



A BUSINESS BUILT ON DELIVERING EXCELLENCE

ANNUAL REPORT AND ACCOUNTS 2025





▶ We are Great Place to Work-Certified™
Read more page 79

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▶ Chief Executive Officer's Review pages 8 to 13



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ABOUT US

The Watches of Switzerland Group is an international retailer of world leading luxury watch brands, complemented by a strong luxury jewellery offering.

The Watches of Switzerland Group provides clients with the finest selection of luxury timepieces from all the major groups and independent brands together with an impressive presentation of smaller independent brands. Our showrooms are in prominent, high-profile shopping areas within the UK and US.

OUR PURPOSE

Our Purpose is to **WOW** our clients while caring for our colleagues, our communities and our planet.

Our Purpose is an inextricable part of how we do business. Environmental, social and governance factors are considered in our decision-making processes, at every level of our business.

OUR VALUES

Our Values shape our culture and behaviour, driving performance and purposeful action. They are the cornerstone of our Code of Ethics and truly represent who we are.



WE EARN TRUST & CONFIDENCE



WE TREAT EVERYONE WITH RESPECT



WE DO THE RIGHT THING, ALWAYS



WE CARE FOR OUR COMMUNITIES



WE PROTECT OUR PLANET



WE ADVOCATE FOR OUR INDUSTRY

[▶ Read more page 80](#)

OUR WATCH BRAND PARTNERSHIPS



AT A GLANCE



WATCHES OF SWITZERLAND



Mappin & Webb



GOLDSMITHS



MAYORS



BETTERIDGE



MONO-BRAND BOUTIQUES



HODINKEE



ROBERTO COIN



Analog:Shift



ONLINE



TRAVEL RETAIL

WELL-INVESTED SHOWROOM NETWORK

146

UK SHOWROOMS AT 27 APRIL 2025

60

US SHOWROOMS AT 27 APRIL 2025

208

TOTAL SHOWROOMS AT 27 APRIL 2025

3,000+

NUMBER OF COLLEAGUES AT 27 APRIL 2025

FINANCIAL HIGHLIGHTS

REVENUE

£1,652m

CHANGE VS LY:
+7%

RETURN ON CAPITAL EMPLOYED¹

19.0%

CHANGE VS LY:
-50bps

ADJUSTED EBIT¹

£150m

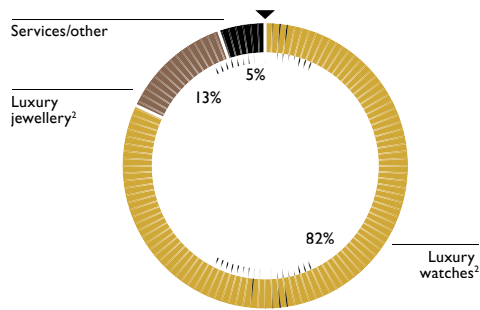
CHANGE VS LY:
+11%

OPERATING PROFIT

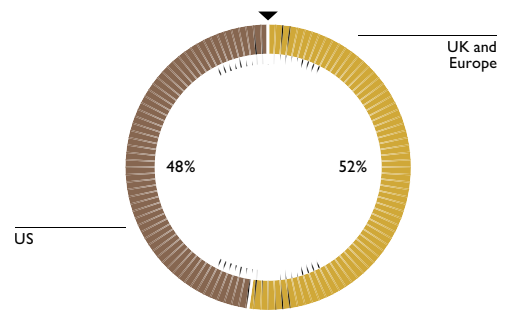
£114m

CHANGE VS LY:
-5%

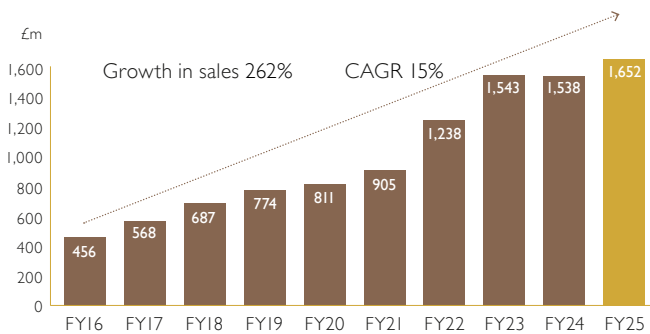
SALES BY CATEGORY (%)



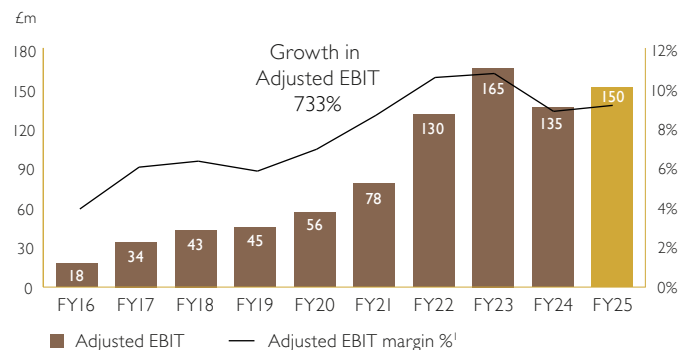
SALES BY REGION (%)



HISTORICAL SALES PERFORMANCE



PROFITABILITY



¹ This is an Alternative Performance Measure. Refer to the Glossary on pages 270 to 273 for definition and reconciliation to statutory measures where relevant.
² Please refer to the Glossary on pages 270 to 273 for a definition.

STRATEGIC REPORT





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CHAIR'S STATEMENT

IAN CARTER
CHAIR





We are confident in the strength of our business model, our strong pipeline of showroom openings and the resilience of the luxury watch and jewellery categories.”

DELIVERING STRATEGIC HIGH-QUALITY GROWTH

I am pleased to share this year’s Chair’s Statement, marking another successful chapter in our Group’s journey. Despite an increasingly complex global environment – defined by political uncertainty, economic fluctuations and rising operational costs – our business has not only demonstrated resilience but achieved meaningful strategic progress throughout FY25. Our UK business has performed well, returning to revenue growth, while the US business continued to outperform, boosted by the acquisitions of Roberto Coin Inc. and the Hodinkee business. The year 2025 also sees the start of our celebrations for the 250-year anniversary of the Mappin & Webb brand, a testament to our long-standing heritage and expertise within the luxury watch and jewellery market.

We continue to pursue our growth strategy through investment in our showrooms, selective acquisitions and retailing excellence whilst driving underlying profitability. Our brand relationships are stronger than ever and our focus on providing the best client experience remains unchanged.

The recent opening of the new flagship Rolex boutique on Old Bond Street, London, has been a real highlight. The boutique showcases our business at its very best, through showroom design, client experience and retailing excellence. We also believe it demonstrates the strong relationship we have with our key brand partners and the collaboration between us.

The acquisition of Roberto Coin Inc. has accelerated our growth in the luxury branded jewellery market. Roberto Coin is a globally renowned brand, with a particularly strong position in North America, and has high-quality, exquisite designs. We are excited about the potential of this brand within North America and we are working on a number of strategic growth initiatives. We will further be developing our luxury branded jewellery strategy through the opening of the Mappin & Webb Luxury Jewellery boutique, Manchester in FY26.

We are encouraged by the strong performance of the Rolex Certified Pre-Owned programme – now present in 46 showrooms across the UK and US – in addition to the sustained growth in our overall pre-owned business.

Additionally, FY25 saw the exciting acquisition of the Hodinkee business, a leading global digital platform for luxury watch enthusiasts, further strengthening our online sector leadership.

SUSTAINABILITY

We continued to build a more sustainable business and are proud to become Great Place to Work-Certified™ which reflects our deep investment in culture, talent and the wellbeing of every colleague.

Business growth and our commitment to improving the quality of our Greenhouse Gas (GHG) emissions data, contributed to an 11% increase in our total location-based emissions. However, we remain determined to reach net-zero by 2050 and are pleased to report a 86% reduction in our market-based operational emissions. We look forward to further reductions in FY26, following investment into a new energy management and decarbonisation system and the introduction of on-site energy generation at a key site.

Our support of a more circular economy continued with a 39% increase in sales of pre-owned watches, although with fewer clients seeking after-sales and servicing, we missed our overall circularity target in FY25, making the promotion of our repairs business a key focus for us in FY26.

We continue to work with supplier partners to help highlight more sustainable attributes of our products, and have strengthened our procurement function and introduced a new supply chain management system to ensure our watches and jewellery are responsibly and ethically sourced.

GOVERNANCE

We continue to recognise the importance of good governance alongside diversity and inclusion both in the boardroom, with Senior Management and throughout the organisation. I am pleased to report that the Group remains compliant with the recommendations of the Parker Review and the FTSE Women Leaders Review, where we were ranked #7 of the FTSE 250, our highest score to date.

LOOKING AHEAD

The business has been resilient and agile, and our strategy remains the right one for the long-term success of the business. As we look ahead, we are confident in the strength of our business model, our strong pipeline of showroom openings and the resilience of the luxury watch and jewellery categories.

On behalf of the Board, I extend my sincere gratitude to Brian Duffy, our executive team and colleagues throughout the organisation for their hard work and dedication, as well as to personally thank my fellow Board members for their active role in supporting the work of the team.

Finally, I would like to take this opportunity to thank our clients, brand partners, shareholders and other stakeholders for their continued support, trust and belief in our vision.

IAN CARTER
CHAIR

2 July 2025

.....
BRIAN DUFFY
CEO





I am proud of the strong performance our team has delivered, underpinned by a significant trading improvement in H2 FY25 with Group revenue +12% vs prior year. The US business has continued its strong momentum, surpassing \$1 billion revenue for the first time, and the UK returned to growth. Our performance reflects our scale and leadership in our chosen markets, supported by long-standing, collaborative partnerships with world-leading brands across luxury watches and luxury branded jewellery.”

STRONG PARTNERSHIPS AND CONTINUED EXCELLENCE

FY25 was a year of strong strategic and operational progress for the Group, which saw the US business continuing its strong momentum, and the UK returning to growth. Group revenue came in at £1,652 million, which is an increase of +8% on the prior year, with +16% in the US (including Roberto Coin Inc.) and +2% in the UK (all in constant currency). From a profitability perspective, we saw full year Adjusted EBIT¹ improvement to £150 million, which was +12% (constant currency) year-on-year.

In the US, we experienced good growth, delivering +19% revenue growth in H2 FY25 (constant currency) following a first half that was impacted by the Q1 increase of showroom stock levels of key brands to enhance displays and client experience. The US now makes up 48% of Group revenue in FY25.

In the UK, we were pleased to see the external environment stabilise in line with our expectations, supporting revenue growth of +6% in H2 FY25. The UK performance continues to be driven by a domestic clientele with minimal return of tourist spending due to lack of VAT free shopping.

The luxury watch category is strong, resilient and offers long-term consistent growth. In recent years, the impact of the global pandemic has resulted in a period of unprecedented volatility. We believe the market has now normalised and secondary market prices have stabilised at above pandemic levels.

A highlight this year, was the opening of the flagship Rolex boutique on Old Bond Street, London. Operating across four floors in circa 7,200 square feet, this boutique includes the first dedicated Rolex Certified Pre-Owned floor, as well as three floors dedicated to sales and hospitality, and an after-sales lounge home to six watchmakers and technicians. The performance of the Rolex boutique has exceeded expectations.

On 8 May 2024, we announced that the Group had acquired the exclusive distribution rights for the Roberto Coin brand in the US, Canada, Central America and the Caribbean, through the acquisition of Roberto Coin's US associated company, Roberto Coin Inc.. The brand is well-recognised within the growing US luxury jewellery market. Integration is progressing to plan, and we see enormous potential growing this iconic brand with existing customers and using our retail expertise to elevate and expand store presence. We have received positive feedback from the network of retail partners and distribution remains intact from the acquisition. FY25 saw good revenue growth from the Roberto Coin brand within the Group's US showrooms, particularly following the installation of elevated displays. Looking ahead to FY26, we are working on a shop-in-shop concept with retail partners and are actively negotiating new mono-brand boutiques in the US, with three leases signed to date. The Roberto Coin US website upgrade is in progress. May 2025 saw the launch of a new marketing campaign with Dakota Johnson as the global brand ambassador.

We are encouraged by the performance of the Rolex Certified Pre-Owned programme, which launched last year and continues to trade strongly, and the sustained growth in our overall pre-owned business. Rolex Certified Pre-Owned is available in all 21 of our US Rolex showrooms and 25 of our UK showrooms. Window displays are now in place and productivity is expected to increase as a result.

The luxury branded jewellery market continues to grow, particularly in the US, and remains a key part of our long-term strategy for growth. FY25 saw exclusive luxury branded jewellery launches in the UK and there will be further brands to follow in FY26 with the opening of the Mappin & Webb Luxury Jewellery boutique, Manchester, which will include a De Beers boutique – the first one outside of London.

On 3 October 2024, we acquired the editorial, insurance and limited-edition business from Hodinkee, the pre-eminent global digital editorial content provider and gateway for luxury watch enthusiasts, further strengthening our online sector leadership. Integration is progressing in line with our expectations, and it has been a pleasure working closely with Ben Clymer and his team. The upgrade for the new Watches of Switzerland US ecommerce website launched in May 2025, with Mayors, Betteridge and Roberto Coin sites to follow shortly.

Significant progress has been made on key showroom projects:

- Opened the new flagship Rolex boutique on Old Bond Street, London, which is trading ahead of our expectations
- Opening of new 2,000 sq ft Patek Philippe room in Betteridge, Greenwich, Connecticut
- Relocation and introduction of Rolex and Cartier to Watches of Switzerland, Plano, Texas
- Reintroduction of Rolex to Mayors, Jacksonville, Florida
- Conversion of Mayors, Lenox, Atlanta to a Rolex boutique
- Relocation of Mayors, Tampa, Florida
- Expansion of Betteridge, Vail, Colorado
- New Watches of Switzerland, Ross Park, Pittsburgh
- New Mappin & Webb, Edinburgh
- Expansion of Watches of Switzerland, Oxford Street, London
- Relocations of Goldsmiths, Cheltenham and Milton Keynes
- Conversion and expansion of Watches of Switzerland, Fenchurch Street, London from Mappin & Webb
- Opened the Audemars Piguet AP House, Manchester (opened 6 May 2025) operating as a joint venture
- Progress made on the Mappin & Webb Luxury Jewellery boutique, Manchester, opening in Autumn 2025

In April 2025, the Group announced the closure of a number of low profitability showrooms in the UK. The Group continually assesses its operations to remain as efficient and productive as possible.

The exit from Europe is now complete, which allows us to focus on higher returning markets. Three showrooms closed in the year and four sold to brand partners. The final two boutiques were sold to brand partners in June 2025.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We have continued to progress against our strategic pillars of People, Planet and Product throughout FY25. Highlights during the year include:

- Great Place to Work-Certified™ in the UK and US
- Met the recommendations of the FTSE Women Leaders Review and improved our ranking from #10 to #7 in the FTSE 250
- Continued to comply with the UK Real Living Wage recommendations
- Grew sales of pre-owned watches by +39% YoY and expanded our team of accredited watchmakers and technicians to support circularity, however missed our overall circularity target for the year
- Transitioned to 100% renewable energy across our Group, through the purchase of renewable energy certificates, backed by guarantees of origin
- GHG location-based emissions increased by 11% vs prior year due to business growth and therefore we did not meet our climate target in the year. We remain determined to reach net-zero by 2050 and are pleased to report an 86% reduction in our market-based operational emissions
- Mappin & Webb named as CSR Jewellery Retailer of the Year for the second year running in the 2024 Professional Jeweller Awards
- £8.3 million committed by the Group to The Watches of Switzerland Group Foundation since launch, providing essential support to local charities focusing on poverty, the advancement of education and relief to those in need
- Headline sponsor for The King's Trust Change a Girl's Life campaign and biggest fundraiser in the Trust's Future Steps initiative
- Achieved Fair Tax Mark reaccreditation for second year running

“

Our recently acquired Roberto Coin business in North America has traded well since acquisition. We see great potential for this well-recognised brand in the fast-growing US branded jewellery market and are excited to have launched a marketing campaign featuring Dakota Johnson as a global brand ambassador.”

BRIAN DUFFY
CEO







“

As we look ahead, whilst we are of course remaining mindful of the broader macroeconomic and consumer environment, including potential US tariff changes, we remain confident in the strength of our business model, our strong pipeline of showroom openings and the resilience of the luxury watch category where demand for key brands continues to outstrip supply.”

BRIAN DUFFY
CEO

OUTLOOK FOR FY26

As we enter FY26, we are mindful of the uncertain macroeconomic backdrop, geopolitical developments, potential US tariff changes, and their potential impact on consumer confidence. We remain confident in the strong fundamentals of the luxury watch category and our differentiated business model in the underdeveloped US market.

The US luxury jewellery market is the largest in the world and growing strongly. We will continue to build on the momentum we have seen in Roberto Coin Inc., with several exciting growth initiatives, including a major marketing campaign, secured locations for three mono-brand boutiques and our ecommerce website upgrade.

We are focused on the delivery of our strategy and are encouraged by our strong pipeline of high-quality projects opening in FY26, across both the UK and US, including:

- Mappin & Webb Luxury Jewellery boutique, Manchester
- Audemars Piguet AP House, Manchester (opened 6 May 2025) operating as a joint venture
- Northern Goldsmiths, Newcastle
- New Watches of Switzerland Southdale, Minneapolis
- Relocation of Mayors University Town Center, Florida
- Expansions or relocations of a further six UK showrooms

Our Guidance for the 53 weeks of FY26 (pre-IFRS 16) is based on:

- Current US tariff rate of 10% maintained beyond the 90 day pause
- Currently announced margin changes from brand partners in response to the 10% tariffs remaining in place. As it stands today, the 10% tariff on imported goods from Switzerland has led some of our brand partners to put through mid-single digit price increases in the US, alongside reducing their authorised distribution network’s margin percentage
- Visibility of supply of key brands for calendar year 2025
- No significant changes in tax burden
- Guidance reflects confirmed showroom projects but excludes any uncommitted capital projects or acquisitions

Constant currency revenue growth	6% - 10%
Adjusted EBIT margin %	Flat to -100 bps vs prior year
Capital expenditure	£65 - £70 million

The Group is exposed to movements in the £/\$ exchange rate when translating the results of its US operations into Sterling. The actual exchange rate for FY25 was \$1.28.

The outcome of US tariff developments remains uncertain. We are in regular dialogue with our brand partners, but it is too early to comment on the potential sector impact of further changes. We will provide a further update as to the potential impact on FY26 guidance once the situation becomes clearer.

Finally, the progress we have made over the year could not have been achieved without the continued hard work and dedication of our 3,000+ colleagues at the Watches of Switzerland Group. I would like to personally thank them for their contribution.

BRIAN DUFFY
CHIEF EXECUTIVE OFFICER
2 July 2025

WHAT DIFFERENTIATES THE LUXURY WATCH CATEGORY

A UNIQUE MARKET

Led by the most prestigious global brands focused on investment, product quality and innovation and brand marketing, achieving a higher average selling price than most luxury consumer goods categories



DEMAND EXCEEDS SUPPLY FOR KEY BRANDS

The overall market demand for Swiss watches exceeds production levels and supply for key brands. Clients required to 'register interest' for key products



LITTLE THREAT OF DIGITAL PUREPLAY DEVELOPMENT

All major brands generally require prior showroom approval as a pre-requisite for online selling; multi-channel is a preferred direction



HIGH BARRIERS TO ENTRY

Strong brand partnerships are based on many years of experience and category expertise

Brands actively manage distribution through Selective Distribution Agreements

SUPPORTS A MORE CIRCULAR ECONOMY

High-quality mechanical luxury watches are often passed down for generations or resold. Most can be repaired indefinitely and many of the materials they contain are recyclable



SWISS CONCENTRATION

Limited threat from technology or geography



STRONG VALUE RETENTION

Rarity, heritage, craftsmanship and precious materials support brand image and value; some products considered investment asset class



SPECIALIST CATEGORY

Specialist for both the manufacturer and the retailer; consumers respond to expertise, authority and heritage



KEY REASONS TO INVEST

- 1 Market with attractive, long-term structural growth dynamics. Resilient demand exceeding supply for key brands.
- 2 Track record of strong revenue growth, ahead of underlying markets and further opportunities for growth.
- 3 Long-term margin progression.
- 4 Good cash conversion supporting ongoing balance sheet strength.
- 5 Disciplined capital allocation across organic and inorganic growth, with surplus capital returned to shareholders.
- 6 Long-term, compounding shareholder returns.

THE LUXURY WATCH MARKET HAS A STRONG TRACK RECORD OF GROWTH

The luxury watch industry is well protected with high barriers to entry and a track record of consistent long-term growth, underpinned by sustained investment and elevated innovation.

The Group estimates global retail sales of luxury¹ watches were approximately £48.0 billion in calendar year 2024. This is based on the estimated retail value of Swiss luxury watches (Swiss exports and the Swiss market), repairs and services, and the contribution from non-Swiss luxury watch brands.

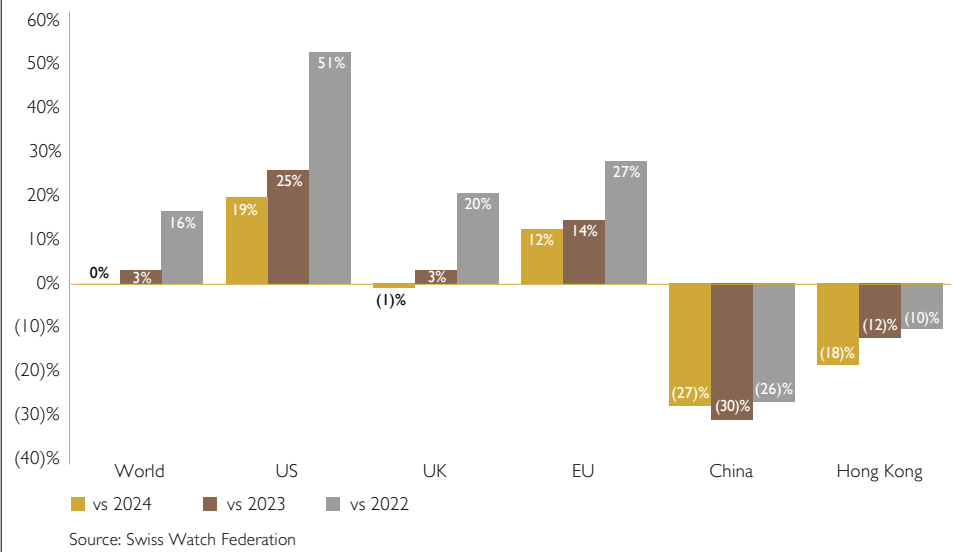
Luxury watches have continued to be supported by long-term increases in prices, with the average selling price (ASP) of Swiss watch exports (wholesale) generating a 24-year CAGR of +5.2% (2024 vs 2000).

Watches at the luxury end of the market have outperformed lower priced segments and represent 95% of the value of global Swiss watch exports in calendar year 2024.

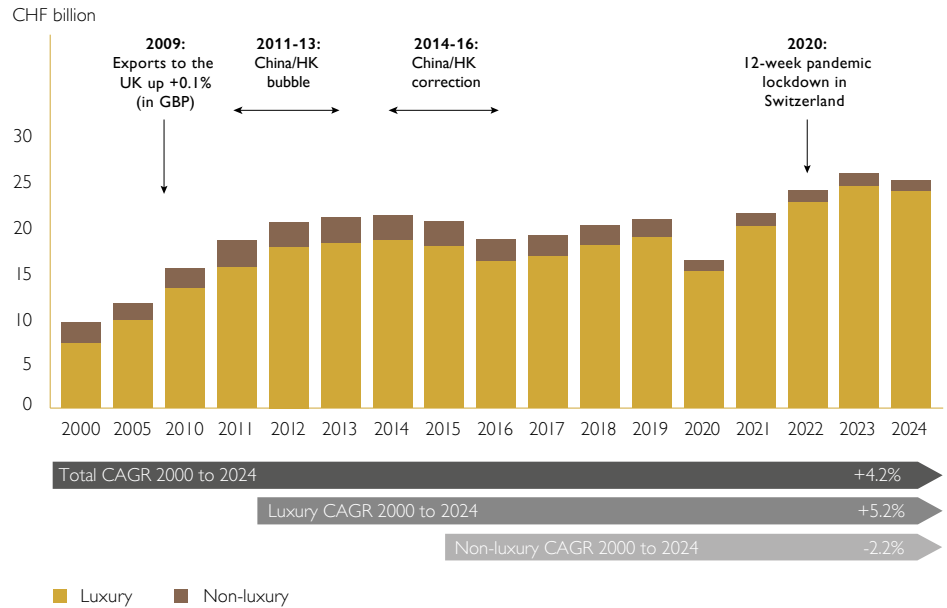
The US has seen significant increases in Swiss watch exports in recent years, while the UK has remained in line with the global average, as can be seen in the graph (opposite). The EU market has benefited from the post-pandemic increase in tourist shopping. The UK market's removal of VAT-free shopping for tourists means that international sales have been minimal since Brexit.

The Global market experienced a period of significant demand during the pandemic, which has since normalised in 2023/24.

SWISS WATCH EXPORTS (WRISTWATCHES PRICED ABOVE 500 CHF) APRIL 2024 TO MARCH 2025



RESILIENT LONG-TERM GROWTH IN SWISS WATCH EXPORTS (CALENDAR YEARS)



¹ Luxury is defined as exports >CHF 500

GLOBAL BRANDS HAVE SUPPLY-DRIVEN GROWTH

For the total luxury watch industry, demand has increased at a faster rate than production, in part reflecting the labour-intensive nature of watchmaking and its dependence on highly skilled watchmakers in Switzerland. Long-term growth has been underpinned by increased Average Selling Prices (ASP), positive mix effects and limited volume increases.

Luxury watch brand owners are made up of major independents, large groups and smaller independents, as can be seen below. Our Group provides the largest selection of luxury watches covering a wide range of prices and consumer preferences, including the largest and best known brands alongside smaller independent brands.

We stock confidently, which provides our clients with a greater range and availability. We have regular dialogue with our brand partners on current trends, often leading to the development of exclusive partnerships and/or first to market timepieces. The table below shows the breakdown of the Group's brand partners.

GLOBAL BRANDS

Major independents



Swatch Group



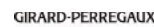
Richemont



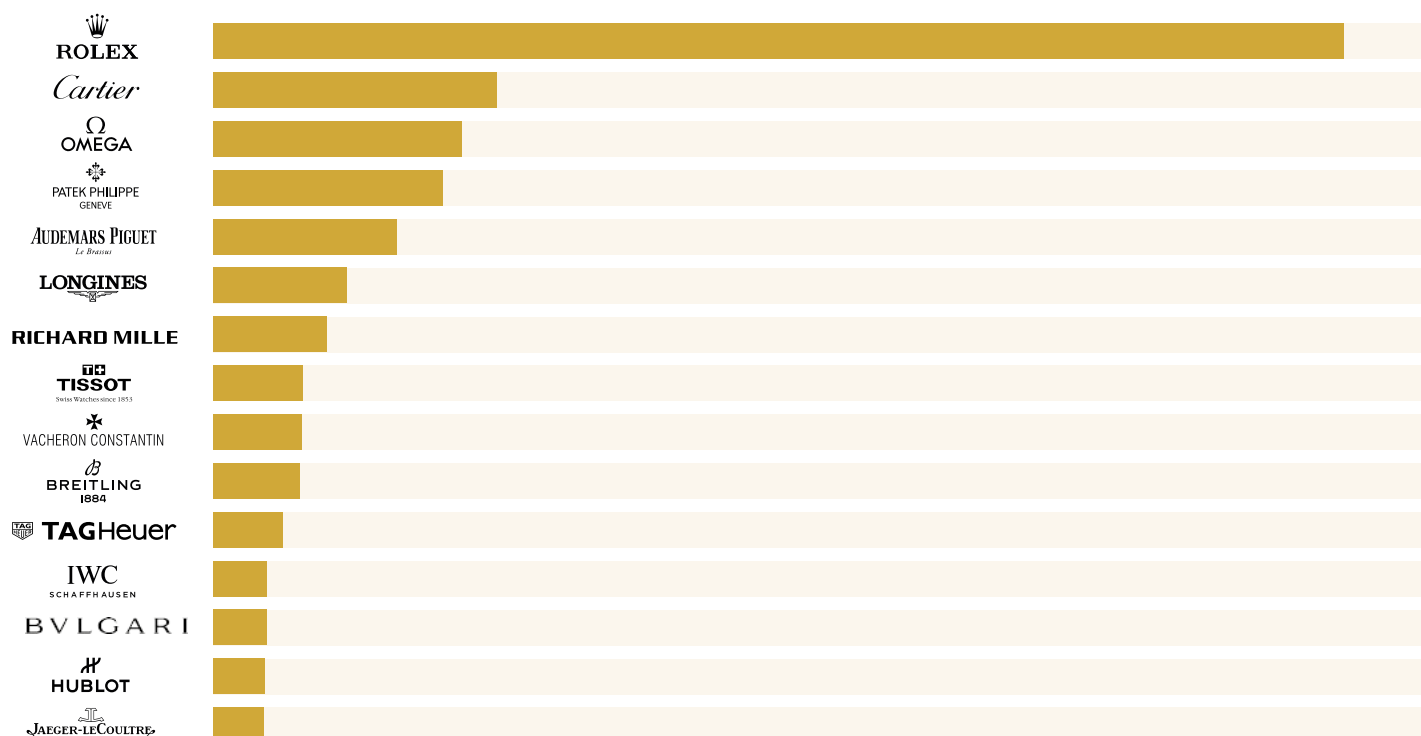
LVMH



Independents



ESTIMATED 2024 GLOBAL RETAIL SALES FOR THE MAJOR SWISS WATCH BRANDS



Source: Morgan Stanley, Eighth Annual Swiss Watcher (13 February 2025)

DISCIPLINED DISTRIBUTION MANAGEMENT THROUGH SELECTIVE DISTRIBUTION AGREEMENTS

Distribution of luxury watches takes place under Selective Distribution Agreements, strict legally binding contracts entered into with brands on a point of sale basis. These are ordinarily limited by geography and ensure retailers maintain strict presentation standards. Selective Distribution Agreements enable brands to manage the number of points of sale and qualitative criteria on retailer approval. Product presentation and client experience are closely monitored by the brand owners.

Globally, the retail market for luxury watches is fragmented, predominantly comprised of a large volume of small retailers. However, consolidation to fewer, better points of sale has been an ongoing trend, particularly in the US market. This provides an opportunity for our Group.

LOYAL, DIVERSE, MULTI-GENERATIONAL CLIENT BASE

Luxury watches attract a set of shoppers, who can become repeat clients, spanning age, income groups and genders. Over the years, there has been an increasingly positive impact from digital and social media appealing to a younger market. The Group invests in digital marketing to attract clients and stimulate interest in the category.

Our showroom design, location, marketing and unique client service of the Group appeal to a broad demographic audience.

In FY25 the Group acquired the Hodinkee business, the pre-eminent global digital editorial content provider and gateway for luxury watch enthusiasts. Hodinkee has 48.0 million views per year and 1.5 million social media followers.



CONTINUOUS PRODUCT INNOVATION AND ADVANCEMENT

Luxury watches are characterised by a focus on product innovation and advancement and are normally introduced at prestigious watch fairs in Switzerland. In the UK and the US, there is a strong preference for sports models with the key brands consistently investing to ensure the highest degree of technical (diver, aviation and chronograph) specifications.

This year saw the largest watchmaking gathering ever to take place in Geneva, Watches and Wonders 2025, where exciting new products were launched, accompanied by relevant marketing support.

Watchmakers are making greater use of strap and dial combinations to increase consumer interest.

The Group offers exclusive and first to market watch product in collaboration with a number of luxury watch brands.

Breitling Endurance Pro 44mm Unisex Watch Turquoise
The Watches of Switzerland Group Exclusive

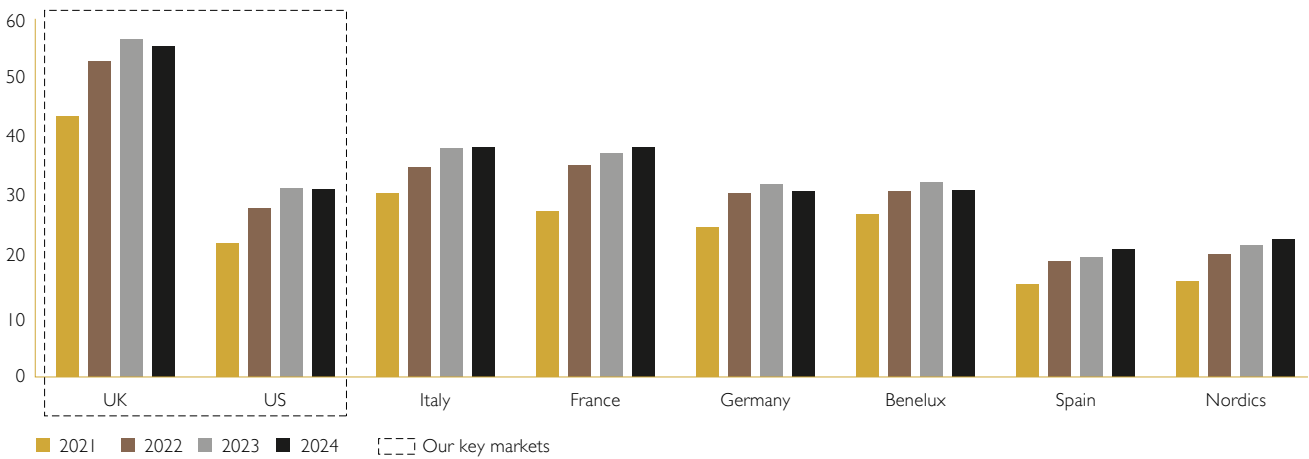
GEOGRAPHICAL MARKETS

The Group operates in the UK and US markets, two of the major Swiss watch markets. The below chart shows the luxury watch retail sales per capita over the past four years.

On a per capita basis, the UK market has outperformed the US market and all major European markets since 2000. The UK market has the highest per capita

retail spend by domestic clients on luxury watches; we believe the differential to other markets reflects retail investment, not consumer behaviour, creating an opportunity to successfully replicate our model in other geographies and building on the success we have delivered in the US to date. The US market is underdeveloped providing significant growth opportunities for the Group.

LUXURY WATCH PER CAPITA RETAIL SALES (US\$)



Source: Company estimates



Watches and Wonders Geneva 2025

THE UK LUXURY WATCH MARKET



UK MARKET HIGHLIGHTS

5

RANKING IN GLOBAL MARKETS
FOR SWISS WATCH EXPORTS
CALENDAR YEAR 2024

£3.4bn

ESTIMATED LUXURY WATCH
RETAIL SALES CALENDAR
YEAR 2024



Watches of Switzerland, Fenchurch Street, London

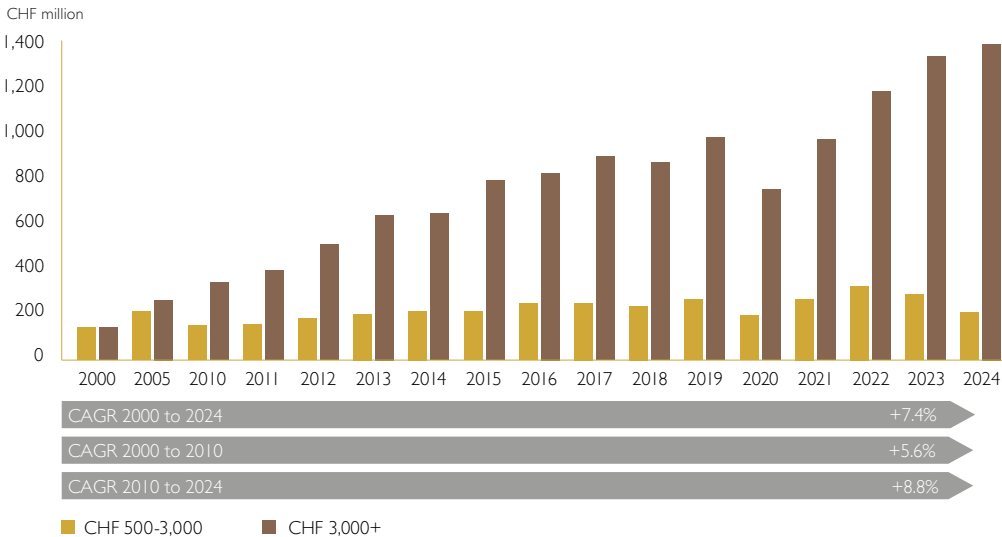
The UK is the fifth largest market globally for Swiss luxury watch exports. The Group estimates retail sales of luxury watches amounted to £3.4 billion in calendar year 2024.

The UK market has been strong, a testament to a well-invested, disciplined multi-channel market and highly engaged and sophisticated domestic clientele which has typically had a preference for the sports luxury watch category.

In the period 2000 to 2024, luxury Swiss watch exports to the UK increased by a CAGR of 7.4%, to CHF 1.6bn in 2024.

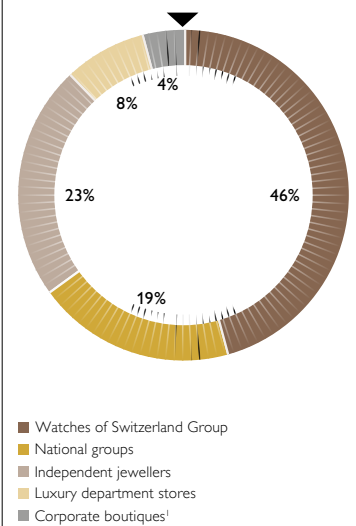
The UK market is made up of national groups, independent jewellers, luxury department stores and boutiques directly operated by the brands. It is led by Rolex, with strong market positions of Patek Philippe, OMEGA, Cartier, Breitling, TAG Heuer and TUDOR.

LUXURY SWISS WATCH EXPORTS TO THE UK (CALENDAR YEARS)



Source: Swiss Watch Federation

UK LUXURY WATCH MARKET 2024



Source: GfK

¹ Directly operated by the brands.

THE US LUXURY WATCH MARKET



US MARKET HIGHLIGHTS

RANKING IN GLOBAL MARKETS FOR SWISS WATCH EXPORTS CALENDAR YEAR 2024

\$8.8bn

ESTIMATED LUXURY WATCH RETAIL SALES CALENDAR YEAR 2024

After a period of underinvestment in the US leading up to 2018, the market has performed strongly and is today the largest global market for Swiss watch exports, overtaking China in 2021. The Group estimates retail sales of luxury watches reached **\$8.8 billion** in calendar year 2024.

The US market is led by Rolex with strong market positions of Cartier, Patek Philippe, Audemars Piguet, OMEGA, TUDOR, Breitling, Officine Panerai and TAG Heuer. Additionally, there are also relatively strong market positions for smaller independent brands such as MB&F, Bovet and H. Moser & Cie.

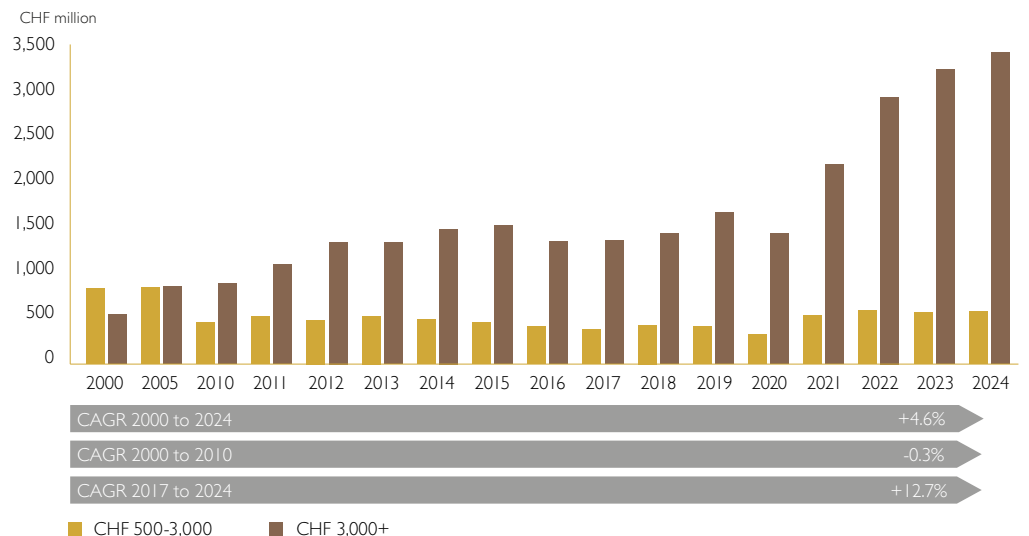
US retail distribution is in the process of consolidation towards larger showroom formats in major shopping centres, and retail investment from the Watches of Switzerland Group and others has increased. The US market is predominantly domestic, although domestic tourism (e.g. to Florida or Las Vegas) is significant. In recent years Rolex, Patek Philippe and other brands have been rationalising distribution, reducing the number of agencies to a smaller number of higher quality retailers.

In the period 2000 to 2024, luxury Swiss watch exports to the US increased by a CAGR of 4.6%, with a CAGR of 12.7% in the period of 2017 to 2024 coinciding with the Watches of Switzerland Group entering the US market.

Mayors, Jacksonville, Florida



LUXURY SWISS WATCH EXPORTS TO THE US (CALENDAR YEARS)



Source: Swiss Watch Federation

PRE-OWNED WATCH MARKET



We believe the pre-owned market is a positive development for the retail market. It provides liquidity and value preservation for luxury watches. This is a growing sector due to the supply of certain products being unable to meet demand in the first hand market and for collectors given nearly 95%¹ of watches are no longer in production.

Research analysts believe that the pre-owned watch market will be as big as the primary one within the next ten years². The pre-owned product often sells at prices above retail due to unavailability and scarcity.

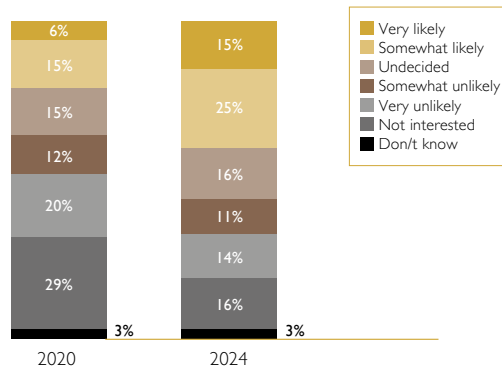
The market is made up of pre-owned (purchase or trade-in watches to sell on) and online marketplace players.

In 2023, Rolex launched the Rolex Certified Pre-Owned programme offering the opportunity to purchase from official authorised retailers, pre-owned watches that are certified as authentic and come with a Rolex backed two-year warranty. This has opened the pre-owned market up to clients who may have previously been nervous about purchasing pre-owned items. We see Rolex Certified Pre-Owned as a significant opportunity for the Group and at the financial year-end we showcased Rolex Certified Pre-Owned in 25 showrooms in the UK, including a dedicated floor at the recently opened flagship Rolex boutique on Old Bond Street, London, and in all 21 of our Rolex agencies in the US, alongside our online offering.

¹ Source: BCG Luxury Preowned Watches, Your Time Has Come (March 2023).
² Source: Deloitte Swiss Watch Industry Insights 2024 (December 2024).



RESPONSES TO "HOW LIKELY IS IT THAT YOU WILL BUY A PRE-OWNED/SECOND HAND LUXURY WRISTWATCH IN THE NEXT 12 MONTHS?"



Source: Deloitte Swiss Watch Industry Insights 2024 (December 2024).

AFTER-SALES AND SERVICING

After-sales and servicing complements the first-hand market for luxury watches and is critical in protecting and prolonging the life and value of the products.

The market is primarily supported by traditional multiple and independent retailers and brand in-house resources. After-sales and servicing represents 7%¹ of the global luxury watch market and is very important in terms of providing a luxury client experience. The after-sales and servicing market has not kept pace with the growth of new watch sales.

The Group continues to invest in expanding its after-sales and servicing offering in both the UK and US, highlighted in FY25 by the new insurance offering launched in the US, and with the dedicated service centre floor at the recently opened flagship Rolex boutique on Old Bond Street, London.

After-sales and servicing contributes to the circular economy; refer to page 111 to learn more.

¹ Source: Verified Market Reports, Watch Service Market Insights (April 2025)



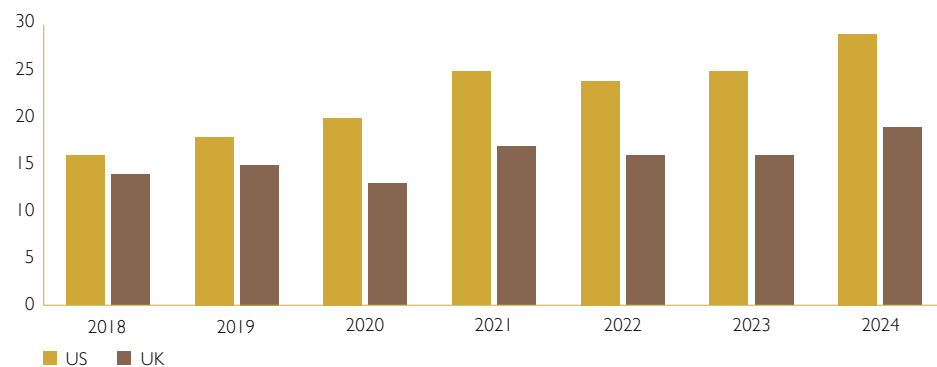
LUXURY JEWELLERY MARKET

LUXURY JEWELLERY

Our luxury watch business is complemented by a strong luxury jewellery offering.

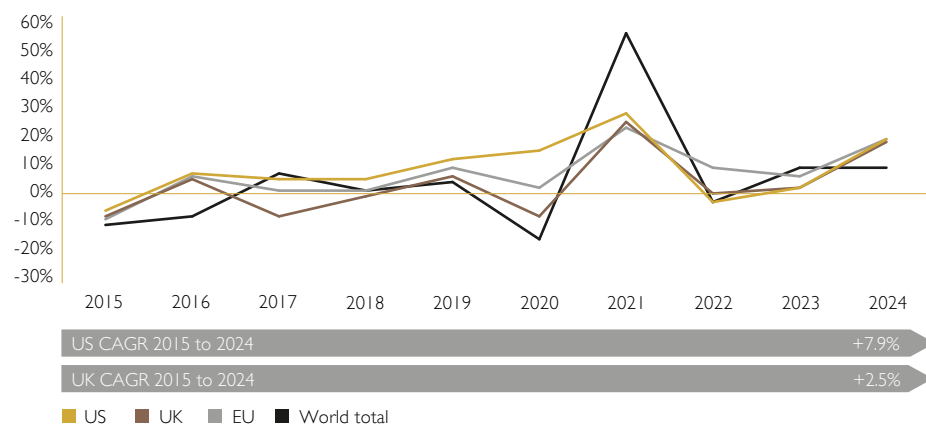
The US and UK markets are growing strongly and are among the largest globally on a per capita basis for luxury jewellery as can be seen by the charts (below) (Source: World Gold Council).

