repurchase program to an aggregate amount of 10,000,000 shares. Pursuant to this program, during the three months ended April 30, 2024, we acquired 1,029,504 of our shares of common stock for an aggregate purchase price of $28.4 million. The timing and actual number of shares repurchased, if any, will depend on a number of factors, including market conditions and prevailing stock prices, and are subject to compliance with certain covenants contained in our loan agreement. Share repurchases may take place on the open market, in privately negotiated transactions or by other means, and would be made in accordance with applicable securities laws. As of April 30, 2024, we had remaining 8,970,496 shares that are authorized for purchase under this program. As of June 3, 2024, we had 44,987,939 shares of common stock outstanding.

*Cash from Operating Activities*

We generated $45.5 million in cash from operating activities during the three months ended April 30, 2024, primarily as a result of our net income of $5.8 million and decreases of $89.2 million in accounts receivable and $40.8 million in inventories. We also generated cash from operating activities as a result of non-cash charges relating primarily to depreciation and amortization of $8.8 million and share-based compensation of $6.6 million. These items were offset, in part, by decreases of $54.2 million in accounts payable and accrued expenses and $24.2 million in customer refund liabilities.

The changes in operating cash flow items are consistent with our seasonal pattern. Our accounts receivable, inventory and customer refund liabilities decreased because we experience lower sales levels in our first and second quarters than in our third and fourth quarters. The decrease in accounts payable and accrued expenses is primarily attributable to vendor payments related to inventory purchases and the payment of year-end bonuses in our first fiscal quarter.

*Cash from Investing Activities*

We used $14.8 million of cash in investing activities during the three months ended April 30, 2024. We had $12.7 million in capital expenditures primarily related to information technology expenditures and fixturing costs at department stores.

*Cash from Financing Activities*

Net cash used by financing activities was $27.3 million during three months ended April 30, 2024 primarily as a result of $28.4 million of cash used to repurchase 1,029,504 shares of our common stock under our share repurchase program and $7.5 million for taxes paid in connection with net share settlements of stock grants that vested. These items were offset, in part, by net borrowings of $8.6 million under our various foreign facilities.

**Critical Accounting Policies**

Our discussion of results of operations and financial condition relies on our consolidated financial statements that are prepared based on certain critical accounting policies that require management to make judgments and estimates that are subject to varying degrees of uncertainty. We believe that investors need to be aware of these policies and how they impact our financial statements as a whole, as well as our related discussion and analysis presented herein. While we believe that these accounting policies are based on sound measurement criteria, actual future events can, and often do, result in outcomes that can be materially different from these estimates or forecasts.

The accounting policies and related estimates described in our Annual Report on Form 10-K for the year ended January 31, 2024 are those that depend most heavily on these judgments and estimates. As of April 30, 2024, there have been no material changes to our critical accounting policies.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

There are no material changes to the disclosure made with respect to these matters in our Annual Report on Form 10-K for the year ended January 31, 2024.

**Item 4. Controls and Procedures.**

As of the end of the period covered by this report, our management, including our Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure, and thus, are effective in making known to them material information relating to G-III required to be included in this report.

**Changes in Internal Control over Financial Reporting**

There were no changes in our internal controls over financial reporting during the period covered by the Quarterly Report that have materially affected, or are reasonably likely to materially affect, these internal controls.

## PART II – OTHER INFORMATION

### Item 1A. Risk Factors.

In addition to the other information set forth in this Quarterly Report, you should carefully consider the risk factors contained in "Item 1A.-Risk Factors" in our Annual Report on Form 10-K for the year ended January 31, 2024 (the "Annual Report"), which could materially affect our business, financial condition and/or future results. As of April 30, 2024, there have been no material changes in our risk factors from those set forth in the Annual Report. The risks described in the Annual Report are not the only risks facing our company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or future results.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

The following table provides information with respect to the Company's common stock that the Company repurchased during the three months ended April 30, 2024. Included in this table are shares withheld during April 2024 to satisfy tax withholding requirements in connection with stock awards.

| Date Purchased | Total Number of Shares Purchased (1) | Average Price Paid Per Share (1) | Total Number of Share Purchased as Part of Publicly Announced Program (2) | Maximum Number of Shares that may yet be Purchased Under the Program (2) |
|---|---|---|---|---|
| February 1 - February 29, 2024 | — | $ — | — | 10,000,000 |
| March 1 - March 31, 2024 | 310,341 | 26.88 | 310,341 | 9,689,659 |
| April 1 - April 30, 2024 | 983,250 | 28.01 | 719,163 | 8,970,496 |
| | 1,293,591 | $ 27.74 | 1,029,504 | 8,970,496 |

(1) Included in this table are 264,087 shares withheld during April 2024 in connection with the settlement of vested restricted stock units to satisfy tax withholding requirements. Our 2015 Long-Term Incentive Plan provides that shares withheld are valued at the closing price per share on the date withheld.

(2) In August 2023, our Board of Directors reapproved our previously authorized share repurchase program and increased the number of shares remaining under that program to 10,000,000 shares. This program has no expiration date. Repurchases under the program may be made from time to time through open market purchases, accelerated share repurchase programs, privately negotiated transactions or other methods, as we deem appropriate.