LUXURY JEWELLERY DEMAND PER CAPITA (US\$)



Source: Metals Focus, Refinitiv GFMS, ICE Benchmark Administration, World Gold Council

JEWELLERY DEMAND: CUMULATIVE YOY% (CALENDAR YEARS)



US CAGR 2015 to 2024 +7.9%

UK CAGR 2015 to 2024 +2.5%

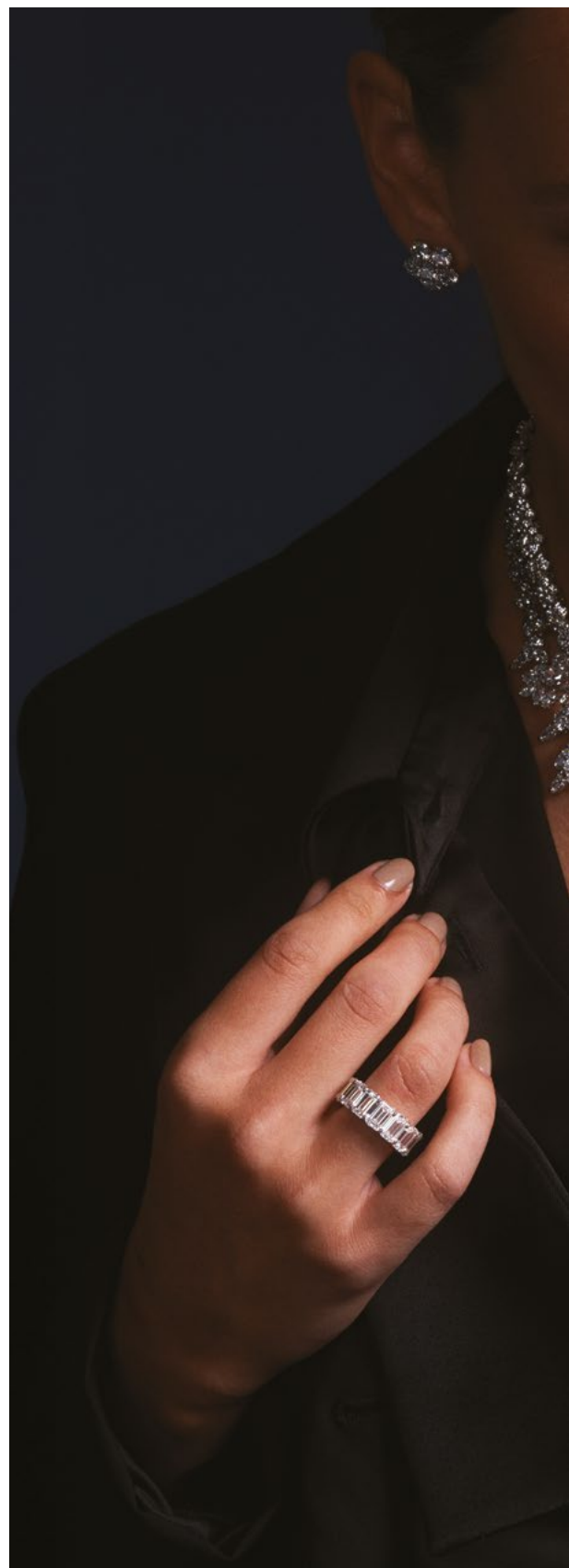
Source: Metals Focus, Refinitiv GFMS, ICE Benchmark Administration, World Gold Council

LUXURY BRANDED JEWELLERY

The global luxury market has seen global trends towards the branded component of the market, as can be seen in the chart (opposite).

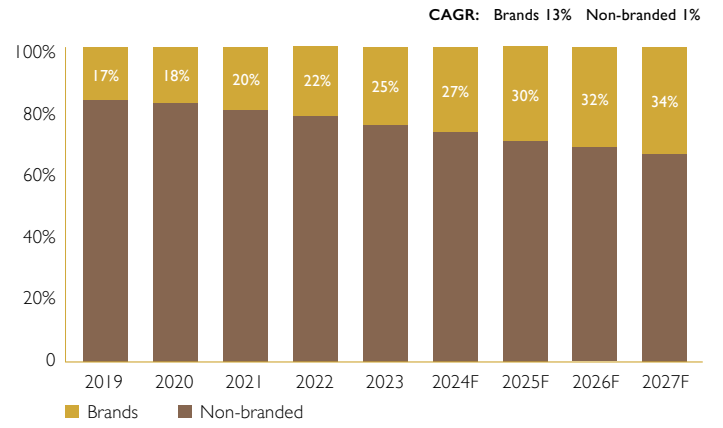
We see this as a significant area of growth for the Group going forward, where we can apply our expertise gained in luxury watches to luxury jewellery. The Group partners with a number of luxury jewellery brands including Roberto Coin, Messika, BVLGARI and recently introduced David Yurman to the UK market. The Group's strategy is to increase the number of luxury jewellery brands offered within our portfolio, in many cases exclusively within a geographical area. In FY26 we will open the Mappin & Webb Luxury Jewellery boutique, Manchester, which will include a De Beers boutique.

On 8 May 2024, we announced that the Group had acquired the exclusive distribution rights for the Roberto Coin brand in the US, Canada, Central America and the Caribbean, through the acquisition of Roberto Coin's US associated company, Roberto Coin Inc.. For more details on our Roberto Coin Inc. acquisition please refer to pages 46 to 49.





**JEWELLERY MARKET WORLDWIDE –
TREND IS INEXORABLY TOWARDS BRANDS**



F: Forecast
Source: McKinsey, Euromonitor (2023)



HOW THE GROUP CREATES VALUE

INPUTS

BRAND PARTNERSHIPS

Our strong and long-standing relationships with the most recognised and prestigious luxury watch and jewellery brands have been forged over many years and include new relationships with developing brands.

Please see pages 28 to 33 for more details on the prestigious brands we partner with.

COLLEAGUES

The Watches of Switzerland Group is committed to building a great place to work by giving people every reason to join, grow and stay with our Group. We recognise the many benefits a diverse and inclusive workforce can bring.

CLIENTS

We offer an extensive choice of brands and products in the world of luxury watches and jewellery. We aim to make our clients feel welcome through unimposing, inviting, browsable, modern and luxurious environments in our showrooms, along with a market-leading online offering.

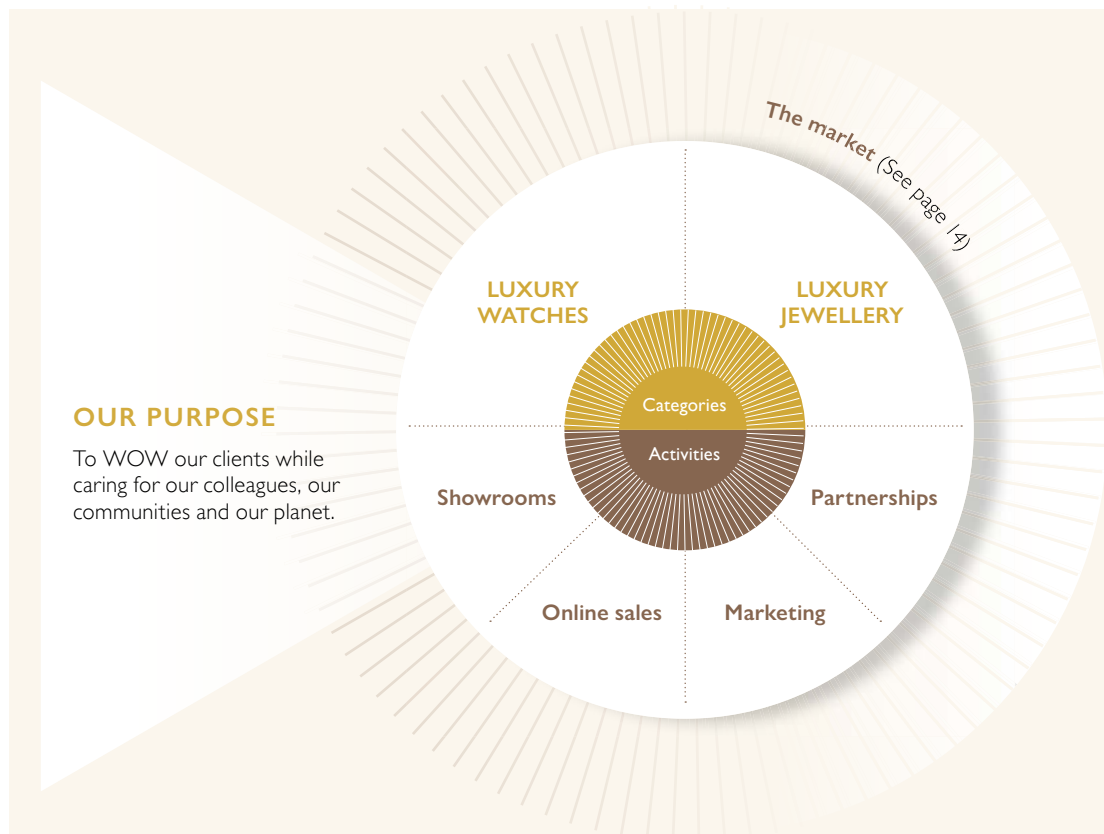
DESTINATION SHOWROOMS

Our clients purchase our products through our retail network of directly operated showrooms. These include multi-brand showrooms, a presence in travel retail, online and a portfolio of mono-brand boutiques in partnership with our brands.

FINANCIAL INVESTMENT

Watches of Switzerland Group PLC is listed on the London Stock Exchange. Through focused investment we drive growth, generate shareholder value and ensure the long-term sustainable future of the Group.

HOW WE CREATE VALUE



OUR PURPOSE

To WOW our clients while caring for our colleagues, our communities and our planet.

WHAT WE DO

We partner with the most prestigious luxury watch and jewellery brands to provide the highest level of client service by well-trained, expert colleagues in modern, luxurious and welcoming showroom environments and state-of-the-art online sites. This is all supported by our international scale, integrated technology and impactful marketing.

The Group operates in the UK and US.

BRAND PARTNERSHIPS

We collaborate with our long-standing brand partners to elevate and expand their distribution and partner on demand forecasting, product launches, showroom projects, online, clienteling, marketing events and learning and development for all our colleagues.

CLIENT EXPERIENCE

Our showroom colleagues provide expertise and knowledge to ensure an exceptional client experience through extensive learning and development.

We have developed our industry-leading Xenia Client Experience Programme.

SHOWROOM ENVIRONMENT

Our well-invested showrooms are luxurious, open, welcoming, contemporary, spacious, non-intimidating and browsable. The design concept is regularly assessed in order to ensure we continue to appeal to a broad client demographic and drive high levels of productivity across our estate.

MULTI-CHANNEL

Our multi-channel model spans a well-invested showroom network, with flagships, regional showrooms, travel retail and mono-brand boutiques complemented by market-leading ecommerce platforms. The Group has a truly multi-channel approach, which includes Click & Collect, an appointment system and the Luxury Watch and Jewellery Virtual Boutique.

MARKETING

We deliver impactful marketing focused on digital communications, Client Relationship Management, PR, client experiences and co-operative activity with brand partners. Our editorial content across watches and jewellery provides an authoritative voice within our market, while the acquisition of the Hodinkee business accelerates the Group's online leadership. Please see page 35 for more details.

SCALE

High barriers to entry created through national coverage in the UK, with a portfolio of 146 showrooms, and a growing and significant presence in the US, comprising 60 showrooms as at 27 April 2025.

OPERATIONAL EXCELLENCE

Technology: Our retail integrated IT systems are based on a single SAP platform powering showroom point of sale, CRM, reporting solutions, live inventory availability and operations. This single platform enables rapid expansion capabilities in new markets or through acquisitions.

Merchandising: Dynamic inventory management optimises stock availability, enhances showroom productivity and in the UK, allows for nationwide coverage, giving us a key competitive advantage.

Retail operations: We aim to continually drive productivity and profitability, with a high level of accountability and performance management.

FINANCIAL DISCIPLINE

Financial performance: We run all our showrooms to be profitable, leveraging showroom and central overheads through top line growth with strict investment criteria on projects or investment opportunities. The closure of low profitability showrooms in the UK is demonstration of this financial discipline in action.

Cash generation: The strong, consistent generation of cash is fuelled by strict working capital management, with sufficient liquidity to fund growth and to provide for potential acquisition opportunities. We take a disciplined and data-led approach to return on investment, aiming to deliver long-term sustainable earnings growth whilst retaining financial capability to invest in our business and to execute our strategic priorities, before returning to shareholders any surplus capital above and beyond those requirements, as appropriate. In FY25 the Group commenced a £25 million share buyback programme.

COLLEAGUES AND COMMUNITIES

We develop our colleagues through significant investment in training and development. This is supported by promoting an open and inclusive environment through listening to our colleagues. We are proud to have been Great Place to Work-Certified™ during the year in both the UK and US.

The Watches of Switzerland Group Foundation launched in 2021 and supports a number of causes, with an emphasis on helping poor and vulnerable people out of poverty. For more details refer to pages 92 to 99.

PLANET AND PRODUCT

We are committed to always 'doing the right thing' to protect our planet and ensure our products are responsibly and sustainably sourced.

During the year, we transitioned to 100% renewable energy across our Group, backed by guarantees of origin, and successfully trialled a new energy management system to improve efficiency and reduce costs in our most energy intensive sites.

We also strengthened our procurement function, introduced a new supply chain management system and ran our first UK marketing campaign dedicated to promoting pre-owned watches in support of a more circular economy.

VALUE CREATED

£1,652m

FY25 REVENUE

£150m

FY25 ADJUSTED EBIT¹

19.0%

FY25 RETURN ON CAPITAL EMPLOYED¹

£214m

FY25 CASH GENERATED FROM OPERATIONS

148

UK AND EUROPE SHOWROOMS AT 27 APRIL 2025

60

US SHOWROOMS AT 27 APRIL 2025

208

TOTAL SHOWROOMS AT 27 APRIL 2025

3,000+

NUMBER OF COLLEAGUES

£8.3m

COMMITTED BY THE GROUP TO THE WATCHES OF SWITZERLAND GROUP FOUNDATION SINCE LAUNCH

¹ This is an Alternative Performance Measure. Refer to the Glossary on pages 270 to 273 for definition and reconciliation to statutory measures where relevant.



OUR BRAND PARTNERSHIPS

Our long-standing association with the most recognised and prestigious luxury watch and jewellery brands is a key point of distinction and a cornerstone of our unique client experience.

OUR BRAND PARTNERSHIPS

LUXURY WATCHES

We have developed strong, long-standing and collaborative partnerships with the most prestigious luxury watch brands over the years. We constantly strive to represent our brand partners in the best possible way to our clients. We work together to identify distribution opportunities, partner on demand forecasting and product development, and collaborate closely on all showroom projects, across our online platform, clienteling initiatives and marketing activities. We also collaborate with our brand partners on training our colleagues to ensure we have experts across all brands within our business.



Founded in 1905 in London by Hans Wilsdorf, Rolex watches are crafted from the finest raw materials and assembled with scrupulous attention to detail.



PATEK PHILIPPE
GENEVE

Utilising over 180 years of experience and perpetuating the tradition of Genevan watchmaking, Patek Philippe has always been at the forefront of the luxury watch industry.



OUR BRAND PARTNERSHIPS



AUDEMARS PIGUET *Le Brassus*

Audemars Piguet is the oldest fine watchmaking manufacturer still in the hands of its founding families (Audemars and Piguet).



Ω OMEGA

Space, James Bond and the Olympics – when it comes to co-associations, OMEGA certainly beats most watch brands in terms of cool, but above that is their absolute mastery of technology and ability to produce some of the finest movements available today.



Cartier

Widely regarded as the inventor of the first watch designed to be worn on the wrist, Cartier was established in Paris in 1847 and is arguably one of the most recognisable Maisons in the world.



TAG Heuer

TAG Heuer creates watches that will take you anywhere – into the ocean's depths, up a mountain, behind the wheel of a car. TAG Heuer timepieces are reliable, innovative and versatile.



B BREITLING 1884

Léon Breitling started his eponymous brand in 1884 and it has specialised in complicated timepieces and chronographs from the beginning, going on to pioneer the wrist-worn chronograph, which was hugely popular with pilots.



TUDOR

Since its founding in 1926, TUDOR has endeavoured to produce the best possible watches at the best possible price. This mission, bold then as it is now, is inspired by the vision of the brand's founder Hans Wilsdorf.

OUR BRAND PARTNERSHIPS

IWC
SCHAFFHAUSEN

GS
Grand Seiko

TISSOT
Swiss Watches since 1853

LONGINES

VACHERON CONSTANTIN
GENÈVE

PANERAI

HUBLOT

JAEGER-LECOULTRE

ZENITH

MB&F

BOVET
CELEBRATING ART AND INNOVATION
SINCE 1822

ULYSSE NARDIN
SINCE 1846 LE LOCLE - SUISSE

GIRARD-PERREGAUX

BREGUET
250 YEARS

BVLGARI

H. Moser & Cie.
VERY RARE

J&CO
JACOB & CO
GENÈVE

BLANCPAIN
MANUFACTURE DE HAUTE HORLOGERIE

SPEAKE MARIN

BREMONT

Chopard

CHANEL

Glashütte
ORIGINAL

PIAGET

DOXA
1889

HAMILTON

ORIS
HOLSTEIN 1904

RADO
SWITZERLAND

ARMIN STROM
SWISS WATCH MANUFACTURE

GREUBEL FORSEY
ART OF INVENTION

ARNOLD & SON
1764

BAUME & MERCIER
MAISON D'HORLOGERIE GENÈVE 1830

PARMIGIANI
FLEURIER

GERALD CHARLES
GENÈVE

LOUIS ERARD

OUR BRAND PARTNERSHIPS

LUXURY JEWELLERY

At the Watches of Switzerland Group, our brands Mappin & Webb, Goldsmiths, Mayors and Betteridge offer their very own collections of jewellery all steeped in a rich history and heritage, making our showrooms and websites the destination for fine luxury jewellery. We are also privileged to partner with the best luxury jewellery brands in the world, including Roberto Coin, David Yurman, BVLGARI, FOPE, Messika, Jenny Packham and Gucci.

Mappin & Webb

GOLDSMITHS

MAYORS

BETTERIDGE

 ROBERTO COIN

DAVID YURMAN

BVLGARI FOPE

MESSIKA
PARIS

Jenny Packham

GUCCI

MIKIMOTO

Chopard

Pomellato
MILANO 1967

FRED

FABERGÉ

MARCO BICEGO

PASQUALE BRUNI

VHERNIER

NOUVEL HERITAGE
PARIS

TABAYER

CHANEL

PAUL MORELLI

dinh van
PARIS

KIKI
MCDONOUGH
LONDON

REPOSSI
6 PLACE VENDÔME PARIS





DELIVERING OUR STRATEGY

Within the framework of our seven strategic priorities, we made progress during FY25 through elevated levels of investment and focus on further developing our client-centric business model.



1. GROW REVENUE, PROFIT AND RETURN ON CAPITAL EMPLOYED

WHAT IT MEANS

To drive revenue growth across our markets of the UK and the US and deliver further operational leverage. Generate strong free cash flow conversion to support growth leading to enhanced Return on Capital Employed (ROCE). Delivered through consistent, sustained capital investment and selective acquisitions to support growth.

HOW WE PERFORMED IN FY25

- Group revenue +8% at constant currency and +7% at reported rates, Adjusted EBIT of £150 million (+12% at constant currency) and ROCE of 19.0% (-50bps)
- Acquired Roberto Coin Inc. and the Hodinkee business (refer to pages 42 to 49)
- Opened four new showrooms
- Relocated/expanded/refurbished 11 showrooms including the new flagship Rolex boutique on Old Bond Street, London and introduction of Rolex agencies to Watches of Switzerland, Plano, Texas and Mayors, Jacksonville, Florida
- Closed low profitability showrooms in the UK, and progressed European exit
- Continued the roll-out of Rolex Certified Pre-Owned and Certified Pre-Owned within our portfolio
- Commenced ecommerce re-platform in US
- Expansion of the luxury branded jewellery offering, including the exclusive launches of David Yurman and Repossi in the UK
- Launched £25 million share buyback programme

OBJECTIVES FOR FY26

- Invest in our showroom portfolio with an exciting pipeline including:
 - New Mappin & Webb Luxury Jewellery boutique, Manchester
 - New Audemars Piguet AP House, Manchester operating as a joint venture
- Continue to grow pre-owned and Rolex Certified Pre-Owned
- Expansion of luxury branded jewellery within our portfolio of showrooms and online
- Launch of our Goldsmiths Signature diamond collection, exclusive cut in the UK market and fully traceable via TracR by De Beers
- Invest in Roberto Coin visibility and brand image, mono-brand boutique format, space expansion, merchandising and marketing
- Launch the re-platformed US ecommerce sites

LINK TO KPIS

- 1 2 3 4 5 6 7 8 9 12

LINK TO PRINCIPAL RISKS AND UNCERTAINTIES

- 1 2 3 4 6 8 9 10

▶ Read more on pages 148 to 153



2. ENHANCE STRONG BRAND PARTNERSHIPS

WHAT IT MEANS

Our strong and long-standing relationships with the most recognised and prestigious luxury watch and jewellery brands have remained a point of distinction. Many of these relationships have been forged over many years, but also include new relationships with some exciting brands. We have also developed exclusive partnerships and representations with some of our brand partners.

We work with a long-term view on elevating our brand partners' equity in the markets we serve and operate in full collaboration and transparency across all aspects of the product, marketing and distribution mix.

HOW WE PERFORMED IN FY25

- Attended multiple watch and jewellery events, including Watches and Wonders Geneva, Geneva Watch Days, Vicenza Jewellery Show, and the JCK and Couture show in Las Vegas
- Watches of Switzerland hosted the 2024 Grand Prix d'Horlogerie de Genève (GPHG) award-winning watches at our Watches of Switzerland showroom in Soho, New York
- Formulation of long-term development plans with our strategic brand partners
- Opened the flagship Rolex boutique on Old Bond Street, London (refer to pages 38 to 41)
- Exclusive and first-to-market watch product with a number of brands including Cartier, Breitling, TAG Heuer and BVLGARI
- Continued acceleration of luxury branded jewellery with new brand partner introductions, including the UK exclusive launches for David Yurman and Repossi
- Worked with brands on significant training programmes for our colleagues including our Learning Management System to support e-learning

OBJECTIVES FOR FY26

- Continue to grow our brand partners' equity, through network elevation and excellence in merchandising and retail
- Develop strategic joint business plans focused on distribution, product launches, training, marketing and online
- Open the Audemars Piguet AP House, Manchester operating as a joint venture
- Introduction of new jewellery brands to our portfolio, including De Beers in our new Mappin & Webb Luxury Jewellery boutique, Manchester
- Continue celebrating our Mappin & Webb 250-year anniversary (refer to pages 50 to 53)
- Strengthen partnerships with our brands on our ESG agenda

LINK TO KPIS

- 5 8 9 12

LINK TO PRINCIPAL RISKS AND UNCERTAINTIES

- 1 3 5 6 7 8 9

▶ Read more on pages 148 to 153

KEY PERFORMANCE INDICATORS

1 Revenue	7 Cash generated from operations
2 Operating profit/EBIT	8 Average selling price
3 Adjusted EBIT	9 Number of showrooms
4 Basic EPS	10 Colleague Engagement Survey
5 Adjusted EPS	11 ESG – Carbon emissions
6 Return on Capital Employed	12 ESG – Circularity

PRINCIPAL RISKS AND UNCERTAINTIES

1 Business strategy execution and development	7 Regulatory and compliance
2 Key suppliers and supply chain	8 Economic and political
3 Client experience and market risks	9 Brand and reputational damage
4 Colleague talent and capability	10 Financial and treasury
5 Data protection and cyber security	11 Climate change
6 Business interruption	



3. DELIVER AN EXCEPTIONAL CLIENT EXPERIENCE

WHAT IT MEANS

Our Xenia Client Experience Programme is an opportunity to create a unique differentiator to our competition. Everything we do is driven by our client experience and our colleagues, who are either serving a client or serving someone who is. Our three Xenia pillars of Know Me, WOW Me and Remember Me enable all colleagues to focus on how we make our clients feel throughout every interaction with our Group.

HOW WE PERFORMED IN FY25

- We made our clients feel comfortable and at ease before their consultation commenced on 96% of visits with the conversation in 9 out of 10 occasions going beyond product and purchase to understand the client on a more personal level
- Our colleagues' passion, expertise and confidence shone through in 9 out of 10 occasions, with 90% of the shoppers agreeing they would be likely to purchase luxury watches or jewellery from the showroom in the future
- Our online client experience remains strong with an average Trust Pilot rating of 4.5 across our US and UK websites
- In the UK, we hosted 225 events and entertained over 5,000 clients in both showrooms and key prestigious locations around the UK with our key brand partners across watches and jewellery along with Certified Pre-Owned events
- In the US, we hosted over 360 events and entertained nearly 6,000 clients across showrooms and external venues with our key brand partners including launch events
- Worked with The AHA Group to create an unrivalled client experience in Rolex Old Bond Street boutique (refer to page 41)

OBJECTIVES FOR FY26

- Continue to focus on the Xenia client experience across our showrooms and embed throughout all our processes and support teams
- Continue to elevate and widen our client event programme, with focus on strong commercial client events
- Focus on clienteling the 'Collector' with relevant activations and enhanced personalised VIP offerings
- Enriched retail training programmes to elevate the coaching and delivery of consistent exceptional service levels, supported by enhanced training resources and targeted training programmes

LINK TO KPIS

8 9

LINK TO PRINCIPAL RISKS AND UNCERTAINTIES

1 2 3 4 5 6 7 8 9 11

▶ Read more on pages 148 to 153



4. DRIVE CLIENT AWARENESS AND BRAND IMAGE THROUGH MULTIMEDIA WITH IMPACTFUL MARKETING

WHAT IT MEANS

Creative, effective and relevant marketing content targeted towards a broad aspirational audience, to support our showrooms and showcase our breadth of range and expertise. We adopt a multi-channel marketing approach to maximise awareness, invest in performance marketing to drive sales both online and offline, and work with brand partners on co-operative marketing campaigns, clienteling and events.

HOW WE PERFORMED IN FY25

- Continued focus on performance marketing with market-leading digital campaigns across Google, optimised for multi-channel return
- Our presence on social media continues to be an important channel to inspire, engage and target a new, younger audience
- Investment in print media and outdoor advertising with our key brand partners, along with bursts of activity to support our Watches of Switzerland Group exclusives and new agencies
- Investment in local activations, ensuring each new or refurbished showroom has a localised support plan to help drive awareness and footfall
- Extensive PR activity in the US with activations such as the GPHG and the first series of dedicated Rolex Certified Pre-Owned events
- Delivered a comprehensive marketing plan to support the launch of Rolex Old Bond Street boutique with media, social media and events

OBJECTIVES FOR FY26

- Maximise key brand partnerships with the delivery of full 360 marketing campaigns and event plans – focusing on new and exclusive products
- Continue to drive awareness through a multi-channel strategy with bold, impactful content creation
- Ongoing investment in performance marketing to drive sales both online and offline, continuing a strong digital presence to drive awareness and conversion
- Deliver a strong event programme, with focus on commercial events, brand hospitality and selected brand experiences
- Focus on Certified Pre-Owned and the circular economy of selling and buying in pre-owned watches
- Focus on retail/commercial marketing to drive footfall and opportunities within showrooms
- Strengthen our editorial voice, maximising the potential of Hodinkee
- Grow the Roberto Coin brand by creating awareness through a high-profile campaign, with Dakota Johnson as Global Brand Ambassador, maximised across all marketing channels to drive conversion

LINK TO KPIS

9

LINK TO PRINCIPAL RISKS AND UNCERTAINTIES

1 3 4 6 8 9

▶ Read more on pages 148 to 153



5. LEVERAGE BEST-IN-CLASS OPERATIONS

WHAT IT MEANS

Merchandising

Dynamic inventory management optimises stock availability, enhances showroom productivity and maximises stock turn. Focus on speed to market in both showrooms and online.

Retail operations

We aim to continually drive productivity and profitability, with a high level of accountability and performance management.

IT systems

Our integrated retail IT systems are based on a single SAP platform powering showroom point of sale, Client Relationship Management, reporting solutions, live inventory availability and operations. This single platform enables rapid expansion capabilities in new markets or through acquisitions.

HOW WE PERFORMED IN FY25

Merchandising

- Improved inventory composition and turn to optimise open-to-buy, cost to assort and bestseller and novelties coverage
- Range reviews by showroom and brand, alongside inventory and turn targets set by brand and product groups
- Extended the level of SKUs we have for key brands on our ecommerce platform to ensure we have the full range of products available by brand

Retail operations

- Opened the flagship Rolex boutique on Old Bond Street, London with unparalleled client service protocols (refer to pages 38 to 41)
- Refined all retail procurement policies and processes, streamlining workload for retail colleagues and reducing costs
- Commenced the UK retail transformation programme, driving efficiency and profitability through our showroom network
- Opened our new US Support Centre in Sunrise, Florida

IT systems

- Continued to refresh and expand our in-store technology, ensuring showroom teams have the best technology to hand in support of every client transaction
- Began re-platforming of our US ecommerce platforms
- Enhanced the Group's cyber security protection framework

OBJECTIVES FOR FY26

- Optimise brand presentation in our showrooms with stock availability and depth and width of assortment, calibrating according to business needs and space capacity
- Focus on inventory composition to further improve ranging and inventory turns
- Continue refurbishment and performance improvement of our showroom network
- Focus on data analytics and AI to drive business insight and performance
- Launch the re-platformed US ecommerce sites
- Continue to enhance our cyber security infrastructure

LINK TO KPIS

2 3 4 5 6 7 8 9 12

LINK TO PRINCIPAL RISKS AND UNCERTAINTIES

1 2 3 4 6 7 8 10 11

▶ Read more on pages 148 to 153



6. EXPAND OUR MULTI-CHANNEL LEADERSHIP

WHAT IT MEANS

Our multi-channel business model is a key competitive advantage and underscores our ability to react with speed and agility to a rapidly evolving consumer environment whilst offering our clients an exceptional experience. We continue to invest in expanding and enhancing our platform, consisting of multi-brand showrooms, online, travel retail and mono-brand boutiques.

HOW WE PERFORMED IN FY25

Multi-brand showrooms

- Opened two new multi-brand showrooms
- Completed the significant refurbishments/expansions/relocations of ten multi-brand showrooms, including the opening of a new 2,000 sq. ft. Patek Philippe room in Betteridge, Greenwich, Connecticut

Online

- Continued to leverage our market-leading position in the UK in digital marketing and multi-channel excellence
- Commenced the US ecommerce re-platform
- Acquisition of the Hodinkee business to leverage online client base and traffic

Mono-brand boutiques

- Opened the flagship Rolex boutique on Old Bond Street, London (refer to pages 38 to 41)
- Converted our Mayors, Lenox, Atlanta showroom to a Rolex boutique

Travel retail

- Travel retail in the UK continues to improve as traffic continues to increase

Wholesale branded jewellery

- Acquisition and integration of Roberto Coin Inc. (refer to pages 46 to 49)

Media

- Acquisition of the Hodinkee business (refer to pages 42 to 45)

OBJECTIVES FOR FY26

- Ongoing investment in elevating and upgrading the existing network
- Growing sector leadership online with a focus on luxury watches, jewellery and luxury branded jewellery with continual improvement of user experience
- Launching the new US ecommerce platform, providing a more seamless journey for Hodinkee traffic
- Working closely with our brand partners to further develop our multi-channel partnerships
- Commencing strategic initiatives for Roberto Coin Inc., including space expansion and opening mono-brand boutiques in the US

LINK TO KPIS

9

LINK TO PRINCIPAL RISKS AND UNCERTAINTIES

1 3 4 6 8 10

▶ Read more on pages 148 to 153



7. CONTINUE TO ADVANCE ACROSS ESG INDICATORS

WHAT IT MEANS

We continue to make strong progress against Environmental, Social and Governance indicators, which serve as the foundation of our sustainability strategy and play a critical role in driving long-term value creation and enhancing stakeholder trust and satisfaction.

HOW WE PERFORMED IN FY25

People

- Great Place to Work-Certified™ in both the UK and US
- Further closure of the UK Gender Pay Gap by 4% to 16%
- Ranked #7 of the FTSE 250 in the FTSE Women Leaders Review
- Donated £986,646 to UK charities and \$591,500 to US charities through The Watches of Switzerland Group Foundation

Planet

- Transitioned to 100% renewable energy across our Group through the purchase of renewable energy certificates, backed by guarantees of origin
- +11% in total location-based emissions, driven by growth in the business. 86% reduction in our market-based operational emissions
- Introduced a new energy management system to help reduce energy consumption and emissions
- Carried out a net-zero feasibility study and began to align our reporting with the recommendations of the UK Transition Plan Taskforce (TPT)
- Grew sales of pre-owned watches by 39%, but missed our circularity target
- See page 58 for carbon emissions and circularity KPIs

Product

- Strengthened our procurement function
- Implemented a bespoke AI platform to support data collection, transparency and due diligence
- Ran our first UK marketing campaign dedicated to promoting pre-owned watches
- Mappin & Webb named CSR Jewellery Retailer of the Year by the Professional Jeweller Awards for the second consecutive year

OBJECTIVES FOR FY26

- Maintain our Great Place To Work® certification
- Set long-term, science-based targets to reach net-zero emissions by 2050 and improve energy efficiency
- Evolve our climate transition planning
- Grow our range of products with positive environmental and social attributes
- Further support circularity by promoting repairs, servicing and pre-owned
- Continue our support for The Watches of Switzerland Group Foundation

LINK TO KPIS

10 11 12

LINK TO PRINCIPAL RISKS AND UNCERTAINTIES

1 2 6 9 10 11

▶ Read more on pages 148 to 153

SUSTAINABILITY

Our strategy is underpinned by three pillars



PEOPLE

Give our colleagues every reason to join, grow and stay
 Attract and retain talent
 Build an organisation fit for the future
 Leverage our unique culture
 Support our local communities

▶ Read more on page 78



PLANET

Achieve net-zero carbon by 2050
 Build climate resilience
 Help preserve natural resources

▶ Read more on page 100



PRODUCT

Improve our traceability and sourcing standards
 Highlight industry progress
 Support circularity through repairs, servicing and our pre-owned business

▶ Read more on page 132



“

We are delighted to support our longest-standing partner in the UK, the Watches of Switzerland Group, with the opening of the new boutique in Bond Street. The new store represents the latest elevation in customer service standards and Rolex representation.

The boutique is not only a place to purchase a timepiece but also a celebration of the brand's legacy, with The Rolex Watch Company having been founded in London in the early 1900s. It reflects innovation and a commitment to delivering an unparalleled experience for every client.”

RICHARD DE LEYSER
MANAGING DIRECTOR, ROLEX UK



On 14 March 2025, we were proud to open our new flagship Rolex boutique located on Old Bond Street in Mayfair, London. The opening represents an exciting new chapter in the partnership with Rolex, which began over 100 years ago in 1919 with our Northern Goldsmiths showroom in Newcastle. We were honoured to reveal this landmark showroom, having managed the former Rolex boutique on Old Bond Street for the last 50 years, marking a significant milestone in the luxury horology retail landscape.

FOUR FLOORS, A WHOLE ROLEX WORLD

Nestled in one of the most prestigious global luxury retail destinations, the new boutique spans four elegantly designed floors, each dedicated to welcoming clients and showcasing the finest Rolex timepieces. Visitors are able to immerse themselves in the entire Rolex collection, with all iconic families such as GMT Master II, Cosmograph Daytona and Submariner showcased. Additionally, the boutique features a floor dedicated to Rolex Certified Pre-Owned and a Rolex exhibition which proudly displays the finest heritage pieces from the last 120 years. The boutique also includes a Rolex Authorised Service Centre for the maintenance and care of clients' timepieces.

ROLEX INTERIOR

The boutique's interior is a harmonious blend of contemporary elegance and timeless craftsmanship, featuring distinct areas that cater to every aspect of a client's journey. Upon entering the ground floor, visitors are met with an elegant marble mosaic-floored reception lobby adorned with a signature green marble wall and large concierge desk, where they are greeted by attentive hosts who guide them seamlessly through the boutique.

Links to strategic pillars:



Directly adjacent to the reception, the main showroom area offers a thoughtfully arranged display space, allowing clients to explore and familiarise themselves with the Rolex collections. A captivating, suspended art installation featuring gold bezels and green glass, visible from each floor, adds a touch of creativity, taking advantage of the full height of the building. With carefully curated displays and an expert, passionate team on hand, visitors will receive a personalised service and guidance as they discover the history and innovation behind each timepiece.

As clients descend to the lower ground floor via the bespoke walnut staircase which runs throughout, they will enter a room divided into two complementary spaces: the Rolex exhibition area and the Rolex Certified Pre-Owned room. This elegant sanctuary resembles a private study, complete with relaxed seating areas and gallery walls showcasing iconic Rolex testimonies. Here, clients can immerse themselves in the rich history and technical excellence of the brand, making the experience not just a retail visit, but an insightful journey into the world of Rolex.

The first floor is home to current Rolex collections, where the pinnacle of watchmaking is displayed. Designed with luxury in mind, two private consultation suites grant clients the opportunity to try on rare and exclusive timepieces. Further presentation areas are furnished with tan leather seating and are set around a magnificent green marble bar, inviting clients to experience the finest hospitality. In addition to the classic and world-renowned collections, the boutique features an exclusive selection of unique and rare gem-set Rolex timepieces.

“

The opening of one of the largest Rolex boutiques in Europe marks a monumental milestone for both the Watches of Switzerland Group and our enduring partnership with Rolex, which has flourished for over a century. At over 7,200 square feet, this boutique will not only showcase the widest array of timepieces, including rare gem-set models, but also redefine the luxury retail experience. We have invested in this venture because we are committed to delivering a memorable brand experience with exceptional client experience. This will be a true destination for Rolex enthusiasts, where they can immerse themselves in the heritage and craftsmanship of the brand while enjoying the very best in the product offerings from current ranges, Rolex Certified Pre-Owned and After-Sales services.”

BRIAN DUFFY
CEO OF THE WATCHES OF SWITZERLAND GROUP



AUTHORISED SERVICE CENTRE

The flagship experience culminates on the second floor, which houses the Rolex Authorised Service Centre, with five fully trained watchmakers and two technicians ensuring clients can enjoy world-class technical service. This floor emphasises the brand's commitment to craftsmanship, a glass-walled Rolex timepiece workshop offering visitors a glimpse into the state-of-the-art specialist capabilities and technical know-how. With four after-sales desks and consultation areas at their disposal, clients can expect an all-encompassing service experience.

The Watches of Switzerland Group has a long-lasting partnership with Rolex and the Old Bond Street boutique is the jewel in the crown, offering an unmatched retail experience that establishes a new standard in luxury.

XENIA CLIENT EXPERIENCE AT ROLEX OLD BOND STREET

Client experience is at the heart of everything that the Watches of Switzerland Group do and working with The AHA Group, we created an unrivalled luxury experience to ensure that the Rolex Old Bond Street boutique is coveted as the destination for Rolex worldwide.

The AHA Group crafts unparalleled, scalable and innovative client experiences that not only drive financial results but also enhance client loyalty and create passionately engaged clients.

The vision for the client experience in Rolex Old Bond Street was based on honouring Rolex's legacy and providing every guest with a personal experience and a lasting memory – while ensuring consistency, scalability and efficiency. We wanted to create an unrivalled luxury experience coveted as the destination for Rolex worldwide. This mission has been the guiding light for the client experiences that we have designed – from the very first moment coming through the doors through to the last fond farewell, each guest will be treated exceptionally. The client experiences at this boutique are guided by a 140-page Experience Playbook brought to life by the finest teams in luxury retail.

The partnership between Antonia Hock, Founder & President of The AHA Group, and the Watches of Switzerland Group was established in 2021, when the Group launched Xenia – our in-house elevated Client Experience Programme which is now used across the Group. The Rolex Old Bond Street boutique is the pinnacle of this luxury client experience, delivering an unmatched retail experience that establishes a new standard in luxury.

“

This boutique offers guests and clients an unparalleled experience that brings the world of Rolex to life. Each detail – from the design of the space to the carefully crafted luxury moments – underpins a commitment to delivering the highest standards in luxury retail. It was a pleasure to work alongside the best teams in the industry to bring these client experiences to life for Rolex aficionados worldwide. When the doors open on Old Bond Street, delightful experiences await every guest!”

ANTONIA J.A. HOCK
FOUNDER & PRESIDENT OF THE AHA GROUP



OUR STRATEGY IN ACTION
CONTINUED

THE WATCHES OF SWITZERLAND GROUP PLC ANNUAL REPORT AND ACCOUNTS 2023



Ben Clymer, Hodinkee CEO

HODINKEE

In October 2024, the Watches of Switzerland Group announced the acquisition of the editorial, limited edition product and insurance business of Hodinkee, uniting the leading watch retailer and the digital trailblazer with the goal of supporting Hodinkee's continued operation as a leader in the watch community. The acquisition created an alignment between the Watches of Switzerland Group and Hodinkee, two pioneering businesses jointly dedicated to the betterment of the watch industry.

With a history of stewarding brands, the Group is utilising its leadership role in the industry to further Hodinkee's mission in sharing the most engaging, educational and entertaining watch content. This acquisition significantly impacts its leadership position by, among other things, providing unmatched insight to the world's leading watch editorial entity as well as access to one of the most developed watch enthusiast communities in the industry.

As part of the acquisition, Hodinkee founder, and former CEO, Ben Clymer returned to his leading position for the company, for the first time since 2020. Hodinkee is run independently as a leading editorial media organisation under the Watches of Switzerland Group umbrella. In a decision based in protecting an integral component of the industry, both teams have a shared goal in growing the global watch community and continuing Hodinkee's journalism, ensuring the entire watch industry can continue its faith in Hodinkee's unique voice and lens through which they present unmatched editorial content.

The Group also acquired functions behind Hodinkee's insurance programme. In partnership with Chubb, the premier insurer of valuable collections, Hodinkee offers maximised protection for watches and jewellery.



Links to strategic pillars:



“

We align ourselves with brands who inspire us, and whose partnership offers a mutually beneficial outcome. Hodinkee distinguishes itself in the world of horology, and while our goal is to provide Hodinkee with a home to continue to flourish, we are proud to gain valuable insights from their groundbreaking team and operation.”

BRIAN DUFFY
CEO OF THE WATCHES OF SWITZERLAND GROUP

OUR STRATEGY IN ACTION
CONTINUED

ABOUT HODINKEE

Since its founding in 2008, Hodinkee has become the pre-eminent resource for modern and vintage wristwatch enthusiasts. Founder and CEO, Ben Clymer and his team of writers are known for their innate understanding of both historical references and the most cutting-edge haute horlogerie, and more importantly, can explain them in a way that is both entertaining and easy to understand. The Hodinkee team circles the globe looking for the most interesting stories about watches, watch collectors, watchmakers and more, and then tells those stories across a diverse group of multimedia channels. Hodinkee is the horological touchpoint for other news, business and lifestyle media, too.

Hodinkee also announced that award-winning journalist Andy Hoffman has joined the Hodinkee editorial team as Senior Business Editor. Based in Geneva, Switzerland, Andy brings exceptional depth of expertise through his career spanning Bloomberg News and The Globe and Mail.



APRIL 29, 2025

HODINKEE

WHAT'S NEW STORIES VIDEOS BRANDS INSURANCE SHOP



**INTRODUCING The Noctograph, The Third Collaboration
Between Massena Lab and Independent Watchmaker Raúl
Pagès**

THE HODINKEE AUDIENCE

Hodinkee is the leading global platform for watch collectors and luxury enthusiasts. The global audience is highly engaged and connected with the Hodinkee brand across all platforms. Hodinkee reaches passionate, knowledgeable and highly engaged communities across social media channels globally.



WEBSITE & APP

48m

VIEWS PER YEAR

15m

TOTAL ACTIVE USERS

FOCUS FOR HODINKEE GOING FORWARDS

The acquisition of the Hodinkee business will help drive online leadership in the US, through leveraging the high-quality traffic and client base that Hodinkee holds. In May 2025 we re-platformed our Watches of Switzerland US ecommerce site to Shopify, which provides a seamless link between Hodinkee and the Watches of Switzerland platform.

Ben and his team have begun hosting exclusive events within our showrooms in both the US and UK. This will become a feature of how our two businesses can work together in partnership.



SOCIAL MEDIA

1.5m

SOCIAL MEDIA FOLLOWERS

Q&A BEN CLYMER, HODINKEE CEO



Why do you consider the acquisition of Hodinkee by the Watches of Switzerland Group positive for the future of the business?

Since Hodinkee's founding in 2008, we've always known we wanted to find a home for it that would help expand our mission to share the love of watches with as many people as possible. With the Watches of Switzerland Group's role as one of the largest, strongest and oldest retailers in the English speaking world – not to mention one with a leadership team with whom we've been friends for approaching ten years now – it just made great sense to join forces. We really believe that together, we can serve the global watch community in a whole new way.

What has been your first impressions since joining the Group?

There are two things I've really come to appreciate in these first six months: 1) the operational efficiency of such a large, global organisation – something I definitely want to learn from and apply to what we do at Hodinkee and 2) the strength of the team. These people really know their strengths and weaknesses and lead in a special way, while never being afraid to ask questions. It's been great so far, top to bottom.

Are you concerned Hodinkee will lose editorial impartiality by being part of the Group?

Simply stated, not in the least. Every publication on earth is owned by someone – including those that cite their impartiality daily – and part of the excitement behind this partnership is that the Group works with almost every single brand on this earth as a retail partner; and on the pre-owned side, literally every brand. The Group, like Hodinkee, is just here for the greater good of watches – and the Hodinkee team remains completely removed from the goings on of the retail business. We are now, more than ever, encouraged to do things our way.

What are you most excited about for the future?

The most exciting part of the future, to me, will be taking the strengths of Hodinkee, and the strengths of the larger group, and trying some new ways to service our community. There isn't a combination like us out there anywhere else in the world – and in due time, we'll see more people realising that. We can't wait to show you what's next – sincerely.

OUR STRATEGY IN ACTION
CONTINUED



On 8 May 2024, we announced that the Group had acquired the exclusive distribution rights for the Roberto Coin brand in the US, Canada, Central America and the Caribbean, through the acquisition of Roberto Coin's US associated company, Roberto Coin Inc., for a total consideration of £106 million.

The acquisition of Roberto Coin Inc. builds on the Group's proven capabilities in showcasing luxury brands and represents a significant milestone in our stated strategy to accelerate jewellery growth in the luxury branded jewellery category in the US, the world's largest and fastest growing luxury jewellery market. The transaction marks a step change in the Roberto Coin Inc. retail and distribution strategy, underpinned by our retail and digital expertise and portfolio of showrooms across the US.

STRATEGIC RATIONALE FOR THE ACQUISITION OF ROBERTO COIN INC.

Luxury branded jewellery is a core pillar of the Group's growth strategy; the trend within the global luxury jewellery market is towards branded jewellery which made up 27% of the market in 2024, up from 17% in 2019.

The acquisition builds on the Group's proven capabilities in showcasing luxury brands across both watches and jewellery and will significantly enhance our strategic positioning in the luxury branded jewellery category in the US, the world's largest luxury jewellery market on a per capita basis.

The Group leverages its operational and retailing expertise to drive incremental growth in Roberto Coin Inc., both across Roberto Coin Inc.'s wholesale distribution as well as Direct to Consumer (DTC) in the Group's retail boutiques and online.

KEY OPPORTUNITIES INCLUDE:

Expansion opportunities in wholesale

- Opportunity for enhancement of the in-store presentation, including shop-in-shop formats with existing partners. These have been trialled to great effect in our Mayors showrooms
- Focus on merchandising, including core ranges and 'never out of stock' products going into FY26
- Further expansion of the wholesale network with department stores and independent retailers
- Developing joint business plans with wholesale partners
- Opportunity to develop the export markets in Canada, Central America and the Caribbean

DTC through the Group's showroom portfolio and online

- New shop-in-shop presentations have been installed in Mayors showrooms, driving improved sales densities and productivity
- FY26 re-launch of the Roberto Coin US online ecommerce platform
- Potential to elevate and expand space
- Using the Group's CRM and clienteling capabilities to drive sales
- Actively negotiating new mono-brand boutiques in the US with three leases signed to date

Opportunities for both DTC and wholesale

- Opportunity to grow the high-end Roberto Coin Collection
- In May 2025 we launched the new brand campaign for Roberto Coin, featuring Dakota Johnson as Global Brand Ambassador: This campaign will significantly increase brand awareness of Roberto Coin and bring the brand to a wider audience

Links to strategic pillars:



ABOUT THE ROBERTO COIN BRAND

Roberto Coin is a brand of fine jewellery, whose operational and production headquarters are located in the heart of Vicenza, close to the city of Venice, otherwise known as the City of Gold because of the proliferation of goldsmiths. Roberto Coin jewellery champions the traditional values of Italian artisanship, with Coin's immense creativity and his love of fashion and the arts being channelled through every piece.

The brand has become famous throughout the world for its collections' design and technological innovation, which pay homage to, and revolutionise ancient Italian manufacturing techniques, as well as for its particular 'art of creating new authenticity'.

Roberto Coin, the brand's founder, designer and eclectic businessman, defines his desire to make collections that are always distinct and to guarantee that each piece of jewellery is perceived as unique. Far from standardised, the brand avoids aesthetic traits that would make it easily recognisable.

Roberto Coin prefers that the details of artisanship tell the story of his mission to create beauty – mixing the past with the present and the codes of elegance with the forms of art and architecture that inspire him, particularly as he's walking through the alleyways of Venice, the city where he was born.

Another fundamental element that ties the collections together and has made the brand an icon of refinement throughout the world, is a small signature ruby found inside every piece. It's positioned so that it's in contact with the wearer's skin, respecting the ancient legend that rubies could confer a long and happy life. This precious signature has always been the message that the brand dedicates to each of its clients. Loved by movie and fashion stars, Roberto Coin's jewellery takes centre stage on international red carpets and countless editorial pages. In part, this is a result of the brand's tireless ethical commitment, a beacon that has illuminated Roberto Coin since its foundation; a commitment that includes the activities of the Kimberley Process, World Diamond Council, Dodd Frank Act, Responsible Jewellery Council, CIBJO and carbon offsetting.

Today Roberto Coin is universally recognised as a pioneering talent in conceiving new trends and as a man capable of balancing creativity and commerce in the name of a success that is as brilliant as it is responsible.

Roberto's creations have conquered more than 60 countries around the world, the US being the largest market, where the brand is a leader in the jewellery industry.



Christy Turlington, previous ambassador of Roberto Coin

“

The brand has become famous throughout the world for its collections' design and technological innovation, which pay homage to, and revolutionise ancient Italian manufacturing techniques, as well as for its particular 'art of creating new authenticity'."



THE MAGICAL RUBY SIGNATURE

The idea of the ruby as a symbolic signature comes from an ancient time and the pages of antique books. A passion for history and mythology led Roberto Coin to discover three very special stories. Three tales that mixed reality and imagination, as is the nature of every true legend, which led him to a fundamental choice for his future.

The legend belongs to the world of ancient Egypt. The pharaohs believed that the ruby was a sort of talisman capable of, if kept in contact with the skin, guaranteeing love, joy and everlasting health.

Roberto Coin found a passionate, meaningful symbol in the ruby and decided to identify the soul and the mission of his creative world with this little precious stone.

In 1996, the launch of the Appassionata collection marked not only the beginning of the brand's history, but also the first time that the magical signature, a small ruby with an immense story, was set inside every piece of the collection.

The now famous hidden ruby conveys a message of goodwill from Roberto Coin, combining the ardour of courage, the passion of love and the vitality of hope.

ABOUT MR ROBERTO COIN



After a first successful career in the world of hospitality in Great Britain, at the age of 32, Roberto Coin decides to return to his home country, Italy and turn a new page in his life. Driven by his natural passion for style and exclusivity, he approaches the jewellery world accompanied by a great will to learn and to dialogue with the main international entrepreneurs and the Italian artisanal maestros who teach him all the secrets of the industry.

In 1996, the crucial decision: creating his own jewellery brand. At this point Roberto Coin's vision and creativity manifest themselves freely, creating collections that are as exclusive and multifaceted as the women who wear them. In a very short time the brand becomes recognised and esteemed worldwide.

Since the beginning, Roberto Coin has signed each one of his creations with a small ruby set inside; a secret message of good wishes dedicated to his clients that over the years has conferred him the nickname of 'The Collector of Rubies'.

Beyond the grand success of his creations, in 2009 and in 2013 Roberto Coin was invested by the Italian Republic with the titles of Grand Officer and Commander Order of Merit. He is also a member of the board of directors of the World Diamond Council, the organisation that collaborated with the UN to create the Kimberly Process.

In the last 20 years he has been awarded with many different prizes, relating to the beauty of his collections and also to his direct efforts in corporate social responsibility.

Today, Roberto Coin lives between Vicenza and Venice and continues his travels around the world where he takes inspiration for five new collections every year.

OUR STRATEGY IN ACTION
CONTINUED



THE WATCHES OF SWITZERLAND AND GROUP PLC ANNUAL REPORT AND ACCOUNTS 2025

Since it was founded in 1775, Mappin & Webb has harnessed a rich and storied history within the watch and jewellery industry. Now, as we celebrate 250 years, we continue to embrace tradition with contemporary design, cementing our position as a British treasure built upon the foundations of excellence, superior quality and exquisite craftsmanship.

Our brand story began in 1775, when Jonathan Mappin opened a workshop in Sheffield. His mission was to create the most beautifully crafted silverware for British society.

The years that followed saw the Company expand internationally, receiving Royal Warrants and commissions from Monarchs around the world, and becoming synonymous with excellence, craftsmanship and all things undeniably British.

The Company continued to trade throughout both World Wars and its acclaimed Campaign watch, supplied to the Admiralty in 1914, played an integral role in the brand's widespread popularisation during this time.

Mappin & Webb has been Warrant Holders to all the United Kingdom's sovereigns since 1897, having served five monarchs over a continuous period of 128 years. Today we continue as Jewellers, Goldsmiths and Silversmiths to His Majesty King Charles III.

“

It is our great pleasure that in May 2024 we received the Royal Warrant to His Majesty The King as Jewellers, Goldsmiths and Silversmiths. As a grantee of a Royal Warrant, it signifies and reinforces our exemplary service, quality and excellence of the highest calibre. The appointment is judged on the sustainability and environmental policies we have in place within the Group and to have been awarded this for five years is testament to the hard work we have put in within our Company.”

KARL BAILEY, SENIOR MANAGER
MAPPIN & WEBB, REGENT STREET



Mark Appleby LVO,
Crown Jeweller

THE CROWN JEWELLER

The Crown Jeweller, Mark Appleby LVO, is an integral part of our business as the Head of Jewellery Services for Mappin & Webb and oversees all the craftsmanship that is produced in our jewellery workshop and studios.

Mark Appleby was appointed to the position of Crown Jeweller in 2017, having also held the position of Personal Jeweller to the Sovereign since 2012. This further cemented the Company's long-standing royal connection, being the 10th person ever to be awarded this incredible honour.

The Crown Jeweller serves as the custodian of the Crown Jewels housed in the Tower of London. He is responsible for their annual maintenance and attends key ceremonial events, including the Royal Maundy Service, Royal Christenings, and Baptisms. He also participates in the State Opening of Parliament and, of course, in highly significant occasions such as the State Funeral of a Monarch and the subsequent Royal Coronation – both of which Mark Appleby LVO has had the great honour of attending during his tenure as custodian of the Crown Jewels.



Links to strategic pillars:



OUR STRATEGY IN ACTION
CONTINUED

OUR JEWELLERY AND SILVER WORKSHOPS

Mappin & Webb's London Jewellery Workshop services all our Mappin & Webb showrooms for their repairs and restoration needs and is known for its incredible one-off bespoke jewellery pieces.

Our Jewellery Workshop has a highly skilled and professional team of mounters, gemstone setters, renovators and restoration experts, CAD technicians, polishers and gemmologists who, together, channel their passion for jewellery into the most exquisite creations.

There have been several collections of jewellery within our Mappin & Webb showroom that have been overseen by the Crown Jeweller. Inspired by the depths of our archives, these jewellery pieces marry innovation with craftsmanship from design origin to completion, all of which meet the final exacting standards of the Crown Jeweller.

Mappin & Webb is very proud to not only have its own state-of-the-art Jewellery Workshop, but also a Silver Workshop based in Greater London. Our experienced team consists of silversmiths, polishers, platers and engravers who have worked on some incredible pieces in recent years. From the restoration of mayoral regalia to the traditional professional cricket awards, and the very prestigious Ascot Trophies. Mappin & Webb had the honour of producing these trophies during the year that the late Queen Elizabeth II's horse 'Estimate' won The Queen's Vase and the famous Ascot Gold Cup the following year.

“

Our Jewellery Workshop has a highly skilled and professional team of mounters, gemstone setters, renovators and restoration experts, CAD technicians, polishers and gemmologists who, together, channel their passion for jewellery into the most exquisite creations.”





MAPPIN & WEBB TODAY

Mappin & Webb's showrooms present our clients with an unparalleled selection of beautiful watch and jewellery pieces from our luxury brand partners as well as our own luxury jewellery collections, ranging from entry-level diamond pieces to high-end jewellery. In 2023 we unveiled a new contemporary design concept in our Mappin & Webb, York Showroom and we continue to roll out this concept.

We are proud to host luxury watch brands that include Rolex, Cartier, OMEGA, TUDOR and TAG Heuer, alongside our luxury jewellery brand partners. From the romanticism of Roberto Coin to the contemporary vision embraced by Messika, the Italian style and innovative flair of FOPE, and the eclectic and emblematic designs from Gucci.

In July 2024, Mappin & Webb became the sole UK retailer of the luxury American jewellery brand, David Yurman in our flagship Regent Street showroom. Pomellato, Pasquale Bruni, Fred, Marco Bicego, Repossi and Fabergé are also exciting recent additions to Mappin & Webb's luxury brand portfolio – each harnessing a unique style combined with a rich heritage and distinct craftsmanship.

SUSTAINABILITY

Within Mappin & Webb we focus on sustainability – an example being the introduction of a contemporary 18ct Yellow Gold collection, designed and crafted by Precious Metal Designs by The Royal Mint, using their pioneering precious metal sourcing technology. The collection is made from a sustainable source of gold provided by The Royal Mint's Precious Metals Recovery factory in South Wales. Using world-first patented chemistry from the Canadian clean tech company Excir, The Royal Mint has the capability to extract high-quality 999.9 purity gold from e-waste. This recovered high purity gold reduces the dependence on traditional mining and encourages more sustainable industry practices.

We were proud that Mappin & Webb was named CSR Jewellery Retailer of the Year at the Professional Jeweller Awards 2024 for the second year running.

HOW THE GROUP MEASURES PERFORMANCE

Key Performance Indicators (KPIs) are designed to measure the development, performance and position of the business.

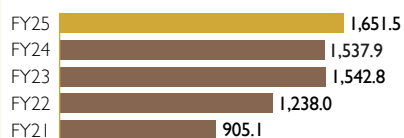
Certain KPIs are Alternative Performance Measures (APMs). The Directors use these measures as they provide additional useful information and analyses on the underlying trends, performance and position of the Group. The APMs are not defined by IFRS and therefore may not be directly comparable with other companies' APMs. These measures are not intended to be a substitute for, or superior to, IFRS measures.

FINANCIAL PERFORMANCE

REVENUE

PERFORMANCE (£ MILLION)

£1,651.5



DEFINITION AND PURPOSE

Revenue is stated exclusive of sales taxes and is measured in accordance with IFRS 15 'Revenue from contracts with customers'.

Growing revenue is a key pillar of our business strategy.

COMMENTARY

Group revenue increased +8% versus the prior year in constant currency (+7% reported), with UK and Europe +2% and US revenue +16% in constant currency (+14% reported).

Further details on the revenue performance in the year can be found in the Financial Review section on pages 59 to 64.

LINK TO STRATEGY



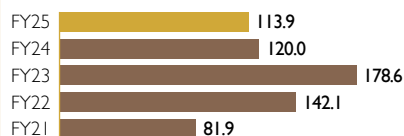
LINK TO KEY PRINCIPAL RISKS AND UNCERTAINTIES

1 2 3 4 8 9

OPERATING PROFIT

PERFORMANCE (£ MILLION)

£113.9



DEFINITION AND PURPOSE

Measure presented on the face of the Consolidated Income Statement representing Profit/Earnings Before Interest and Taxation.

Growing profit is a key pillar of our business strategy.

COMMENTARY

Operating profit reduced by 5% in the year; behind revenue growth. The reported number is after the impact of £55.5 million of exceptional costs (see note 4 in the Consolidated Financial Statements for details).

Further details on profit performance in the year can be found in the Financial Review section on pages 59 to 64.

LINK TO STRATEGY



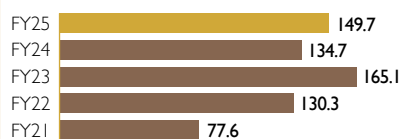
LINK TO KEY PRINCIPAL RISKS AND UNCERTAINTIES

1 2 3 4 8 9 10

ADJUSTED EBIT

PERFORMANCE (£ MILLION)

£149.7



DEFINITION AND PURPOSE

Operating profit before exceptional items and IFRS 16 impact. This is a measure of profitability that excludes one-off exceptional items and IFRS 16 adjustments to allow for comparability between years.

This measure is defined as segment profit under IFRS 8 'Operating segments' and is reconciled to Profit Before Taxation on an IFRS basis in note 2 to the Financial Statements.

Growing profit is a key pillar of our business strategy.

This measure was linked to the Executive performance target for the FY25 annual bonus. Further detail can be found in the Remuneration Committee Report on page 193.

COMMENTARY

Adjusted EBIT increased by 11% versus the prior year; ahead of revenue growth.

Further details on profit performance in the year can be found in the Financial Review section on pages 59 to 64.

LINK TO STRATEGY



LINK TO KEY PRINCIPAL RISKS AND UNCERTAINTIES

1 2 3 4 8 9

PRINCIPAL RISKS AND UNCERTAINTIES

- | | |
|---|---------------------------------|
| 1 Business strategy execution and development | 7 Regulatory and compliance |
| 2 Key suppliers and supply chain | 8 Economic and political |
| 3 Client experience and market risks | 9 Brand and reputational damage |
| 4 Colleague talent and capability | 10 Financial and treasury |
| 5 Data protection and cyber security | 11 Climate change |
| 6 Business interruption | |

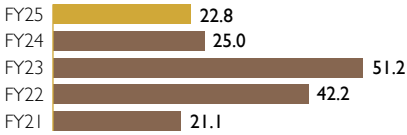
STRATEGIC PRIORITIES

- | | |
|--|---|
| Grow revenue, profit and Return on Capital Employed | Leverage best-in-class operations |
| Enhance strong brand partnerships | Expand our multi-channel leadership |
| Deliver an exceptional client service | Continue to advance across ESG indicators |
| Drive client awareness and brand image through multimedia with impactful marketing | |

BASIC EARNINGS PER SHARE

PERFORMANCE (p)

22.8



DEFINITION AND PURPOSE

Basic Earnings Per Share (EPS) is a statutory measure defined by IAS 33. EPS is a direct measure of profitability per share held in the Group.

Growing Basic EPS is a key pillar of our business strategy.

COMMENTARY

Basic EPS has reduced from 25.0p to 22.8p in the year, reflecting the decreased profitability in the year (inclusive of exceptional costs detailed in note 4 in the Consolidated Financial Statements).

For further detail please refer to note 9 in the Consolidated Financial Statements.

LINK TO STRATEGY



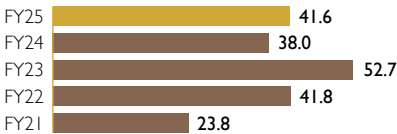
LINK TO KEY PRINCIPAL RISKS AND UNCERTAINTIES

- 1 2 3 4 8 9 10

ADJUSTED EARNINGS PER SHARE

PERFORMANCE (p)

41.6



DEFINITION AND PURPOSE

Basic EPS adjusted for exceptional items as disclosed in note 4 to the Financial Statements. This measure is reconciled to statutory measures in note 9 to the Financial Statements.

This is a measure of profit per share held in the Group, excluding exceptional items and IFRS 16 adjustments. This presents the Group's underlying performance without distortion from one-off or non-trading events to provide comparability between years.

Growing Adjusted EPS is a key pillar of our business strategy. This measure is linked to the Executive performance target for the LTIP incentives.

Further detail can be found in the Remuneration Committee Report on page 193.

COMMENTARY

FY25 Adjusted EPS has increased from 38.0p to 41.6p in the year, reflecting the increased underlying profitability in the year.

For further detail please refer to note 9 in the Consolidated Financial Statements.

LINK TO STRATEGY



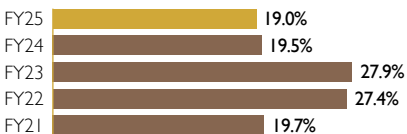
LINK TO KEY PRINCIPAL RISKS AND UNCERTAINTIES

- 1 2 3 4 8 9 10

RETURN ON CAPITAL EMPLOYED

PERFORMANCE (%)

19.0%



DEFINITION AND PURPOSE

Return on Capital Employed (ROCE) is defined as Adjusted EBIT divided by average capital employed. Average capital employed is total assets less current liabilities on a pre-IFRS 16 basis. The calculation for ROCE is included in the Glossary on page 272.

ROCE demonstrates the efficiency with which the Group utilises capital, and is a key pillar of our business strategy.

This measure is linked to the Executive performance target for the LTIP incentives. Further detail can be found in the Remuneration Committee Report on page 193.

COMMENTARY

ROCE has reduced by 50bps to 19.0% in the year. Whilst Adjusted EBIT has increased versus the prior year, the decrease is reflective of the higher average capital employed to achieve this.

Further details on performance in the year can be found in the Financial Review section on pages 59 to 64.

LINK TO STRATEGY



LINK TO KEY PRINCIPAL RISKS AND UNCERTAINTIES

- 1 2 8 10

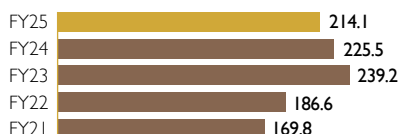
KEY PERFORMANCE INDICATORS CONTINUED

FINANCIAL PERFORMANCE

CASH GENERATED FROM OPERATIONS

PERFORMANCE (£ MILLION)

£214.1



DEFINITION AND PURPOSE

Cash generated from operations is defined under IAS 7 'Statement of Cash Flows'. This is a direct measure of cash generation from the operations of the business excluding financing, investing, tax and defined benefit pension contributions.

COMMENTARY

Cash generated from operations decreased by £11.4 million but remains strong at £214.1 million in the year.

Further details on cash flow performance in the year can be found in the Financial Review on pages 59 to 64.

LINK TO STRATEGY



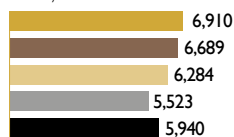
LINK TO KEY PRINCIPAL RISKS AND UNCERTAINTIES



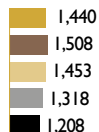
AVERAGE SELLING PRICE

PERFORMANCE

UK and Europe (£)
Luxury watches



Luxury jewellery

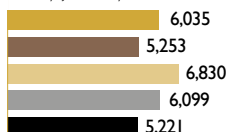


■ FY25 ■ FY24 ■ FY23 ■ FY22 ■ FY21

US (\$)
Luxury watches



Luxury jewellery



DEFINITION AND PURPOSE

Average selling price (ASP) represents revenue generated (including sales-related taxes) in the period from sales of the category, divided by the total number of units of such products sold during the period. This metric is a measure of sales performance.

Luxury watches are defined as those that have a Recommended Retail Price greater than £1,000. Luxury jewellery shows retail sales only, and is defined as those that have a Recommended Retail Price greater than £500.

COMMENTARY

The data reflects the ASP changes seen in the year as a result of the mix of products sold in each geography.

LINK TO STRATEGY



LINK TO KEY PRINCIPAL RISKS AND UNCERTAINTIES



PRINCIPAL RISKS AND UNCERTAINTIES

- | | |
|---|---------------------------------|
| 1 Business strategy execution and development | 7 Regulatory and compliance |
| 2 Key suppliers and supply chain | 8 Economic and political |
| 3 Client experience and market risks | 9 Brand and reputational damage |
| 4 Colleague talent and capability | 10 Financial and treasury |
| 5 Data protection and cyber security | 11 Climate change |
| 6 Business interruption | |

STRATEGIC PRIORITIES

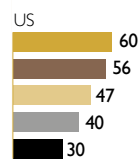
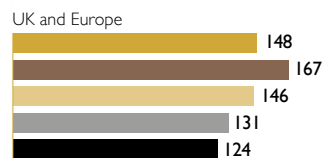
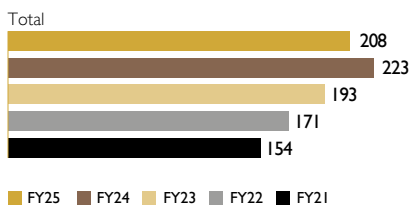
- | | |
|--|---|
| Grow revenue, profit and Return on Capital Employed | Leverage best-in-class operations |
| Enhance strong brand partnerships | Expand our multi-channel leadership |
| Deliver an exceptional client service | Continue to advance across ESG indicators |
| Drive client awareness and brand image through multimedia with impactful marketing | |

NON-FINANCIAL PERFORMANCE

NUMBER OF SHOWROOMS

PERFORMANCE

208



DEFINITION AND PURPOSE

Number of showrooms at the end of the financial year. This metric demonstrates the Group's size and scale.

COMMENTARY

In the UK and Europe, the Group opened two new showrooms, and closed 21 showrooms. In the US, the Group opened two new showrooms, acquired four and closed two. The closures have taken place as we continually assess our operations to remain as efficient and productive as possible.

Our 208 showrooms include 94 dedicated mono-brand boutiques.

LINK TO STRATEGY



LINK TO KEY PRINCIPAL RISKS AND UNCERTAINTIES

1 2 4 11

COLLEAGUE ENGAGEMENT SURVEY

PERFORMANCE

70%



DEFINITION AND PURPOSE

Strong engagement is an important indicator of culture, retention, productivity and ultimately business performance. In line with our commitment to complete an annual Colleague Engagement Survey, our most recent survey was completed in September 2024.

FY25 was the first year that we have partnered with Great Place To Work® and completed the related employee survey. Comparative survey results are therefore not shown on a like for like basis.

COMMENTARY

Our certification with Great Place To Work® was achieved in the first year of partnering with the Great Place To Work® organisation. This accolade demonstrates our commitment to create a positive employee experience and an enjoyable working environment. Further detail can be found in the Environmental, Social and Governance section on page 80.

LINK TO STRATEGY



LINK TO KEY PRINCIPAL RISKS AND UNCERTAINTIES

4 11

KEY PERFORMANCE INDICATORS CONTINUED

PRINCIPAL RISKS AND UNCERTAINTIES

- | | |
|---|--|
| <ul style="list-style-type: none"> 1 Business strategy execution and development 2 Key suppliers and supply chain 3 Client experience and market risks 4 Colleague talent and capability 5 Data protection and cyber security 6 Business interruption | <ul style="list-style-type: none"> 7 Regulatory and compliance 8 Economic and political 9 Brand and reputational damage 10 Financial and treasury 11 Climate change |
|---|--|

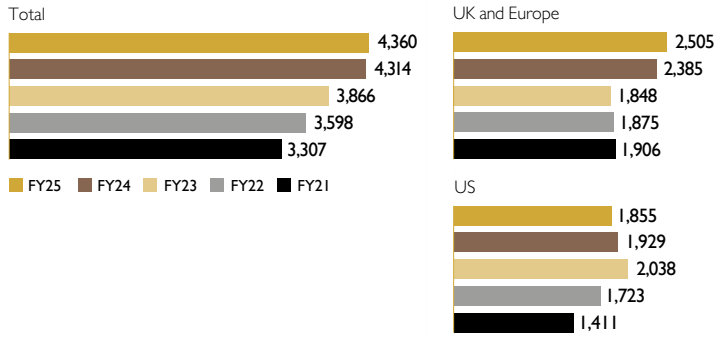
STRATEGIC PRIORITIES

- | | |
|---|--|
| <ul style="list-style-type: none"> Grow revenue, profit and Return on Capital Employed Enhance strong brand partnerships Deliver an exceptional client service Drive client awareness and brand image through multimedia with impactful marketing | <ul style="list-style-type: none"> Leverage best-in-class operations Expand our multi-channel leadership Continue to advance across ESG indicators |
|---|--|

NON-FINANCIAL PERFORMANCE

ESG – CARBON EMISSIONS

PERFORMANCE (tCO₂e)



Scope 1 and 2 intensity ratio (tCO₂e per £'000 revenue)



DEFINITION AND PURPOSE

The Board has made a commitment to achieve net-zero emissions by 2050. This KPI reflects the Group's near-term commitment to reduce Scope 1 and 2 carbon emissions by 50% by 2030. The KPI reported is the total gross Scope 1 and Scope 2 emissions (tCO₂e).

In March 2023, the Science Based Targets initiative (SBTi) provided external validation of our near-term emissions reduction target.

COMMENTARY

Absolute Scope 1 and 2 carbon emissions have increased by 1.0% in the year. Further detail can be found in the Environmental, Social and Governance section on page 103.

LINK TO STRATEGY



LINK TO PRINCIPAL RISKS AND UNCERTAINTIES



ESG – CIRCULARITY

PERFORMANCE (%)

45%



DEFINITION AND PURPOSE

Supporting circularity of luxury watches, measured by the number of watches repaired, serviced or resold as a percentage of the number of new watch sales. This metric aligns to our ESG pillars.

COMMENTARY

This indicator links to our goal to extend the life of luxury watches.

Despite growth in pre-owned watch sales in the year, the number of watch repairs decreased slightly in line with market conditions. Further detail can be found under 'Supporting a Circular Economy' on page 111.

LINK TO STRATEGY



LINK TO KEY PRINCIPAL RISKS AND UNCERTAINTIES



FINANCIAL REVIEW



ANDERS ROMBERG
CHIEF FINANCIAL OFFICER

The Group's Consolidated Income Statement is shown below which is presented including IFRS 16 'Leases' and includes exceptional items.

Income Statement – post-IFRS 16 and exceptional items (£million)	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024	YoY variance
Revenue	1,651.5	1,537.9	7%
Operating profit	113.9	120.0	(5)%
Net finance cost	(38.0)	(27.9)	(36)%
Profit before taxation	75.9	92.1	(18)%
Taxation	(22.1)	(33.0)	33%
Profit for the financial period	53.8	59.1	(9)%
Basic earnings per share	22.8p	25.0p	(9)%

Management monitors and assesses the business performance on a pre-IFRS 16 and exceptional items basis, which is shown below. This aligns to the reporting used to inform business decisions, investment appraisals, incentive schemes and debt covenants. A full reconciliation between the pre- and post-IFRS 16 results is shown in the Glossary.

Income Statement – pre-IFRS 16 and exceptional items (£million)	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024	YoY variance
Revenue	1,651.5	1,537.9	7%
Net margin¹	598.6	562.2	6%
Showroom costs	(292.7)	(289.1)	(1)%
4-Wall EBITDA¹	305.9	273.1	12%
Overheads	(106.5)	(85.3)	(25)%
EBITDA¹	199.4	187.8	6%
Showroom opening and closing costs	(6.9)	(8.9)	22%
Share of loss of joint venture and associates	(0.2)	–	–
Adjusted EBITDA¹	192.3	178.9	8%
Depreciation, amortisation and loss on disposal of fixed assets	(42.6)	(44.2)	4%
Adjusted EBIT¹ (Segment profit)	149.7	134.7	11%
Net finance costs	(13.6)	(5.8)	(138)%
Adjusted profit before taxation¹	136.1	128.9	6%
Adjusted earnings per share¹	41.6p	38.0p	9%

¹ This is an Alternative Performance Measure and is shown on a pre-IFRS 16 basis. Refer to the Glossary on pages 270 to 273 for definition, purpose and reconciliation to statutory measures where relevant.

FINANCIAL REVIEW CONTINUED

REVENUE

Revenue by geography and category

52 weeks ended 27 April 2025 (£million)	UK and Europe	US	Total	Mix
Luxury watches ²	729.5	624.0	1,353.5	82%
Luxury jewellery ³	65.0	39.2	104.2	6%
Luxury jewellery wholesale	–	110.8	110.8	7%
Eliminations	–	(4.5)	(4.5)	–
Services/other	71.4	16.1	87.5	5%
Total revenue	865.9	785.6	1,651.5	100%

52 weeks ended 28 April 2024 (£million)	UK and Europe	US	Total	Mix
Luxury watches	709.4	635.3	1,344.7	87%
Luxury jewellery	62.1	40.3	102.4	7%
Services/other	74.6	16.2	90.8	6%
Total revenue	846.1	691.8	1,537.9	100%

Group revenue was up vs prior year at £1,651.5 million (+8% on a constant currency basis), with an improved second half performance at +12%.

Group revenue from luxury watches grew by +1% on the prior year. As anticipated, revenue was impacted by one-off increases in showroom inventory levels to enhance displays and client experience in Q1 FY25, particularly in the US, with stronger performance in the second half of the year. Demand for our key brands, particularly products on Registration of Interest lists, continues to be strong, with consistent additions and conversions.

We continue to be encouraged by the performance of our pre-owned business with Rolex Certified Pre-Owned now in 21 agencies in the US and 25 in the UK. Luxury Watches made up 82% of revenue versus 87% in the prior year, with the acquisition of Roberto Coin Inc. in the period contributing to a higher luxury jewellery mix.

Group luxury jewellery revenue, excluding wholesale, increased by 2% on the prior year, boosted by improved trends in the UK at +5%. US luxury jewellery sales continue to be impacted by market trends in the bridal category. The majority of luxury jewellery sold by the Group is retailed under our house brands of Goldsmiths, Mappin & Webb, Mayors and Betteridge. Our strategy is to grow our luxury branded jewellery offering, where we partner with other major luxury jewellery brands. Luxury branded jewellery sales continue to significantly outperform non-branded jewellery.

On 8 May 2024, the Group signed and completed the acquisition of the entire share capital of Roberto Coin Inc., the exclusive distributor of Roberto Coin in the US, Canada, Central America and the Caribbean. Wholesale revenue in the period was £110.8 million, in line with expectations. The business continues to work positively with retail partners post-acquisition.

Services/other revenue, consisting of servicing, repairs, insurance services and the sale of fashion and classic watches and other non-luxury jewellery, declined by 4%.

Group ecommerce⁴ sales declined by 5% compared to the prior year, impacted by the mix of products sold through this channel and performance of the UK market. We continue to be the market leader in ecommerce for luxury watches and jewellery in the UK, and are growing our proposition in the US.

On 3 October 2024, the Group completed the acquisition of the editorial, insurance and limited-edition businesses of Hodinkee, the pre-eminent global digital editorial content provider, to support our objectives to leverage sector leadership online.

US revenue increased by 16% year-on-year in constant currency (14% reported) and the US business made up 48% of the Group's revenue in FY25 (FY24: 45%). Revenue and EBIT growth was driven by the Roberto Coin Inc. acquisition.

During the year, the US opened two showrooms, a Rolex boutique in Lenox, Atlanta and a Cartier anchored Watches of Switzerland showroom at Ross Park, Pittsburgh. A further five showroom projects were completed in the year, including significant projects with Rolex and Patek Philippe.

UK and Europe revenue increased by 2% during the year, showing sequential improvement to +6% in H2 FY25. Sales in the UK were driven by a domestic clientele. Tourist sales continue to remain low, particularly on account of the removal of VAT free shopping for tourists. We have seen a continued stabilisation of the UK market in both luxury watches and jewellery, following a period of volatile conditions in the prior financial year.

During the year, we opened one mono-brand boutique in the UK, and a further multi-brand Mappin & Webb showroom in Edinburgh. 14 UK non-core showrooms were closed, allowing us to consolidate our portfolio and drive productivity across our estate. A further ten showrooms will close in Q1 FY26.

In March the new Rolex flagship boutique on Old Bond Street opened and trading has exceeded expectations since opening. A further five projects were completed enhancing our existing estate to further elevate the partner brands we display in those showrooms and advance our client experience. Significant progress has been made on our exit from Europe. Three showrooms closed in the period and four sold to brand partners. The remaining two boutiques were sold to brand partners in early FY26.

² Luxury watches are defined as those that have a Recommended Retail Price greater than £1,000.

³ Luxury jewellery is defined as those that have a Recommended Retail Price greater than £500.

⁴ Ecommerce sales are sales which are transacted online.

PROFITABILITY

Income Statement – pre-IFRS 16 and exceptional items (£million)	Profitability as a % of revenue		
	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024	YoY variance
Net margin ¹	36.3%	36.6%	(30)bps
Showroom costs	17.7%	18.8%	(110)bps
4-Wall EBITDA ¹	18.5%	17.8%	70bps
Adjusted EBITDA ¹	11.6%	11.6%	–bps
Adjusted EBIT ¹	9.1%	8.8%	30bps

Net margin as a % of revenue was 36.3% in the year. This was 30bps lower than the prior year driven by product mix and higher promotional activity, partly offset by savings on the cost of Interest Free Credit from the reduction in average term time from removing the four-year offer.

Showroom costs increased by £3.6 million (1%) from the prior year, to £292.7 million. This reflects the opening of new showrooms, and the annualisation of prior year openings, including acquisitions and annual pay rises to colleagues. This was partly offset by efficiencies found within digital marketing investment which continues to maximise traffic and conversion versus cost.

Overheads increased by £21.2 million (25%) principally due to the acquisition of Roberto Coin Inc.. Remaining cost increases are due to IT investment to support future growth, annual pay rises to colleagues, along with the opening of our new US Support Centre in Florida. This was partly offset by strong cost control and efficiencies within marketing.

Showroom opening and closing costs include the cost of rent (pre-IFRS 16), rates and payroll prior to the opening or closing of showrooms, or during closures when refurbishments are taking place. This cost will vary annually depending on the scale of expansion in the year.

Exceptional items

Exceptional items are defined by the Group as those which are significant in magnitude or are linked to events which are expected to be infrequent in nature. The majority of the items below do not have a cash impact.

Exceptional items (£million)	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024
Rolex Old Bond Street	4.2	2.5
Showroom impairment	44.5	21.2
Showroom closures	6.2	–
European showroom impairment	0.7	8.6
Business acquisitions	2.1	3.3
Reversal of inventory provision created on acquisition	–	(2.4)
Total exceptional items	57.7	33.2
<i>Of which impacts:</i>		
Operating profit	55.5	31.9
Net finance costs	2.2	1.3

Rolex Old Bond Street

A new 7,200 sq. ft showroom was built and opened during the year in partnership with Rolex. This new flagship is our largest Rolex showroom and reflects the importance of the London market and the special relevance of London to the history of Rolex. The cost shown here is the IFRS 16 depreciation and interest costs incurred whilst the showroom was being constructed. They are deemed to be exceptional in nature given that this unique proposition results in a project size and complexity significantly outside of a standard build, coupled with documented project delays outside of the Group's control. Costs shown are prior to the showroom opening on 14 March 2025.

Showroom impairment

The current macroeconomic environment, high interest rates and inflationary landscape gave rise to indicators of impairment in the current period. Consequently, discounted cash flows were performed on all Cash Generating Units (CGUs) with indicators of impairment. This resulted in a non-cash impairment charge of £43.6 million being recorded in the period. This is allocated over the right-of-use assets and the property, plant and equipment of those showrooms as required by IAS 36 'Impairment of Assets'. A further provision of £1.6 million relates to associated onerous contracts. A lease surrender gain of £0.7 million was also recognised in exceptionals, as the original write-off was presented in exceptionals in the prior year.

Showroom closures

In April 2025 the closure of a number of UK showrooms was announced as the Group continually assesses its operations to remain as efficient and productive as possible. The exceptional costs are reflective of asset write downs, other onerous costs and redundancy costs.

European showroom impairment

As announced during the prior year, the Group's intention has been to reallocate investment from Europe into the UK and US. During the year the Group has closed or transferred a further seven showrooms.

Business acquisition costs

Professional and legal expenses on business combinations have been expensed to the Consolidated Income Statement as an exceptional cost as they are regarded as non-trading, non-underlying costs and are considered to be material by nature. Similarly, the costs associated with the integration of Roberto Coin Inc., and the Hodinkee business have also been expensed as exceptional items.

FINANCIAL REVIEW CONTINUED

ADJUSTED EBIT AND OPERATING PROFIT

As a result of the items noted above, Adjusted EBIT was £149.7 million, an increase of £15.0 million, +11% on the prior year.

After accounting for exceptional costs of £55.5 million and IFRS 16 adjustments of £19.7 million, operating profit as presented on the face of the Consolidated Income Statement was £113.9 million, a decrease of 5% on the prior year.

FINANCE COSTS

Net finance costs (£million)	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024
Pre-IFRS 16 net finance costs, excluding exceptionals	13.6	5.8
IFRS 16 interest on lease liabilities	22.2	20.8
Total net finance costs, excluding exceptionals	35.8	26.6

Interest payable on borrowings increased in the period, reflecting the new facilities drawn down to fund the Roberto Coin Inc. acquisition, together with the annualisation of borrowing to fund the acquisition of 15 showrooms from Ernest Jones in the prior year. The impact was a net increase in the pre-IFRS 16 interest charge of £7.8 million to £13.6 million. The IFRS 16 interest on lease liabilities increased by £1.4 million due to recent additions to the lease portfolio as we continue to invest in showroom portfolio expansion.

Details of a further £2.2 million of exceptional finance costs are given in note 4 of the Consolidated Financial Statements.

TAXATION

The pre-IFRS 16 Effective Tax Rate (ETR) for the period before exceptional items was 27.8%. The statutory (post-IFRS 16 and including exceptionals) effective tax rate was 29.1%.

This is higher than the applicable UK corporation tax rate for the year of 25.0% as a result of higher chargeable taxes on US profits, the impact of expenses disallowed for corporation tax, and non-recognition of deferred taxes in Europe. The impact of the US rate differential is lower than the prior year impact due to the mix of revenue between states. The impact of the non-recognition of deferred taxes in Europe has also reduced year-on-year due to the lower activity in these countries following our announced exit from Europe.

Full detail can be found in note 8 within the Consolidated Financial Statements.

BALANCE SHEET

Balance Sheet (£million)	27 April 2025	28 April 2024
Goodwill and intangibles	304.1	215.7
Investment in joint venture and associates	0.5	–
Property, plant and equipment	192.4	191.4
Right-of-use assets	358.6	381.8
Inventories	447.4	393.3
Trade and other receivables	60.5	24.6
Trade and other payables	(259.5)	(216.5)
Lease liabilities	(454.6)	(460.4)
Net (debt)/cash ¹	(96.2)	0.7
Other	(13.6)	(7.6)
Net assets	539.6	523.0

Goodwill and intangibles increased by £88.4 million as a result of the Roberto Coin Inc. and the Hodinkee business acquisitions in the year which gave rise to £98.1 million of goodwill and intangibles, offset by £1.1 million amortisation of brands and agency agreement, and a £9.8 million adverse exchange impact. The most significant intangible asset recognised on acquisition is £57.2 million for the supply agreement licence with Roberto Coin S.p.A. which is non-amortising as it extends into perpetuity. A further £3.6 million of computer software additions were made in the year as part of ongoing IT developments, offset by amortisation of £2.2 million and disposals of £0.2 million.

Property, plant and equipment increased by £1.0 million in the year. Additions of £69.0 million were offset by depreciation of £40.8 million, impairments of £19.7 million, and loss on disposal and foreign exchange movements of £7.5 million.

Including software costs, which are disclosed as intangibles, capital additions (including accruals) were £71.6 million in the year, of which £68.8 million was expansionary. Expansionary capex relates to new showrooms, relocations or major refurbishments (defined as costing over £0.25 million). In the year, the Group opened four new showrooms and refurbished 11 showrooms. Investment in our portfolio is paramount to our strategy and the Group follows a disciplined payback policy when making capital investment decisions.

Right-of-use assets decreased by £23.2 million in the year, to £358.6 million. Additions to the lease portfolio along with lease renewals or other lease changes were £69.5 million. This has been offset by depreciation of £56.5 million and impairments of £26.8 million. The remaining movement is a £9.4 million adverse foreign exchange impact.

Lease liabilities decreased by £5.8 million in the year. The portfolio changes noted above increased the lease liability by £61.6 million. Interest charged on the lease liability was £24.4 million and there was a £11.2 million favourable foreign exchange impact. Lease payments were £80.6 million, giving a final lease liability balance of £454.6 million.

Inventory levels increased by £54.1 million (14%) compared to the prior year. £53.9 million of inventory was acquired as part of the Roberto Coin Inc. acquisition, and the Group increased pre-owned watches and Rolex Certified Pre-Owned volume by £13.3 million. This has been offset through a reduction in underlying inventory to maintain stock turn at appropriate levels. The inventory obsolescence risk remains low for the Group.

Trade and other receivables increased by £35.9 million compared to FY24. Notable reasons for the increase being: £18.3 million of wholesale trade receivables under Roberto Coin Inc.; £8.8 million held in escrow in relation to business combinations (see note 25 of the Consolidated Financial Statements); investment into the joint venture; and invoices raised for Hodinkee advertising revenue at the period end. The balance also represents prepayments, rebate receivables, rent deposits and other ad hoc receivables such as property contributions.

Trade and other payables increased by £43.0 million. Notable reasons for the increase being: £10.9 million of trade payables and £18.2 million of other payables (including deposits taken and the sales return provision) under Roberto Coin Inc.; £8.8 million held in escrow; and £7.9 million of deferred consideration payable in relation to business combinations (see note 25 of the Consolidated Financial Statements).

Other includes taxation balances, defined benefit pension and capitalised finance costs.

NET CASH/DEBT AND FINANCING

Net debt on 27 April 2025 was £96.2 million, an increase of £96.9 million since 28 April 2024. The strong free cash flow of £97.8 million being utilised for £72.6 million of expansionary capex, £106.9 million relating to the Roberto Coin Inc. and the Hodinkee business acquisitions and £11.3 million for the purchase of own shares as part of the share buyback programme.

Net debt post-IFRS 16 was £548.5 million. The value comprises the pre-IFRS 16 net debt of £96.2 million and the £454.6 million lease liability, offset by capitalised transaction costs of £2.3 million. The balance increased by £90.5 million (from £458.0 million) in the period, principally driven by the acquisition spend.

The Group's maximum amount available under its committed facility was £368.9 million at 27 April 2025.

Facilities held	Expiring	Amount (million)
Multicurrency revolving loan facility – UK SONIA +1.50% to +2.55%	May 2028	£275.0
Multicurrency term facility – UK SONIA +1.65% to +2.70%	May 2028	\$125.0

On 13 December 2024, the Group refinanced and repaid its \$115.0 million term loan facility which was originally taken out to finance the Roberto Coin Inc. acquisition with a new £150.0 million facility (comprising a £100.0 million term loan and an incremental £50.0 million revolving loan facility). The £100.0 million was drawn down on 13 December 2024 as \$125.0 million and no further drawdown on the £100.0 million is permitted. The new facilities run coterminously with the existing UK bank facility of £225.0 million.

£195.1 million of these facilities were drawn down at 27 April 2025. Liquidity headroom (defined as unrestricted cash plus undrawn available facilities) was £253.5 million. Further detail with regards to covenant tests and liquidity headroom can be found in borrowings note 19 within the Consolidated Financial Statements.

CASH FLOW

Cash flow (£million)	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024
Adjusted EBITDA	192.3	178.9
Share-based payments	1.8	2.1
Share of loss of joint venture and associates	0.2	–
Working capital	(52.2)	(20.3)
Pension contributions	(0.7)	(0.7)
Tax	(29.7)	(33.5)
Cash generated from operating activities	111.7	126.5
Maintenance capex	(2.8)	(2.7)
Net interest	(11.1)	(6.2)
Free cash flow	97.8	117.6
Free cash flow conversion¹	51%	66%
Expansionary capex	(72.6)	(78.0)
Acquisitions	(106.9)	(44.2)
Investment in joint venture and associates	(0.7)	–
Purchase of own shares for employee incentive schemes	–	(7.2)
Share buyback	(11.3)	–
Refinancing costs	(1.5)	(2.2)
Disposal of European property, plant and equipment	2.7	–
Exceptional items – cash	(8.6)	(2.5)
Cash flow	(101.1)	(16.5)
Net proceeds/(repayment) of borrowings	85.7	(5.0)
Net decrease in cash and cash equivalents	(15.4)	(21.5)

Free cash flow decreased by £19.8 million to £97.8 million in the year to 27 April 2025 and free cash flow conversion was 51% compared to 66% in the prior year, primarily as a result of a higher working capital outflow in the period. This related to the timing of trade creditor payments and the change of payment terms from certain suppliers. Excluding the change in payment terms, free cash flow conversion would have been 71%.

Expansionary cash capex of £72.6 million was lower than the prior year due to a decrease in new showroom openings and refurbishments. In the year, the Group opened four new showrooms, and refurbished 11 showrooms.

£11.3 million of shares were purchased and paid for in the period as part of the share buyback programme. The balance of the £25 million buyback programme was completed in June 2025.

Exceptional cash items of £8.6 million, includes Rolex Old Bond Street pre-opening rent, business acquisition and integration costs, and showroom exit costs as detailed in note 4 to the Consolidated Financial Statements.

FINANCIAL REVIEW CONTINUED

RETURN ON CAPITAL EMPLOYED (ROCE)¹

	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024
ROCE	19.0%	19.5%

FY25 ROCE is 19.0%, a decrease of 50bps in comparison to the prior year. Adjusted EBIT increased by 11% to £149.7 million, however Average Capital Employed during this period increased by 14% leading to the reduction.

CAPITAL ALLOCATION

The Group has a clear framework of capital allocation and is focused on optimising capital deployment for the benefit of all our stakeholders, with a focus on long-term sustainable growth in the business. It is also important for the Group to maintain financial and operational flexibility to be able to react tactically to opportunities, such as strategic acquisitions, at speed.

Our capital allocation framework is as follows:

1. Showroom investments – given the attractive returns from showroom investments, this is our key focus area to allocate capital to. In FY25 the Group spent £72.6 million in expansionary capex
2. Strategic acquisitions – this is a key pillar of our growth strategy. Acquisitions must deliver return on investment in line with our disciplined financial criteria, within an appropriate timeframe. In FY25 the Group spent £106.9 million for the acquisitions of Roberto Coin Inc. and the Hodinkee business
3. Returns to shareholders – in the event of surplus capital above and beyond the requirements of the business for investment into showrooms or strategic acquisitions, we would consider returns to shareholders either through ordinary dividends or share buybacks, with the appropriate mechanism to be decided at the appropriate time by the Board. On 10 March 2025, the Group launched a share buyback programme of £25 million. £11.3 million of shares were purchased and paid for in FY25, with completion of the programme in June 2025

SHOWROOM PORTFOLIO

As at 27 April 2025, the Group had 208 showrooms. The movement in showroom numbers is included below:

	UK multi-brand showrooms	UK mono-brand boutiques	Europe mono-brand boutiques	Total UK and Europe	US multi-brand showrooms	US mono-brand boutiques	Total US	Total Group
28 April 2024	99	59	9	167	25	31	56	223
Openings	1	1	0	2	1	1	2	4
Acquisitions	–	–	–	–	–	4	4	4
Closures	(11)	(3)	(7)	(21)	(1)	(1)	(2)	(23)
27 April 2025	89	57	2	148	25	35	60	208

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

The following table sets out where stakeholders of Watches of Switzerland Group PLC can find relevant non-financial and sustainability information within this Annual Report and Accounts further to the Financial Reporting Directive requirements contained in Sections 414CA and 414CB of the Companies Act 2006.