### Item 5. Other Information

During the three months ended April 30, 2024, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

**Item 6. Exhibits.**

| | |
|---|---|
| 3.1 | Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K, dated July 2, 2008). |
| 3.1(a) | Certificate of Amendment of Certificate of Incorporation, dated June 8, 2006 (incorporated by reference to Exhibit 3.1 to the Company's Form 10-Q, dated September 13, 2006). |
| 3.1(b) | Certificate of Amendment of Certificate of Incorporation, dated June 7, 2011 (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K, dated June 9, 2011). |
| 3.1(c) | Certificate of Amendment of Certificate of Incorporation, dated June 30, 2015 (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K, dated July 1, 2015). |
| 3.2 | By-Laws, as amended, of G-III (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K, dated March 15, 2013). |
| 10.1+ | Form of Performance Share Unit Agreement for March 28, 2024 PSU awards (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K, dated April 3, 2024). |
| 10.2 | Third Amended and Restated ABL Credit Agreement, dated as of June 4, 2024, among G-III Leather Fashions, Inc., Riviera Sun, Inc., AM Retail Group, Inc. and The Donna Karan Company Store LLC, as Borrowers, the Loan Guarantors party thereto, the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K, dated June 6, 2024). |
| 31.1* | Certification by Morris Goldfarb, Chief Executive Officer of G-III Apparel Group, Ltd., pursuant to Rule 13a - 14(a) or Rule 15d - 14(a) of the Securities Exchange Act of 1934, as amended, in connection with G-III Apparel Group, Ltd.'s Quarterly Report on Form 10-Q for the fiscal quarter ended April 30, 2024. |
| 31.2* | Certification by Neal S. Nackman, Chief Financial Officer of G-III Apparel Group, Ltd., pursuant to Rule 13a - 14(a) or Rule 15d - 14(a) of the Securities Exchange Act of 1934, as amended, in connection with G-III Apparel Group, Ltd.'s Quarterly Report on Form 10-Q for the fiscal quarter ended April 30, 2024. |
| 32.1** | Certification by Morris Goldfarb, Chief Executive Officer of G-III Apparel Group, Ltd., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in connection with G-III Apparel Group, Ltd.'s Quarterly Report on Form 10-Q for the fiscal quarter ended April 30, 2024. |
| 32.2** | Certification by Neal S. Nackman, Chief Financial Officer of G-III Apparel Group, Ltd., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in connection with G-III Apparel Group, Ltd.'s Quarterly Report on Form 10-Q for the fiscal quarter ended April 30, 2024. |
| 101.INS* | iXBRL Instance Document. |
| 101.SCH* | iXBRL Schema Document. |
| 101.CAL* | iXBRL Calculation Linkbase Document. |
| 101.DEF* | iXBRL Extension Definition. |
| 101.LAB* | iXBRL Label Linkbase Document. |
| 101.PRE* | iXBRL Presentation Linkbase Document. |
| 104* | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

* Filed herewith.
** This certification is deemed furnished, and not filed, for purposes of section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act.
+ Indicates a management contract.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

G-III APPAREL GROUP, LTD.
(Registrant)

| | |
|---|---|
| Date: June 6, 2024 | By: /s/ Morris Goldfarb<br>Morris Goldfarb<br>Chief Executive Officer |
| Date: June 6, 2024 | By: /s/ Neal S. Nackman<br>Neal S. Nackman<br>Chief Financial Officer |

**Exhibit 31.1**

CERTIFICATION PURSUANT TO
RULE 13a - 14(a) OR RULE 15d - 14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Morris Goldfarb, certify that:

1. I have reviewed this quarterly report on Form 10-Q of G-III Apparel Group, Ltd.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a - 15(e) and 15d - 15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a - 15(f) and 15d - 15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 6, 2024

/s/ Morris Goldfarb
Morris Goldfarb
Chief Executive Officer

**Exhibit 31.2**

CERTIFICATION PURSUANT TO
RULE 13a - 14(a) OR RULE 15d - 14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Neal S. Nackman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of G-III Apparel Group, Ltd.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a - 15(e) and 15d - 15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a - 15(f) and 15d - 15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 6, 2024

/s/ Neal S. Nackman
Neal S. Nackman
Chief Financial Officer

**Exhibit 32.1**

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of G-III Apparel Group, Ltd. (the “Company”) on Form 10-Q for the quarterly period ended April 30, 2024, as filed with the Securities and Exchange Commission (the “Report”), I, Morris Goldfarb, Chief Executive Officer of the Company, hereby certify that, to my knowledge, (a) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Morris Goldfarb
Morris Goldfarb
Chief Executive Officer

Date: June 6, 2024

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**Exhibit 32.2**

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of G-III Apparel Group, Ltd. (the “Company”) on Form 10-Q for the quarterly period ended April 30, 2024, as filed with the Securities and Exchange Commission (the “Report”), I, Neal S. Nackman, Chief Financial Officer of the Company, hereby certify that, to my knowledge, (a) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Neal S. Nackman
Neal S. Nackman
Chief Financial Officer

Date: June 6, 2024

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.