This Non-Financial and Sustainability Information Statement highlights information necessary for an understanding of the Company's development, performance, position and impact of its activity, information relating to environmental, colleagues, social matters, respect for human rights, anti-bribery, corruption and fraud matters. The information listed below is incorporated by cross references to other areas of the Annual Report and Accounts and the Company website where further information can be found.

ENVIRONMENT

Key matters	Relevant policies and procedures which govern our approach	Pages
Climate-related financial disclosures	Task Force on Climate-Related Financial Disclosures report Analysis of resilience Risk Management Companies Act 2006	114 to 131 123 to 126 127 142 to 143
Taking action on climate change	Our Supplier Sustainability Standards set out our net-zero GHG emissions goal and the actions we need to take within our value chain to achieve them	102 to 109
Reducing our impact on the environment*	Our Environment Policy, Vendor Code of Conduct and Supplier Sustainability Standards promote the efficient use of resources and energy in our supply chain and ensures a Group-wide commitment to continual improvement and compliance with environmental legislations and regulations	102 to 105 134 to 136
Providing sustainable solutions*	Our Modern Slavery Statement includes key performance indicators	137

COLLEAGUES

Key matters	Relevant policies and procedures	Pages
Encouraging colleagues to raise matters of concern*	Where colleagues have concerns about suspected wrongdoing, misconduct or malpractice connected to the Group they can report such concerns on a confidential and anonymous basis, and without fear of retaliation, using our Whistleblowing Policy and procedures	142
Investing in our people and a diverse workforce	Our Diversity & Inclusion Policy ensures that colleagues are treated fairly and equally and that diversity and inclusion is embraced	82 to 83
Providing our colleagues with a safe working environment	We are committed to maintaining safety standards that comply with legislation and enable colleagues to be confident that their workplace is safe	84

SOCIAL MATTERS

Key matters	Relevant policies and procedures	Pages
Developing responsible supply chains*	Our Vendor Code of Conduct and Supplier Sustainability Standards include measures taken to ensure that products are sourced responsibly and that adequate standards are maintained throughout our supply chain	102 and 135
Promoting a healthy corporate culture	Our Values underline the way we conduct business and recognise we will only continue to be successful if we grow profitability and conduct our business in a way which impacts all of our stakeholders in a positive way	74
Business standards of behaviour*	Our Code of Ethics ensures that all business is conducted in a fair and ethical manner with the highest levels of integrity and professional standards globally	142

ANTI-BRIBERY, CORRUPTION AND FRAUD

Key matters	Relevant policies and procedures	Pages
Prevention of bribery, corruption and fraud*	Our Anti-Bribery, Corruption & Fraud Policy outlines the behaviours and principles required of colleagues to prevent any form of bribery, corruption or fraud	142
Promoting ethical supply chains*	Our Vendor Code of Conduct defines the principles and standards we expect suppliers to understand and adhere to	102

RESPECT FOR HUMAN RIGHTS

Key matters	Relevant policies and procedures	Pages
Approach to human rights and modern slavery*	Approved annually, by the Board, our Modern Slavery Statement sets out the steps that we take to ensure, as far as possible, that slavery and trafficking do not exist in our supply chain or in any part of our business Human Rights Policy	137

A description of our business model can be found on page 26.

Where principal risks have been identified in relation to any of the matters listed above, these can be found on page 148.

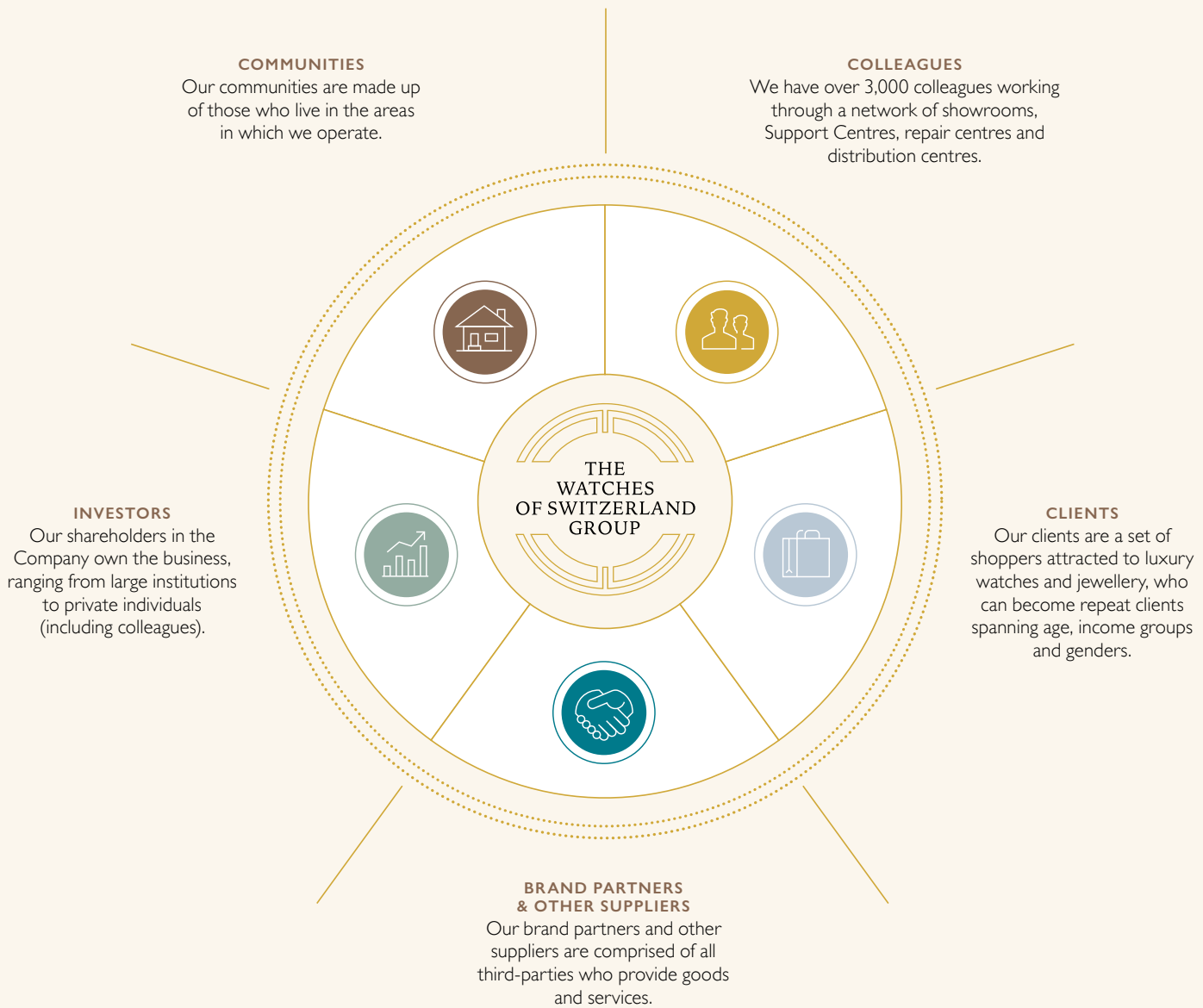
Our non-financial key performance indicators can be found on page 65.

► * Find out more about our policies in the Governance section on our corporate website thewosgroupplc.com

HOW WE ENGAGE WITH OUR STAKEHOLDERS

We believe that in order to maximise value and deliver long-term success, it is critical that we understand who our key stakeholders are. This will enable us to build relationships, engage in proactive and constructive dialogue, and to ensure we deliver on what is important to them. To that end, engagement with all of our stakeholders plays a vital role in delivering our Group strategy. The Board has carried out a stakeholder mapping exercise, which it reviews annually. The parties below have been identified as those most likely to be affected by its principal decisions.

STAKEHOLDER MAPPING



Section 172(1) of the Companies Act 2006 requires that the directors of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, having regard to each of its stakeholders and taking into account the factors listed in Section 172(1) (a) to (f). The Board therefore considers the views of each of its stakeholders as part of the decision-making process. Additional examples of governance in action can be found on pages 171 and 172.

STAKEHOLDER DESCRIPTIONS

● **Our Colleagues** – see pages 78 to 91 and page 172. The strength of our business is built on the hard work and dedication of all our colleagues. We give colleagues every reason to join, grow and stay with our Group through attracting and retaining talent, building an organisation fit for the future and leveraging our unique culture.

● **Clients** – see pages 18 and 26. Our clients remain at the centre of everything we do. By purchasing our products, our clients ensure our viability as a business. We strive to meet and exceed our clients' expectations through our Xenia client service programme and providing them with highly creative products of exceptional quality.

● **Brand partners and other suppliers** – see pages 28 to 33. Our brand partners are an integral part of our business to manufacture and allocate their product to us. Our other suppliers provide us with the products and services that are essential to operate our business

● **Investors** – see pages 170 and 172. All investors are treated fairly and have equal access to both company information and our Board of Directors. We also engage with the investment community, advisers and potential shareholders.

● **Communities** – see pages 92 to 99 and page 172. Communities and the wider public expect us to act as a responsible company and neighbour. We strive to drive positive change in our communities through our volunteering programme, supporting The Watches of Switzerland Group Foundation and acting as a responsible employer.

Stakeholder

Colleagues	S172(1) (b) The interests of the Company's employees
Clients	S172(1) (c) The need to foster the Company's business relationships with suppliers, customers and others S172(1) (e) The desirability of the Company maintaining a reputation for high standards of business conduct
Brand partners and other suppliers	S172(1) (c) The need to foster the company's business relationships with suppliers, customers and others S172(1) (e) The desirability of the company maintaining a reputation for high standards of business conduct
Investors	S172(1) (f) The need to act fairly between members of the Company
Communities	S172(1) (d) The impact of the Company's operations on the community and the environment



COLLEAGUES

Stakeholder priorities

- Job security, future prospects with learning and development opportunities
- Fair compensation and benefits
- Being part of a diverse, equitable and inclusive workplace
- Regular and relevant communications and engagement with management
- Meritocracy and equal access to opportunity, support and development
- Taking a position on the environment, sustainability and giving back to the community

Why we engage

- We are committed to giving our colleagues every reason to join, grow and stay with our Group
- Ensure our colleagues are kept informed about the business and how any changes may affect them
- Fulfil our commitment to our purpose and values
- Continually develop, attract and retain talented people

How we engage

- Regular development reviews, performance discussions and face-to-face training
- Annual Engagement Surveys and Inclusion Surveys; understanding colleague points of view on matters which affect them and development of action plans
- Regular engagement with the Diversity Council and Employee Resource Groups
- Having an innovative, accessible and collaborative two-way communication platform called CONNECT
- Presentations by Executive Directors and Senior Management, providing business updates with the opportunity for questions and discussions

Monitoring the impact of our engagement – outcome

- Launched a Great Place To Work® survey and based on the survey results became Great Place to Work-Certified™
- Following employee surveys, proposed action plans are presented to the Board for review
- Maintained our commitment to be a UK Real Living Wage Employer
- Continued our focus on high performance culture including regular talent and succession sessions
- Introduced a new colleague two-way communication platform CONNECT
- Supported four internal development programmes through a newly launched apprentice scheme
- Achieved Gold Status as recognition for embedding diversity and inclusion into our culture
- Received feedback from the Designated Non-Executive Director for Workforce Engagement and from Senior Management
- Received updates on colleagues' engagement and feedback resulting from the UK Retail Transformation Project



CLIENTS

Stakeholder priorities

- Exceptional client experience through Xenia, the Company's Client Experience Programme
- Receive a memorable experience which positively differs from our peers
- Receive expert knowledge and advice
- Dedicated lifecycle and support service throughout the life of the product
- To be enabled to make sustainable decisions

Why we engage

- Our clients are central to all we do, building relationships and understanding clients is key
- Our Purpose is to WOW our clients while caring for our colleagues, our communities and our planet
- Our Values support this Purpose to create a seamless and positive client experience
- Placing clients at the heart of our business is key to deliver on our growth and long-term strategy
- By putting the value we provide to clients at the forefront we believe we will earn a greater share of our clients' spend
- Ensure clients or potential clients are supported from the very beginning of their lifetime journey with us

How we engage

- Teams liaise directly with clients and potential clients with the aim of providing a differentiated client experience
- One to one clienteling takes place between showroom colleagues and clients to engage on product launches and service
- Through a variety of client surveys, reviews and mystery shoppers
- Supporting clients with their buying journeys, both in showrooms and online with the Luxury Watch and Jewellery Virtual Boutique in the UK
- Engaging through informative and inspiring multiple marketing channels
- Continuing with strong client event programmes
- If something goes wrong, engaging with our clients, through our Client Recovery Team

Monitoring the impact of our engagement – outcome

- Discussions at each Board meeting focus on client behaviour and sentiment and provide directors with insight as to how clients and future clients can be best supported
- The Board receives updates on client experience through a number of performance indicators
- Continuous improvement of our client service training through Xenia, our Client Experience Programme
- Implementing and integrating common systems and processes throughout the Group. Improve efficiency and deliver improved lead times and an enhanced client experience



BRAND PARTNERS AND OTHER SUPPLIERS

Stakeholder priorities

- Relationships are built on mutual trust and respect, we recognise the responsibility we undertake to represent the brands and contribute to their long-term value appreciation
- Working together in a collaborative manner, co-op marketing activities, incentives and training opportunities
- Clear and accessible information about our required specifications, guidance, policies and standards
- Remaining compliant and vigilant to the risks relating to modern slavery and human trafficking

Why we engage

- Our brand partners and other suppliers play an integral role in our ability to deliver product and experiences to our clients
- Regular engagement ensures relationships are underpinned by clear and open communication
- Facilitate a two-way understanding of issues that may arise and ease with which we can work together to solve them
- Work closely with our brand partners and other suppliers to support them on their sustainability journey

How we engage

- Regular top-to-top meetings locally and in brand partner head offices, alongside regional and local brand partner and supplier events and attendance of industry fairs
- Ongoing dialogue, including the launch of exclusive ranges and actively identifying distribution opportunities
- Conducting a Board in Geneva and meeting two key brand partners
- We carry out independent on-site audits of key and high-risk suppliers, which focus on their social, environmental, ethical conduct, alongside their technical and operational capabilities
- Distribution of, and obtaining acknowledgement of, our Supplier Sustainability Standards, Vendor Code of Conduct (or equivalent)

Monitoring the impact of our engagement – outcome

- Efficient and timely flow of product into the showrooms, including limited editions, exclusives and first to market products
- 89% of our key watch and jewellery suppliers have accepted the terms of the Vendor Code of Conduct or have an equivalent standard
- Ensuring that where suppliers do not meet the expectations of on-site independent audits, improvements are made within a strict timetable, or arrangements are put in place for supplier agreements to be terminated
- Reviewing and approving the Modern Slavery Statement and through its ESG Committee, the new Supplier Sustainability Standards and Vendor Code of Conduct
- Being provided with market data, where it is available, detailing how the business is expanding by assessing and improving market share, and developing
- Developing an enhanced understanding of brand partners relationships



INVESTORS

Stakeholder priorities

- Delivery of the long-term strategy which aligns with the Group's purpose and values and culture
- Creation of long-term and sustainable shareholder value and clear reporting on the Group's performance
- A return on investment, a clear and disciplined capital allocation framework
- Meaningful engagement with the Board and the upholding of good governance practices

Why we engage

- Understand and value the importance of engaging with investors' views, priorities and values
- Build trust and secure ongoing support
- Two-way engagement enables the Board to take into account investor views within its wide strategic decision-making
- Ensure current and potential investors understand our business, long-term strategy and objectives
- Promote the strong and robust corporate governance framework that exists within the Company

How we engage

- Ongoing dialogue between investors, the CEO and CFO including investor roadshows, plus engagement between major shareholders and the Chair
- Hosting investor days with guided showroom tours in the UK and in the US along with other in-person events
- The Board has the opportunity to meet with shareholders, in person, at the Annual General Meeting
- Regular results and reporting, press releases, results briefings and participation in investor conferences
- Our corporate brokers attended a number of Board meetings during the year giving a range of updates and presentations
- Writing to top shareholders regarding the proposed 2025 Remuneration Policy

Monitoring the impact of our engagement – outcome

- During FY25, our Chair, CEO, CFO and Group Finance and Investor Relations Director attended over 200 meetings with over 250 separate institutions globally
- As at the date of this Report, the Company has returned £25.0 million to shareholders through a share buyback programme which started on 10 March 2025
- The 2024 AGM saw all resolutions passed with votes in favour ranging from 97% to 100%
- Direct engagement with shareholders offers our Directors an ideal opportunity to understand key areas and common themes of interest, which were discussed by the Board during FY25



COMMUNITIES

Stakeholder priorities

- Understand the differing needs and priorities of our local communities and how we can best support them
- Provide local employment and investment to help our local communities thrive
- Create positive environmental and social impact, enabling a sustainable future

Why we engage

- One of our core values is that we care for our communities by engaging and actively supporting those in need
- We make a positive social impact by being a good corporate citizen and paying our taxes to contribute to society in the countries in which we operate
- We understand the importance in recruiting and retaining diverse talent from our local communities
- Both the Company and our Foundation donate directly into the local communities in which we operate to seek to make a difference

How we engage

- Support The Watches of Switzerland Group Foundation (the 'Foundation') to drive positive change
- Consider the social impact of our business decisions, discussed at the ESG Committee and the Board
- Support through payroll charity giving, volunteering at community projects and other organisations
- Entering into sponsorships agreements with charity partners
- Establishing volunteering programmes in our communities
- Being signatories and members of organisations who aim to make a difference in the responsible business network

Monitoring the impact of our engagement – outcome

- Increased participation in charitable activities through fundraising and increased volunteering hours and number of locations
- Multiple events held with members of the Senior Leadership Team (alongside a number of the Trustees from the Foundation) to support charities
- Raising awareness and funds through sponsorship of the 'Change a Girl's Life' campaign and collaboration with a brand partner.
- Functional volunteering by colleagues to support charities introduced by the Foundation
- External Fair Tax Mark accreditation from the Fair Tax[®] Foundation, independently certifying we operate at the highest levels of responsible tax conduct



ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Our approach to ESG is rooted in the belief that long-term commercial success goes hand in hand with environmental responsibility, social impact and strong governance.

Anchored in our ESG Strategy, we continue to embed ESG considerations across our Group in order to WOW our clients while caring for our colleagues, our communities and our planet.

In FY25, we continued to make progress in key areas, including becoming Great Place to Work-Certified™, improving energy efficiency and strengthening our procurement and supply chain management functions. As expectations evolve, we remain focused on transparency, accountability and delivering meaningful progress aligned with the priorities and values of our stakeholders.

LAYING THE FOUNDATIONS OF OUR CLIMATE TRANSITION PLAN

During the year, we carried out our first structured mapping exercise aligned with the UK Transition Plan Taskforce (TPT) framework.

While we have already taken steps to address climate-related risks and opportunities through our broader ESG strategy, this marks our first formal alignment with the TPT framework, helping to ensure our approach to climate mitigation and management is structured, decision-useful and in line with emerging best practice.

Our mapping assesses our existing information against the relevant disclosure elements of the TPT framework. Internally, we are continuing to develop our strategic actions and refine supporting KPIs. We intend to formally align our reporting with the TPT framework in subsequent reporting cycles.

We remain committed to achieving net-zero emissions by 2050 and have set near-term science-based targets (SBTs) as part of our decarbonisation pathway. However, we recognise that we did not meet our emissions reduction trajectory in FY25 for location-based emissions, largely due to our continued business growth and associated increases in emissions, which reinforces the need to strengthen our implementation plans as we scale.

In FY26, we intend to set long-term SBTs and apply for validation by the Science Based Targets initiative (SBTi) re-calibrating our alignment with a 1.5°C pathway.

Our approach considers the specific context of the retail and luxury goods sector, and is aligned with the evolving expectations of the Task Force on Climate-Related Financial Disclosures (TCFD) and International Sustainability Standards Board (ISSB) frameworks.

This work is a pivotal foundational step in building a resilient and future-ready business and supports the future development of a full transition plan and integration of climate considerations across our Group.

Transition Plan Taskforce Mapping		
1. Foundation		Page(s)
1.1 Objectives and priorities	How the Group Creates Value: Planet and Product	27
	Continue to Advance Across ESG Indicators	37
	Our Strategy in Action Certified Pre-Owned Programme & Repairs and Servicing	34
	Key Performance Indicators: ESG	58
	Environmental, Social and Governance: Key Targets and Highlights	37
	Caring For Our Planet: Climate Action	103
	TCFD: Goal and Strategies	129
	TCFD: Risk Management	127
1.2 Business model implications	Market Review: Pre-owned watch market and Repairs & Servicing	14
1.3 Key assumptions and external factors	TCFD: Emissions Methodology	131
	TCFD: Emissions Rebaselining Policy	131
	TCFD: Qualitative Climate Scenario Analysis	121

Transition Plan Taskforce Mapping		
2. Implementation strategy		Page(s)
2.1 Business planning and operations	Planet: Transition Planning	103
	Planet: Total Scope 1, 2 and 3	130
	Planet: Energy Management, Clean Energy & Building Management	105 and 106
	Planet: Transportation & Logistics	107
	Planet: Risk Management	127
2.2 Products and services	Product: Our Approach	135
	Planet: Supporting a Circular Economy	113
	Planet: Waste Management and WEEE	107
	Planet: Packaging	108
	Product: Product Innovation	138
2.3 Policies and conditions	Planet: Environment Policy	102
	Planet: Vendor Code of Conduct	102
	Planet: Supplier Sustainability Standards	105
	Planet: Energy Management	105
	Code of Ethics	142
2.4 Financial planning	TCFD: Risk Management	127
3. Engagement strategy		
3.1 Engagement with value chain	Planet: Supplier Engagement	105
	Planet: Building Management	106
	Planet: Transport & Logistics	107
	Intro & Mapping: Enhancing our Reporting	77
	Planet: Biodiversity & Our Impact on Nature	109
	Product: Leveraging AI	136
3.2 Engagement with industry	Intro & Mapping: Collaboration with partners	77
	Planet: Supporting Growth	111
	Supply Chain Engagement: Responsible Jewellery Council	136
3.3 Engagement with government, public sector and civil society	Intro & Mapping: Collaboration with Partners	77
4. Metrics and targets		
4.1 Governance, business and operational metrics and targets	Planet: Climate Action	103
	TCFD: Risk Metrics Table	128
4.2 Financial metrics and targets	TCFD: Risk Metrics Table	128
4.3 GHG emissions metrics and targets	Planet: Climate Action	103
	Planet: Energy Management	105
	TCFD: Emissions Table	130
4.4 Carbon Credits	No information disclosed. Our offset strategy will be considered as part of longer-term commitments	N/A
5. Governance		
5.1 Board oversight and reporting	TCFD: Governance of Climate-Related Risks and Opportunities	119
	Principal Risk: Climate Change	153
5.2 Roles, responsibilities and accountability	Intro & Mapping: ESG Governance	76
5.3 Culture	Leveraging Our Unique Culture	80
	Planet: Rewarding Positive Behaviours	104
5.4 Incentives and remuneration	Application of the Remuneration Policy in FY25	187
5.5 Skills, competencies and training	Planet: Affordable and Clean Energy	106
	Planet: Waste Management	106
	Planet: Colleague Engagement	104



Our Goldsmiths Signature Collection is our first-ever traceable diamond, offering clients total confidence in the journey of their ethically mined diamond. All Goldsmiths Signature diamonds are unearthed from four hand-picked countries, chosen for their outstanding ethical standards. Our clients have peace of mind it was sourced conflict-free and in a sustainable way.

OUR ESG STRATEGY

Guided by our Purpose, our strategy is to build a more sustainable, valuable business

OUR VALUES

Our Values shape our culture and behaviour, driving performance and purposeful action. They are the cornerstone of our Code of Ethics and truly represent who we are.



WE EARN TRUST & CONFIDENCE

By being true to ourselves and honest and transparent with our colleagues, our clients and our brand partners.



WE TREAT EVERYONE WITH RESPECT

By working together to cultivate a secure and supportive workplace, with equal opportunities and respect.



WE DO THE RIGHT THING, ALWAYS

By making the right decisions for the benefit of our colleagues, stakeholders and wider society.



WE CARE FOR OUR COMMUNITIES

By actively engaging in our community and supporting those in need.



WE PROTECT OUR PLANET

By working with our industry and other stakeholders to minimise our impact on the environment.



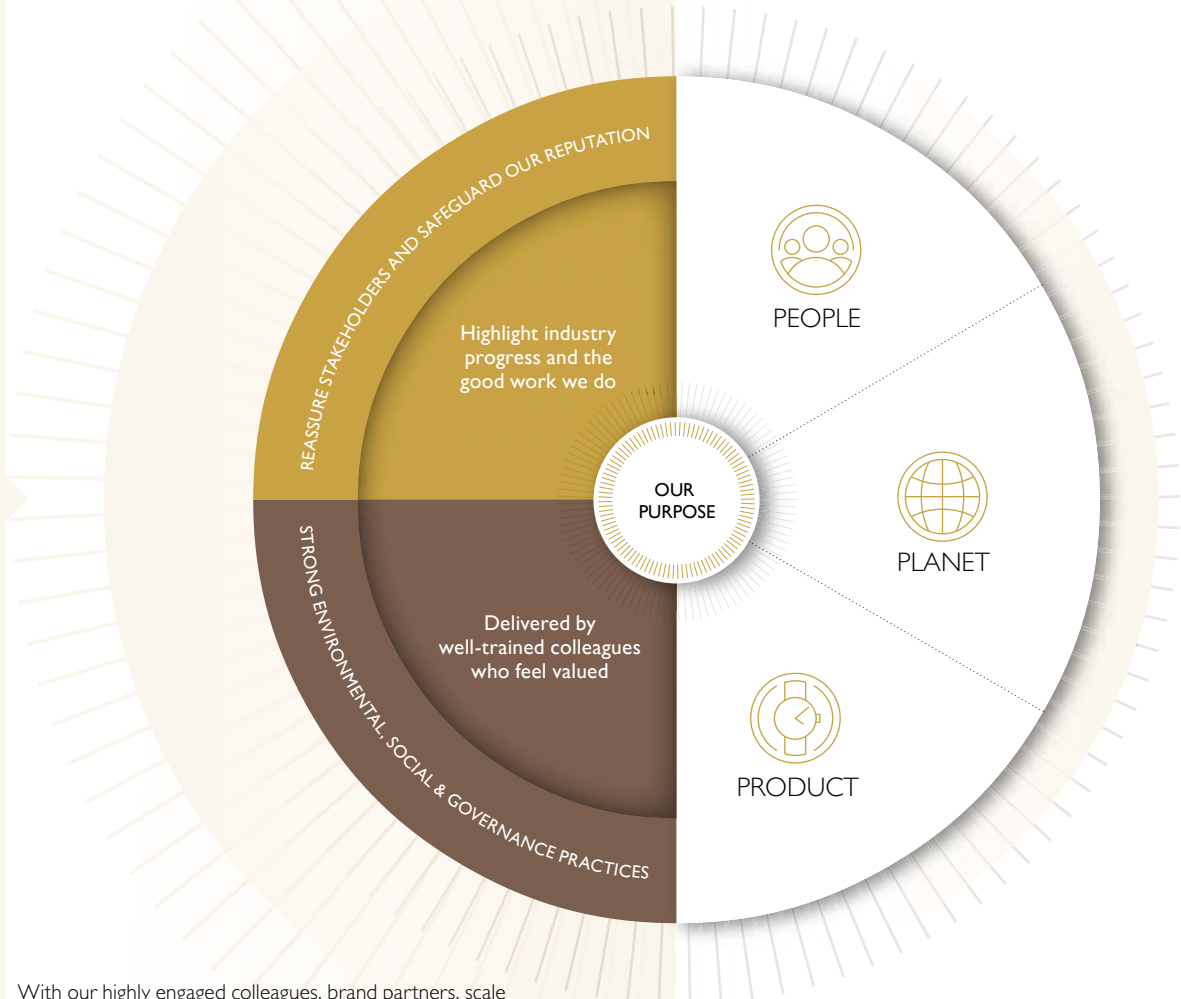
WE ADVOCATE FOR OUR INDUSTRY

By proactively promoting the interests and responsibilities of the luxury watch and jewellery sectors in our markets.

OUR ESG STRATEGY

Our Purpose: To WOW our clients while caring for our colleagues, our communities and our planet

Our Purpose is an inextricable part of how we do business. Environmental, social and governance factors are considered in our decision-making processes at every level of our business.



OUR ESG PILLARS

With our highly engaged colleagues, brand partners, scale and expertise, we are uniquely positioned to achieve this.

Our ESG strategy is evolving to focus on key material issues in line with best practice and global reporting frameworks, with input from key stakeholder groups.

This strategy is underpinned by clear priorities and ambitious targets to safeguard against environmental, social and governance risk, while leveraging opportunities to secure a more sustainable future.

Our ESG pillars provide a strategic framework and guiding principles to help streamline our decision-making and ensure everyone across our Group works towards common goals.

PEOPLE

GOALS

- Give colleagues every reason to join, grow and stay with our Group through attracting and retaining talent, building an organisation fit for the future and leveraging our unique culture
- Support our local communities

SUPPORTING UN SDGS¹



PLANET

GOALS

- Achieve net-zero GHG emissions by 2050
- Build climate resilience
- Preserve natural resources

SUPPORTING UN SDGS



PRODUCT

GOALS

- Improve our traceability and sourcing standards
- Highlight the sustainable attributes of our watches and jewellery
- Support circularity in watches and jewellery through repairs, servicing and our pre-owned business

SUPPORTING UN SDGS



DELIVERING SUSTAINABLE VALUE FOR OUR STAKEHOLDERS

We WOW clients with the finest selection of watches and jewellery, together with world-class service.

We provide colleagues with rewarding careers, support a thriving economy and care for our communities through rigorous ESG standards and via The Watches of Switzerland Group Foundation.



Colleagues



Communities



Clients



Investors



Brand partners and other suppliers

DRIVING SUCCESS

We track our progress holistically, across non-financial and financial performance.

Progress towards our ESG goals is considered as part of our colleague bonus scheme, reinforcing our commitment to a more sustainable future.

In addition, our existing loan facility is linked to the achievement of our near-term science-based emission reduction targets and circularity goals.



As of June 2025, the Group holds ISS Prime Rating and the top QualityScore of '1' for Environment and Social. As of June 2025, we also hold the top MSCI ESG Rating of AAA.

The MSCI index is widely recognised as the leader for global equity benchmarks. The use by Watches of Switzerland Group PLC of any MSCI ESG Research LLC or its affiliates (MSCI) data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of the Watches of Switzerland Group by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

¹ UN Sustainable Development Goals.



ESG GOVERNANCE

This report covers the Watches of Switzerland Group PLC (the 'Group') for the reporting period from 29 April 2024 to 27 April 2025.

It incorporates activities and operations over which the Group has direct control or significant influence. This includes all owned and operated showrooms, and service centres in the UK and US, our offices and regional headquarters and distribution and logistics centres under operational control of the Group.

Performance data and disclosures are reported for all consolidated subsidiaries within the Group's financial reporting boundary. Environmental data includes Scope 1 and Scope 2 emissions across directly controlled locations, and Scope 3 data includes emissions from supply chain logistics and transportation. Social and governance data includes all directly employed colleagues across our Group operations.

During the reporting period, the Group acquired the exclusive distribution rights for the Roberto Coin brand in the US, Canada, Central America and the Caribbean, through the acquisition of Roberto Coin Inc., an associate company of Roberto Coin S.p.A., based in Italy. It also acquired the Hodinkee business, a global digital content provider and gateway for luxury watch enthusiasts. As a result, the scope of our reporting has grown to include the performance of these newly acquired businesses from the dates of acquisition onward. Historical data from prior periods does not include these businesses unless otherwise specified. Any minor updates or methodological adjustments are noted within the relevant sections of this report.

APPROACH

Guided by our purpose and values to 'do the right thing, always', we operate a responsible and ethical business by aspiring to best practice and understanding stakeholder expectations, then making sure this is reflected in our business decisions.

The Board takes a structured and proactive approach to ESG governance, providing strategic direction, reviewing risks and performance and ensuring sustainability and responsible business practices are integrated throughout the organisation.

Our approach is built on three core ESG governance pillars: Board-level oversight supported by our ESG Committee, executive accountability through our ESG Steering Group, and operational integration through dedicated working groups aligned to our strategic pillars of People, Planet and Product.

Senior leaders across the business are responsible for driving ESG priorities and delivering progress against our targets. This is underpinned by cross-functional collaboration, data-led decision-making and regular stakeholder engagement.

Our ESG risk register ensures a systematic approach to ESG risk management, which allows us to formally monitor our risk profile and manage change at the appropriate levels, while mitigating or removing risks to our business operations before they materialise. Our risk management framework also allows us to identify and act on opportunities arising from a changing climate. More information on how we are identifying and managing climate-related risks and opportunities, can be found in our TCFD Statement on pages 114 to 131.

Through this framework, ESG is embedded into our long-term ESG Strategy and day-to-day operations, while meeting regulatory obligations and responding to stakeholder expectations.

ESG GOVERNANCE

The Group is committed to high standards of environmental and social governance and our Board governance structure can be found on page 165.

The Board has overall responsibility for oversight of ESG-related risks and opportunities and is supported by the dedicated ESG Committee, chaired by Baroness (Rosa) Monckton MBE, Non-Executive Director.

Our ESG Committee meets a minimum of three times a year, plus, where appropriate, additional meetings are held dedicated to training and awareness. The Committee plays an active role in the development and delivery of the Group's ESG Strategy by considering best practice, ratifying key decisions, and providing accountability against KPIs in relation to our three ESG Pillars of People, Planet and Product.

The ESG Committee is supported by an ESG Steering Group, which is comprised of members of Senior Management, each with formal operational responsibility for the management of environmental, social and governance issues. The ESG Steering Group is chaired by our CFO, Anders Romberg, and driven by our experienced Head of Sustainability and ESG, Kesah Trowell.

The ESG Steering Group aims to meet once a month and exists primarily to help mitigate risk, and to oversee the development of a progressive ESG Strategy and ensure its successful delivery across the Group.

BOARD-LEVEL OVERSIGHT (ESG Committee)

EXECUTIVE ACCOUNTABILITY (ESG Steering Group and Trading Board)

OPERATIONAL INTEGRATION (Working Groups)



People



Planet



Product

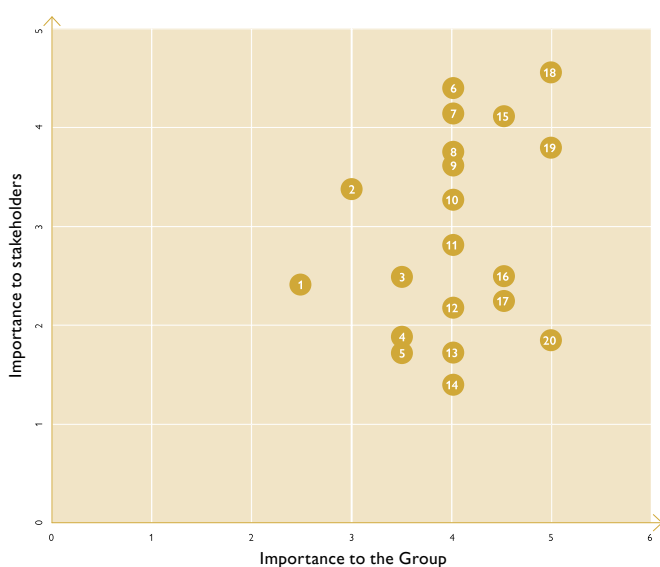
MATERIALITY ASSESSMENT

We conducted a comprehensive materiality assessment in FY24 to identify the ESG topics most relevant to our business and stakeholders, and prioritise our focus on the most significant actual and potential impacts of our operation.

This process involved engagement with key stakeholder groups, including clients, colleagues, investors, and community representatives. We considered economic, environmental and social dimensions to identify the topics most relevant to our stakeholders and to our long-term value creation. The findings from our FY24 assessment were published in our Annual Report and Accounts 2024 and continue to inform our strategy, risk management and sustainability reporting.

To ensure the continued relevance of these material topics, we carried out a targeted review in February 2025. This review was prompted by developments including the US elections, emerging legislation and evolving perspectives on natural capital. The review confirmed that the material topics identified in FY24 remain current and aligned with our impact areas and stakeholder concerns.

As no significant changes in impact or stakeholder priorities were identified, we have maintained the same set of material topics for FY25. We will continue to monitor these areas and conduct a full reassessment if significant new developments or changes in stakeholder sentiment arise. Our approach to determining the materiality will be reviewed on an annual basis.



Key:

- | | |
|------------------------------------|--|
| 1 Packaging | 12 Sustainable Procurement |
| 2 Biodiversity & Nature | 13 Diversity & Inclusion |
| 3 Social Impact | 14 Whistleblowing & Grievance Procedures |
| 4 Transparency & Reporting | 15 Colleague Engagement |
| 5 Traceability of Raw Materials | 16 Training & Education |
| 6 Anti-Bribery, Corruption & Fraud | 17 Supply Chain Engagement |
| 7 Anti-Money Laundering | 18 Brand & Reputation |
| 8 Health, Safety and Wellbeing | 19 Data Protection & Cyber Security |
| 9 Achieving GHG Reduction Targets | 20 Circularity via Repairs & Pre-Owned |
| 10 Climate Action | |
| 11 Energy Management | |

COLLABORATION WITH PARTNERS

The Group's business strategy is aligned with the United Nations Sustainable Development Goals (UN SDGs) and we support the principles of the UN Global Compact, which aims to prioritise and mobilise efforts to drive business action to achieve these goals by 2030.

We remain members of the UK Government's All-Party Corporate Responsibility Group and the British Retail Consortium, who provide regulatory guidance and represent our sector's interest in policy discussions, most recently the Corporate Net-Zero Standard Version 2.0 public consultation. We also partner with international social enterprise, Slave-Free Alliance, to support the development and delivery of our human rights and modern slavery roadmap.

We strongly encourage all supplier partners to align with relevant, well-recognised sustainability standards and certifications, as well as adhere to external initiatives or sets of principles. More information can be found on page 136.

In FY25, we continued to partner with the Association of Creative Independent Watchmakers, to help provide talented watchmakers with a platform, guidance and support, as they hone their skills and shape their careers.

Through our business and The Watches of Switzerland Group Foundation, we enjoy long-standing partnerships with charities including local food banks in the UK and Habitat for Humanity in the US, as well as The King's Trust in both the UK and US. More information on how we care for our local communities through the Foundation can be found on pages 92 to 99.

BUILDING A STRATEGIC APPROACH TO SUPPLY CHAIN ENGAGEMENT AND MANAGEMENT

During FY25, the Group participated in a digital transformation project, led by AI Agent Platform, Sevva AI and supported by Sheffield University, to explore how machine-learning technology can enhance ESG due diligence and reporting. The project was supported by Innovate UK, the UK innovation agency, as part of their work to understand how AI can help businesses in achieving sustainability goals.

The project was a success and resulted in the development of an AI Agent to efficiently gather and analyse publicly available data and carry out real-time sustainability assessments, evidenced with direct links to official information sources.

With an increasing number of 'off the shelf' solutions offering generic AI ESG risk assessments, our project evolved to focus on improving supply chain transparency and due diligence relevant to our business and industry needs. It included carrying out detailed supplier entity mapping and categorisation, as well as retrieving supplier information and data to support business decisions.

In April 2025, we agreed to progress with the AI Agent on a commercial basis and are actively using our new platform to monitor the level of supplier alignment with our Supplier Sustainability Standards. See pages 117, 136 and 137 for more information.

The use of AI across our business is underpinned by our new Group AI Policy which was approved by our AI Council in April 2025 and supports the Group's Code of Ethics. This Policy underlines our commitment to the ethical and responsible use of machine learning technologies and provides guidelines and protocols for their use within our organisation.

TAX MATTERS

As part of our commitment to transparency and responsible business practices, we are proud to be reaccredited with the Fair Tax Mark, which demonstrates that we pay the right amount of tax in the right place, at the right time and that we openly communicate our tax affairs. See page 142 for more information.

**Great
Place
To
Work.®**

Certified

TM

WE ARE A GREAT
PLACE TO WORK



OUR PEOPLE

At the Watches of Switzerland Group, we have created an inclusive culture which gives our colleagues every reason to join and develop long-term careers within our Group. We are delighted to be Great Place to Work-Certified™ in our first year of entry, which demonstrates our continued commitment to our people.

GOAL AND STRATEGIES

Our 'Great Place to Work' is underpinned by our goal of giving our colleagues every reason to join, grow and stay with our Group. Each of our supporting strategies is underpinned with clear tactics and measures set over a three-year horizon between FY24 and FY26.

GOAL

To give colleagues every reason to join, grow and stay with our Group.

STRATEGIES



LEVERAGE OUR UNIQUE CULTURE



BUILD AN ORGANISATION FIT FOR THE FUTURE



ATTRACT AND RETAIN TALENT

FY25 KEY PERFORMANCE HIGHLIGHTS

50%

OF SHOWROOMS WITH AT LEAST ONE FEMALE IN LEADERSHIP (2024: 45%)

38%

COLLEAGUES FROM MINORITY ETHNIC BACKGROUND (2024: 36%)

54%

FEMALE COLLEAGUES (2024: 55%)

37%

INCREASE IN VOLUNTEERING HOURS TO 1,133 HOURS (2024: 13%)

20%

GROUP ATTRITION (2024: 22%)

16%

INCREASE IN GLOBAL TRAINING HOURS TO 40,616 (2024: 35,000 HOURS)

70%

COLLEAGUE ENGAGEMENT (2024: 76%)



AS AT JUNE 2025, RATED '1' BY ISS ESG SOCIAL QUALITYSCORE

OUR VALUES

Being a great place to work is created through our relentless focus on our purpose and values. These shape our behaviour and result in high performance teams engaged in purposeful action. They are the cornerstone of our Code of Ethics and truly represent who we are.



WE EARN TRUST
& CONFIDENCE



WE TREAT EVERYONE
WITH RESPECT



WE CARE FOR
OUR COMMUNITIES



WE DO THE RIGHT
THING, ALWAYS

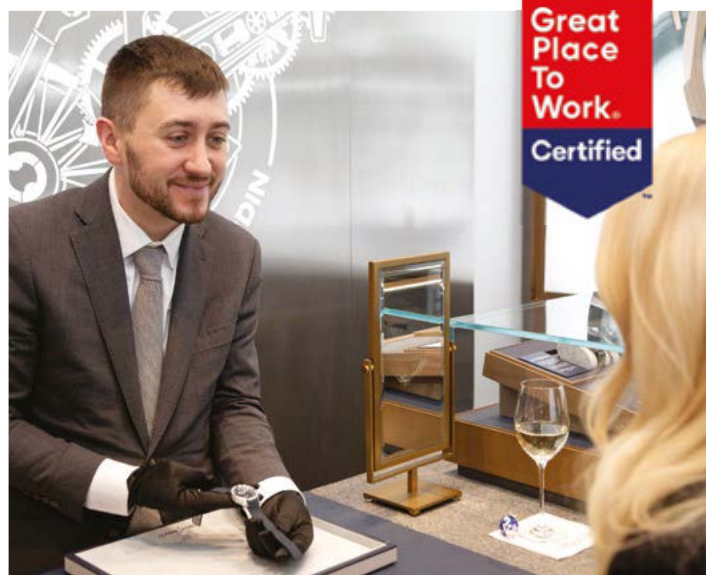
VALUES IN ACTION – GREAT CULTURE

GREAT PLACE TO WORK

Our Great Place to Work-Certified™ status was achieved in the first year of partnering with the Great Place To Work® organisation. This accolade demonstrates our commitment to create a positive colleague experience and an enjoyable working environment.

Our view is that by living our Values and integrating them into our everyday actions, colleague engagement will remain strong, which in turn delivers strong client experience. We share below the results of the survey and examples of how we have earned trust and confidence throughout the year.

Taking everything into account, I would say this is a great place to work	67%
I would strongly recommend my organisation to friends and family as a great place to work	63%
People here are willing to give extra to get the job done	65%
I feel I make a difference here	74%
I want to work here for a long time	67%
I'm proud to tell others I work here	80%
When I look at what we accomplish, I feel a sense of pride	77%
My work has special meaning; this is not 'just a job'	65%



77%

INCLUSION SCORE*

TRUST AND CONFIDENCE: BUILDING HIGH PERFORMANCE TEAMS

Trust is the foundation of our high performance culture. We know that our roles are demanding and that our expectations are high. Our showroom colleagues deserve the best managers and our relentless focus on talent management has improved Group showroom manager capability. The majority of colleagues are proud to work for our Group and feel that they make a difference.

80%

COLLEAGUES ARE PROUD
TO WORK HERE*

74%

COLLEAGUES FEEL LIKE
THEY MAKE A DIFFERENCE*

“

My team in particular is why it is a great place to work; from the Showroom Manager, the Assistant Managers, Supervisors and the rest of the Sales Consultants.”

EXTRACT FROM GREAT PLACE TO WORK® SURVEY

* Great Place To Work® Survey 2024.

TRUST AND CONFIDENCE: REWARD AND RECOGNITION



We continue to provide high levels of support and reward to our valued colleagues with a wide range of benefits. These are reviewed each year against market trends and balanced with our financial performance. Our reward strategy covers three elements: financial, physical and mental wellbeing, and we adapt our tactics accordingly. This year, we increased our maternity pay benefits in the US providing greater financial support to parents. Our compensation plans in the US were thoughtfully reviewed and enhanced to drive greater engagement with our strategic brand partners. In the UK, we added a 'top seller' element to the commission scheme which has secured 100% retention of participants. In FY26, we will bring our progress to life through a new employer brand campaign highlighting our culture of collaboration, listening and support.



IN THE US

- Globalised our benefits to all US colleagues which provided a robust plan of options at a reduced rate. As a result, 85% of our US colleagues enrolled in medical, dental and/or vision benefits
- Harmonised our benefits offering in a platform which simplifies our offer and 100% of colleagues participated throughout April, an increase of 21%
- Enhanced maternity and paternity leave of absence for parents and paid leave of absence for all colleagues. In addition, we were able to offer additional medical and dental options to all colleagues
- The Employee Assistance Program continues to be an important benefit for all US colleagues. FY25 saw an annualised engagement rate of 100%; the Program was accessed by our US colleagues 548 times
- Integrated the 401k pension plans resulting in more effective management and administration for our colleagues, with 75% of colleagues enrolled in the 401k retirement plan
- Sunrise Support Centre has hybrid working arrangements in place
- 9% sharesave participation
- Revamped the vacation policy this fiscal year which recognises tenure and service to the organisation
- Payroll processes were integrated into one system which allowed for all Hodinkee and Roberto Coin colleagues to have a common payroll schedule and payroll practices in the US





IN THE UK

- Introduced a competitive commission scheme introduced for top sales colleagues to drive engagement and retention
- Introduced new EV salary sacrifice scheme to support colleagues wishing to lease electric or hybrid cars in a cost efficient way
- 4% reduction in gender pay gap (now 16%) demonstrating our ongoing commitment to meritocracy
- Launched payroll savings scheme in April 2025 giving colleagues access to affordable financial products and services
- 17% sharesave participation enabling colleagues to be shareholders
- 83% colleagues now enrolled in our pension scheme
- Carlton Park and London Support Centres have hybrid working arrangements in place
- Interest-free support loans: 68 applications to the value of £65,000 supporting our colleagues through the cost-of-living crisis
- More than 42,000 recognitions through our recognition platform celebrating the hard work and behaviours of our colleagues
- Renewal of our health, dental and Employee Assistance Programme which provides 24-hour confidential support to colleagues
- Continued recognition as a UK Real Living Wage employer, highlighting our ongoing commitment to colleagues




VALUES IN ACTION – GREAT CULTURE

RESPECT: BUILDING A MERITOCRACY IS KEY TO OUR CULTURE TO DELIVER OUR COMMITMENT TO OUR STRATEGY

WE ARE A MERITOCRACY DEMONSTRATED BY:

 INCLUSION 77% inclusivity score	 GENDER BALANCE All leadership teams are gender balanced	 REPRESENTATION Teams represent the national identity and the race/ethnic mix of the markets in which they operate
--	--	--

STRATEGIC PILLARS ENABLING DIVERSITY AND INCLUSION

 CARE Leaders visibly champion D&I	 RESPECT Strengthen our inclusive culture	 HARNESS The power of brands and our communities	 EQUIP End to end policy and process alignment
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RESPECT: MERITOCRACY

We advocate for our industry about meritocracy and our demographic breakdown is shown opposite. The FTSE Women Leaders Review placed us #7 of the FTSE 250 – our highest ever ranking – and we continue to receive external accreditation for our progress.



RESPECT: GLOBAL EMPLOYEE RESOURCE GROUPS

Our Employee Resource Groups have gone from strength to strength this year, supporting colleagues with interest and passion in the following areas:



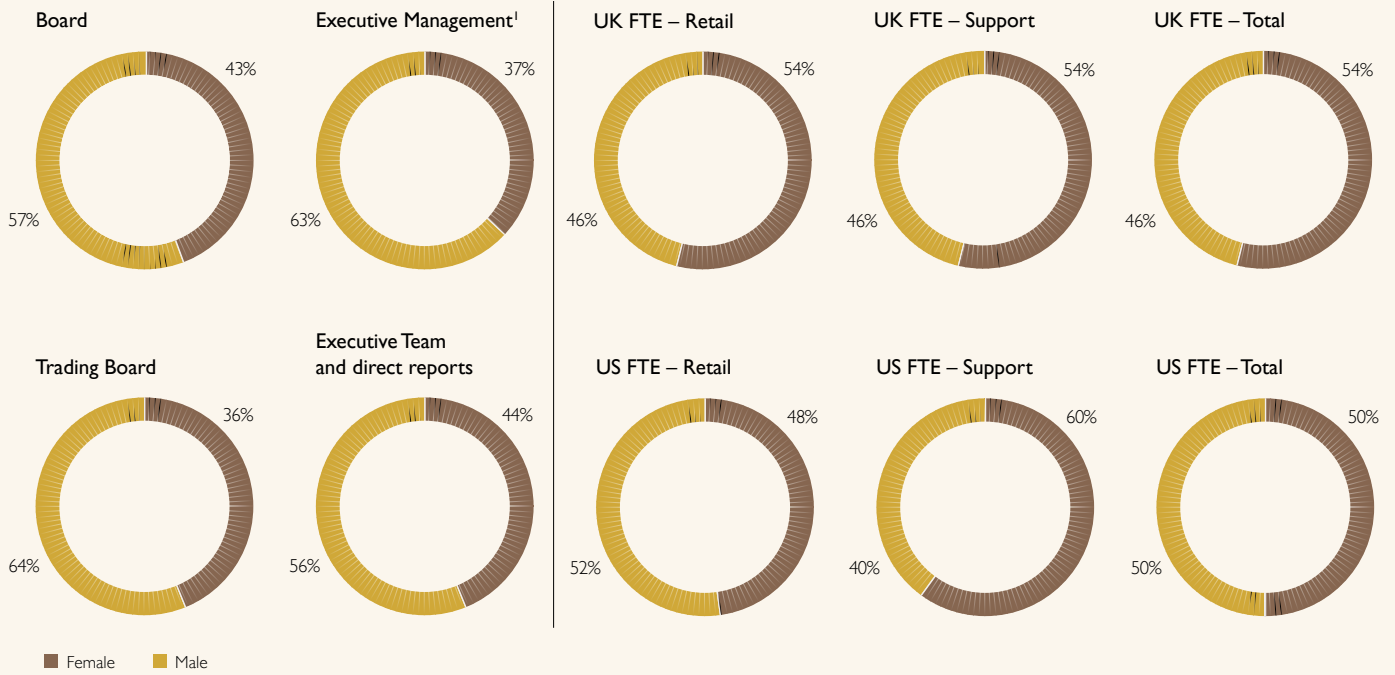
Each group is sponsored by a member of the Senior Leadership Team and meets every quarter to discuss suggestions, ideas and progress. Our progress this year can be measured by:

- Brilliant Breakfast event focused on inclusion attended by Group colleagues on 6 March 2025. In the US, we had over 200 colleagues from across all regions participating in virtual and in-person events
- New UK D&I e-learning training programme launched in April, with 1,500 colleagues completing the course within the first month of enrolment

- Our US team led ‘Lean In’ programmes that offer leadership development and provide all colleagues with tools to improve the culture of work. With a focus on ‘Allyship at Work’, this programme helps colleagues recognise unfairness at work and learn specific actions they can take to practice allyship
- Our US team created a series of impactful campaigns, including Black History Month with its focus on Artist Highlights, Pride Month showcasing Trail Blazers Highlights, and Women’s History Month centred around Leaders in STEAM Highlights. These campaigns highlighted various cultural awareness events, fostering education and celebration
- Improved communication channels for Employee Resource Groups on our new CONNECT platform

Respect starts with understanding, and this year, we introduced a new virtual discussion format called ‘In Conversation With’ which is hosted by Senior Management periodically. This enables colleagues in both regions to discuss the ‘real’ topics in the business, such as hidden disability, cultural awareness and cyber crime. Topics are suggested by colleagues and attendance remains high.

COLLEAGUE GENDER STATISTICS AS AT 27 APRIL 2025



¹ Executive Management is defined on page 173 of the Corporate Governance Statement.

RESPECT: THE POWER OF OUR BRANDS AND COMMUNITIES

Our Diversity & Inclusion Strategy is underpinned by four pillars. Having made great progress on care, respect and equip, we have been delighted with the outcome of harnessing the power of our brands and communities this year. This is something we feel our Group is uniquely able to drive because of our scale, brand relationships, committed colleagues and The Watches of Switzerland Group Foundation. Some examples of how we have brought this to life are below:



CRISIS HOMELESSNESS ALLIANCE AND HAYS PROJECT FLOURISH

Through our partnership with Crisis and Hays, we have provided employment and learning opportunities for two new colleagues this year who have both experienced homelessness. By bringing together our Group and The Watches of Switzerland Group Foundation, we are opening up new ways to source strong talent and do the right thing for our communities.



PRIDE

Our LGBTQ+ group made a suggestion this year to leverage Pride month with a focus on gender neutral jewellery. Listening to this suggestion, we worked with the LGBTQ+ Employee Resource Group and designed a campaign which was activated in June 2025 in selected showrooms. This will coincide with Pride month and the increased trend of gender neutral jewellery. Bringing together the power of our product, our community and our colleagues has been a great example of our positive culture and doing the right thing.

VALUES IN ACTION – GREAT TEAMS

DO THE RIGHT THING: ORGANISATION AND TEAM



A great place to work is underpinned by great teams. We build great teams by combining the right structures with the right people. Each year, we review our organisation and where relevant, we adapt and evolve our structures. We relentlessly focus on retail, ensuring the teams are empowered through strong leadership and training. Our colleagues in our Support Centres focus on prioritising retail, and we have built further capability in the following areas:

- Hiring strong leadership in Retail to support the UK retail transformation
- Hiring a new ecommerce team in the US
- Acquisition support and integration/business development in the US
- New procurement leadership in the UK

ACQUISITIONS

In May 2024, the Group acquired Roberto Coin Inc. which strengthened our position in the luxury branded jewellery market, particularly in the US. Preserving the strong people-driven culture has been a priority to ensure success. This has been achieved through retention of key talent, and ongoing communication with the objective of maintaining the culture and heritage that has contributed to the success of the brand since 1996.

With the acquisition of the Hodinkee business in October 2024, we diversified our US talent pool further with experienced editors and journalists from around the world joining our Group. Retention following acquisition has been a priority. Measures such as compensation reviews, benefits enhancements and cross-functional collaboration with current Group resources continue to be a priority for the future.

These acquisitions mean that our skills base is broader than ever. Integrating new colleagues has been a priority to ensure we preserve positive culture whilst providing security and support of our scale and global business. Senior Leadership has spent significant time with the Leadership in New York. Excitement about the acquisition has been built across the Group through a series of training events, town halls and immersion events, all of which have highlighted their talents, expertise and contributions supporting our position and future growth in the US luxury market.

“

The launch of CONNECT – our new intranet and social connection platform – has provided us with a strong tasking framework that helps us manage workflows and operational processes.”

COMMUNICATION

This year, we have developed communication expertise to boost our internal and external communications strategy in order to share and celebrate the great work our colleagues deliver. This also ensures key messages penetrate through the business and drives engagement and high performance.

Our approach to two-way communication is set out below:

- Our new communication strategy has been aligned with our Board and in particular Baroness (Rosa) Monckton MBE, Non-Executive Director for Wider Workforce Engagement
- The launch of CONNECT – our new intranet and social connection platform – has provided us with a strong tasking framework that helps us manage workflows and operational processes
- Colleagues can directly and anonymously give feedback to the highest levels in regional leadership teams
- Town halls are where colleagues hear from our Executive and Senior Leadership and we foster open communication, share important organisational updates, celebrate achievements and provide a platform for colleagues to engage directly with leadership

COLLEAGUE RELATIONS

As we review our organisation for the long-term, we have had to make some difficult choices in closing a number of UK retail showrooms and making redundancies in our Support Centres in both regions. Where we entered into redundancy conversations, we have made every effort to retrain and redeploy colleagues, with 36% of our UK retail colleagues being retained post consultation.

HEALTH & SAFETY AND WELLBEING

We are committed to maintaining safety standards that comply with legislation and enable colleagues to be confident that their workplace is safe. Our Health & Safety Policy applies to all business activities and premises to ensure the health, safety and welfare of our colleagues, clients and visitors. A Health & Safety Committee comprising senior leaders from our UK and US operations meets regularly and a rolling review and audit programme is in place. A formal mechanism for reporting accidents is in place and we work closely with a third-party provider:

- Annual retail raid training delivered in partnership with our security partners
- Low colleague accident rate of 2.5 accidents in 200,000 hours globally
- Low sickness absence of <2.5% in the UK
- 91% of colleagues agree that this is a physically safe place to work in the Great Place To Work® survey

DO THE RIGHT THING: TEAM BUILDING THROUGH VOLUNTEERING



The Watches of Switzerland Group Foundation works with a number of charity partners in the US and UK. We have leveraged these connections and our colleagues have found a passion for volunteering, which has exceeded our expectations in the last 12 months. Most volunteering is at food banks where colleagues work together to prepare and hand out food parcels for those in need. In addition, our colleagues have also volunteered with The King's Trust and Crisis in the UK and in the US, The King's Trust and Habitat for Humanity where colleagues built homes to support affordable housing initiatives and make a meaningful impact in our local community. The volunteering teams are often cross-functional and the sessions can range from regular weekly support to a half or full day, depending on the charity's need. We have a Volunteering Policy which provides guidance for how the arrangements work. By living our Values, we have delivered 1,133 volunteering hours across the Group which is an increase of 37%.

FY26 AREAS OF FOCUS: PEOPLE

We will continue to use Great Place To Work® as our future benchmark for people, culture and engagement and have agreed four key areas of focus:

- Leadership and values
- Development and progression
- Wellbeing and fun
- Reward



VALUES IN ACTION – GREAT TALENT

Our talent is diverse. We offer a wide range of careers spanning from retail showroom roles to technical roles in our workshops. Our skills are broader than ever following the acquisitions of Roberto Coin Inc. and the Hodinkee business, yet, wherever our colleagues are based, they are all passionate about the products and services we offer.



Showroom Manager Leadership
Development cohort, Carlton Park

TALENT MANAGEMENT AT THE WATCHES OF SWITZERLAND GROUP

Building on the success of the UK training programmes in FY24, we have introduced a new talent selection and retention programme in the US which will be delivered through a series of in-person workshops available to all members of leadership. These workshops are designed to develop and challenge our colleagues by providing them with skills and tools to source, interview and on-board new talent. Additionally, strategies will be shared and implemented that will result in the retention of our colleagues through more effective communication, motivation and recognition of our teams.

In the UK, we have delivered the introduction of a new competency framework and related interview questions and toolkits for UK retail, which has supported our commitment recruiting the best talent in our showrooms.

38%

UK VACANCIES FILLED THROUGH INTERNAL TALENT

56%

ROLEX OLD BOND STREET COLLEAGUES WERE INTERNAL HIRES WITH A COMBINED COMPANY TENURE OF 254 YEARS

11,000

GROUP HOURS OF BRAND AND PRODUCT TRAINING

36%

IN THE UK INTERNAL MOVES AND PROMOTIONS IN RETAIL HAVE INCREASED BY 25% FROM 11% TO 36%

2x

TALENT AND SUCCESSION REVIEWS TAKE PLACE TWICE ANNUALLY IN THE UK AND US

77%

RETAIL PERSONAL DEVELOPMENT PLAN COMPLIANCE IN THE UK

69

GROUP WATCHMAKERS

79

COLLEAGUES ACQUIRED THROUGH US ACQUISITIONS

CAREER PATHS IN RETAIL

Our focus in Retail has been making career paths clearer and more accessible for colleagues by harmonising job titles across our brands, creating visibility of 'larger' roles with more scope and underpinning this through transparent pay ranges.

We have created career pathways for both sales and management careers, encouraging cross-brand moves to promote more opportunities.

Following on from the success we have seen in our retail teams, we have introduced new competency-based interviews to our UK Support Centre to help build meaningful development plans for colleagues.

In order to bring our career work to life across the Group, we have created 'Brilliant Careers' which shares colleagues' career experiences, progression and their personal achievements. We deliberately highlight the diversity of opportunities, people and experiences to inspire as many people as possible to continue to develop their career with us.

We have refreshed our external careers website across the Group and our internal vacancies noticeboard, making opportunities more visible, offering hints, tips and support for internal applicants, including those who want to stay with the Group but are relocating to a new city.

Our leadership teams have been instrumental in actively managing talent, through talent forums and discussions and supporting people to apply for roles. In FY25, we filled 38% of vacancies through internal talent moves in the UK and 23% in the US.

Looking ahead, we are focused on building clear and inspiring career pathways. From our in-house leadership programmes at all levels to the roll-out of our successful internal leadership programmes to our support functions, we're investing in every stage of the journey. Our soon-to-launch new competency framework will bring greater clarity to performance conversations, setting a consistent foundation for progression and growth throughout the organisation.

EARLY CAREERS AND APPRENTICESHIPS

From an early careers perspective, we're focused on intentionally investing in the next generation of talent and shaping the future of our business. This includes partnerships with the local universities and colleges. In the UK, we welcomed students in Buying and Merchandising and collaborated with the Goldsmiths' Centre by offering work placements at our jewellery workshop.

In September 2024, we recruited a UK Apprenticeship and Early Careers Specialist to drive a more strategic approach and align our initiatives with the long-term goals of the business. As a result, we expanded our UK apprenticeship programme from two participants last financial year to 21 colleagues currently enrolled this year, underscoring our dedication to nurturing talent from within. We now run four distinct apprenticeship programmes in retail and four core support functions – Property, Finance, and Learning & Development – ensuring that we build capability across all business areas for the future. This leadership programme, delivered in partnership with the Fashion Retail Academy (FRA), is a blend of hands-on learning and formal training, designed to equip colleagues with the skills, knowledge and confidence to thrive in their careers. This is a Level 4 apprenticeship standard, equivalent to a first-year undergraduate degree, or a Higher National Certificate (HNC).

In the US, we continue to expand our team of highly skilled and accredited watchmakers; a rare and in-demand trade. We support this through our US Watchmaker Apprenticeship Programme. Three US students participated in this accelerated watchmaking training in partnership with the Lititz Watch Technicum under the Swiss American Watchmakers Training Alliance (SAWTA) certification programme, and six US colleagues are currently participating in the programme.

VALUES IN ACTION – GREAT TALENT

CREATING EXCELLENCE

LEADERSHIP TRAINING

This year we have continued our focus on excellence in learning and development to ensure our managers and colleagues are provided with the technical and leadership skills and knowledge to provide the world-class experience our clients look for.

We have continued to build on our induction programmes introducing structured subject matter expert packs in both the UK and US. These practical training guides complement the digital learning and ensure consistency and expertise for all new colleagues joining our retail teams. For our colleagues in support we have introduced in-person induction days bringing to life the elements of our culture, high performance teams and Xenia. All new colleagues joining our corporate offices are invited to attend.

We have maintained our engagement with our global learning system. Since the launch of the new platform in February 2024, global engagement has remained high with over 1,700 colleagues completing learning each month outside of peak trading.

To maintain our position of providing exceptional service, all of our retail colleagues attend a two-day Xenia training programme which we deliver in locations across the UK, exploring Xenia client experience and bringing to life the client journey in our showrooms. Over 400 colleagues attended in FY25, our total number of colleagues now trained is over 1,500.

In the US, we continue our commitment to leadership development by conducting a five-day management induction programme, engaging 33 colleagues in comprehensive leadership, and organisational training.

BRAND AND PRODUCT TRAINING

This year, we conducted a skills gap analysis with our multi-brand showrooms to confirm levels of confidence across key watch and jewellery brands including brand knowledge, product expertise and selling ability. This has enabled us to further focus on gaps in our teams' knowledge and highlights the levels of training by showroom.

Working with our brand partners we provided over 11,000 training hours across 30 brands.

To further elevate our product and brand partnership we have appointed a dedicated Brand & Product Training UK manager to strengthen the levels of expertise on our showrooms further:

SUPPORTING HIGH PERFORMANCE CULTURE: INSIDE THE LEADERSHIP EVOLUTION AT THE WATCHES OF SWITZERLAND GROUP

Over the past year, the Watches of Switzerland Group has stepped into a new era of talent development, cultivating a leadership culture that reflects both the prestige of our brand and the potential of our people. At the heart of this transformation are our Senior Leadership Programmes, which in the UK welcomed 24 delegates and achieved a 100% satisfaction score – a testament to the calibre of our content and the commitment of our people. Alongside it, our Core Leadership Programme empowered 29 rising leaders, providing them with the tools and insights to lead with clarity, empathy and commercial impact. Our commitment to inclusive leadership continues to strengthen, with dedicated investment in external programmes for Ethnic Future Leaders, Ethnic Senior Leaders and Women in Leadership. These initiatives are not only expanding representation, they are shaping future-ready leaders across our business.

LEADERSHIP – RETAIL UK

Our everyday leadership training across the Group provides a clear and practical set of management principles designed to anchor management behaviours across our retail teams. It's a new standard for what practical leadership looks like every day: consistent, supportive and purpose-led. We continue to nurture leaders who represent both the heritage and the future of luxury retail.

In addition, this year marked the successful launch of our US Situational Leadership Programme, designed to equip leaders with the skills to adapt their management style to meet the evolving needs of their teams, enhance collaboration and drive performance in a dynamic work environment.



CREATING EXCELLENCE



The Rolex Old Bond Street team on their induction day

XENIA – ROLEX OLD BOND STREET

Our focus on Xenia, our bespoke Client Experience Programme, reached a new level this year combined with our largest Rolex boutique. This launch was underpinned by an industry-leading training programme designed to deliver a world-class client experience that immerses clients in the world of Rolex. This ambitious foundation collaborated with the world-leading expertise of The AHA Group who we worked with in 2021 to design our bespoke Xenia programme. Developed in collaboration with Rolex and experts from across the Group, this comprehensive programme covered an exceptional breadth of topics – from luxury client behaviours and technical Rolex knowledge to advanced sales techniques, leadership, after-sales service and hosting with grace. Training took place across a variety of locations, starting in the Shard, London, stopping in Geneva, and then culminating in two days of intensive practice in the boutique itself. Across a total of 5,300 training hours, this programme created a highly knowledgeable, confident team who can deliver experiences that are as precise and exceptional as the watches themselves.

“

Developed in collaboration with Rolex and experts from across the Watches of Switzerland Group, the comprehensive programme covered an exceptional breadth of topics – from luxury client behaviours and technical Rolex knowledge to advanced sales techniques, leadership, after-sales service and hosting with grace.”

COACHING FOR DEVELOPMENT

We are dedicated to client experience and create focus, reflect on insights and take appropriate action to ensure we continue to deliver high standards across the Group. We hold regular Client Experience Insights Meetings which are designed to enhance the overall customer journey within our showrooms and boutiques. By facilitating the exchange of best practices among retail leadership, these meetings provide a platform for identifying innovative strategies, addressing challenges and celebrating outstanding achievements.

As part of our efforts to recognise excellence, the US introduced the '100 Club' initiative, which honours individuals and teams who consistently deliver exceptional client experiences, achieving our benchmark of 100% satisfaction. In FY25, 331 colleagues were celebrated through this recognition programme, highlighting their dedication and impact in elevating the client experience.



VALUES IN ACTION – GREAT TALENT

CREATING EXCELLENCE

TECHNICAL TRAINING: WATCHES

This year, we have taken further steps to measure the effectiveness of our brand and product training. In the UK we conducted a skills gap analysis with our multi-brand showrooms to confirm levels of confidence across key watch and jewellery brands including brand knowledge, product expertise and selling ability. This has enabled us to further focus on gaps in our teams' knowledge, highlight the levels of training required on a showroom-by-showroom basis, and target our actions more effectively.

We conducted a review of our in-house watchmaker training programme and have introduced a modular based training programme providing a structured learning programme with the flexibility to be assessed and start at different joining points depending on prior experience.

“

We conducted a review of our in-house watchmaker training programme and have introduced a modular based training programme providing a structured learning programme.”





TECHNICAL TRAINING: JEWELLERY

In the US, Roberto Coin Inc. has given us the opportunity to strengthen our position in the luxury branded jewellery market. Colleagues working at Roberto Coin Inc. undertake a comprehensive induction, onboarding and education programme which delivers an overview of this prestigious brand. In addition, we have delivered 232 hours of Roberto Coin brand and product training to our retail colleagues across the US.

As part of our continued investment in colleague development and client experience, we introduced a new Jewellery Essentials training programme to the colleague journey. This specialised training was designed to deepen product knowledge, enhance presentation skills and empower teams to create memorable moments centred around jewellery.

In addition, we launched the Creating Moments with Jewellery programme focused on elevating the in-showroom experience through refined jewellery presentation techniques and the creation of impactful jewellery-focused events.

By equipping colleagues with the skills to confidently communicate the craftsmanship, design and storytelling behind each piece, we aim to strengthen client engagement and drive a deeper emotional connection with our collections.

In the UK, we have continued to focus on jewellery training in preparation for the opening of the Mappin & Webb Luxury Jewellery boutique in Manchester in FY26 and delivered 495 hours of brand and product training to showrooms. We continue to offer our colleagues the opportunity to elevate their gemological expertise through the GIA Applied Jewelry Professional (AJP) programme.

In FY25, a total of 782 training hours were dedicated to the GIA, reinforcing our commitment to excellence in service and expertise in fine jewellery. This globally recognised diploma supports our commitment to deepening product knowledge and building confidence in delivering an exceptional client experience. In FY25, 15 colleagues proudly graduated from the programme, with an additional 60 currently enrolled, reflecting strong engagement and enthusiasm for continued professional development within our teams.



Lorrie Nelson, Regional Director Watches of Switzerland Group
volunteering at Habitat for Humanity

VALUES IN ACTION – GREAT COMMUNITIES



FOUNDATION

Helping our communities



The Foundation brings most of the Group's charitable activities under one umbrella. So far, the Watches of Switzerland Group has committed a total of £8.3 million in donations to support three pillars: the prevention or relief of poverty; the advancement of education; and the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.

The Foundation has donated a total of £5.5 million to charity partners to date, including a total of £986,646 UK and \$591,500 donated in FY25.

The UK Foundation has a board of Trustees who bring drive and stewardship, including model and fashion expert David Gandy, BAFTA-nominated actor John Hannah, radio presenter Johnathan Joseph (also known as DJ Spooky) and sports, brands and diversity expert Terence Parris. They are joined on the board of Trustees by our Group CEO, Brian Duffy who acts as the Chair and Ruth Benford, Executive Director, Marketing.

	FY25	To date
Amount committed from Group to Foundation	£0.8m	£8.3m
Donations from Foundation to charity	£1.3m	£5.5m
Number of people helped	36,345	205,071
Volunteering hours	1,133	2,697
Other Group donations (including payroll giving and employer matching)	£18,987	£374,418



UK STRATEGIC PARTNERS

- The King's Trust
- Local food banks and Trussell Trust
- Fuel Bank Foundation
- Crisis



US STRATEGIC PARTNERS

- The King's Trust
- Habitat for Humanity
- Feeding South Florida
- New York and Las Vegas food banks

THE FOUNDATION – TRUSTEES OF THE BOARD

The Trustees meet at least quarterly and have committed to an engagement calendar with our strategic partners for FY25 which has included inspirational sessions and judging panels.



Brian Duffy
Watches of Switzerland Group CEO, Chair of the Foundation



Ruth Benford
Watches of Switzerland Group Executive Director of Marketing



David Gandy
Model and fashion expert



John Hannah
BAFTA-nominated actor



Terence Parris
Sports, brands and diversity expert



Johnathan Joseph
(also known as DJ Spooky)
DJ and radio presenter

VALUES IN ACTION – GREAT COMMUNITIES



Donation:	£310,000 donated UK \$315,000 donated US
Impact:	10,000 young people helped through combined programmes

The partnership between The King's Trust, the Watches of Switzerland Group and the Foundation reached a new level this year following a number of initiatives and events.

TIME TO INSPIRE – AUGUST

In August this year, the Foundation Trustees attended The King's Trust head office and led a session for young people to inspire them into work. This involved inspirational talks from Trustees and interactive sessions to build skills and confidence in young people.

WORLD OF WORK DAY – SEPTEMBER

The Group hosted a world of work day in the London head office. This involved hosting and inspiring young people from The King's Trust who have an interest in retail, luxury and jewellery. The young people met functional experts, toured our showrooms and also spent time with Mark Appleby, Director of Jewellery Services for Mappin & Webb, who also holds the role of the Crown Jeweller.

FUTURE STEPS – FEBRUARY

Colleagues participated in Future Steps in February 2025 which committed those signing up to stepping 10,000 steps per day for the month of February. 405 colleagues signed up across the UK and the US and a total of £52,000 was raised. Our colleagues walked 40,659 miles which is approximately 1.6 times around the Earth. In addition, it was the first time a partner working with The King's Trust had been able to participate globally.

CHANGE A GIRL'S LIFE – MARCH

The Watches of Switzerland Group is proud to be headline sponsors of this campaign, which raises vital funds to give young women a working future through training courses with potential employers, access to job opportunities and skills to start a business.

The campaign was supported by Group colleagues in the UK and the US and featured a series of Brilliant Breakfast events which provided us with an opportunity to talk about diversity and inclusion initiatives and in particular, how we support women who are often the most disenfranchised in society. The funds raised by The King's Trust are used to support programmes through which young women are supported into employment. With this group often having childcare or other caring responsibilities, the help can be covering the cost of childcare or covering transport costs before the women get their first payslip.

On 6 March 2025, the Watches of Switzerland Group supported the campaign with nationwide Brilliant Breakfast fundraising events. The Group hosted bespoke events across our Goldsmiths, Mappin & Webb, Watches of Switzerland and Mayors showrooms to support the campaign, bringing together celebrity ambassadors, influencers and clients to raise vital funds for The King's Trust.

In UK and US showrooms and Support Centres, these Brilliant Breakfasts created energy and fun across the organisation and focused our colleagues on how to create a sense of inclusion and belonging in teams.



Change A Girl's Life



Enterprise Challenge Finals

COLLABORATION WITH BRANDS – MARCH

As part of the Change a Girl's Life campaign and also throughout the month of March, we partnered with two of our female-led jewellery brands – Pasquale Bruni and Kiki McDonough – who donated 5% of all sales in the UK to support the campaign. Goldsmiths and Mappin & Webb also donated 5% of their sales from our beautiful floral inspired jewellery collections during March 2025, meaning our clients helped to Change a Girl's Life.

ENTERPRISE CHALLENGE FINALS – APRIL

The Foundation has sponsored the Enterprise Challenge initiatives for the third year in both the US and the UK. These education programmes are transformative, improve social mobility and create opportunities for young people to develop fundamental, foundational life skills and learn about the future world of work. The programmes are aimed at 11-16 year olds who might not thrive through the traditional curriculum. Enterprise challenge is an inter school competition designed to ignite the spirit of entrepreneurship, develop confidence and build aspiration. The challenge broadens young people's horizons at a key moment in their lives and has a transformational impact on their long-term prospects.

The challenge provides the Group and the Foundation trustees with opportunities to judge and give inspirational talks at regional finals. This year, our Trustees also recorded impactful and educational video content for young people to learn from.

For the first time in the Enterprise Challenge's history, we linked together the finalists from Leeds, UK and the Bronx, New York City for an interactive session in which they learned about each other, attended by Brian Duffy, CEO Watches of Switzerland Group and Chair of the Foundation.



Foundation Trustees participating in The King's Trust Time to Inspire Event

VALUES IN ACTION – GREAT COMMUNITIES

During the year, we donated a total of £328,000 to our UK food bank partners:

Trussell Trust	Birmingham Central Food Bank
Leicester South Food Bank	Liverpool St Andrew's Community Network Food Bank
Glasgow SE Food Bank	Bristol InHope Food Bank
Euston Food Bank	Edinburgh North West Food Bank
Manchester Central Food Bank	Kingston Food Bank
Newcastle West End Food Bank	

Our key partnership highlights are as follows:

Donation to UK food banks	£328,000 £1.5m to date	Impact:	36,345 people 839 hours volunteered
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TRUSSELL TRUST

The Trussell Trust is the umbrella organisation for its food bank partners. The Foundation's donation of £58,000 to date enabled the Trussell Trust to fund their Hardship Helpline which provides support to people in financial hardship. Over 1,316 calls were handled this year with 331 people supported realising over £230,000 in financial gains.

LEICESTER SOUTH FOOD BANK

The Foundation has partnered with the Leicester South Food Bank since 2021, continuing the relationship previously held with the Group, and has donated £210,000 to date. Historically, the Foundation has been a significant partner enabling the food bank to open its regional distribution centre which provides food to a regional network of food banks. This year, we donated £30,000 to support the opening of the Leicester South Food Bank Community Hub based in Wigston, Leicester which is designed to be a vibrant community space to provide accessible local services and advice. Across all food banks, colleague volunteering has increased this year as our colleagues have packed food parcels and also provided practical skills and advice (such as IT and policy) through our newly formed functional support teams.

NEWCASTLE FOOD BANK

The Foundation donated an additional £50,000 this year to the Newcastle Food Bank bringing the total since FY22 to £300,000. This donation has enabled the food bank to replace the roof, doubling its warehouse capacity for storage.

“

Newcastle Food Bank wishes to thank The Watches of Switzerland Group Foundation for their wonderful donation and help.

Please come visit us to see how the Foundation's support is benefiting people and communities in Newcastle.”

JOHN MCCORY,
CEO NEWCASTLE FOOD BANK





Donation:	£165,000 donated £590,000 donated to date
Impact:	Ten people directly supported in FY25 and indirectly many more 274 supported to date

CRISIS

Crisis is a national UK charity for people experiencing homelessness. Our partnership with Crisis started in 2021 and we continue to focus on the recruitment of clinical psychologists with the aim of ending homelessness and increasing social mobility. The psychologists provide intensive one-to-one specialist support to members covering a range of mental health issues. In addition, over the past three years, we have supported Crisis at Christmas, providing homeless guests with somewhere safe to stay over the festive period.

David Gandy, Trustee of The Foundation, donated clothes to the pop-up shop on Saville Row in London again this year and the generous donations from our Group and others raised over £141,000 for the charity.



Donation:	£50,000 donated in FY25 £550,000 to date
Impact:	884 people (512 adults, 372 children) 27,254 total people helped to date

FUEL BANK FOUNDATION

The Fuel Bank Foundation was created to help people in fuel crisis by providing people with financial support and practical advice to get them back on their feet. The Foundation started its strategic partnership with the Fuel Bank Foundation in 2022 and this year, donated an additional £50,000 to alleviate the impact of the cost of heating.

The Foundation's total contribution to the Fuel Bank over the past five years totals £550,000 and we have together helped over 27,000 people living in fuel crisis in England and Scotland. The support offered is emergency fuel top-ups and energy advice. In addition, this year our donation also provided 200 heated throws to people living in fuel poverty to keep warm during the colder months.

The Fuel Bank works with over 800 community-based organisations (including many of the food banks that The Watches of Switzerland Group Foundation partners with) who assess people's needs and refer them to the Fuel Bank if they face living in fuel crisis.

As a result of the support from the Foundation, these households have been provided with about ten days' energy, giving them security and time to address issues within their control that are propelling them into fuel crisis. The Fuel Bank then provides hands-on advice and support to implement practical solutions for each household.

VALUES IN ACTION – GREAT COMMUNITIES



Donation:	\$176,500 in FY25 \$353,000 to date
Impact:	323,500 meals provided 30,000+ people helped to date

FEEDING SOUTH FLORIDA

Feeding South Florida is a member of the Feeding America nationwide network of food banks. Feeding South Florida supports 25% of the food insecure population in South Florida and the Foundation has partnered with this charity since 2022.

The Foundation's donations since 2022 have created a huge impact in the local community by providing emergency food assistance and advice, training and support. More specifically, over 310,000 meals have been provided to local people who are experiencing food insecurity as a result of the Foundation's donation. In addition, the School Pantry Program in North Dade High School has benefited 4,500 students and families by providing 13,500 meals through school pantry, ensuring children have access to after-school meals.

Feeding South Florida is committed to breaking the cycle of hunger and poverty by increasing household stability and economic self-sufficiency through workforce training and job placement programmes. These programmes include culinary, driver and warehouse training which give hands-on practical experience over five to 12-week programmes. The funding from the Foundation has supported 22 graduates through culinary training, 87% of whom are in full time employment with benefits.

Our Foundation regularly brings UK and US food banks together to learn from each other and Feeding South Florida shares its innovative approach through its access to national food donor partnerships, landmark research and innovative technology and leading local food distribution and programmatic efforts.





“
We are deeply grateful to
The Watches of Switzerland Group
Foundation. This partnership
is about more than generosity –
it is about belief.”

BARONESS (ROSA) MONCKTON MBE
FOUNDER AND CHAIR
TEAM DOMENICA



Above: Team Domenica
Above left: Habitat for Humanity
Left: Cafe Joyeux



Donation:	\$294,000 donated to date
Impact:	Hurricane recovery for 48 homes

HABITAT FOR HUMANITY – VOLUNTEERING

Habitat for Humanity works together with families, local communities, volunteers and partners from around the world so that more people are able to live in affordable and safe homes. The Foundation’s donations to date total \$294,000 and have supported new build projects for families across New York, Atlanta and Westchester. This charity partner provides Watches of Switzerland colleagues with enriching volunteering options as colleagues help to build homes for people in need.

Habitat for Humanity responded promptly to hurricanes Helene and Milton this year as out of their 150 affiliate buildings, 48 suffered damage and needed recovery support. Following a request, the Foundation Trustees agreed to re-direct funds from the Foundation’s previous donation to Habitat for Humanity to support repair and rebuild initiatives.



Donation:	£50,000 donated in FY25 to support moving to a new facility
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TEAM DOMENICA

This year, we started a new partnership with Team Domenica, a charity that exists to support disabled people into employment. The charity reports that just 4.7% of people with learning disabilities in England are in employment. In addition, people with learning disabilities are much more likely to suffer from isolation and mental health issues.

The Founder and Chair of the charity is Baroness (Rosa) Monckton MBE, a Non-Executive Director of the Company, who set up the charity having witnessed first-hand the challenges her daughter Domenica has faced as a disabled person.



Donation:	\$50,000
Impact:	21,000 cups of coffee 39,000 transactions

CAFE JOYEUX

Cafe Joyeux opened its first cafe in New York in 2024. The mission of Cafe Joyeux is to change the lives for people with intellectual and developmental disabilities through education, training and meaningful employment. Our donation of \$50,000 this year has supported a vocational training programme for new cafe employees, boosting their skills and confidence through education and employment.

We proudly serve Cafe Joyeux coffee at our Sunrise Corporate office, supporting their mission and turning every cup into an opportunity to promote inclusion, dignity and meaningful employment for individuals with intellectual and developmental disabilities.

GOLDSMITHS

GOLDSMITHS

GOLDSMITHS



OUR PLANET

We strive to operate to the highest levels of environmental stewardship, while safeguarding against climate-related risk and supporting a more circular economy, through our after-sales and servicing and pre-owned businesses.

In FY25, we set out to understand our decarbonisation levers with the aim of modelling a net-zero target that is grounded in science and embedded within our business strategy, ensuring accountability, transparency and measurable progress towards a more sustainable future.

GOAL AND STRATEGIES

We are working with stakeholders to develop a climate transition plan that integrates decarbonisation across our operations and supply chain. This work includes prioritising energy efficiency, improving data quality and engaging with suppliers to reduce value chain emissions.

GOALS

- Achieve net-zero carbon by 2050
- Build climate resilience
- Preserve natural resources

STRATEGIES



WE PROTECT OUR PLANET

By working with our industry and other stakeholders to minimise our impact on the environment



WE DO THE RIGHT THING, ALWAYS

By making the right decisions for the benefit of our colleagues, stakeholders and wider society



WE ADVOCATE FOR OUR INDUSTRY

By proactively promoting the interests and responsibilities of the luxury watch and jewellery sectors in our markets

FY25 KEY PERFORMANCE HIGHLIGHTS

- Collaborated across industry and investment to develop an AI Agent to support environmental due diligence and build a decision-useful dataset for climate transition planning
- Maintained our CDP Climate Change 'B' score, placing us ahead of the global retail sector average and demonstrating good practices in managing climate-related risks and opportunities
- Engaged internal stakeholders with the development of a strategic Climate Transition Plan, aligned with the requirements of the Transition Plan Taskforce (TPT)

100%

RENEWABLE ENERGY SOURCED ACROSS OUR GROUP, BACKED BY GUARANTEES OF ORIGIN

96%

LED LIGHTING ACROSS OUR GROUP

96%

ELECTRIC AND HYBRID VEHICLE FLEET



AS AT JUNE 2025, RATED '1' BY ISS ESG ENVIRONMENTAL QUALITYSCORE

CARING FOR OUR PLANET

The Group operates high levels of environmental stewardship, while safeguarding against climate-related risk and supporting a more circular economy through our repairs and pre-owned businesses.



OUR APPROACH

We are taking ownership of our responsibility to minimise our environmental impact, build climate resilience and preserve natural resources. Through collaboration across our industry and with key stakeholders, we aim to promote sustainability at every stage of our operations and value chain.

There were no legal proceedings or financial losses associated with environmental regulations in FY25.

BUSINESS IMPACTS

Our business and supply chain have the potential to negatively impact our planet through the mining of metals and gemstones, the production and retailing of products, energy use, transportation, water and waste.

We strive to minimise these impacts and improve our overall environmental performance through ongoing stakeholder engagement, innovation and technological advancement, supported by initiatives to build climate change resilience and protect nature and biodiversity.

ENVIRONMENT POLICY

Our Environment Policy sets out our commitment to the continual improvement of the management and operation of our activities to minimise any adverse effects on the environment and public health.

This Policy applies to all Group operations worldwide and every colleague and contractor we employ. It refers to compliance with relevant environmental laws and regulations, ensuring environmental awareness and training, transparent dealings, the conservation of resources, sustainable procurement, and the mitigation and management of environmental and climate-related risks.

VENDOR CODE OF CONDUCT

Our Vendor Code of Conduct includes our requirements in relation to environmental management and the prevention, mitigation and control of serious environmental and health impacts resulting from our supplier partners' operations, including, but not limited to, raw materials, energy and greenhouse gas (GHG) emissions, water, waste, chemical and hazardous substance use, air quality, and nature and biodiversity.

It is supported by comprehensive Supplier Sustainability Standards, designed to engage brand partners and other suppliers with the achievement of environmental goals, including our requirement for sharing primary datasets.

CLIMATE ACTION

The Group is committed to building climate resilience and achieving net-zero GHG emissions by 2050. We are taking prioritised action to reduce our emissions in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement and pursue efforts to limit warming to 1.5°C. Our near-term emission targets have been verified by the Science Based Targets initiative (SBTi), which is a global body and collaboration between CDP, the UN Global Compact, World Resources Institute (WRI) and the Worldwide Fund for Nature (WWF).

In FY26, the Group will set long-term emission reduction targets and apply to the SBTi for verification. We will also resubmit near-term targets that are aligned with market factors.

Public commitments	Near-term SBTs aligned to 1.5°C under Paris Climate Agreement	Net-zero
Scope 1 and 2	50% reduction in absolute emissions by 2030 from a FY20 base year	2050
Scope 3	42% reduction in absolute emissions by 2030 from a FY20 base year	2050

GROUP SCOPE 1, 2 AND 3 EMISSIONS

Overall, in FY25, our total gross location-based GHG emissions increased from 253,368 tCO₂e to 281,211 tCO₂e. While we are disappointed to see an 11% increase year-on-year, it is the result of our commitment to 'do the right thing' and improve the accuracy of our reporting.

To calculate parts of our Scope 3 emissions, we used a hybrid approach which involved using the most up-to-date spend-based emissions factors, combined with the most accurate and reliable primary data available, including verified Scope 1 and 2 data from our largest suppliers.

Although we are transitioning away from spend-based calculations, the use of spend-based data tends to overestimate emissions, as the emission factors related to spend are closely connected to the carbon impact of the overall economy.

Despite this increase, we remain committed to improving our reporting and reducing absolute emissions in line with expectations. At the time of this report, the Group is in the process of reapplying to the SBTi, proposing a new market-based near-term target, along with a new long-term target to reduce absolute Scope 1, 2 and 3 emissions by 90% by 2050 from a FY20 baseline. The Group will aim to offset the residual 10% of emissions through permanent removal and storage of carbon to achieve net-zero emissions. Setting our net-zero target will realign our growing business with a 1.5°C trajectory and be supported by our climate transition plan.

SCOPE 1 AND 2 EMISSIONS

We are pleased to report an 86% reduction in our total gross market-based Scope 1 and 2 emissions, following our transition to 100% renewable energy across our Group, backed by guarantees of origin. In FY26, we look forward to achieving more reductions following recent investment in a new energy management system, as well as other initiatives reported on pages 105 and 106.

SCOPE 3 EMISSIONS

The Group reports an 11% increase in Scope 3 emissions year-on-year from 249,054 tCO₂e to 276,850 tCO₂e.

A recent 19% increase in spend-based emission factors for watches has negatively impacted our Category 1 emissions, resulting in a small number of watch brands accounting for 62% of our total Scope 3 emissions. Some of our largest suppliers now report verified emissions data, and we have included this information in our calculations where available. As more key brands continue to evolve their emissions accounting and reporting, we look forward to reflecting their progress in future.

Further engagement with suppliers through our procurement and supply chain management functions is a key focus for us in FY26, as well as advocating for the reporting of verified, Scope 1 and 2 emissions data through public platforms, such as CDP or company websites.

We were pleased to see an 87% drop in end-of-life treatment emissions following our efforts to reduce own brand packaging, as well as a reduction in business travel journeys, resulting in a 30% decrease in business travel emissions year-on-year.

The table on page 130 provides a detailed breakdown of our Scope 1, 2 and 3 greenhouse gas (GHG) emissions by activity, calculated with reference to the GHG Protocol.

TRANSITION PLANNING

As part of our commitment to responsible growth and climate resilience, during FY25, we undertook a focused stakeholder engagement exercise to inform our transition planning. It involved a series of meetings with key internal stakeholders and was facilitated by third-party experts, to understand colleague expectations around responsible sourcing, emissions reduction and future sustainability.

The resulting insights are shaping our approach to decarbonisation across our showroom operations and supply chain, and helping to ensure our strategy aligns with the evolving demands of a low-carbon, high-integrity luxury retail sector.

This consultation exercise underlined our need for a defined emissions reduction plan and highlighted the risks associated with our limited ability to fully influence material changes in emissions reduction in relation to location-based energy sources and purchased goods and services.

Mitigations include switching to market-based emissions targets to achieve our 2030 target through renewable energy purchases, continuing to strengthen engagement with brand partners and other suppliers to improve our primary dataset, and further advocating for emissions reduction and reporting throughout our value chain.

COLLEAGUE ENGAGEMENT

We underlined our commitment to building climate resilience, improving climate literacy and embedding sustainability into core decision-making in August 2024, when senior leaders across strategy, operations, finance and governance took part in a Climate Fresk Workshop. The session, which aimed to help drive informed, sustainable decision-making at the highest level, was hosted by an expert external facilitator and attended by the Chair of our ESG Committee, Baroness (Rosa) Monckton MBE, who champions the Group's ESG strategy at Board level.



Watches of Switzerland Group colleagues participating in a Climate Fresk Workshop

REWARDING POSITIVE BEHAVIOURS

Our GreenVibE incentive rewards positive behaviours in support of caring for our planet. It operates through our award-winning recognition platform, VibE, and is promoted Group-wide via our interactive colleague engagement platform, CONNECT.

Colleagues are encouraged to suggest ideas to help improve our environmental performance or share 'green deeds', performed by themselves or other team members. The best ideas and deeds are communicated to our wider business and the winning colleague or colleagues are rewarded with points that can be redeemed for retail or experience vouchers.

This initiative continues to be a successful way of engaging colleagues with complex climate goals and empowering them to help make a tangible difference, whatever their role and sphere of influence.

How well we manage climate-related issues and perform against our environmental targets is considered by the Remuneration Committee when reviewing annual bonuses.



Above left: During the year, colleagues were rewarded for initiating a number of eco-friendly ideas, including a collaboration with a packaging partner to improve the recyclability of our own brand packaging. For more information, see page 108.



Above right: Local litter picking group, the Leicestershire Litter Wombles, were invited to our Leicester Support Centre to engage colleagues with the environmental consequences of littering. Their talk about how to care for communities by keeping them clean was followed by a litter pick.



SUPPLIER ENGAGEMENT

Engagement with brand partners and other suppliers is key to achieving our environmental goals, as well as addressing areas of public concern, such as protecting nature and biodiversity and guaranteeing the provenance of raw materials.

Understanding the environmental impact of the products we sell and services we use is a growing area of focus, and this is reflected in a FY25 update to our Vendor Code of Conduct requiring suppliers to communicate data on key environmental indicators.

All suppliers receive a link to our Supplier Sustainability Standards, which support our Vendor Code of Conduct and set out our environmental goals, along with the actions needed throughout our value chain to achieve them. These Standards support engagement across a number of priorities, including sustainable sourcing, energy efficiency, transport and logistics, circularity, product information, biodiversity and nature, packaging, and marketing and events.

As part of our environmental assessment approach, we collect environmental data from key suppliers and actively seek opportunities for collaborative working to achieve shared goals. We are committed to continuous improvement in supply chain engagement and in FY26 will increase the number of suppliers subject to sustainability risk assessments and participate in industry working groups and multi-stakeholder initiatives to promote sector-wide responsible sourcing practices.

ENERGY MANAGEMENT

We strive to use energy in an efficient, cost effective and responsible way throughout our estate and comply with all relevant local and international environmental laws and regulations.

Shortly after the end of our financial year, our ESG Committee approved a new Group Energy Policy to help formalise and align our efforts with ISO 50001 international energy management certification standards. This Policy outlines our guidelines and procedures for reducing energy consumption, improving efficiency and minimising our environmental impact.

Our energy management system includes improving how we collect and use data, as well as implementing energy efficient technologies such as LED lighting and motion sensors to reduce energy waste. We invest in high-quality Heating, Ventilation and Air Conditioning (HVAC) systems, which are regularly serviced in line with manufacturers' guidelines. Temperatures are regulated and we use R32 refrigerant gas and R410 A, where there is no alternative.



Enhancing energy efficiency: A team member installs new LED lighting as part of our commitment to rolling out this technology across our entire property portfolio.

Our Carlton Park Support Centre solar array will be completed in August 2025 and is set to prevent an estimated 288 tCO₂e from entering our atmosphere over the next five years. This property already benefits from heat pumps to provide hot water, and is one of 55 sites across our Group being fitted with new EnOS™ technology to improve energy efficiency.

When searching for new premises and negotiating leases, we prefer locations with green building certifications such as BREEAM or LEED, which demonstrate a landlord's commitment to assessing and improving a building's environmental performance, including energy efficiency, water use and the sustainability of raw materials. In FY25, 57% of landlords and construction companies with over £500,000 spend, reported being certified by BREEAM or LEED.

In July 2024, we achieved compliance with Phase 3 of the UK's Energy Savings Opportunity Scheme (ESOS), which involved an assessment of our largest UK sites and logistics operations. As a result, a number of energy efficiency enhancements were recommended, including the installation of half hourly (HH) meters across our UK portfolio to gain real-time energy usage insights, improve billing accuracy and highlight cost saving opportunities. To date, over 40% properties record energy consumption on a half hour basis and we will continue the roll-out of HH smart meters in FY26.

ENERGY MANAGEMENT SYSTEM WITH ENOS™

In November 2024, we partnered with a global leader in AI powered energy management, to trial a new technology solution which uses intelligent data-driven insights to reduce energy consumption and related emissions. The trial was conducted across our ten most energy intensive UK sites and included a 24/7 energy consumption analysis at an asset level to support energy optimisation through actionable insights and/or automated savings.

The trial was a success, highlighting irregular energy consumption as well as operational inefficiencies, resulting in identified savings of 9-20% per annum across the ten sites.

As a result, this technology will be rolled out in an additional 37 sites in the UK and 11 in the US, early in FY26. We anticipate achieving estimated energy savings of 12-20% over a three-year period across our portfolio.



Investing in long-term sustainability: Colleagues measure up for our rooftop solar array at our Carlton Park Support Centre in the UK, which will support our clean energy goals.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

AFFORDABLE AND CLEAN ENERGY

During the year, we were pleased to achieve our target of sourcing 100% renewable energy, backed by guarantees of origin.

We also gained approval for the installation of solar panels at our Carlton Park Support Centre in the UK which, on completion in August 2025, will generate over 367,500 kWh of renewable energy per year. This initiative will reduce grid-purchased energy by 30%, cut energy costs by over £15,000 and prevent approximately 57.59 tCO₂e of emissions from entering our atmosphere each year.

The Group's efforts to conserve energy and reduce GHG emissions are continually reviewed and supported by colleague awareness initiatives and training programmes. Our energy use and GHG emissions are reported on page 130.

Properties we control and where installation is financially and practically viable	FY23			FY24				FY25				Target
	UK	US	Group	UK	US	Europe	Group	UK	US	Europe	Group	2025
LED lighting	90%	51%	70%	85%	67%	100%	84%	100%	85%	100%	96%	100%
Renewable energy	100%	0%	77%	100%	0%	0%	77%	100%	100%	100%	100%	100%

BUILDING MANAGEMENT

Maintaining strong relationships with our landlords is fundamental to the smooth running of our properties and achieving environmental goals.

Our in-house facilities management teams proactively engage landlords to ensure our properties are well maintained, are energy efficient and have the appropriate fire, gas and electrical safety certifications in place.

For an inclusive shopping environment, we meticulously plan our showroom layouts to ensure accessibility, including space for wheelchair manoeuvrability and unobstructed pathways. Where necessary, we also provide physical accommodations, supported by colleague training to assist clients with disabilities.

All sites are subject to regular, internal and independent audits to ensure conformance with all relevant national and international laws, as well as our own environmental standards.

WATER

As a retailer, our water usage is relatively low, however, we take steps to reduce our freshwater intensity wherever possible and promote water-saving measures. Water meter data is used to identify sites with excessive water use and resolve issues, however, we do not currently aggregate and report water use for all sites and are consulting experts with the aim of improving transparency and enhancing our performance in this area.

Water security poses a significant risk in our supply chain, where polishing gemstones and refining metals consumes a significant amount of water. Our Vendor Code of Conduct includes a requirement for suppliers to address the prevention, mitigation and control of serious environmental and health impacts resulting from their operations in relation to water use.

Through our Supplier Sustainability Standards, suppliers are asked to assess exposure to water risks, monitor water consumption, minimise water waste and conduct industrial wastewater quality testing and/or monitoring as required by local law. No incidents of non-compliance with water quality or quantity permits, standards or regulations were reported in FY25.

WASTE MANAGEMENT

We recognise the benefits of effective waste management systems to conserve natural resources, reduce costs and support a more circular economy, and are committed to achieving zero waste to landfill across our Group, through avoidance, recycling and reuse.

Across our Group, we have waste management arrangements in place with landlords and certified waste management companies, to ensure the responsible collection, transportation, monitoring, disposal and recycling of waste and compliance with all law and legislation.

In FY25, we continued our efforts to streamline waste management processes and improve data collection, to more accurately quantify our waste volumes and gain a better understanding of the types of materials recycled and resources diverted from landfill. Enhanced data has resulted in an increase in waste volumes during the period, highlighting areas for improvement.

Shared waste management facilities in some shopping centres make it difficult for us to accurately record and monitor waste streams and volumes, however, the majority of our shopping centre landlords report low or nil waste to landfill volumes. In the UK, all showrooms have been issued with weighing scales and colleagues are asked to separate, weigh and record waste volumes. This is supported by waste management awareness training and colleagues report that they are now more conscious about what they dispose of, and how.

WASTE INTENSITY

	FY23		FY24		FY25	
	Waste in tonnes	% to landfill	Waste in tonnes	% to landfill	Waste in tonnes	% to landfill
UK	889	1	301	1	803	1
US	210	1	4	1	164	1
Europe	53	1	61	n/a	3	n/a
Total	1,152		367		970	
Intensity ratio (sq. ft)	0.0013		0.0005		0.0017	

WASTE ELECTRONIC AND ELECTRICAL EQUIPMENT

We strive to deliver continuous improvements to our recycling and sustainability programme and comply with the Waste Electronic and Electrical Equipment (WEEE) Directive, which form part of our Group policies and procedures. We enable and encourage WEEE recycling and in the US, recycle all electronics to the standards of the Environmental Protection Agency (EPA), Occupational Safety and Health Administration (OSHA), and federal and state laws, and engage suppliers with Reece's Law. Due to the mechanical nature of the majority of our watches and the small size of watch batteries, the volume of WEEE we handle is very low.

HAZARDOUS WASTE

We comply with all applicable national and international environmental laws and regulations, including the collection, treatment and disposal of hazardous waste, for which we partner with licensed contractors who operate an infrastructure of ISO 9001, ISO 14001 and OHSAS accredited hazardous waste treatment sites.

AIR POLLUTION

Our operations produce minimal direct hazardous emissions; however, we monitor and report relevant emissions such as refrigerant leaks (HFCs) and transport-related air pollutants where applicable, in line with regulatory requirements.

49%

All suppliers publicly report having an environmental management policy*

* This also includes statements within its disclosures about its strategy, management or plans in this area.



Fine particles of silver generated by our Silver Workshop are filtered at source and collected for recycling by our precious metal supplier. Each year, we recover up to 10kg of silver using this method.

TRANSPORTATION AND LOGISTICS

We are working to accurately measure and reduce carbon emissions as a result of downstream transportation, business travel and colleague commuting. These journeys can take place by road, rail, sea and air.

At the end of FY25, almost 97% of our UK vehicle fleet was electric or hybrid. We do not operate company cars in the US, with the exception of one lease car within our Roberto Coin Inc. business.

To support the wider use of personal electric and hybrid vehicles, in FY25 we launched a salary sacrifice car benefit scheme in the UK, providing colleagues with the option of leasing a tax-efficient low emission vehicle.

We also provide 28 charging points across three key Support Centre sites, all of which are on a preferential tariff for colleagues.

Our Travel Policies require colleagues to apply sound judgement before arranging business travel and use public transport whenever practical. Air travel is limited to journeys necessary to progressing business objectives, and digital technologies are widely encouraged as an effective means of enabling collaborative working and maintaining engagement across our Group.

In September 2024, we partnered with Uber for Business to improve operational efficiency and sustainability. Since launch, almost 2,500 journeys have been completed using Uber, reducing fares by up to 20% compared with traditional taxis and avoiding an estimated 0.83 tCO₂e as a result of colleagues choosing EV and hybrid options.

Colleagues are encouraged to cycle to work through our cycle to work scheme, which allows them the opportunity of purchasing a tax efficient bicycle and accessories. Support Centre sites are also equipped with showering facilities and cycle parking and our GreenVibE incentive has spurred local colleague car and taxi sharing initiatives.

Our Luxury Watch and Jewellery Virtual Boutique provides clients with an online concierge service, without the need for them to travel. To further support a cleaner, greener, online experience, we continue to increase the number of home deliveries made by EVs in the UK, avoiding almost 20 tCO₂e in FY25, and are working across our Group to offer more clients environmentally friendly delivery options.

Through our Supplier Sustainability Standards, we encourage supplier partners to continually improve the efficiency of their transportation and logistics and participate in joint industry initiatives, such as EV100, the global initiative committed to accelerating the transition to electric vehicles by 2030. The Group's own vehicle fleet is considered too small to join this initiative.

	FY23			FY24				FY25				2030
	UK	US	Group	UK	US	Europe	Group	UK	US	Europe	Group	Target
Electric or hybrid company fleet	83%	n/a	83%	92%	n/a	n/a	92%	96.5%	0.5%	n/a	96.5%	100%
Home deliveries by electric vehicles	22%	0%	17%	32%	0%	n/a	31%	38%	0%	0%	37%	100%

PACKAGING

The Group is committed to reducing any excess own brand packaging and introducing more sustainable materials wherever possible to help reduce waste, conserve resources and minimise pollution.

Research and Development (R&D) projects with supplier partners have resulted in the creation of a range of high-quality, sustainable packaging solutions in the form of shopping bags, wholesale distribution packaging and presentation packaging for own brand jewellery.

In July 2024, Mappin & Webb’s product range celebrating the spirit of the Olympics was packaged in the brand’s most sustainable packaging to date. Constructed with cardboard frames and covered in ‘Mappin Blue’ paper, they were made with recycled paper from a mill, which is local to the UK based manufacturer to keep transport to a minimum.

Early in FY26, we began to roll out our first fully recyclable own brand packaging solution across our UK Goldsmiths business, where all plastic inserts have been removed from branded jewellery presentation boxes and replaced with recycled paper or card alternatives. These bespoke boxes can be easily recycled in household waste streams and will reduce the total weight of this packaging by approximately 4.5 tonnes per year.

Instructions and reminders to recycle are printed on packaging and gift boxes, and where appropriate, clients are asked if they would like to reuse presentation boxes to minimise any negative ‘end-of-life’ environmental impact.

In line with our Supplier Sustainability Standards, our principal packaging suppliers operate to ISO 9001 and ISO 14001 quality standards, and we are fully compliant with The UK Producer Responsibility Obligations (Packaging Waste) Regulations 2007, through the registered compliance scheme.

Many branded watch boxes are considered part of the product and kept as storage, however, we continue to see developments in packaging design, production and materials, such as the inclusion of sustainable plywood and cardboard, and recycled or faux leather, as well as fully recyclable biodegradable, and compostable materials such as mycelium and soluble seaweed that can be reused as plant fertiliser.

In FY25, we updated our Sustainability Standards to ensure any green claims are verifiable and that product information relating to packaging recyclability, or the presence of any potentially hazardous materials is clearly visible.

	FY23				FY24				FY25				2030
	UK	US	Europe	Group	UK	US	Europe	Group	UK	US	Europe	Group	Target
Recyclable packaging (own brand)*	66%	100%	n/a	71%	66%	100%	n/a	71%	66%	100%	n/a	71%	100%

* Excludes small magnets and foam which must be separated before recycling.



Our new Goldsmiths jewellery boxes are fully recyclable



Our Carlton Park Support Centre is set within 32 acres of maintained woodlands and green space, which are home to a variety of plant life and insects.

BIODIVERSITY AND OUR IMPACT ON NATURE

We are committed to protecting nature and biodiversity, which form the foundation of the world's economy, and are essential to a stable climate, healthy ecosystem and the natural resources our business depends on.

We support the recommendations from the Taskforce on Nature-Related Financial Disclosures (TNFD) and continue to work to understand risks and opportunities in relation to nature-related issues within our value chain, to ensure they are incorporated into our strategic planning, risk management and asset allocation decisions.

During an initial LEAP (Locate, Evaluate, Assess and Prepare) exercise conducted through our Planet Working Group in FY25, we found that while our direct impact on nature is relatively low, we depend on procuring products from our supply chain, where there is a greater risk of negatively impacting natural capital. Identified impacts include the extraction of metals and gemstones, freshwater processing, leather for watch straps and deforestation in order to provide paper and wood for packaging and store fixtures.

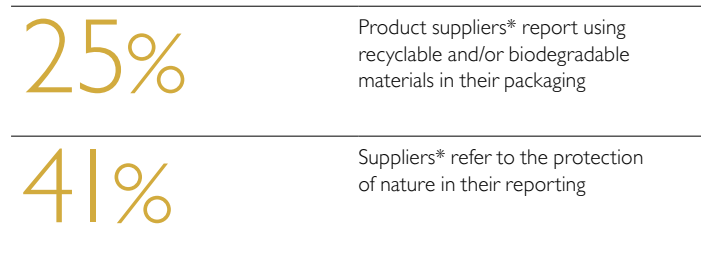
Our Vendor Code of Conduct requires brand partners and other suppliers to prevent, mitigate and control any adverse impacts from their operation, and this is supported by our Supplier Sustainability Standards, which set out our expectations in relation to the preservation of natural resources and rehabilitation of any impacted ecosystems.

As a Group, we consider biodiversity and the impact on nature as an important factor when procuring products and services, as well as in the design and modification of our showrooms, offices, equipment and processes. We will not tolerate any harsh or inhumane treatment of animals, and all suppliers must conform to relevant international laws and have processes in place to protect endangered species and habitats.

Clients can choose from a growing number of more sustainable product options, including watch straps and packaging made from a variety of waste materials, including recycled stainless steel, plastic, rubber and cloth, and we are starting to see more biodegradable elements in products and packaging.

Hard woods or hard wood veneers found within items such as branded jewellery boxes and watch cases, are sourced from reputable, sustainably managed sources and we only allow certified timber in new showrooms, workshops and office designs.

Plans to introduce bees and beehives to our Carlton Park Support Centre in FY25 were paused after concerns over possible allergies, however, we will continue to actively seek opportunities to support our local ecosystems and the biodiversity of plant and animal life.



* Over £500,000 spend in FY25.



SUPPORTING A CIRCULAR ECONOMY

The Group recognises the importance of an economy where resources are used, reused and recycled to conserve resources and minimise waste and pollution.

We are committed to promoting innovation and advancement in circular design, while keeping more watches and jewellery in circulation through our repairs and pre-owned businesses.

REPAIRS AND SERVICING

We are proud to possess the largest watch repairs capacity out of all UK retailers, helping us to attract and train highly skilled watchmakers, accelerate repair and servicing turnaround times, and support the year-on-year growth of pre-owned watch sales.

Our UK repairs and servicing operation comprises two main repairs and servicing centres in Manchester and Leicester, as well as repairs benches within key showrooms. All facilities are meticulously designed and equipped to the highest Swiss standards, allowing our accredited watchmakers and technicians to support strategic brand partners, in addition to fulfilling our own in-house repairs.

In March 2025, we opened our new Authorised Service Centre at the flagship Rolex boutique on Old Bond Street, London. Clients visiting the service lounge can look through the glazed partition to see our expert watchmakers, technicians and polisher at work. During the year, we also opened Rolex Authorised Service Centres in Birmingham and Newcastle in the UK.

After enjoying a post-pandemic boom in repairs volumes for three consecutive years, we saw a dip in client demand in FY25 as the service market stabilised. Additionally, our analysis indicated that an uncertain economy and higher living costs had led to some clients delaying routine services.

To reinvigorate demand and promote an understanding of the benefits of regular servicing, we ran a series of advertorials in key UK titles, supported by a dedicated Client Relationship Management (CRM) programme reminding clients of the importance of professionally servicing luxury watches to ensure they remain at their optimum performance and highest value for as long as possible.

In the US, our Repairs and Servicing Group (RSG) comprises two strategically located service centres in Florida and Connecticut, as well as two watchmakers operating in the Rolex boutique.

After a 54% growth in US watch repair sales from FY22 to FY24, we saw a slight annual decrease of 2% in FY25, albeit remaining at encouraging levels.

Improvement areas to support further growth include investment into a new inventory management system to improve expense tracking and analyse productivity, and attracting more skilled watchmakers and technicians to support our circularity goals.

SUPPORTING GROWTH

Watchmaking combines precision engineering with fine craftsmanship, and offers opportunities and a unique sense of accomplishment that few careers can match. We use a variety of channels to raise awareness of this specialised trade, including engagement with schools and colleges, along with other educational institutions, to actively recruit talented individuals to join our team.

We also have a presence at industry careers events and are a long-standing supporter of the British School of Watchmaking. In FY25, we recruited four colleagues from our UK retail and support teams to train as watchmakers, technicians and polishers, thereby enabling career aspirations. Positive colleague feedback has since featured in advertorials to highlight opportunities for women in watchmaking and help inspire future careers.

PRE-OWNED

In FY25, sales of pre-owned watches grew 39% year-on-year, thereby reducing the demand for raw materials and resulting in less overall energy and waste.

Every pre-owned piece we sell requires an element of repair and/or servicing to ensure it is in the best possible condition, works perfectly and is verified as authentic by our experts.

The Group is proud to be part of the network of official Rolex retailers, authorised to sell Rolex Certified Pre-Owned watches. This programme attracts clients who see brand-certified, fully warrantied and guaranteed pre-owned timepieces as a more sustainable and accessible alternative to new models. We also offer a curated collection of luxury pre-owned watches and vintage timepieces from brands including a number of luxury brands. Key pieces are available to purchase in showrooms, displayed under the banner of Watches of Switzerland Certified Pre-Owned and Rolex Certified Pre-Owned, plus an extended collection is available via our online channels.

In line with our goal to highlight the sustainable attributes of the products we sell and services we offer, in FY25 we delivered our first UK marketing campaign targeted solely at promoting pre-owned sales. Our 'We Buy, We Sell, We Exchange' campaign went live across performance marketing, social media, email, CRM and in-store.

Our US-based business, Analog:Shift, specialises in pairing clients with unique pre-owned and vintage pieces that reflect individual style and values. Clients can browse a curated collection of timeless pieces on our analogshift.com website, or view them in person within selected showrooms. The brand's 'Transmissions' newsletter also supports sustainable practices by encouraging the appreciation and reuse of heritage timepieces.

The Hodinkee business, which we acquired in October 2024, is a global digital editorial content provider for horology enthusiasts. This US based business presents opportunities to further engage audiences with the sustainability value of pre-owned watches.

In the spirit of Xenia, exclusive client events were also held in the US and UK throughout FY25 as a means to promote pre-owned watches as a considered, more sustainable purchase option.

	FY22			FY23			FY24			FY25			YoY
	UK	US	Group	UK	US	Group	UK	US	Group	UK	US	Group	Increase
Specialist roles													
Accredited watchmakers	35	20	55	37	26	63	34	21	55	41	23	64	+9
Technicians, administrators and polishing experts	15	12	27	23	16	39	32	18	50	40	20	60	+10



ULYSSE NARDIN LAUNCHES A PIONEERING, HIGH HOROLOGY SPORT WATCH: DIVER AIR

Since 1846, Ulysse Nardin's mission has been to advance watchmaking. Over the past 179 years of uninterrupted manufacturing, the independent, Swiss Maison has taken significant efforts across technical innovation resulting in the improved sustainability of its timepieces.

In April 2025, Ulysse Nardin launched the world's lightest mechanical dive watch: the Diver Air weighing in at 51.7 grams while exceeding the high standards for robustness required in a dive watch. The resulting pioneering, high horology sport watch is both high performance and high technology, thoughtfully crafted from materials sourced from a network of start-ups in Europe and their in-house micromechanical silicon lab, Sigatec.

Over five years of R&D, Ulysse Nardin landed on four key materials to create the Diver Air: titanium, silicon, Nylol®-Foil and carbon-foil. Achieving a superior robustness-to-lightness ratio, the high-grade titanium used is 90% recycled and is harvested from biomedical labs in Switzerland.

The silicon, which was pioneered into watchmaking by Ulysse Nardin in 2001 with the introduction of the Freak, has itself been upcycled and used to create the escapement wheel and anchor of the Diver Air. Nylol®-Foil, a combination of 60% ocean netting (Nylol®) harvested from Les Sables d'Olonne, France and 40% upcycled carbon fibre, has been used to achieve incredible lightness in the Diver Air. Finally, carbon-foil, a highly technical material, is upcycled carbon fibre from IMOCA boats, the world's fastest sailboats used in the extreme world of ocean racing.

While Ulysse Nardin continues to be renowned for developing some of the most technically complex and high horology timepieces, the Diver Air is a compelling example of how the Manufacture sets the standard for innovation in mechanical watchmaking.

The Diver Air is available at our Watches of Switzerland showrooms.

CONTRIBUTION TO A CIRCULAR ECONOMY

Our Mappin & Webb business is proud to hold Royal Warrant status to His Majesty the King. The Group's commitment to sustainability and reducing our impact on the environment was a determining factor in our application process.

Mappin & Webb's skilled craftsmen and women can restore jewellery and silverware items of any age, make or design to their original glory, and we offer clients a range of repair, cleaning, restoration and renovation services, alongside the latest branded and fine jewellery collections. Items can be skilfully modernised and customised to complement individual tastes and lifestyles, while reducing the reliance on raw materials.

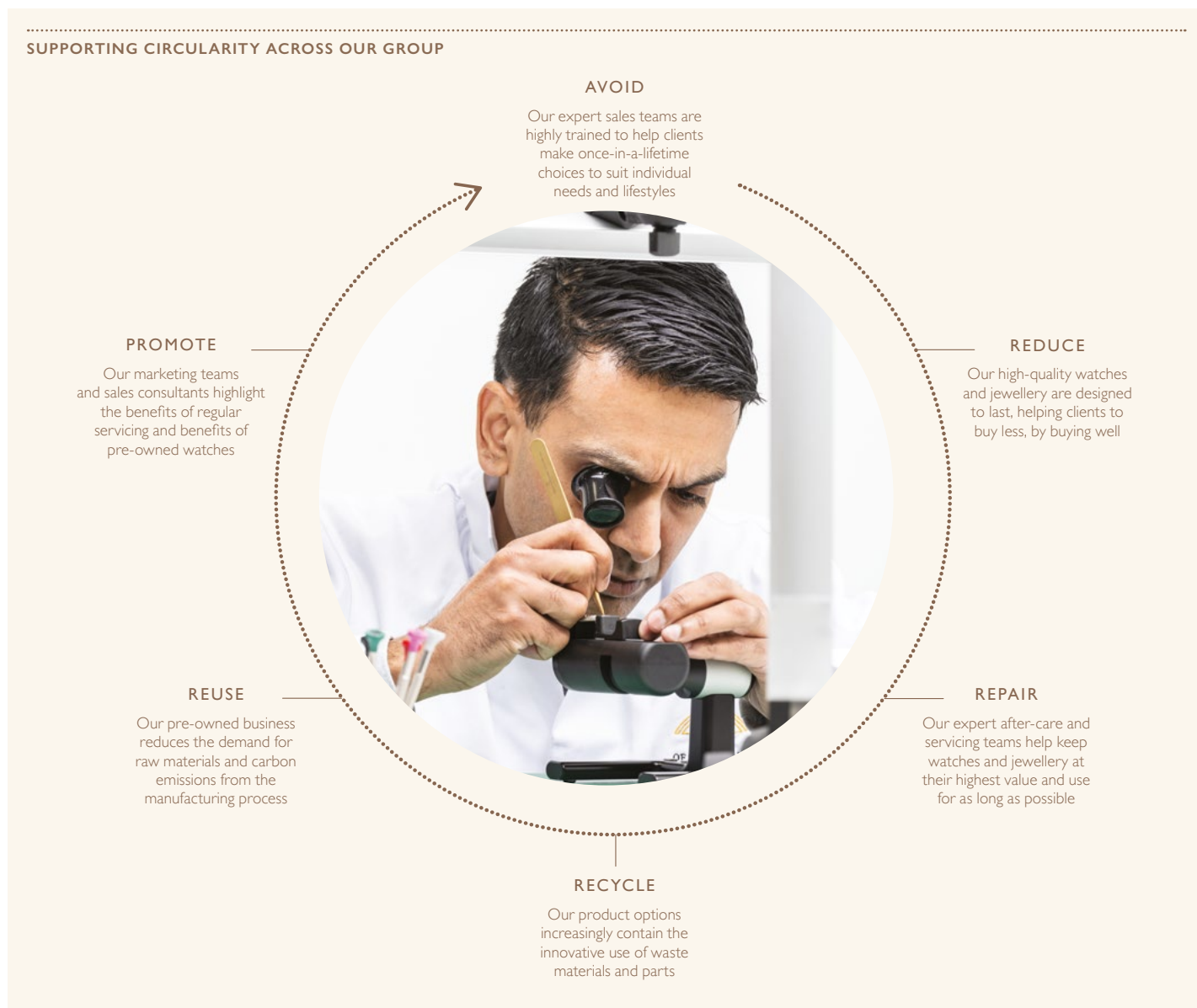
Our support of a more circular economy is further boosted by our Susan Caplan offering and Betteridge business in the US, which specialise in the restoration of vintage designer jewellery.

ACADÉMIE HORLOGÈRE DES CRÉATEURS INDÉPENDANTS (AHCI)

After entering a three-year partnership with the AHCI in FY25, we continued to work with this non-profit organisation to help preserve traditional watchmaking, support talented watchmakers and promote quality, innovation and creativity.

AHCI spotlights watchmaking's rising stars and provides support and guidance as they hone their craft and drive mechanical innovation and artistic breakthrough. As an official partner, we are able to call on their network of well-established, prestigious watchmakers to help elevate the craftsmanship, precision and allure of luxury watches through events and other activities.

During the year, the renowned watchmaker and AHCI member, Vianney Halter, joined an exclusive event in London to meet with interested collectors.



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

We support the recommendations of the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD) and continue to evolve our ESG Strategy to ensure climate-related risks and opportunities are identified and managed in a structured, transparent and measurable way.

During the year, we:

- Held an expert-led educational workshop, attended by the Chair of the ESG Committee, to help key strategic leaders navigate the complexities of a changing climate and inspire a culture of value driven resilience
- Disclosed through the CDP questionnaire on climate change and maintained our 'B' score, against increasingly demanding criteria
- Undertook a feasibility assessment to highlight key decarbonisation levers and model a net-zero target which is aligned to market-based factors in order to achieve a reduction in emissions aligned with a 1.5°C scenario to a residual level by no later than 2050
- Engaged stakeholders with the development of a strategic Climate Transition Plan which is aligned with the requirements of the Transition Plan Taskforce (TPT)
- Carried out a successful Energy Management System trial using AI powered insights (EnOS™) to improve energy efficiency in our most energy intensive UK sites
- Appointed a new Head of Procurement and introduced processes to gauge the level of supplier alignment with our goals
- Implemented a bespoke AI platform to support data collection, transparency and due diligence
- Ran a business continuity workshop in collaboration with a third-party, which was attended by members of Senior Management and aimed to raise awareness of, test and strengthen the robustness of the Company's Business Continuity Plan (BCP), which includes climate-related risks and events
- Delivered our first dedicated UK marketing campaign for pre-owned watches
- Transitioned to 100% renewable energy across our Group through the purchase of renewable energy certificates, backed by guarantees of origin

We are committed to reducing absolute Scope 1 and 2 GHG emissions by 50% by 2030 from a FY20 baseline. We also commit to reducing absolute Scope 3 GHG emissions by 42% within the same timeframe. These near-term targets are aligned to a 1.5°C trajectory and have been verified by the Science Based Targets initiative (SBTi).

The achievement of these targets is linked to our Sustainability Linked Loan, providing us with a clearly defined pathway to reduce GHG emissions in the near-term. More information on our progress towards meeting these targets can be found on page 103 of this report. In line with best practice, in FY26, we will reapply to the SBTi for their approval of an achievable and ambitious net-zero target to 2050, in order to help prevent the worst impacts of climate change and future-proof business growth.

Our newly acquired Roberto Coin Inc. business provides the Group with exclusive rights to import and distribute Roberto Coin jewellery in the US, Canada, Central America and the Caribbean. While we are confident of existing business continuity plans, we recognise these areas are particularly vulnerable to extreme weather conditions, and in FY26 we will conduct a new Climate Scenario Analysis (CSA) of our business operations, including Roberto Coin Inc..

COMPLIANCE STATEMENT

In meeting the requirements of the Listing Rules UKLR 6.6.6R(8), we have concluded that we are fully aligned with the TCFD reporting recommendations for the accounting period ending 27 April 2025.

In the table below, we set out details of the TCFD reporting recommendations against the 11 disclosure requirements, along with the UK Government's Climate-Related Financial Disclosure (CFD) requirements. To do this, we referred to the documents in the Listing Rules guidance notes, taking into account the 2021 TCFD all sector guidance.

TCFD disclosure	CFD requirements	Summary of disclosure	More information
GOVERNANCE			
Describe the Board's oversight of climate-related risks and opportunities	Describe the Company's governance arrangements in relation to assessing and managing climate-related risks and opportunities	<p>The Board, led by the Chair, Ian Carter, has overall responsibility for managing climate-related risks, as well as ensuring our strategy creates value and achieves our Purpose: to WOW our clients while caring for our colleagues, our communities and our planet.</p> <p>The Board considers climate-related issues when reviewing and guiding our strategy, setting business performance objectives and agreeing annual budgets, including major capital expenditures, such as the implementation of a new Energy Management System in our most energy intensive sites.</p> <p>The ESG Committee, chaired by Independent Non-Executive Director, Baroness (Rosa) Monckton MBE, meets three times a year, plus an additional session for targeted training, and addresses climate-related issues. The ESG Committee reports key matters it has considered along with decisions it has made, and makes recommendations, particularly on documents for approval to the Board, for example, changes to our ESG pillars, associated targets and supporting documents, such as our Environment Policy, Vendor Code of Conduct and Supplier Sustainability Standards.</p> <p>The ESG Committee monitors performance against climate-related goals and targets, using frameworks such as the CDP questionnaire on climate change, and challenges our ESG Steering Group on progress. The ESG Committee also ensures the Group has an effective risk management system in place, with key climate-related risks being principally governed between both our ESG Committee and Audit & Risk Committee, which meets on a quarterly basis.</p>	<p>Climate Governance Framework on page 119</p> <p>Principal Risks and Uncertainties on pages 145 to 153</p>

TCFD disclosure	CFD requirements	Summary of disclosure	More information
GOVERNANCE			
Describe management's role in assessing and managing climate-related risks and opportunities	Describe the Company's governance arrangements in relation to assessing and managing climate-related risks and opportunities	<p>As part of our ongoing improvement and in acknowledgement of the threats associated with a changing climate and extreme weather, we regularly review our approach and processes to ensure the effectiveness of our management of the climate-related risks and opportunities impacting on our value chain. The Board, led by Ian Carter, has overall responsibility for climate-related issues and stays informed on current best practice in climate governance by maintaining dialogue with peers, policy makers, investors and other key stakeholders and works to ensure material climate-related risks, opportunities and strategic decisions are transparently reported to stakeholders.</p> <p>Our CEO, Brian Duffy, has overall operational responsibility for our climate strategy, including the mitigation of climate-related risks and leveraging opportunities identified as a result of a changing climate. Climate-related risks and opportunities identified over the short-medium and long-term are presented to the Audit & Risk Committee and ESG Committee on an ongoing basis.</p> <p>This process ensures materiality is properly assessed at varying levels of our business and the appropriate action is taken. The below governance framework is in place to ensure climate-related risks and opportunities are understood, managed and regularly reported, and that they are integrated into the Group's core business strategy, risk management processes and investment decisions.</p>	<p>ESG Governance on page 76</p> <p>Climate Governance Framework on page 119</p>
STRATEGY			
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term	Description of 1) the principal climate-related risks and opportunities arising in connection with the Company's operations, and 2) the time periods by reference to which those risks and opportunities are assessed	<p>We consider climate-related risks and opportunities across the short (<5 years), medium (5-10 years) and long-term (>10 years) and these time horizons were considered according to our sector, the life span of our assets, the type of the climate-related risks and opportunities we face, and the geographies in which we operate.</p> <p>The severity of the impacts we experience is determined by the extent to which the world warms. We therefore considered potential impacts for a range of possible scenarios:</p> <ul style="list-style-type: none"> – 1.5°C above pre-industrial levels, in line with what the latest climate science says is necessary to avoid the worst physical impacts of climate change with increased transition risk – Below 2°C above pre-industrial levels, in line with gradually increasing stringency of climate policy to limit the physical impacts of climate change – 2-3°C disorderly transition above pre-industrial levels, where the transition to a low-carbon economy is delayed increasing the risk associated with the transition – 4°C above pre-industrial levels, which is our current warming pathway if the world does not take climate action, potentially exposing us to the most extreme physical impacts of climate change <p>We consider risks in terms of both impact and probability. Impact refers to the severity of the consequences that may arise from a risk event, while probability refers to the likelihood or chance of the risk event occurring within the considered climate scenarios. Likelihood is dependent on the scenario considered and is determined through the outputs of the scenario modelling.</p>	<p>Assumptions can be found on page 121</p> <p>Financial boundaries can be found on page 120</p>

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
CONTINUED

TCFD disclosure	CFD requirements	Summary of disclosure	More information
STRATEGY			
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	Description of the actual and potential impacts of the principal climate-related risks and opportunities on the Company's business model and strategy	<p>Following a strategic review, we assigned financial impacts to identified climate-related risks and opportunities and have integrated them into our budget and long-range planning process.</p> <p>Our strategic review process also focused on target setting and considerations such as energy efficiency and supply chain transparency, which are incorporated into our long-term strategy and standard business processes.</p> <p>Strategic opportunities which progressed in FY25 include continuing the roll-out of LED lighting and successfully trialling new EnOS™ technology in the ten most energy intensive sites in the UK, strengthening our procurement function to identify and deliver efficiencies, and improving supply chain engagement and transparency.</p> <p>We have assessed the potential impacts of identified climate-related risks on key suppliers and assigned final risk scores based on:</p> <ul style="list-style-type: none"> – Exposure to the hazard, derived through modelling the likelihood of the hazard in low and high-carbon scenarios – Vulnerability, assessing the potential financial impact of the hazard and mitigation actions through interviews and discussions with internal stakeholders and key suppliers <p>The table on pages 123 to 125 includes identified high-rated risks. All identified climate-related risks and opportunities were disclosed within our response to the 2024 CDP questionnaire on climate change.</p> <p>Our Roberto Coin Inc. business, acquired in May 2024, provides the Group with exclusive rights to import and distribute Roberto Coin jewellery in the US, Canada, Central America and the Caribbean. All these areas are vulnerable to extreme weather conditions, therefore, we will carry out a full climate risk assessment of this business and its value chain in FY26 in order to pinpoint potential risks and test the robustness of existing contingency plans.</p>	Pages 120 to 121
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	An analysis of the resilience of the Company's business model and strategy, taking into consideration different climate-related scenarios	<p>The Group recognises the importance of taking steps to ensure our assets and business strategy are resilient to the inevitable effects of a changing climate.</p> <p>To test the robustness of our business strategy, we conducted a qualitative and quantitative climate scenario analysis of our business operation in FY22, and on our supply chain in FY23, considering a considering an orderly (1.5°C and 2°C), disorderly (2-3°C) and business-as-usual (4°C) scenario up to 2050. This analysis enabled us to identify key climate-related risks and opportunities faced by the Group and understand where in our operations we may be vulnerable. These risks are reviewed on an annual basis.</p> <p>As a result of our analysis, we enhanced our business processes, for example, we assess climate-related risks when negotiating leases, and during our procurement process we ask suppliers to set carbon reduction targets and encourage them to align with the objectives of the Paris Climate Agreement to limit global warming to 1.5°C.</p> <p>Local business continuity plans were activated in Florida due to Hurricane Milton in October 2024, and again in California during destructive wildfires in Palisades in January 2025. Both severe weather events led to the temporary closure of showrooms and a potential loss of sales, although it is likely clients delayed their purchases, due to the wide-scale impact of the emergency on the wider community and nearby competitors. Just one showroom in Florida suffered damage in the form of a roof leak and no colleagues or clients were harmed.</p> <p>In January 2025, we ran a business continuity workshop with a third-party. The workshop was attended by members of Senior Management and aimed to bring awareness, test the Company's BCP and strengthen its robustness. This includes climate-related risks and events, such as severe weather creating problems, for example a power outage.</p>	Page 122

TCFD disclosure	CFD requirements	Summary of disclosure	More information
RISK MANAGEMENT			
Describe the organisation's processes for identifying and assessing climate-related risks	Description of how the Company identifies, assesses, and manages climate-related risks and opportunities	<p>Our climate-related risks and opportunities sit within detailed risk classification frameworks. The Group defines risk as uncertainty around the organisation's ability to achieve its objectives and execute its strategy effectively. As a principal risk, climate-related risks are identified and assessed using the same established framework as other significant risks impacting the business.</p> <p>In addition, stakeholder consultation and qualitative climate scenario analysis are used alongside an analysis of existing and emerging regulatory requirements, to understand key physical and transition climate-related risks and opportunities affecting our business operation.</p> <p>Within our supply chain we have conducted a mapping exercise, carried out a quantitative Climate Scenario Analysis (CSA) and engaged internal and external stakeholders in a series of workshops to identify, manage and mitigate climate-related supply chain risks.</p> <p>In FY25, the Group introduced AI Agent technology to help identify suppliers who actively assess, manage and report the impact of climate change and extreme weather conditions on their operation and supply chain. The resulting reports are used to help us understand each individual supplier's approach to climate risk and mitigation and thereby gauge the level of risk to the sustainability of our business.</p> <p>Identified risks are monitored on an ongoing basis, allowing us to identify any changes and make the necessary adaptations.</p>	Principal Risks and Uncertainties on pages 149 to 153
Describe the organisation's processes for managing climate-related risks	Description of how the Company identifies, assesses, and manages climate-related risks and opportunities	<p>We take the necessary mitigation or adaptation actions to prepare for identified climate-related risks, depending on the severity of the risk. Similarly, where opportunities associated with adaptation to climate change are identified, we work to leverage them.</p> <p>The Group has embedded a robust risk management process across all principal risks. Identified risks are incorporated into our Group risk register and risks that are classified as major or severe are escalated to the Board, whereas minor and moderate risks are handled by the ESG Committee working alongside the Audit & Risk Committee or risk owners who are responsible for ongoing risk review.</p>	Principal Risks and Uncertainties on pages 149 to 153
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Description of how processes for identifying, assessing, and managing climate-related risks are integrated into the Company's overall risk management process	<p>The Group classifies, assesses and manages climate change as a principal risk through our overall risk management approach.</p> <p>We consider climate-related risks and opportunities using the TCFD categories, which cover transition risks (political and legal, market, technology and reputation), and physical risks (acute and chronic), as well as opportunities posed by a transition to a low-carbon economy (resource efficiency, energy source, products and services, market opportunity).</p> <p>Identified risks are mitigated through our established risk management process.</p>	Climate Risk Management Process on pages 145 to 148

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
CONTINUED

TCFD disclosure	CFD requirements	Summary of disclosure	More information
METRICS AND TARGETS			
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	KPIs used to assess progress of targets used to manage climate-related risks and realise climate-related opportunities and a description of the calculations on which those key performance indicators are based	<p>We have mapped both our operational and supply chain risks identified in our qualitative and quantitative CSA to metrics, which allow us to track our progress managing these risks.</p> <p>During a workshop with internal stakeholders, we reviewed and approved additional metrics to monitor our supply chain risks such as extreme weather events, extraction of raw materials, introduction of carbon prices and legislative requirements.</p> <p>The Group has collected data against these metrics and assigned responsible data owners to monitor them in line with our strategy and risk management process.</p>	Metrics and Targets on page 127
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	N/A	The Group reports Scope 1, 2 and 3 GHG emissions, which are calculated in line with the GHG Protocol methodology. Our figures are externally assured and reported over a three-year period within our Annual Report and Accounts. The methodologies used to calculate our metrics are also reported. As well as the absolute figure, we report our intensity ratios, which allow us to understand the impact of our growing business.	GHG Emissions on page 130
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Description targets used by the Company to manage climate-related risks and to realise climate-related opportunities and of performance against those targets	<p>Our near-term targets to achieve net-zero GHG emissions in line with a 1.5°C trajectory have been validated by the SBTi. The Group commits to reduce absolute Scope 1 and 2 GHG emissions 50% by 2030 from a FY20 baseline. The Group also commits to reduce absolute Scope 3 GHG emissions by 42% within the same timeframe. These targets are underpinned by a series of goals to help us manage risks and opportunities and these are reported on page 128.</p> <p>In FY26, we will submit new near and long-term targets to reach net-zero by 2050 to the SBTi for validation.</p>	Metrics and Targets on page 127

GOVERNANCE OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

Brian Duffy, CEO, has overall operational responsibility for our climate strategy and the mitigation of related risks. Anders Romberg, CFO, has day-to-day operational responsibility for identifying and addressing climate-related risks and opportunities and chairs the monthly ESG Steering Group. This Steering Group reports up to the ESG Committee and is comprised of senior leaders who each have responsibility for assessing and managing climate-related risks and opportunities against KPIs aligned to our ESG pillars of People, Planet and Product.

The ESG Steering Group is advised by Kesah Trowell, Head of Sustainability and ESG, who has significant experience in climate-related matters. It ensures all operational matters in respect to our ESG Strategy are fully embedded into our wider business strategy and operation, through weekly engagement with our Trading Board and ad hoc, as required. Our Finance team plays a key role in ensuring climate-related risks and opportunities are embedded into our core business strategy, by ensuring that they are considered within our budget planning and approval processes.

Climate-related issues are monitored by the Audit & Risk Committee as part of the review of principal and emerging risks. Each ESG pillar is supported by working groups, who also have a responsibility for identifying climate-related risks and opportunities. Our working groups include senior operational managers who are assisted by input from the Head of Sustainability and ESG, and external consultants. These working groups generally meet every four to six weeks and are chaired by departmental ESG Steering Group members.

Our Planet Working Group has responsibility for developing and implementing the Group's Climate Strategy, which includes reducing Scope 1 and 2 carbon emissions resulting from buildings and logistics, energy and waste management. Our Product Working Group is responsible for developing and executing our Supply Chain Engagement Strategy, including managing the environmental and ethical impacts of products within our value chain, such as the impact of raw material extraction, manufacturing, packaging and transportation.

All Working Groups have joint responsibility for reducing Scope 3 emissions. In FY25, the Group recruited a new Head of Procurement and introduced a new Procurement Policy and supporting processes to help gauge the level of new and existing supplier alignment with our environmental goals, including climate mitigation and adaptation.

BOARD

Overall responsibility for climate-related policy, mitigation of key climate-related risks and leveraging opportunities

– Chaired by Ian Carter

ESG COMMITTEE

- Chaired by Non-Executive Director, Baroness (Rosa) Monckton MBE
- Approves climate strategy and related targets
 - Reviews progress against set targets
 - Reviews key climate-related risks and opportunities
 - Oversees mitigation strategies
 - Ensures appropriate action to meet goals and KPIs
 - Ensures adequate resource and funding is in place

REMUNERATION COMMITTEE

- Chaired by Non-Executive Director, Tea Colaiani
- Considers climate-related targets when determining the ESG underpin related to the Group annual bonus
 - Ensures incentive framework motivates colleagues
 - Renews and approves performance measures for bonus to align with strategic objectives

AUDIT & RISK COMMITTEE

- Chaired by Non-Executive Director, Robert Moorhead
- Considers climate-related risks as part of the review of principal and emerging risks
 - Oversees compliance and progress on reporting
 - Reviews internal controls and provides accountability

ESG STEERING GROUP

- Chaired by CFO, Anders Romberg
- Defines climate-related goals, targets and KPIs over short, medium and long-term and monitors progress
- Ensures actions to manage identified climate risks and opportunities are embedded into Group risk management processes, core business strategy and financial decision-making

TRADING BOARD

- Chaired by CEO, Brian Duffy
- CFO, Anders Romberg represents the ESG Steering Group and brings to attention any relevant matters
 - Embeds actions to manage climate-related risks and opportunities into core business strategy

INPUT FROM KEY COLLEAGUE LEADS & EXPERTS

- Co-ordinated by Kesah Trowell, Head of Sustainability and ESG
- Identify climate-related risks and opportunities and assess how they impact the business and value chain in the short, medium and long-term
 - Develop action plans to deliver environmental targets, and track progress against targets
 - Establish and review effective mitigation and controls to manage climate risks
 - Day-to-day delivery of climate goals and management of climate-related risks and opportunities

PLANET WORKING GROUP

- Led by CFO, Anders Romberg
- Supports delivery of actions to meet goals and targets
 - Identifies opportunities to increase climate resilience and leverage opportunities, and assesses how they impact the business and value chain in the short, medium and long-term
 - Champions positive behaviour changes
 - Embeds climate change culture and mindset

PRODUCT WORKING GROUP

- Led by Eric Macaire, Executive Director Global Buying and Merchandising
- Supports delivery of actions to meet goals and targets
 - Identifies opportunities to collaborate across the value chain to increase climate resilience and create shared value
 - Advocates climate resilience for our industry

PEOPLE WORKING GROUP

- Led by Philippa Jackson, Executive Director, Human Resources
- Helps achieve goals and feed back areas for improvement

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
CONTINUED

STRATEGY

The Group considers climate change to be a principal risk and as such, our approach to mitigating and managing climate-related risks and leveraging opportunities is incorporated into our core business strategy and operation.

We use the following time horizons across the short, medium, and long-term, which are agreed by the Board and in line with time horizons used when considering wider strategic and business planning.

Impact time horizon	Year from	Year to	Duration
Short-term	FY26	FY30	<5 years
Medium-term	FY31	FY35	5-10 years
Long-term	FY36	FY36+	>10 years

The timeframes were defined according to the retail sector and the nature of the climate-related risks we face, such as physical risks, ensuring business continuity, changing consumer preferences, regulatory changes and reputation. We also considered the long lifespan of our assets, our infrastructure and the geographies in which we operate.

Our risk classification scoring is as follows:

	Financial impact	EBIT impact	Probability
1	Negligible	< 1% of EBIT	Rare
2	Minor	1-5% of EBIT	Unlikely
3	Moderate	5-10% of EBIT	Moderate
4	Major	10-20% of EBIT	Likely
5	Severe	> 20% of EBIT	Almost certain

The financial impact of a risk includes any potential control and mitigation costs incurred to manage the risk and the cost of repair/replacement programmes or loss of revenue if the risk were to be realised.

	Risks	Opportunities
Climate-related risks and opportunities assessed during a CSA of our business operations	Extreme weather events disrupting key sites and IT systems	Energy efficiency initiatives across our property portfolio and introduction of Uninterruptable Power Supplies (UPS)
	Increased energy requirements	Procuring renewable energy and generating energy on-site
	Changing consumer preferences	Promoting the longevity of well-made watches and jewellery, along with our pre-owned and repairs offerings
	Exposure to carbon pricing	Proactive collaboration with suppliers to reduce energy



Our Climate Scenario Analysis considered the following scenarios using data from publicly available third-party sources, Network for Greening the Financial System (NGFS) and IPCC Shared Socioeconomic Pathways:

Scenario	Transition scenario	Physical scenario
1.5°C – Rapid transition to a global low-carbon economy – Unified regulations and ambitious climate policies are implemented immediately and smoothly	NGFS net-zero GHG emissions by 2050	Not considered*
Below 2°C – Steady transition to a global low-carbon economy – Required by the TCFD recommendations – Aligns with the Group's net-zero GHG emissions target	NGFS below 2 degrees	IPCC SSP1 RCP2.6
2-3°C disorderly transition – Delayed and disorderly transition leading to notable transition and physical impacts	NGFS delayed transition	IPCC SSP2 RCP4.5
4°C – Business-as-usual emissions – Assumes climate inaction – No additional policies are implemented to address the climate agenda and temperatures rise to 4°C above pre-industrial levels	NGFS current policies	IPCC SSP5 RCP8.5

* Below 2°C scenario has been used which is also a low-carbon scenario.

The above scenarios were chosen as these cover a broad range of possible climate outcomes. The 1.5°C highlights transition risks experienced through a shift to a low-carbon economy, whilst the 4°C scenario highlights the greater physical risks present under a business-as-usual outcome. This allowed the Group to assess the resilience of our business strategy across a range of potential outcomes.

Assumptions and estimates included within the qualitative and quantitative CSA are shown in the below tables:

QUALITATIVE CLIMATE SCENARIO ANALYSIS

Physical risks	
Flooding and wind	<ul style="list-style-type: none"> – Flood events are assumed to only impact the floor the Group occupies. Each floor is assumed to be three metres (10 ft) high – For the UK, fluvial/river flooding is the dominant form of flooding – For Florida in the US, fluvial flooding dominates in the lower return periods, whilst coastal flooding driven by hurricanes dominates in the higher return periods – Stock, fixtures and fittings and IT equipment values have been taken at their net book value – Group sites and assets are assumed to be static to isolate the climate signal from extreme weather events
Heating and cooling (changing energy costs)	<ul style="list-style-type: none"> – Proportion of energy used at all showrooms by heating and cooling is constant – Energy consumption remains constant over time to isolate the climatic signal
Transition risks	
Carbon pricing on Scope 1 and Scope 2 emissions	<ul style="list-style-type: none"> – NGFS carbon price data taken to be applied to all Scope 1 and Scope 2 operational emissions – Carbon price is applied in replacement of the Climate Change Levy (CCL) from 2020 onwards, which could result in cost savings

QUANTITATIVE CLIMATE SCENARIO ANALYSIS

Transition risks	
Carbon pricing exposure	<ul style="list-style-type: none"> – 2°C scenario assumes that a carbon price is applied uniformly across all countries – Stainless steel was selected as the material of focus since it is the largest single material in quantity in a wristwatch – We estimated that the content of stainless steel per wristwatch is approximately 100g – We calculated the carbon footprint of a watch based on the estimated emissions associated with the production of stainless steel – We assumed that the stainless steel used in the production of the watches is imported into the European Union to be further transformed

Following our qualitative CSA, in FY23 we conducted a quantitative CSA for our direct operations to quantify the potential financial impact, as well as other business impacts, such as consumer sentiment and impacts to our value chain in relation to key risks.

Additionally, the assessment allowed the Group to identify risk hotspot locations to inform mitigation actions. The following physical risks were analysed in the quantitative CSA:

- Extreme weather events disrupting offices and distribution centres
- Increased office and showroom energy requirements for heating and cooling

To assess the exposure of all sites to extreme weather events and increased energy requirements for heating and cooling, we considered the following indicators in FY22:

- Fluvial flooding
- Hurricane flooding
- Days exceeding 35°C and 38°C
- Cooling degree days (the sum of the number of degrees that a day's average temperature is above 18°C)
- Heating degree days (the sum of the temperature increment between the day's average temperature and 18°C and the number of days this occurs)
- Wind speed

The key findings have enabled the Group to identify climate-related risk areas within our operations and implement adaptive measures as described in the risk table on pages 123 to 125, allowing us to strengthen the resilience of our strategy to climate-related risks and opportunities.

The impact of carbon pricing on energy consumption and direct emissions was also considered. Although this risk was identified as a medium risk in the qualitative CSA, further assessment, which included a workshop with key decision makers and external consultants, to understand the impact, showed a low risk due to the low potential financial impact on the Group, in terms of EBIT.

In FY25, we carried out an assessment to understand how our business activities align with requirements from the TPT. This involved a series of interviews with key stakeholders to review internal practices and processes and understand our level of preparedness when building a strategic transition action plan. During these interviews, stakeholders shared their views on the availability of necessary data, as well as data quality, suitability and management. Stakeholders were also asked to assess the Group's decarbonisation strategy, action plans and operational decision-making, and invited to voice any challenges delivering current commitments and overcoming barriers. We also gained stakeholder input into financial planning processes and the Group's future strategy, as well as the effectiveness of internal and external sustainability/communication strategies, training and internal governance to strengthen climate resilience and fulfil our commitment to net-zero by 2050. More information about this work can be found on page 103.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
CONTINUED

SUPPLY CHAIN ANALYSIS

To discuss, determine and consider climate-related risks and opportunities that could have a material impact within our supply chain, in FY24 and FY25 we engaged with internal and external stakeholders through a series of workshops, which were hosted with the help of external consultants.

Key logistics routes, storage sites and warehouses were identified and the impacts of risks caused by the identified hazards were assessed in both a low-carbon and high-carbon scenario up to 2040.

	Risks	Opportunities
Climate-related risks identified during a mapping exercise and CSA of our supply chain	Extreme weather events disrupting logistics, caused by hazards including:	Improve business continuity and planning
	– Extreme precipitation at two logistics sites in the UK	
	– Extreme heat at one logistics site in the US	
	– Cyclones and hurricanes at one logistic site in the US	
	– Raw material extraction (minerals and agriculture) disrupted	Build climate-related clauses into relevant contracts
– Extreme heat at a stainless-steel mining location in China		
	Introduction of carbon pricing	Understand cost implications and factor into our decision-making processes and budget forecasting

The results of our supply chain quantitative CSA have highlighted the robustness and resilience of the Group's supply chain management when faced with value chain climate-related risk, in both a low and high-carbon scenario. We have found that, when considering existing mitigations in place to manage risks, the overall impact to the Group's operations is low for the risks analysed so far.

This CSA does not include our recent acquisition of Roberto Coin Inc., which needs reliable, efficient transport operators to fulfil its business of distributing jewellery to the US, Canada, Central America and the Caribbean. We recognise that these geographies are all vulnerable to extreme weather conditions and will conduct a CSA of Roberto Coin Inc. in FY26.

In addition, the CSA does not include the Hodinkee business, which we acquired in October 2024. Hodinkee is a global digital editorial content provider and gateway for horology enthusiasts. Both Roberto Coin Inc. and Hodinkee are based in offices with a small land footprint in New York City and are considered a low risk from the impact of severe weather. These businesses are covered by comprehensive insurance policies and will be fully assessed for climate-related risks and opportunities as part of our Group's climate strategy and reporting in FY26.

Unexpected global events have demonstrated the resilience of our logistics operations and ability to quickly adapt to change. The Group allows for the flexibility to work with various logistics suppliers across all operational geographies to fulfil door-to-door deliveries and web orders, should a supplier be impacted by potential climate risks.

From a financial perspective, there would be little to no impact to our logistics operation in low-carbon or high-carbon scenarios, due to the ability to switch

suppliers, and this is built into our BCP. Cost implications have also been considered in budget timelines looking ahead over the short and long-term impact time horizons. In some instances, switching logistics partners might result in a cost saving, due to our new procurement capability and enhanced tendering process. Our analysis found that the Group's suppliers have well-established climate risk mitigation actions in place, and this is supported by findings from our new supplier screening capability provided by AI Agent technology.

Engagement with a primary brand partner is in progress to assess their risk exposure against extreme heat in sourcing locations and the risk of carbon pricing on stainless steel. Finalising the assessment will allow the Group to understand the vulnerability scores to both climate hazards.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

Reaching net-zero GHG emissions and managing emerging risks associated with a changing climate presents both physical and transitional risks. It also presents opportunities, to our business through adaption to a low-carbon economy.

Risks are prioritised using impact ratings of Low, Medium or High, and are determined by combining the likelihood of the risk arising, with the potential impact of the risk, should it happen. This impact scoring is in line with the Group's risk register where the materiality of each risk is considered.

We consider risks and opportunities using the TCFD categories covering transition risks (political and legal, market, technology and reputation) and physical risks (acute and chronic), as well as opportunities presented within the transition to a low-carbon economy (resource efficiency, energy source, products and services and market opportunity).

All geographies are considered when assessing risks. We have a relatively small number of operational sites (offices, showrooms and distribution centres) across the UK and US, however, risks are likely to vary across different regions and site types. The acquisition of Roberto Coin Inc. in May 2024 has widened the scope of our operation to include logistics hubs in Canada and the Caribbean. In general, these areas are vulnerable to the impacts of a changing climate, with Canada facing rising temperatures, more frequent extreme weather events and sea level rise, while the Caribbean is particularly vulnerable due to its geographic location and socioeconomic circumstances, making it susceptible to intense storms, droughts and sea-level rise.







The process for identifying and assessing climate-related risks and opportunities is set out in our Climate Governance framework on page 119. Identified risks are composed of a combination of interrelated elements that could impact the Group, for example, the demand for particular products, operational costs and regulatory requirements. They also present physical risks to our premises in addition to our supply chain and logistics.

The table on pages 123 to 125 includes all High rated risks identified pre-mitigation, which is where our climate initiatives focus. We do not report Medium or Low risks considered in this table, however, all climate-related risks we have identified to date are disclosed within our annual response to the CDP questionnaire on climate change. Climate-related risks and opportunities are reviewed annually as part of our risk management process and disclosed.

All risks featured in the table below are rated as High, however, we acknowledge that more significant impacts will be experienced for climate-related physical risks under higher warming scenarios of 4°C, whereas the impacts of transition risks will be more significant under lower warming scenarios.



To ensure active and holistic management of all climate-related risk components, our emissions reduction pathways take into account both the direct and supply chain impacts on biodiversity, as well as the effects of a changing climate on business initiatives.

HIGH CLIMATE-RELATED RISKS RELATED TO OUR DIRECT OPERATIONS





Risk type	Risk category	Scenario	Time horizon		
			Short	Medium	Long
 <p>ACUTE PHYSICAL Cyclone, hurricane, typhoon</p>	Physical	<ul style="list-style-type: none"> ● <2°C ● 4°C 			
<p>DETAIL In the US (particularly Florida) hurricanes are an annual occurrence which could disrupt the ability to receive products and distribute them around the country.</p> <p>MITIGATION</p> <ul style="list-style-type: none"> - We have insurance policies in place to cover financial losses, either partially or fully and based on international spread and our showroom presence. Physical controls are also in place. Suppliers are able to send products directly to showrooms - Contingency plans are in place within all sites at risk 			Magnitude of impact post-mitigation: Minor	Likelihood of impact post-mitigation: Likely	Financial impact post-mitigation: 1-5% of EBIT
 <p>ACUTE PHYSICAL Flood (coastal, fluvial, pluvial, groundwater)</p>	Physical	<ul style="list-style-type: none"> ● <2°C ● 4°C 			
<p>DETAIL Increased extreme rainfall could lead to flash flooding and increased fluvial flooding. Specific considerations made in relation to pluvial flooding at key distribution locations in both the UK and US</p> <p>MITIGATION</p> <ul style="list-style-type: none"> - Showrooms are generally leased for <10 years, so this has not been identified as a material 'stranded assets' risk linked to gradual sea-level rise - As leases expire, we carry out case-by-case reviews and have the option of relocating showrooms to areas with less risk - Risk assessments carried out at key distribution locations indicated a low risk with supplier ability to send products directly to showrooms if required 			Magnitude of impact post-mitigation: Minor	Likelihood of impact post-mitigation: Likely	Financial impact post-mitigation: 1-5% of EBIT
 <p>CHRONIC PHYSICAL Changing temperature</p>	Physical	<ul style="list-style-type: none"> ● <2°C ● 4°C 			
<p>DETAIL A changing climate and extreme weather events are likely to increase energy consumption associated with heating and cooling. There is also an increased risk of energy blackouts.</p> <p>MITIGATION</p> <ul style="list-style-type: none"> - Continued engagement with landlords to ensure the most up to date and efficient energy processes are in place - The installation of new EnOS™ technology to regulate energy consumption in our most energy intensive UK and US sites - Investment in the most efficient and reliable HVAC systems which are regularly serviced and automatically switch off when colleagues leave the premises at night - On-site solar energy generation at our UK Carlton Park Support Centre for FY26 - Uninterruptable power supplies are in place in key sites to allow computers to keep running if energy flow is disrupted, along with battery storage solutions 			Magnitude of impact post-mitigation: Negligible	Likelihood of impact post-mitigation: Moderate	Financial impact post-mitigation: <1% EBIT

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
CONTINUED

HIGH CLIMATE-RELATED RISKS RELATED TO OUR DIRECT

Risk type	Risk category	Scenario	Time horizon		
			Short	Medium	Long
 <p>LEGISLATIVE Cost of non-compliance with environmental legislation Adaptation and mitigation activities</p>	Transition	n/a	⋮	⋮	⋮
			<p>DETAIL Under a transition to a low-carbon economy, we expect to see increased-level and stringency of environmental legislation across regions that the Group operate. Failure to properly comply with this legislation could lead to potential fines for the Group.</p> <p>MITIGATION</p> <ul style="list-style-type: none"> – An experienced Head of Sustainability and ESG is in place, supported by a strong governance structure, external consultants and digital platforms to understand and ensure compliance with environmental legislation – There would be significant costs associated with non-compliance, however, identified regulatory requirements are closely monitored and supported by strong governance processes. External expertise and guidance is also used as required when opening showrooms in new jurisdictions – AI technology is also used to monitor environmental legislation and to highlight gaps in the Group’s business strategy and reporting for timely consideration and action through our governance structure 	Magnitude of impact post-mitigation: Negligible	Likelihood of impact post-mitigation: Unlikely
 <p>LEGISLATIVE Cost of compliance with environmental legislation</p>	Transition	n/a	⋮	⋮	⋮
			<p>DETAIL Under a transition to a low-carbon economy, we expect to see increased-level and stringency of environmental legislation across regions that the Group operate. Ensuring the Group continues to meet requirements of environmental legislation could lead to additional costs associated with preparing information and reporting against requirements.</p> <p>MITIGATION</p> <ul style="list-style-type: none"> – Governance structures are in place to assess the cost of compliance with environmental legislation and ensure it is factored into the Group budgeting cycles where necessary – While the Group considers compliance with environmental legislation non-negotiable, in FY25 we strengthened our procurement function and invested in a new AI powered supply chain management system to ensure that we partner with suppliers that align with, and adhere to, our Supplier Sustainability Standards 	Magnitude of impact post-mitigation: Negligible	Likelihood of impact post-mitigation: Likely












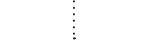

HIGH CLIMATE-RELATED RISKS RELATED TO OUR DIRECT OPERATIONS

Risk type	Risk category	Scenario	Time horizon		
			Short	Medium	Long
 <p>ACUTE PHYSICAL Extreme heat Logistics Hub, Memphis, Tennessee (third-party)</p>	Physical	<ul style="list-style-type: none"> ● <2°C ● 4°C 			
			<p>DETAIL A changing climate and extreme weather events such as heatwaves have the potential to affect to logistics hubs.</p> <p>MITIGATION</p> <ul style="list-style-type: none"> – Flexibility and ability to switch logistics partners with ease where necessary is built into our BCP – Delays at third-party distribution centres would not have a significant impact on our operations, due to the nature of the products we sell and strong client relationships and engagement strategies – This third-party site has implemented multiple mitigation actions to protect workers affected by extreme heat and limit disruption. This includes tower fans, water fountains, ice machines and the frequent distribution of water to keep workers cool and hydrated – Their facility has been constructed to withstand extreme heat and maintain a constant working temperature of 10-27°C. The hub also has the flexibility to transfer items between buildings to ensure the continuity of deliveries 	<p>Magnitude of impact post-mitigation: Negligible</p>	<p>Likelihood of impact post-mitigation: Likely</p>
 <p>REPUTATION Expectations for preparedness and responsible conduct from stakeholders, including investors, lenders and clients</p>	Transition	<ul style="list-style-type: none"> ● 1.5°C ● 4°C 			
			<p>DETAIL Expectations for preparedness and responsible conduct from stakeholders, including investors, lenders and clients.</p> <p>MITIGATION</p> <ul style="list-style-type: none"> – Supplier partners must agree with the terms of our Vendor Code of Conduct, or have a publicly available equivalent, which includes compliance with all law and legislation – In FY25 we updated our Supplier Sustainability Standards to support climate resilience and reporting. Suppliers are now expected to report emissions data and assess the impact, and potential impact, of extreme weather events on their ability to deliver on contractual obligations over the short, medium and long-term. This information is collated for review using AI – We conduct third-party on-site audits to help us to safeguard the integrity and reputation of our business operation and partnerships, and in FY25 we updated our Vendor Code of Conduct to require suppliers to carry out regular audits of third-party manufacturing sites – We aim to achieve full traceability and highlight the sustainable attributes of the products we sell and services we offer – We continue to invest in our repairs and pre-owned businesses to help keep more products in circulation and avoid negative impacts caused by mining and manufacturing processes 	<p>Magnitude of impact post-mitigation: Negligible</p>	<p>Likelihood of impact post-mitigation: Likely</p>

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
CONTINUED

CLIMATE-RELATED OPPORTUNITIES

While we recognise the importance of the above risks, the opportunities presented through adaption to a low-carbon economy are also significant. Key opportunities identified during our qualitative CSA are detailed below:

Opportunity	Risk category	Type	Time horizon		
			Short	Medium	Long
 <p>DOWNSTREAM Promoting the prolonged lifetime of watches and jewellery to encourage clients to retain and repair watches and jewellery instead of disposing of them</p>	<p>High Transition</p>	<p>Products and services</p>			
<p>DETAIL Marketing to retain and repair products instead of disposing of them.</p>	<p>Financial planning considerations 10-20% of EBIT</p>	<p>Strategy to realise opportunity</p> <ul style="list-style-type: none"> – Delivered first dedicated marketing campaign for pre-owned watches in the UK in FY25. The message ‘We Buy, We Sell, We Exchange’ was promoted across performance marketing, social media, via emails, CRM and in-store marketing – In the US we promote our pre-owned offering through Hodinkee and the brand Analog:Shift which has its own dedicated website, shop-in-shops and displays in showrooms. Awareness is created through all marketing channels – Showrooms have dedicated space and displays for pre-owned, as well as on all our websites – Regular pre-owned events are held with clients to educate them about our pre-owned service – In FY25, we ran a series of editorial articles to promote awareness of our UK repairs and servicing – A dedicated CRM programme reminds clients to service their watches at the recommended time – We use a variety of channels, including educational institutions, to actively recruit talented individuals to join our team of highly skilled and accredited watchmakers to work in our repairs and servicing centres – We continue to support new watchmakers through apprenticeships and sponsorships, including through our partnership with the AHCI – We have invested in training and facilities to provide additional repairs and servicing support for strategic brand partners 			
 <p>DIRECT OPERATIONS Energy efficiency in showrooms, offices and distribution centres and use of renewable energy in showrooms and offices</p>	<p>High Transition</p>	<p>Energy source and resource efficiency</p>			
 <p>DETAIL Use of lower-emission sources of energy. Reduction in energy use.</p>	<p>Financial planning considerations <1% of EBIT</p>	<p>Strategy to realise opportunity</p> <ul style="list-style-type: none"> – In line with our energy strategy, 100% of Properties are now powered by renewable electricity with renewable energy certificates, backed by guarantees of origin – 96% of properties across our Group use LED lighting and this is standard in all new properties – A solar panel installation on our Carlton Park Support Centre is set to be completed in August 2025. It will generate renewable energy on-site and reduce energy costs by over £15,000 per annum 			
 <p>SUPPLY CHAIN Proactive collaboration with suppliers to reduce energy</p>	<p>High Transition</p>	<p>Resource efficiency</p>			
<p>DETAIL Reduction in energy use.</p>	<p>Financial planning considerations <1% of EBIT</p>	<p>Strategy to realise opportunity</p> <ul style="list-style-type: none"> – In FY25, we engaged with suppliers to identify the most energy intensive areas of our business and carried out a ten-site trial of a new energy management system. In FY26 we will roll out this EnOS™ technology in our most energy intensive sites which will reduce consumption by an estimated 12-20% across our portfolio over a three-year period 			



RISK MANAGEMENT

The Group defines risk as uncertainty around the ability to achieve its objectives and execute its strategy effectively. We consider climate change as a principal risk to better manage associated risks and opportunities.

The Group has embedded a robust risk management process across all principal risks which is outlined on page 145. The risk management process is led by the Director of Audit & Risk, reporting key risks and mitigations to the Board’s Audit & Risk Committee. Our risk management framework helps identify, assess, manage and monitor risks to within the risk appetite set by the Board, while taking advantage of opportunities as they are presented. Identified risks are incorporated into our Group risk register and risks that are classified as major or severe are escalated to the Board, whereas minor and moderate risks are handled by the appropriate Committee or risk owners. Management is responsible for minimising any adverse exposure to the Group and its stakeholders.

To identify and assess climate-related risks within our business operation, we conducted both qualitative and quantitative CSAs and the results are reported within the Strategy section of our TCFD disclosure. The classification of climate risks identified is outlined in the strategy section of our disclosure and is in line with the Group’s risk register, with the materiality of each risk being considered. Our climate risks and opportunities sit within detailed risk classification frameworks with financial boundaries. Further details can be found on page 153.

To help us identify, manage and mitigate climate-related supply chain risks, we used recognised reporting frameworks to carry out mapping exercises, followed by a CSA in key locations. This is supported by a series of workshops with internal and external stakeholders to explore our findings and collaborate on any necessary mitigations. In FY26, we will conduct a CSA on our Roberto Coin Inc. business.

Climate risks are monitored on an ongoing basis, which allows us to capture any changes and adapt fluidly. Risks identified through CSA are mapped to metrics, which allow us to track our progress managing these risks. Metrics are assigned responsible data owners to monitor them in line with our strategy and risk management process. Further information on risk-related metrics and targets can be found in the below Metrics and Targets section.

As a result of our analysis, we have enhanced our business processes, for example, we assess climate-related risks when negotiating leases, and during our procurement process we ask suppliers to set carbon reduction targets and encourage them to align with the objectives of the Paris Climate Agreement, to limit global warming to 1.5°C.

As a result of a CDP gap analysis, we worked with third-party consultants to explore carbon pricing, including setting an internal carbon price covering our operational activities. The exercise resulted in the decision to not introduce this mechanism.

METRICS AND TARGETS

The Group is committed to achieving net-zero GHG emissions by 2050 and our near-term emissions reduction target has been validated by the SBTi. The Scope 3 categories included in our science-based target are disclosed on page 130.

Public commitments	Near-term SBTs aligned to 1.5°C under Paris Climate Agreement	Net-zero
Scope 1 and 2	50% (location-based) reduction in absolute emissions by 2030 from a FY20 base year	2050
Scope 3	42% reduction in absolute emissions by 2030 from a FY20 base year	



We have implemented several emission reduction initiatives across our operations and value chain as part of our strategy to achieve net-zero GHG emissions by 2050, which are reported on pages 104 to 106 of this report.

Our existing loan facility is aligned with our near-term science-based emission reduction trajectory and circularity goals, which is supported by our Bonus Underpin and a colleague incentive. For more information about remuneration and our sustainability goals, please see page 187.

Due to business growth, during FY24 our emissions did not reduce in line with our Scope 1 and 2 reduction target trajectory. As well as implementing new emissions reduction initiatives in FY25, we carried out a feasibility study to understand whether switching from a location-based method to a market-based method in FY26 would better support our emissions reduction strategy.

This study showed that switching to a market-based method would necessitate a more ambitious near-term Scope 1 and 2 target of 71% by 2030 from a FY20 baseline, due to the SBTi applying forward looking ambition (FLA) adjustments to ensure new targets have not already been largely achieved. The near-term Scope 3 target would remain the same at 42%.

A SBTi re-submission process will be followed in FY26 proposing a new market-based near-term target as well as a new long-term target to reduce absolute Scope 1, 2 and 3 emissions by 90% by FY50 from a FY20 baseline. The Group will aim to offset the residual 10% of emissions through permanent removal and storage of carbon to achieve net-zero emissions.

The Group responded to the 2024 CDP questionnaire on climate change for the third consecutive year and we achieved our ambition to maintain our B ‘Management’ score. We continue to review our performance and build further areas of improvement into our ESG Strategy, which includes having a net-zero target approved by the SBTi and evidencing a strategic Climate Transition Plan which is aligned with the requirements of the TPT.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
CONTINUED

The below table summarises metrics used to monitor our operational risks going forward:

Risk	Scope	Metrics to monitor risks	Targets to monitor risks	FY23	FY24	FY25	YoY change	YoY trend
Extreme weather events disrupting offices and distribution centres	Group	Strategic sites reviewed and appropriate contingency plans in place until lease expiry	All properties reviewed for exposure to extreme weather events	43%	38%	50%	+12%	●
Increased energy requirements	Group	% of electricity from renewable sources	Transition to 100% renewable energy wherever possible (including landlord energy supplies) by 2025	77%	70%	100%	+30%	●
	Group	Number of properties we control fitted with LED lighting	Transition to 100% LEDs in properties we control and where installation is financially and practically viable by 2025	84%	81%	96%	+15%	●
Changing consumer preferences	Group	Number of product repairs, servicing and sales of pre-owned watches as a percentage of the number of new watch sales	Year-on-year increase in watches kept in circulation through repair, servicing and/or resale, measured by % of new watches sold	44%	46%	45%	(1)%*	●
		Engagement with brand partners and other suppliers	50% of product suppliers aligned with relevant, well-recognised sustainability standards or certifications by 2025	35%	44%	46%	+2%	●
		% of own brand packaging recyclable	Own brand packaging fully recyclable by 2030	71%	71%	71%	–	●
Extreme weather events disrupting offices and distribution centres	Group	Monitoring the cost of extreme weather damage across sites on an annual basis	Annual assessment of costs associated with the reinsurance of offices and distribution centres	Complete	Complete	Complete	–	●
Raw material extraction (minerals and agriculture) disrupted	Group	Keeping watches in circulation through repairs, servicing and our pre-owned business as % of new watches sold	Year-on-year increase in watches kept in circulation through repair, servicing and/or resale, measured by % of new watches sold	44%	46%	45%	(1)%	●
Carbon price introduced	Group	Annual reduction in Scope 1, 2 and 3 intensity metrics**	50% reduction in Scope 1 and 2 emissions by 2030 from a FY20 baseline	0.0025	0.0026	0.0026	–	●
			42% reduction in Scope 3 emissions by 2030 from a FY20 baseline	0.1100	0.1479	0.1676	+0.0195	●

Key ● Increase ● No change ● Missed target

* Sales of pre-owned watches increased 39% year-on-year. For more information see page 111.

** tCO₂e per £'000 revenue. For more information on our emissions see page 130.

GOAL AND STRATEGIES

The timeline below summarises progress and key steps taken by the Group to ensure potential climate-related risks and opportunities are identified and managed in a structured, transparent and measurable way:



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
CONTINUED

EMISSIONS TABLE

Global GHG emissions data	FY25				FY24**				FY20 baseline**		
	UK	Europe	US	Total	UK	Europe	US	Total	UK	US	Total
Scope 1: Direct combustion from owned and controlled sources (tCO ₂ e)	193	–	59	252	162	–	85	247	264	78	342
Scope 2: Indirect emissions from the generation of purchased electricity, heat, steam or cooling Location-based (tCO ₂ e)	2,293	19	1,796	4,108	2,194	29	1,844	4,067	2,344	1,529	3,873
Scope 2: Indirect emissions from the generation of purchased electricity, heat, steam or cooling Market-based (tCO ₂ e)	–	–	–	–	–	33	1,574	1,607	3,181	1,666	4,847
Total Gross Scope 1 and 2 (tCO₂e) Location-based	2,486	19	1,855	4,360	2,356	29	1,929	4,314	2,608	1,607	4,215
Total Gross Scope 1 and 2 (tCO₂e) Market-based	193	–	59	252	162	34	1,659	1,855	3,445	1,743	5,188
Total KWh (Electricity, gas and fleet)	11,489,198	174,752	5,272,306	16,936,256	11,144,098	264,590	5,285,657	16,694,345	10,281,037	4,233,339	14,514,376
Scope 3 emissions											
Category 1 – Purchased goods and services ⁽¹⁾	124,406	626	120,219	245,251	106,933	1,086	109,233	217,252	63,373	39,639	103,012
Category 2 – Capital goods ⁽²⁾	8,709	–	13,376	22,085	15,214	587	6,920	22,721	6,552	4,594	11,146
Category 3 – Fuel and energy-related activities ⁽³⁾	684	8	433	1,125	744	16	435	1,195	606	411	1,017
Category 4 – Upstream transportation and distribution ⁽⁴⁾	786	6	1,778	2,570	781	10	1,622	2,413	704	1,650	2,354
Category 5 – Waste generated in operations ⁽⁵⁾	12	–	2	14	8	–	2	10	7	–	7
Category 6 – Business travel ⁽⁶⁾	–	–	–	1,700	–	–	–	2,433	–	–	1,265
Category 7 – Colleague commuting ⁽⁷⁾	3,104	41	933	4,078	1,845	918	121	2,884	1,318	528	1,846
Category 11 – Use of sold of products ⁽⁸⁾	–	–	–	10	–	–	–	6	–	–	1
Category 12 – End-of-life treatment of sold products ⁽⁹⁾	14	–	4	18	107	32	1	140	70	6	76
Total Gross Scope 3 (tCO₂e)				276,851				249,054			120,724
Total Gross Emissions (tCO₂e) Location-based				281,211				253,368			124,939
Total Gross Emissions (tCO₂e) Market-based				277,103				250,909			125,913

Emission intensities	FY25			FY24**			FY20 baseline**		
	UK and Europe	US	Total	UK and Europe	US	Total	UK	US	Total
Revenue (£'000)	865,874	785,627	1,651,501	846,043	838,360	1,684,403	585,473	292,346	877,819
Scope 1 and 2 Intensity ratio (tCO ₂ e per £'000 revenue)	0.0029	0.0024	0.0026	0.0028	0.0023	0.0026	0.0045	0.0055	0.0048
Scope 3 Intensity ratio (tCO ₂ e per £'000 revenue)*			0.1676			0.1479			0.1375
Total Emissions Intensity ratio (tCO₂e per £'000 revenue)*			0.1703			0.1504			0.1423

* Calculated as Group figure.

** The FY24 and FY20 figures have been rebaselined as detailed on the next page.

Methodology

The Group's approach to calculating and reporting its Greenhouse Gas (GHG) emissions follows the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standards (Revised) on how to measure and monitor GHG emissions.

The Group uses six external data sources for emissions factors, being:

1. UK government GHG conversion factors for company reporting (2024 Department for Business, Energy & Industrial Strategy (BEIS) condensed set, full set and methodology). These are used to convert our car fleet mileage to kWh and tCO₂e, and our electricity, gas and refrigerant usage to tCO₂e
2. US Environmental Protection Agency (EPA) (eGRID) emissions factors for greenhouse gas inventories for US electricity generation (eGRID 2024)
3. Manufacturers' emissions factors for cars, uplifted for the UK real-world factor (2024 BEIS Government GHG conversion factors for company reporting)
4. European Environment Agency GHG emission intensity for conversion of electricity kWh to tCO₂e for Germany, Denmark and Sweden
5. Sustainable Energy Authority of Ireland conversion factors for conversion of Ireland electricity kWh to tCO₂e
6. CEDA (Comprehensive Environmental Data Archive) EEIO (Environmentally-Extended Input Output) country specific spend-based emission factors. Where the country the service took place was known, purchaser price country specific emissions factors were used, and if not, US based producer price emission factors were used

All Scope 3 emission calculations follow the guidelines and methodologies that are outlined in the Greenhouse Gas Protocol. The Greenhouse Gas Protocol is the most widely used greenhouse gas accounting standard. It provides a framework for businesses and governments to measure and report their greenhouse gas emissions.

For US operations, emission factors from the International Energy Agency have also been used for the estimation of emissions relating to T&D losses.

See below more information regarding the methodology and data sources that were used for the Scope 3 calculations:

1. A combination of supplier-specific data using CDP and Annual Report data
2. Spend-based emission factors from the Environmentally Extended Input Output CEDA 2024 database have been employed for the emission calculations
3. Well-To-Tank and Transmission (WTT) and Distribution (T&D) emissions have been calculated using the IEA emission factors for the Group's electricity, natural gas and fuel used in company owned vehicles
4. A combination of BEIS 2024 freight and Well-To-Tank (WTT) freight emission factors, alongside CEDA 2024 spend-based emission factors have been utilised to complete the calculations for Category 4- Upstream Transportation & Distribution
5. Emissions related to the Group's offices and stores' waste disposal activity. Emissions calculations have taken into consideration the share of waste landfilled (1%) and the share of waste diverted from landfill (99%). BEIS emission factors have been used. Moreover, no waste data was provided for Roberto Coin Inc.; however, it is included in the purchase ledger
6. Business travel emissions considers the emissions from Hotel Stays, Flights, Taxi rides as well as Tube/Rail journeys. A combination of both CEDA, 2024 for spend-based and BEIS emission factors, for the distance based calculations, was used
7. Employee commuting and home working emissions have been calculated using a mix of assumption-based calculations. Employee homeworking was calculated using EcoAct's proprietary Homeworking emissions Whitepaper (<https://info.eco-act.com/en/homeworking-emissions-whitepaper-2020>). Employee commuting was calculated using the commuter survey provided by the Watches of Switzerland Group, to create estimates per FTEs in each region and utilising BEIS emissions factors
8. Emissions related to the energy consumed from the Group's Quartz, Smart, and Other watches that require electricity for the charging of their battery. Total quantity per watch type has been multiplied by emission factors calculated based on publicly available data and Life Cycle Assessments
9. Emissions relating to the disposal of product packaging. BEIS emission factors are used for UK operations, while EPA factors have been used for US operations; these have been applied to packaging quantities. To note that emissions relating to the disposal of watches and jewellery have been excluded from the calculation, as these products are high in value and are either repurposed or resold
10. Following the acquisition of Roberto Coin Inc., and in line with our rebaseline policy, the baseline emissions were recalculated, including Roberto Coin Inc.'s emissions

The Scope 1, 2 and 3 emissions and energy consumption data for FY25, and the restated data for FY24 and FY20, have been independently assured through a limited assurance engagement, conducted in accordance with International Standard on Assurance Engagements (ISAE) 3410 'Assurance Engagements on Greenhouse Gas', by BDO LLP.

EMISSIONS REBASELINING POLICY

Our FY25 emissions have been restated in line with our Rebaselining Policy.

The baseline for our metrics is FY20. In line with the Greenhouse Gas Protocol, to ensure fair comparison over time, the Group will rebase previously reported figures in subsequent annual reporting, when a material change occurs due to:

- Structural changes that affect the inventory boundary (such as acquisitions or divestments)
- Changes in the methodology of emission calculation (such as improvements in data quality)
- Scope of emissions boundary changing
- Identification of historical errors

The Group defines a material difference, which would trigger a rebaselining exercise, as one resulting in a variance of greater than or equal to 5%.

During FY25, our reported Scope 1 and 2, plus Scope 3 Categories 1, 2, 3, 4, 6 and 7 emissions for FY24 and FY20 were restated to reflect the change to our inventory boundary. In an effort to use the most up to date emission factors, emissions calculated using a spend-based emission factor in were restated with the latest updates from CEDA (being version 7 for FY24 and version 6 for FY20).







OUR PRODUCTS

We are committed to making sure our supply chain operates responsibly and that everyone we do business with respects and protects the lives of workers, their communities and the planet.

During the year, we continued to evolve our responsible sourcing standards and were delighted to see an increasing number of brand partners and other suppliers share sustainability strategies, including Rolex, who released their first Sustainability Report.

GOAL AND STRATEGIES

We want to give our clients the peace of mind that everything they buy from us is responsibly and ethically sourced, while making it easier for them to choose more sustainable pieces that reflect individual values and lifestyles.

GOALS

- Improve our traceability and sourcing standards
- Promote the sustainable attributes of our watches and jewellery
- Year-on-year increase in sales of pre-owned watches

STRATEGIES



WE ADVOCATE FOR OUR INDUSTRY

By proactively promoting the interests and responsibilities of the luxury watch and jewellery sectors in our markets



WE EARN TRUST & CONFIDENCE

By being true to ourselves and honest and transparent with our colleagues, our clients and our brand partners



WE TREAT EVERYONE WITH RESPECT

By working together to cultivate a secure and supportive workplace, with equal opportunities and respect

FY25 KEY PERFORMANCE HIGHLIGHTS

- Developed and implemented AI Agent technology to support data collection, transparency and due diligence
- Mapped and categorised Tier 1 brand partners and other suppliers
- Appointed a new Head of Procurement to support sustainability goals and mitigate against related risks
- Introduced a new Group Procurement Policy and procedures
- Revised our Supplier Sustainability Standards
- Partnered with world leaders in responsible sourcing and sustainability practices
- Launched first dedicated marketing campaign aimed at extending product lifecycles
- Mappin & Webb named CSR Jewellery Retailer of the Year for the second year running in the 2024 Professional Jeweller Awards

+39%

INCREASE IN SALES OF PRE-OWNED WATCHES

46%

ALL SUPPLIERS* REPORT HOLDING AT LEAST ONE RELEVANT SUSTAINABILITY STANDARD OR CERTIFICATION

* Over £100,000 spend in FY25.



AS AT JUNE 2025, RATED '1' BY ISS ESG SOCIAL QUALITYSCORE

CARING ABOUT OUR PRODUCTS

The Group is committed to conducting all business in a fair, transparent, socially responsible and environmentally sustainable way. We expect the same high standards from brand partners and other suppliers throughout our value chain.



Photo courtesy of Gemfields

OUR APPROACH

With sustainability becoming increasingly important to consumers, we want to make it easier for clients to choose products that reflect individual values and lifestyles, by improving the traceability of raw materials, growing our range of lower carbon products with verifiable social and environmental attributes, highlighting innovation in R&D, and promoting the longevity value of high-quality watches and jewellery.

In September 2024, we recruited a new Head of Procurement who is working closely with our internal teams and suppliers, to secure the best possible value in terms of cost and quality, while helping to minimise risk by validating that we are working with suppliers who share our social and environmental principles and adhere to our sustainability standards.

“

Building an ethical and responsible supply chain is the right thing to do for a better future. Aligning and ensuring higher social standards in particular, contributes to building trust, resilience and stability which drives innovation, performance and creativity.”

ERIC MACAIRE
EXECUTIVE DIRECTOR, GLOBAL BUYING
AND MERCHANDISING



OUR BUSINESS IMPACTS

In FY25, we partnered with approximately 1,600 Tier 1 suppliers*, including approximately 115 watch and jewellery brands and suppliers worldwide.

We acknowledge a risk of human rights violations within our supply chain tiers, particularly in the lower tiers where raw materials are sourced and processed. There is also the potential for negative environmental impacts resulting from raw materials extraction and mining processes, as well as deforestation, water pollution and high energy use.

The Group operates in countries where high social standards apply and takes steps to ensure it partners with reputable suppliers. We exercise due diligence in all our interactions and strive to go beyond basic risk management and compliance to implement environmental, social and governance considerations into our decision-making processes at every level.

PROCURING PRODUCTS AND SERVICES

A review of our sourcing function in FY24 identified opportunities to achieve greater value for money, strengthen supply chain due diligence, encourage competition and innovation, and enhance collaborative working.

Since the appointment of our new Head of Procurement, we have implemented a number of improvements to help realise these opportunities, including a new Procurement Policy ('Policy'), which was approved by the ESG Committee in March 2025.

This Policy standardises our approach to ensuring that the products we sell and services we use support business objectives and meet our environmental and social standards and performance criteria. It is supported by procedures detailing the steps colleagues must take in order to establish relationships with suppliers who understand our business goals, offer quality and value, and who are willing to help achieve shared goals.

Other improvements to our onboarding process include enhanced data capture, supplier screening and tendering protocols. We are already benefiting operationally and financially from these enhancements and plan to further improve in FY26 with the implementation of a dedicated procurement platform and contract management system to improve efficiency, secure data and support our transition towards a paperless workplace.

43%

Product and packaging suppliers* report using recycled or reclaimed materials in their products or packaging

VENDOR CODE OF CONDUCT

Our Vendor Code of Conduct sets out our minimum requirements across human rights, labour, environment, anti-corruption, integrity, business ethics, data security and social impact, which must be applied in addition to compliance with all relevant national and international laws and legislation.

All active suppliers must read, sign and adhere to our Vendor Code of Conduct or publish an equivalent commitment which embeds basic business ethics principles, including adherence to local and national laws and regulations, specifically laws related to business ethics, responsible sourcing, human rights and environmental responsibilities.

Colleagues with a responsibility for sourcing, as well as other relevant colleagues, receive training to equip them with the knowledge and skills they need to uphold our requirements when engaging with suppliers and supplier screening.

We review our Vendor Code of Conduct on an annual basis to ensure it remains relevant to our business and continues to reflect best industry practices. Following a review in March 2025, our ESG Committee approved additional requirements, including the visibility of key environmental data to support emissions reduction goals.

Compliance with our Vendor Code of Conduct is further supported by our third-party factory audit schedule. Anyone with genuine suspicions about the contravention of our terms is encouraged to report their concerns through our confidential global whistleblowing process, which uses an independent reporting facility and is available in multiple languages.

SUPPLIER SUSTAINABILITY STANDARDS

Our Supplier Sustainability Standards supplement our Vendor Code of Conduct and provide comprehensive guidance in relation to the common practices we expect throughout our global supply chain and in all our dealings.

Early in 2025, we reviewed our ESG Partner Standards to ensure they continue to support business objectives, evolve with best industry practices and resonate with relevant stakeholders.

Key content updates include guidance on data protection and cyber security, modern slavery, laboratory grown diamonds, coloured gemstones and green claims, as well as alignment with updated Group policies and the inclusion of links to useful resources.

These Standards were approved by the ESG Committee in March 2025 and are publicly available on our corporate website at thewogroupplc.com. They are regularly reviewed and issued to all existing and potential suppliers.

“

Earning stakeholder trust by 'doing the right thing, always' is key to building client loyalty, brand reputation and long-term success, and is the driving force behind our ESG strategy.”

* Suppliers over £50,000 spend in FY25.

LEVERAGING AI TO SUPPORT DUE DILIGENCE

Compliance with our Supplier Sustainability Standards is supported by agentic AI, configured to assess a supplier's level of alignment with our requirements and expectations.

In March 2025, our project to leverage AI to enhance our ESG reporting and due diligence culminated in the delivery of an AI Agent with the ability to cross check our supplier database with publicly available information. This supplier screening allows us to get an instant understanding of a supplier's ESG maturity and provides direct links to primary information sources such as individual supplier websites, annual reports and policies.

As well as helping us to gain a more accurate understanding of our supply chain and identify areas for further engagement and improvement, this technology allows us to learn from supplier initiatives, for example, innovation in Research and Design, the promotion of human rights and preparedness for a changing climate.

“

Compliance with our Supplier Sustainability Standards is supported by AI Agent technology, configured to assess a supplier's level of alignment with our requirements and expectations.”

SUPPLIER ENGAGEMENT

Understanding the environmental and social impact of the products we sell and services we use is a growing area of focus for the Group.

Ongoing engagement with brand partners and other suppliers is key to achieving our sustainability goals and addressing areas of public concern, such as the providence of precious metals, diamonds and gemstones, and protecting nature and biodiversity.

As part of our sustainability assessment approach, we collect key data from suppliers and actively seek opportunities for collaborative working to improve performance. Our Supplier Sustainability Standards set out our goals and provide comprehensive information to help engage suppliers with the actions needed throughout our value chain to achieve them.

We are committed to continuous improvement in supply chain engagement and in FY26, we aim to: increase the number of suppliers who will be subject to sustainability risk assessments; participate in industry working groups; and multi-stakeholder initiatives to promote sector-wide responsible sourcing practices, and launch a revised Supplier Manual detailing operational processes and procedures.

ALIGNMENT WITH RELEVANT WELL-RECOGNISED CERTIFICATIONS

We continue to strongly encourage brand partners and other suppliers to align with relevant, well-recognised sustainability standards and certifications.

For watch and jewellery manufacturers, we promote membership of the Responsible Jewellery Council (RJC). In 2024, the RJC expanded its membership provisions to place an increased focus on human rights due diligence, grievance mechanisms, supply chain due diligence, claims and GHG emissions.

At the time of this report, 47% of our watch and jewellery suppliers are accredited members of the RJC and, as such, are subject to rigorous independent audits to ensure compliance with their standards.

These RJC audits are in addition to our own third-party audit schedules which we carry out as part of our supply chain due diligence.

46%

All suppliers* publicly report holding at least one relevant sustainability certification



* Product suppliers with over £100,000 spend in FY25.

HUMAN RIGHTS AND MODERN SLAVERY

We remain committed to ensuring nobody involved in the production, distribution or sale of our products, or delivery of our services, is a victim of any form of modern slavery or any other form of human rights violation, and have measures in place to identify, assess and mitigate potential labour and human rights abuses across our value chain. This includes a commitment to protect women's rights across our operations and supply chain.

Our Human Rights Policy was reviewed and approved by the Board in October 2024, and applies to all global business activities and everyone who works for us, and everyone we do business with.

Our Vendor Code of Conduct includes specific requirements founded on the conventions of the ILO, which are guided by international human rights principles and encompassed by the Universal Declaration of Human Rights.

We continue to partner with Slave-Free Alliance (SFA), who provide expert support by reviewing and assisting in the development of our policies, processes and practices, which include forced labour risk assessments and specialist training.

In September 2024, we launched a new e-learning module, which is available to all colleagues through our Learning Hub and is mandatory for colleagues with a responsibility for sourcing. This training is designed to break down the common preconceptions and misconceptions of modern slavery, while equipping colleagues with the knowledge and skills they need to recognise any signs that might suggest exploitation is taking place and how to deal with concerns.

In addition, in March 2025, SFA delivered an in-depth face-to-face digital workshop for key colleagues working in our highest risk business areas, to further engage them with the steps we can take to cease, eliminate and mitigate human rights risks in our supply chains. Also in March, our Supplier Sustainability Standards were updated to include more information on our expectations in relation to modern slavery and human trafficking within our supply chain.

No violations in relation to human rights within our Group or extended value chains have been reported through our reporting processes and procedures in FY25, however, we remain vigilant and committed to seeking out any such disclosures, through awareness raising and facilitating confidential reporting and whistleblowing mechanisms.

In FY26, we will work with SFA to review our framework for handling disclosures with the aim of strengthening our escalation process.

In line with the requirements of the UK Modern Slavery Act 2015, the Group is committed to continuous review of human rights and modern slavery mitigations within our business and supply chain and our mitigations are reported in our annual Modern Slavery Transparency Statement, available at thewosgroupplc.com.

SUPPLY CHAIN DUE DILIGENCE

We have a duty of care to ensure our supply chain operates responsibly and that everyone we do business with respects and protects the lives of workers, their communities and the environment.

To monitor our supply chain performance and manage compliance with our standards, colleagues with a responsibility for sourcing are trained to assess social and environmental risks and work collaboratively to address areas for improvement.

Throughout FY25, we continued to partner with EcoVadis to support supply chain transparency and due diligence. The EcoVadis IQ technology maps sustainability risks within supply chains using smart automation and analytics, with risks calculated using factors such as the type of goods or service supplied, geographic location, and criticality to our business and reputation.

For FY26, we are transitioning to a new supply chain management system, which deploys AI agents to retrieve and assimilate publicly available information and is customised to assess the level of supplier alignment with our Supplier Sustainability Standards. Scores relative to the level of performance against multiple indicators are automatically calculated and areas for further engagement and improvement are highlighted. Direct links to the supplier's own information sources allow for further analysis and support our audit process.

Our new system supports bespoke business needs and can save supplier time on questionnaire processes. To support this method of data collection and transparency, we ask suppliers to publicly report relevant information where possible. Other benefits of this system include supplier entity mapping, fast access to entity information including websites and VAT numbers, and a supplier record depository.

We continue to encourage supplier partners to participate in an EcoVadis sustainability assessment, or an equivalent, in line with our goal to partner with suppliers who hold, or are aligned with, relevant, well-recognised sustainability standards and certifications.

“

To monitor our supply chain performance and manage compliance with our standards, colleagues with a responsibility for sourcing are trained to assess social and environmental risks and work collaboratively to address areas for improvement.”

ON-SITE AUDITS

We want to build strong, long-term relationships with all supplier partners, and will always collaborate to resolve issues wherever possible. However, if we find evidence of a serious breach of our terms, we will not hesitate to terminate our contract and, if necessary, notify the relevant authorities.

Suppliers considered 'High Risk' in our screening will be asked to present evidence to support compliance with our terms. This can include a valid third-party audit report, supported by any completed corrective action plans.

If this evidence is unavailable or considered unsatisfactory, we will conduct our own on-site audit. On-site audits are carried out by specialist, independent, third-party auditors who hold an ISO 17020 certification for social audit services and have expert knowledge of local laws and practices.

As an added precaution, in March 2025, our ESG Committee approved an update to our Vendor Code of Conduct requiring suppliers to carry out regular audits of their third-party manufacturing sites.

Historically, jewellery suppliers present a higher risk profile, therefore, during the year, we audited 29% of our jewellery suppliers by turnover and implemented seven corrective action plans. A further jewellery supplier was delisted after our request for an audit was rejected.

FY25 FACTORY AUDITS

	Facilities audited	After corrective action
Total factories audited	8	–
Low risk	2	4
Intermediate risk	–	1
High risk	1	1
Critical risk	6	–
Corrective action plans completed	7	–
Delisted/not approved	1	2

Our commitment to upholding high standards was demonstrated in November 2024 when we ceased trading with a significant jewellery supplier after they failed to resolve critical risks within our 30-day corrective action period. On re-audit, we found a repeated failure to clarify the origin of precious metals used in the products they supplied to us, and irregularities in payment records. The supplier was promptly notified of our decision, and this was communicated to colleagues so they could take the appropriate action.

40%	Product suppliers* report having a Human Rights Policy
16%	Product suppliers** report carrying out ethical or social audits of their suppliers

* Over £100,000 spend in FY25.
** Over £500,000 spend in FY25.



We encourage innovation in products and packaging, supported by training and resources to help drive client engagement with advancements in eco-design.”

PRODUCT INNOVATION

We continue to seek and strengthen relationships with suppliers who invest in R&D to introduce new materials, processes and practices with a lower environmental impact, and/or supply products and services that promote social and economic sustainability.

Our brand partners continue to pioneer sustainable techniques and materials, resulting in unique points of difference, such as Tissot's Lightmaster Solar Quartz movement, which can recharge using both natural and artificial light, and Oris's Aquis date Calibre 400 Upcycle 43.50mm, featuring unique dials made from recycled PET plastic.

We encourage innovation in products and packaging, supported by training and resources to help drive client engagement with advancements in eco-design.

To mark Earth Day in April 2025, we promoted brands with sustainable attributes, along with a reminder of Certified Pre-Owned options as a lower-carbon option.

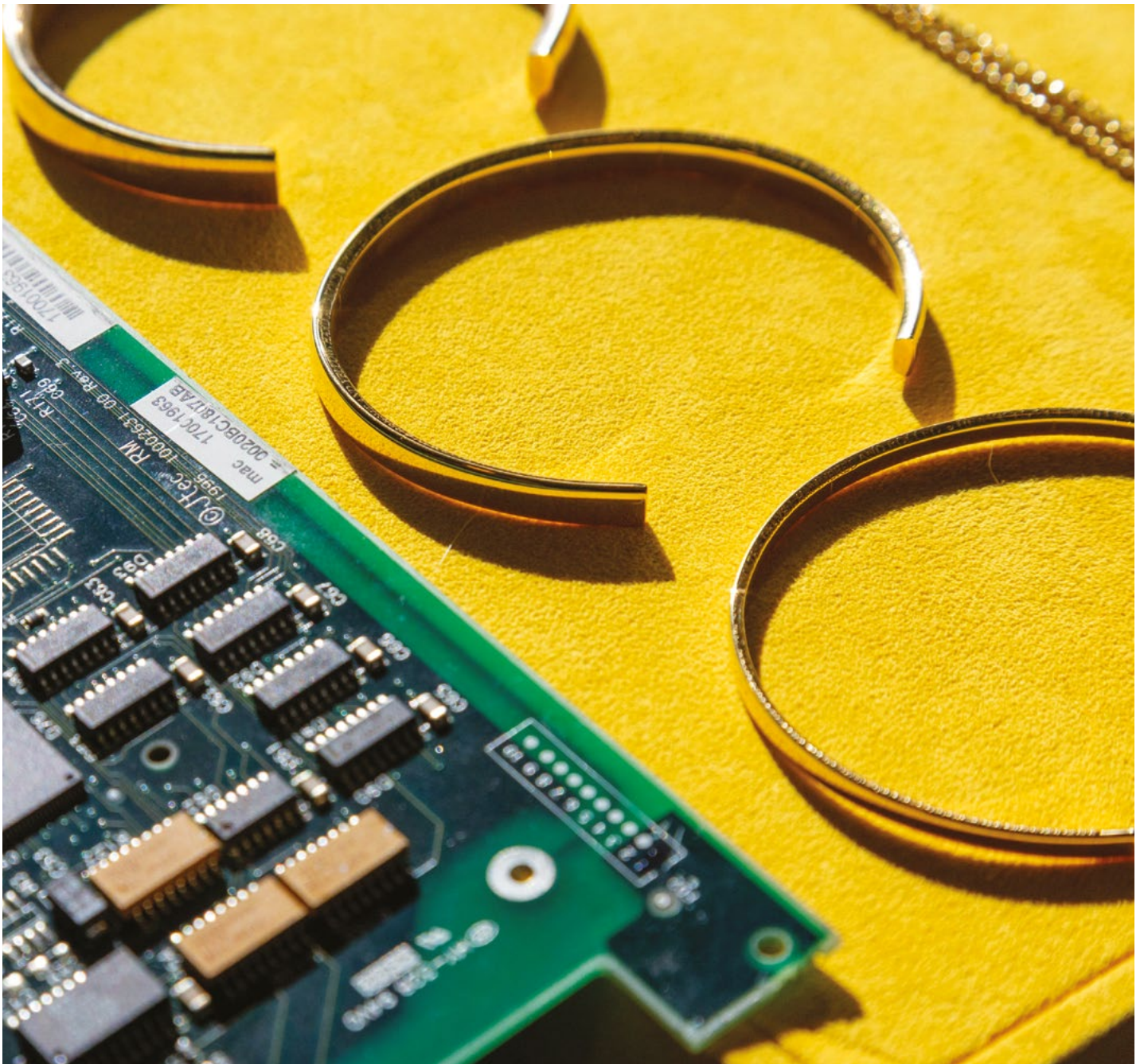
PRODUCT INFORMATION

The Group is committed to ethical marketing and advertising practices, which includes a clear, accurate and honest representation of our products, respect for cultural sensitivity and diversity, and the responsible use of personal data.

We recognise product disclosure is an important aspect of consumer protection and fair business practice, as it demonstrates transparency and helps build trust.

Our Supplier Sustainability Standards detail our requirement for supplier partners to comply with internationally accepted standards and existing obligations under consumer protection law and safety legislation. In addition, in line with our goal to help clients make more informed purchasing decisions and protect them from any negative consequences or disappointment, supplier partners are asked to provide detailed, accurate information about a product's features, origins and materials, as well as any potential health and safety risks.

Claims about the environmental aspects or performance of products must be substantiated using robust and verifiable methods and we take a zero-tolerance approach to misleading product representation.



886 from The Royal Mint is a contemporary collection of jewellery made from responsibly sourced precious metals, predominantly from recovered and recycled sources.

In July 2024, sourcing and sustainability colleagues visited The Royal Mint's pioneering new Precious Metals Recovery Plant, which is providing a more sustainable source of high purity gold and reducing reliance on traditional mining activity.

The Royal Mint has a history spanning over 1,100 years and it has recently mastered 'urban mining' and developed world-leading chemistry to extract tiny amounts of 24ct gold and other precious metals from e-waste, including old circuit boards, which are used to create the highest quality bracelets, earrings and necklaces.

To mark their 250th anniversary, our Mappin & Webb business has partnered with the Royal Mint to introduce a unisex 18ct yellow gold collection. The 15-piece collection is expertly crafted from reclaimed gold and supports our commitment to circularity and offering clients fully traceable fine jewellery.

The Royal Mint are combining gold recovered from discarded electronics, with centuries of craftsmanship to create the finest quality jewellery with a fascinating sustainability story.



IMPROVING TRACEABILITY

In support of our goal to improve traceability and sourcing standards, in March 2025, we partnered with Gemfields to launch a new emerald capsule collection in our Goldsmiths business.

Gemfields is a world-leading responsible miner and marketer of coloured gemstones, and the majority-owner and operator of the Kagem emerald mine in Zambia, which is believed to be the world's single largest producing emerald mine. Gemfields champions industry-leading policies and practices across its operations and funds projects to improve health, education and livelihoods in the communities around its mines in Africa.

KIMBERLEY PROCESS CERTIFICATION SCHEME AND THE WORLD DIAMOND COUNCIL SYSTEM OF WARRANTIES

Knowing where our diamonds come from allows us to reassure clients that they are authentic and ethically sourced.

All suppliers of diamonds, or jewellery incorporating diamonds, must comply with the Kimberley Process Certification Scheme, as well as all laws in relation to this scheme and the World Diamond Council System of Warranties Assurance (WDC SoW).

Any diamonds supplied to us must be conflict-free and accompanied by written guarantees in line with WDC SoW Assurance. We will not accept an invoice without this statement. Once a diamond is imported and ready for trade, we also require a WDC SoW Assurance statement on every invoice for rough diamonds, polished diamonds, or diamond jewellery, through to the final invoice to clients.

Records of warranty invoices received, as well as invoices issued when buying or selling diamonds, are regularly audited and reconciled.

TRACR™ TECHNOLOGY

In FY26, we are launching the Goldsmiths Signature Diamond featuring DTC diamonds and Tracr™ technology, as part of our new engagement and diamond jewellery collection.

Tracr™, developed by the De Beers Group, is the industry's first scalable blockchain platform that provides a traceable and tamper-proof record of a diamond's provenance, from mine to finger. Each diamond is individually registered at the source and assigned a digital identity that captures key characteristics, including a 3D scan, carat weight, and origin. As the diamond moves from miner to manufacturer, these scans are compared to verify authenticity and enhance traceability, eliminating reliance on self-reported claims. Leveraging the 'Internet of Things' and AI, this data is securely recorded on the blockchain and meticulously tracked as each diamond progresses from rough to polished.

This advanced technology enhances transparency throughout the supply chain, offering our clients added confidence that their diamond has been responsibly and ethically sourced.



Tracr™ is a pioneering diamond traceability platform, underpinned by blockchain technology, that enables a diamond's journey to be recorded from source to showroom.

SANCTIONS

The Group complies with all relevant national and international law and legislation, which includes all UK Government sanctions and requirements, as well as those imposed by the US Department of the Treasury and its Office of Foreign Assets Control, and we require our suppliers to do the same.

We continue to cease trade in diamonds, coloured gemstones and precious metals such as gold, silver and platinum from sanctioned Russian sources.

In March 2025, we updated our Supplier Sustainability Standards to reinforce our requirement that any diamonds supplied to us must be accompanied by a self-certification statement declaring that they were not mined, extracted, produced or manufactured wholly or in part in the Russian Federation, notwithstanding whether such diamonds have been substantially transformed into other products outside of the Russian Federation.

GOLD AND OTHER PRECIOUS METALS

We continue to see more watch and jewellery suppliers using recycled gold in their production processes. All precious metals supplied to us must demonstrate legal compliance according to all the provisions of the financial market supervisory authority and be sourced from refineries on the London Bullion Market Association Good Delivery List or the UAE Gold Good Delivery Scheme.

ANIMAL WELFARE

We will not tolerate any harsh or inhumane treatment of animals and only buy watches through the most reputable manufacturers. All watch suppliers must provide written confirmation that any animal skins used to make straps are sourced from farmed and sustainably managed sources and conform to relevant international laws, including the Convention on International Trade in Endangered Species (CITES).

We continue to grow our range of more socially and environmentally preferable product options, including watch straps made from vegan-friendly materials.

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT (OECD) DUE DILIGENCE GUIDANCE

Through our Supplier Sustainability Standards, we ask supplier partners to follow the OECD Due Diligence Guidance and implement the OECD 5-Step guidance. This risk-based approach is designed to help organisations avoid contributing to conflict, serious human rights impacts and financial crime through their operations. The framework includes embedding strong management systems, identifying risks, independent third-party audits and transparency.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Our Vendor Code of Conduct and Supplier Sustainability Standards set out our expectations in relation to freedom of association and collective bargaining.

Suppliers are required to adopt an open attitude towards trade unions and their activities. It is the Group's policy that all workers, without distinction, should have the right to establish and join organisations of their own choosing and bargain collectively, without prior authorisation or interference from government or one another.

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We are growing our range of more socially and environmentally preferable product options, including luxury watch straps made from vegan friendly materials.”

GOVERNANCE AND COMPLIANCE

As the laws and regulations governing businesses become ever more complex we need to ensure the judgements and decisions we make are taken with both the knowledge and application of the highest ethical principles.

The Corporate Governance Report that begins on page 156 sets out how the Board and its Committees operate and apply the provisions and principles of the Corporate Governance Code 2018 and other regulation and best practices. The Environmental, Social and Governance section which starts on page 76 provides information regarding the management of ESG issues specifically and includes key performance data as well as our full TCFD disclosures.

The Watches of Switzerland Group has in place a number of policies and procedures to ensure risks from unethical conduct and illegal business practice are reduced and eliminated as far as possible. These underpin our Code of Ethics, which together with our Supplier Sustainability Standards, sets out the behaviours expected of our colleagues and third-parties we do business with.

Oversight of the operation of the Group's key policies in this area is the responsibility of the Board. Where requested by the Board, the Audit & Risk Committee or ESG Committee will review the adequacy and security of the arrangements in place.

CODE OF ETHICS

Our governance framework is underpinned by our Code of Ethics which is comprised of a number of additional standalone policies covering bribery and corruption, fraud, competition law and data protection, information security and cyber security protection. Taken together these policies ensure that we operate in an open, fair and honest manner in all of our business dealings.

During the year, the Board reviewed and approved the Code of Ethics, which can be found on the corporate website thewosgroupplc.com. The Code of Ethics was further expanded to support changes made to the governance framework of the Company. This included clarification of the Company's processes and protocols when considering the use of evolving AI technology.

ANTI-BRIBERY, CORRUPTION & FRAUD

The Company maintains a zero-tolerance approach to all forms of corruption, including, but not limited to, bribery and fraud. Board has overall responsibility for the Anti-Bribery, Corruption & Fraud Policy, which is regularly reviewed by Senior Management and the Audit & Risk Committee. The Policy reinforces the Board's commitment to conducting the Group's business affairs to ensure that it does not engage in or facilitate any form of corruption. The aim of the Policy is to ensure compliance with applicable anti-bribery and corruption legislation and regulations and to ensure colleagues act responsibly and ethically at all times when conducting business. The Policy sets out the Group's protocols in relation to hospitality and gifts.

The Group's Company Secretary and General Counsel has day-to-day responsibility for the Policy and reports to the Chair of the Audit & Risk Committee and to the Board as required. Colleagues are required to complete mandatory e-learning covering anti-bribery, corruption and fraud risks annually. High risk locations undertake additional face-to-face training on an annual basis.

During the year, the Policy was reviewed and approved by the Board and amended to provide additional clarity and reinforcement of the Company's aversion to and strict protocols regarding fraud and the receiving and giving of gifts and hospitality.

During the year, the Audit & Risk Committee were updated on the new failure to prevent fraud legislation and the progress within the Company on preparation for the new legislation and its compliance.

ANTI-MONEY LAUNDERING AND SANCTIONS

The Company has rigorous processes and procedures which operate alongside an Anti-Money Laundering (AML) Policy which was reviewed by the Board during the year. The Policy enforces a strict regime in the prevention of money laundering. The Group Policy is supported by internal operational and local territory specific business policies.

TAXATION

We seek to build solid and constructive working relationships with all tax authorities. The Group has held the Fair Tax Mark since February 2022, and achieved reaccreditation from the Fair Tax[®] Foundation in March 2025. The Fair Tax Mark is the gold standard of responsible tax conduct and demonstrates that the Group pays the right amount of corporate income tax at the right time and in the right place. The Group pays corporation tax on all operations and does not operate in any tax havens or use any tax avoidance schemes.

The Board reviewed the Corporate Criminal Obligations (CCO) Policy which sets out the Group's zero-tolerance approach to tax evasion; no changes were necessary from the prior year when the Policy was introduced. The CCO Policy describes the legal framework, information and guidance on how to recognise and deal with tax evasion matters. Compliance with the Policy and disclosures arising from it are included in the annual review undertaken by the Senior Accounting Officer.

During the year, training was delivered to relevant colleagues, including those in support and retail, and the Directors were provided with awareness documentation, as it is recognised this is an important part of the legislation. Further information on our Tax Strategy and CCO Policy can be found at thewosgroupplc.com.

PAYMENT PRACTICES

We understand the importance of maintaining good relationships with suppliers and have transparent payment terms and payment procedures to ensure prompt payment. It is Group policy to agree appropriate terms and conditions for transactions with suppliers (ranging from standard written terms to individually negotiated contracts) and for payments to be made in accordance with these terms, provided the vendor has complied with its obligations.

Our payment practices report is available at check-payment-practices.service.gov.uk/search, which showed the Group took on average 27 days to pay in the six-month period to the end of FY25.

RETAIL RETURNS POLICY

The business operates a standard, client-facing Retail Returns Policy. The manufacturer's warranty for product varies by brand and style, however, most warranties are usually valid for two years from the date of purchase, with three years of extended warranty for certain watch brands. If a product malfunctions, or is not 'fit for purpose', we will, at our discretion, repair or replace as appropriate.

DATA PROTECTION, INFORMATION SECURITY AND CYBER SECURITY

The Group has a responsibility to protect client and colleague personal data, and use it fairly and appropriately in line with the applicable law and regulation in each country in which we operate. We have a Group Data Protection Officer with responsibility for all data protection matters, and a Cyber Security Team responsible for security measures across our networks and systems. The two work closely together to ensure a joined-up, risk-based approach.

The Group's data protection framework continues to mature to meet the needs of a growing global business and evolving legal landscape. We have in place a broad range of measures designed to meet our data protection and security obligations, including policies and processes, governance and oversight measures, and mandatory annual training. Alongside this, we employ a suite of technical controls to detect and protect against known and emerging security threats. Further information on how we govern associated risks can be found on page 151. The Group has not experienced any reportable security breaches over the last three years and no fines or penalties have been incurred.

The Company is continually improving its cyber security and significant improvements have been made during the year, including enhanced controls around passwords and access requests, increased penetration testing and social engineering simulations to minimise the risk of access exploitation.

HEALTH AND SAFETY

The Company has a Group Health & Safety Policy and governance processes in place to ensure the Board is updated regularly on health and safety activities and on any accidents or incidents that occur.

Further information on the Company's health and safety activities can be found on page 84.

The Company complies with relevant legislation regarding product safety and legislation.

We continually review legislation and requirements and work with our brand partners to ensure early and ongoing compliance.

WHISTLEBLOWING

It is important for the business to have an open and transparent work culture. We aim to conduct our business with the highest standards of honesty and integrity every day. The Board has overall responsibility for this policy and the Director of Internal Audit & Risk has day-to-day operational responsibility. The Chair of the Audit & Risk Committee receives a summary of all protected whistleblowing reports for communication to the Board.

Under the Policy, whilst colleagues are encouraged to report any concerns or complaints, without fear of recrimination, the Board acknowledges there may be circumstances where internal reporting lines may not be suitable or may discourage colleagues from speaking out. We use a third-party to provide an independent reporting system. This is a global facility for colleagues to raise concerns confidentially, with the option of maintaining anonymity. Colleagues are required to complete mandatory e-learning training on whistleblowing protocols annually.

The Company has a number of other Group policies, all of which can be found on its corporate website, thewogroupplc.com.

RECOGNISING EFFECTIVE RISK MANAGEMENT

“

Effective risk management is essential in supporting the delivery of the Group's strategic objectives, achieving stakeholder value and delivering long-term success.”

BRIAN DUFFY
CEO

The Watches of Switzerland Group defines risk as uncertainty around the organisation's ability to achieve its objectives and execute its strategy effectively.

Risks can be positive (opportunities) and negative (threats) and are a combination of the likelihood of an event and the impact of the consequence.

Risk is inherent in both the Group's operations and strategic decision-making. These risks and uncertainties could impact the delivery of strategic and operational objectives. Effective risk management helps support the successful delivery of the Group's objectives. The Board's role is central to understanding and providing oversight into how risks are being managed and addressed. The Board has established a framework of prudent and effective controls which enable risk to be assessed and managed. The Board takes responsibility for the management of risk and internal control systems throughout the business. This includes determining the nature and extent of the principal risks the Board is willing to take in achieving strategic objectives (the Board's risk appetite), and challenging management's implementation of effective systems of risk identification, assessment, prioritisation and management.

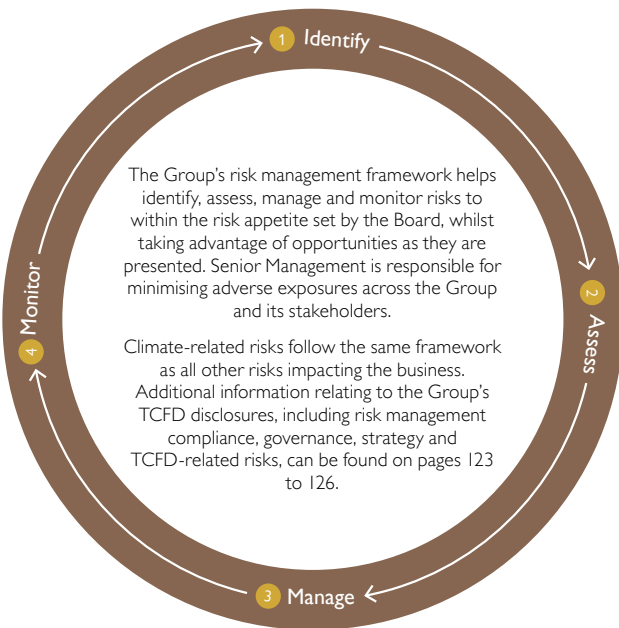
The Audit & Risk Committee, on behalf of the Board, has responsibility for maintaining oversight of the Group's framework for risk management. Whilst ultimate responsibility for the oversight of risk management rests with the Board, the effective day-to-day management of risk is embedded within the business through a layered assurance approach.

The Board recognises that risk management is an integral part of good corporate governance and management practice and to be effective, should be embedded within the organisation's culture. The Board is, therefore, committed to ensuring that risk management forms an integral part of its philosophy, practices and business plans rather than being viewed or practised as a separate programme and that responsibility for implementation is accepted at all levels of the organisation. During the year, the Board reviewed the effectiveness of the Group's risk management and internal controls systems. This review included the discussion and review of risk registers and the internal controls across all business functions, as part of an annual exercise facilitated by the Internal Audit team.



RISK MANAGEMENT PROCESS

The Group's established framework for managing risks has continued to be in place across the business throughout this financial year, with responsibility to implement the Board's policies on risk management and internal control sitting with management.



- 1 IDENTIFY**
 - Risk registers are completed by each business function, identifying the risks in their areas of control
 - The Audit & Risk Committee and Board identify key risks within the Group's strategic priorities
 - Horizon scanning takes place periodically with Senior Management
- 2 ASSESS**
 - The likelihood of risk occurrence and the potential impact of the risk are assessed. This assessment takes place before and after consideration of mitigating controls
 - The risks are reviewed to determine their categorisation, including financial, operational, client, regulatory and reputational
 - Appetite for each key risk is assessed with a target risk position agreed to reflect the level of risk that the business is willing to accept
- 3 MANAGE**
 - Controls and mitigation plans are implemented to manage the risks
 - Consideration is given to the Board's risk appetite to help determine the appropriate risk management strategy
 - Actions are agreed to further manage the identified risks, in line with risk appetite and according to risk strategy
- 4 MONITOR**
 - Continued oversight and tracking of identified risks. These are presented to the Trading Board, the Board and the Audit & Risk Committee
 - The Internal Audit Teams review the effectiveness of controls and identifies gaps in control requiring further action
 - Risk incidents are reviewed, and the lessons learned drive further mitigation

WHAT WE MONITOR

GROUP RISK REGISTER

Summary of the key risks facing the Group, prepared through review of departmental risks identified through the bottom-up risk identification process, and the Group-level risks identified and owned by the Trading Board.

OUR RISK LANDSCAPE

Current risks: risks we are managing now that could stop us from achieving our strategic objectives.

Emerging risks: risks with a future potential impact from external or internal opportunities or threats.

WHAT WE ASSESS

- Risk ownership: each risk has a named owner
- Likelihood and impact: globally applied scoring scale
- Gross risk: before mitigating controls
- Mitigating controls: subject to Internal Audit review
- Net risk: after mitigating controls applied
- Risk movement: any change in risk score since previous assessment
- Risk appetite: defined at subcategory level
- Target risk: overall target risk score
- Actions: for further mitigation, if required

OUR IDENTIFIED RISKS

Risks are categorised into one of six categories:

- Financial
- Operational
- Client
- People
- Regulatory
- ESG

DEPARTMENTAL RISK REGISTERS

Owned by individual departments and teams across the Group. These identify specific risks and mitigating controls arising from day-to-day operations.

HOW WE MONITOR

Set out below are the key responsibilities and key activities of the various functions of the Group in relation to risk management:

<p>BOARD Collective responsibility for the management of risk throughout the business</p> <ul style="list-style-type: none"> – Oversees the adoption of appropriate risk management systems that identify emerging and established risks facing the Group and its stakeholders – Determines the nature and extent of the principal and emerging risks faced by the Group and those risks which the business is willing to take in achieving its strategic objectives (determining its risk appetite) – Agrees how the principal risks should be managed or mitigated and over what timeframe to reduce the likelihood of their incidence or the magnitude of their impact – Establishes clear internal and external communication channels on the identification of risk factors – Determines the monitoring and review process 	
<p>TRADING BOARD Managing the risk management process on a day-to-day basis</p> <ul style="list-style-type: none"> – Conducts a half-yearly review of the risk register and principal risks – Members have responsibility for managing risk within their areas of responsibility – Identifies new and emerging risks 	<p>AUDIT & RISK COMMITTEE Oversees risk management systems and process, under delegation from the Board</p> <ul style="list-style-type: none"> – Assists the Board to fulfil its corporate governance responsibilities in relation to financial reporting, internal controls and the risk management framework – Conducts formal reviews of the principal and emerging risks twice a year, one of which is in connection with the consideration of the Viability Statement – Reviews and oversees the Group risk register and risk management framework and assesses their effectiveness in mitigating Group-level risks – Reviews key risk areas with relevant Senior Managers to understand the nature of the risks and adequacy of the mitigations and controls in place – Annually reviews and approves the Group Risk Management Policy
<p>OPERATIONAL MANAGEMENT Identifying and managing risks on a day-to-day basis</p> <ul style="list-style-type: none"> – Maintains the business function risk registers – Identifies and assesses risk within business functions and implements actions to reduce risk exposure to an acceptable target level – Embeds and manages internal controls and risk management processes as part of business-as-usual operations 	
<p>OPERATIONAL AUDIT, LOSS PREVENTION AND SECURITY TEAM Reviews compliance with certain key internal procedures in showrooms and at other locations</p> <ul style="list-style-type: none"> – Provides an objective compliance and monitoring overview – Identifies non-compliance with key business processes 	
<p>INTERNAL AUDIT TEAM Provides assurance to the Audit & Risk Committee through independent reviews of agreed risk areas</p> <ul style="list-style-type: none"> – Ensures that principal risk topics are scheduled for regular review – Facilitates updates to the corporate and business function risk registers in partnership with operational management – Presents the outcome of the risk review to the Trading Board and the Audit & Risk Committee – Shares risk management information and best practice across the Group 	

RISK APPETITE

THE UK CORPORATE GOVERNANCE CODE REQUIRES COMPANIES TO DETERMINE THEIR RISK APPETITE

Risk appetite is an expression of the amount and types of risk that the Group is willing to take to achieve its strategic and operational objectives. The Group accepts that it cannot achieve its long-term strategic objectives without being exposed to an element of risk. Understanding current and emerging risk is therefore integral to the Group's decision-making process.

The Board determines the amount of risk the Group is willing to accept in the pursuit of the Group's strategic objectives, dependent on the type of risk. In exploring risks and opportunities, we prioritise the interests and safety of our clients and colleagues and seek to protect the long-term value and reputation of the brand, while maximising commercial benefits to support responsible and sustained growth.

The Group assesses the level of risk exposure against its associated risk appetite to ensure that we appropriately prioritise our resources to manage risks within our risk appetite. Where the residual risk remains outside the Board's risk tolerance, additional actions are identified to further mitigate the risk down to an acceptable target level.

The Group's risk appetite and tolerance levels were considered and approved by the Board and are reviewed annually. These are used to set tolerance limits and target risks for each of the principal risks and refine mitigation plans where appropriate.

In summary, the Board has a very low appetite for risks that could lead to breaches of legal and regulatory requirements. The Group has a low appetite for risks that could impact its reputation, for example in the areas of data management and cyber security. In contrast, the Group has a higher risk appetite in relation to business strategy, as evidenced through our growth in the UK and US markets.

IDENTIFICATION, EVALUATION AND MANAGEMENT OF THE GROUP'S RISKS

This year the Group has supplemented its existing risk management processes in response to the upcoming changes in the UK Corporate Governance Code. In particular, the Group is identifying and assessing its material controls. The Group is making good progress here. The existing Code provisions remain applicable and state that the Board is responsible for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives and that it should maintain sound risk management and internal control systems.

The Board has completed its assessment of the Group's risk landscape and has identified the most significant risks and uncertainties that may impact the Group's ability to achieve its strategic and operational goals. As part of the new 2024 Code guidance, the Board has also begun to assess the material controls that operate over these risks. The Group recognises that the profile of risks constantly changes, and additional risks not presently known, or that may be currently deemed immaterial, may also impact the Group's business objectives (as detailed on pages 34 to 37) and performance. The risk management framework is therefore designed to manage rather than eliminate the risk of failure to achieve business objectives, and, as such, can only provide reasonable and not absolute assurance against these principal uncertainties impacting business performance.

The Board confirms that it has carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future success, solvency or liquidity.

EMERGING RISKS

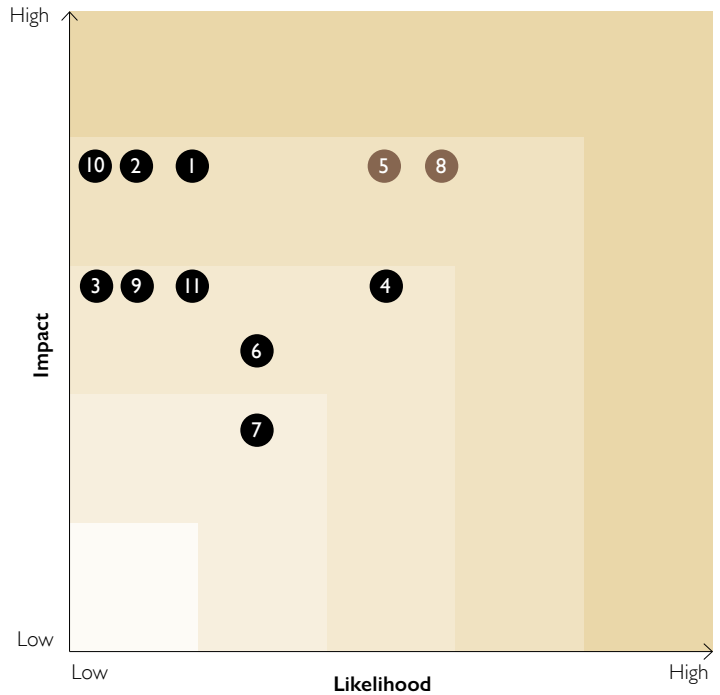
As part of the ongoing risk management framework described above, the Group identifies emerging risks and determines their potential impact on the business. The Group undertakes horizon scanning to monitor any potential risks that could change our industry and/or our business, looking at both the inherent risk and opportunity. Emerging risks are new and evolving, and thus their full potential impact is still uncertain.

The Group defines emerging risks as newly developing risks that are often difficult to quantify but may materially affect our business. Emerging risks are usually highly uncertain risks which are external to the Group, and we take a proactive approach to the emerging risk management processes, with the objective of enabling us to:

- Identify, manage and monitor a broad range of potential emerging risks
- Mitigate the impact of emerging risks which could impact the delivery of the Group's strategy
- Record each emerging risk within an Emerging Risk Register

The Board's assessment of the principal risks and uncertainties facing the Group and the mitigations in place are set out opposite.

HEAT MAP (POST-MITIGATION)



Risk		
1	Business strategy execution and development	1
2	Key suppliers and supply chain	2
3	Client experience and market risks	3
4	Colleague talent and capability	4
5	Data protection and cyber security	5
6	Business interruption	6
7	Regulatory and compliance	7
8	Economic and political	8
9	Brand and reputational damage	9
10	Financial and treasury	10
11	Climate change	11

● Donates increasing risk

To support our assessment of risk, the heat map above shows the relative likelihood and impact of the Group's principal risks post-mitigation i.e. after the effects of our control activities. The graph also indicates those risks that have seen significant movement during the year. A more detailed assessment of each principal risk is provided over the following pages.

STRATEGIC PRIORITIES



Grow revenue, profit and Return on Capital Employed



Enhance strong brand partnerships



Deliver an exceptional client service



Drive client awareness and brand image through multimedia with impactful marketing



Leverage best-in-class operations



Expand our multi-channel leadership



Continue to advance across ESG indicators

1. BUSINESS STRATEGY EXECUTION AND DEVELOPMENT

Principal risk description

If the Board adopts the wrong strategy or does not implement its strategy effectively, the business may suffer.

The Group's growth strategy exposes it to risks and the Group may encounter setbacks in its ongoing expansion in the UK and US.

The Group's significant investments in its showroom portfolio, IT systems, colleagues and marketing may be unsuccessful in growing the Group's business as planned.

As the Group continues to make acquisitions, these may prove unsuccessful or divert its resources. Further growth through acquisition is dependent upon the Group's ability to identify suitable targets, conduct effective due diligence, negotiate transactions on favourable terms, complete such transactions and successfully integrate the acquired businesses.

The Group may fail to respond to the pressures of an increasingly changing retail environment effectively and rapidly. The re-evaluation of priorities and their delivery, including the consideration of initiatives to respond to permanent changes in client behaviours or to change working practices, is paramount in the current environment.

How we manage or mitigate the risk

- The Board reviews its business strategy on a regular basis to determine how sales and profit can be maximised, and business operations can be made more efficient
- The Board has significant relevant experience, including in the retail and luxury markets
- The CEO provides updates to the Board on key development opportunities and initiatives
- Expansion of the property portfolio or potential acquisitions must meet strict payback criteria. Return on investment of marketing and other investment activity is monitored closely
- Key management information is provided to the Board on a regular basis to help inform strategic decision-making
- The Group has adapted its strategy to take advantage of online trading, client appointments and introduced the Luxury Watch and Jewellery Virtual Boutique to maximise sales
- The Group has diversified its operations through the expansion of mono-brand boutiques, ecommerce platforms, and enhanced luxury branded jewellery offers. There is international market diversification reducing reliance on one territory

Change in risk

● No change

Links to strategy



2. KEY SUPPLIERS AND SUPPLY CHAIN

Principal risk description

The manufacture of key luxury watch brands is highly concentrated among a limited number of brand partners and the production of luxury watches is limited by the small number of master watchmakers and the availability of artisanal skills. Owners of luxury watch brands control distribution through strict, Selective Distribution Agreements. Consequently, the relationship with owners of luxury watch brands is crucial to the Group's success.

Some of the Group's distribution agreements with luxury watch brands provide owners of such brands with a right to terminate the agreement in the event of a change of control and/or management of the Group. The Group is subject to the risk that owners of luxury watch brands may decide to terminate these contracts or otherwise not to renew them upon expiry, or to reduce the number of agencies they grant to the Group.

The Group's distribution agreements with suppliers do not guarantee a steady supply of merchandise.

The Group's business model may also come under significant pressure should the owners of luxury watch and jewellery brands choose to distribute their own watches, increasingly or entirely by-passing third-party retailers such as the Group.

How we manage or mitigate the risk

- The Group fosters strong relationships with brand partners and other suppliers, many of which have been held for a significant length of time
- Supplier distribution contracts are closely monitored to ensure continued compliance with contractual obligations
- The Group works collaboratively with brand partners to identify product trends and forward demand
- Continued focus on providing exceptional client experience, representing the brands in the best possible way
- Client experience is further elevated through new, larger showrooms that are supported by the brands
- In-depth training for showroom colleagues is provided, including specific training provided by the brand partners
- The Group's sales mix is becoming more broad-based, with less reliance on individual brands to drive success
- Review opportunities to extend our expertise into complementary business and service models

Change in risk

● No change

Links to strategy



PRINCIPAL RISKS AND UNCERTAINTIES
CONTINUED

3. CLIENT EXPERIENCE AND MARKET RISKS

Principal risk description

An inability to maintain a consistent high-quality experience for the Group's clients across the sales channels, particularly within the showroom network, could adversely affect business.

The increased number of registration of interest (ROI) watches could adversely impact the perceived client experience.

The Group faces competition and any failure by the Group to compete effectively could result in a loss of market share or the ability to retain supplier agencies. Long-term consumer attitudes to diamonds, gold and other precious metals and gemstones could be affected by a variety of issues, including concern over the source of raw materials, the impact of mining and refining of minerals on the environment, labour conditions in the supply chain, and the availability and perception of substitute products, such as cubic zirconia and laboratory-created diamonds. Equally, longer-term consumer attitudes to more technologically advanced watches, such as 'smart watches', could reduce consumer demand for luxury watches.

How we manage or mitigate the risk

- The Group provides the ultimate luxury environment for its clients to feel welcome, appreciated and supported
- Our Xenia Client Experience Programme further elevates our client experience proposition
- Our brand partners audit and assess our client experience enabling us to independently benchmark and evaluate our performance
- Exceptional training is provided for our showroom colleagues, and other client-facing colleagues, to allow them to provide the best client service, along with in-depth product knowledge
- The CRM database allows the Group to engage with the client on their journey from potential to loyal client
- The Group continues to invest in and develop its product offering to improve the value offered to consumers, retailers and manufacturers
- Competitor activity is monitored in detail, enabling strategic decision-making on key market positions
- Our Luxury Watch and Jewellery Virtual Boutique experience is a unique differentiator and recognised as a competitive advantage, as is the Group's scale and technological capabilities
- Consumer trends are monitored to ensure product ranges remain aligned to client demand

Change in risk

● No change

Links to strategy



4. COLLEAGUE TALENT AND CAPABILITY

Principal risk description

The Group depends on the services of key talent to manage its business, and the departure of such colleagues or the failure to recruit and retain suitable personnel could adversely affect the Group's business.

Client experience is an essential element in the success of the Group's business, where many clients prefer a more personal face-to-face experience and have established strong relationships with the Group's retail colleagues. An inability to recruit and retain suitably qualified colleagues, especially with specialised knowledge of luxury watches and jewellery, would have a material impact on the Group.

How we manage or mitigate the risk

- The Trading Board considers the development of Senior Management to ensure there are opportunities for career development, promotion and appropriate succession
- The Nomination Committee considers succession planning for the Board, and Senior Management
- The Company's recognition programmes are in place to incentivise and motivate colleagues
- A wide range of training and development programmes are available to colleagues
- The Colleague Engagement Survey provides an insight into what colleagues feel would make the Group an even better place to work
- The Group continually reviews the remuneration and benefits packages for all colleagues
- We utilise a two-way engaging, global communications platform, CONNECT. This digital channel underpins Group communications to colleagues

Change in risk

● No change

Links to strategy



STRATEGIC PRIORITIES



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Continue to advance across ESG indicators

5. DATA PROTECTION AND CYBER SECURITY

Principal risk description

The increasing sophistication and frequency of cyber-attacks, coupled with data protection laws, highlight the escalating information security risk facing all businesses.

As the Group operates in the UK and US markets, the regulatory environment surrounding these areas is considered more complex.

Security breaches and failures in the Group's IT infrastructure and networks, or those of third-parties, could compromise sensitive and confidential information and affect the Group's reputation.

Theft or loss of Company or client data or potential damage to any systems from viruses, ransomware or other malware could result in fines and reputational damage to the business that could negatively impact on our sales.

How we manage or mitigate the risk

- Significant investment in systems development and security programmes
- Systems vulnerability and penetration testing is carried out regularly
- The Group's IT / Data Steering Committee meets regularly to review related processes and emerging risks
- Continuous and dynamic training, and enhanced anti-phishing awareness campaigns have been rolled out to all employees.
- Enhanced multi-factor authentication (MFA) enforced across the Group
- Next generation email security system implemented
- New 24/7 security operations centre (SOC) service onboarded
- Improved reporting capabilities allowing all colleagues to promptly report any suspicious content or activity they encounter
- External maturity assessment conducted to validate continuous security improvement programme

Change in risk

🔴 Cyber threats are increasing in volume and complexity, in part driven by AI. This creates a more hostile external environment with greater risk.

Links to strategy



6. BUSINESS INTERRUPTION

Principal risk description

Adverse weather conditions, pandemics, travel disruption, natural disasters, terrorism, acts of war or other external events could adversely affect consumer discretionary spending or cause a disruption to the Group's operations.

The inability of the Group to be able to operate showrooms or a significant reduction in available colleagues to operate the business, such as during a material pandemic, would significantly impact the operations of the business.

The Group offers flexible delivery options (home delivery or Click & Collect in showroom) and its online operations rely on third-party carriers and transportation providers. The Group's shipments are subject to various risks, including labour strikes and adverse weather.

The Group may experience significant theft of products from its showrooms, distribution centres or during the transportation of goods. Loss of high-value low-availability pieces could damage our reputation and our clients may become less inclined to visit our showrooms.

Disruptions to, or failures in, the Group's IT infrastructure and networks, or those of third-parties, could disrupt the Group's operations, especially during periods of increased reliance on these systems such as those experienced during the pandemic lockdowns.

The Group relies on IT networks and systems, some of which are managed by third-parties, to process, encrypt and transmit electronic information, and to manage or support a variety of business processes and activities, including sales, supply chain, merchandise distribution, client invoicing and collection of payments.

How we manage or mitigate the risk

- The Group has a framework of operational procedures and business continuity plans that are regularly reviewed, updated and tested
- The multi-channel model allows clients to continue their relationship with us and to purchase in the event of disruption to any single channel
- Robust security arrangements are in place across our showroom network to deter and prevent crime and, in the event of an incident, protect people and products
- A comprehensive insurance programme is in place to offset the financial consequences of insured events
- A detailed IT development and security roadmap is in place, aligned to our strategy
- Reliable and reputable third-party logistic partners have been engaged to ensure the secure transportation of goods
- The Group has in place action plans to effectively deal with the impact of a pandemic on business operations
- A Group-wide crisis response programme is in place and is tested regularly

Change in risk

⚪ No change

Links to strategy



PRINCIPAL RISKS AND UNCERTAINTIES
CONTINUED

7. REGULATORY AND COMPLIANCE

Principal risk description

Fines, litigation and reputational damage could arise if the Group fails to comply with legislative or regulatory requirements including, but not limited to, consumer law, health and safety, employment law, data protection, anti-bribery and corruption, competition law, anti-money laundering and supply chain regulations.

As the Group continues its US expansion and trades in increasing state jurisdictions, there is a risk the business lacks the detailed knowledge of local US laws and regulations resulting in a breach, significant fine and reputational impact.

How we manage or mitigate the risk

- The Group actively monitors regulatory developments in the UK and US as well as continually reviewing compliance with existing obligations
- Clear Group policies and procedures are in place, including, but not limited to, anti-bribery, corruption and fraud, whistleblowing, data protection and information security
- Mandatory induction briefings and training for all colleagues on regulation and compliance
- Experienced in-house legal team with external expertise sought as needed
- The established culture and values foster open, honest communication
- Regulatory compliance reviews form part of the rolling Internal Audit plan

Change in risk

● No change

Links to strategy



8. ECONOMIC AND POLITICAL

Principal risk description

The Group's business is geographically concentrated in the UK and US. Any significant disruption, sustained stagnation or deterioration in the luxury watch or jewellery markets or decline in consumer spending in these markets could have a material adverse impact on the Group's business.

The Group or its suppliers may not be able to anticipate, identify and respond to changing consumer preferences in a timely manner, and the Group may not manage its inventory in line with client demand.

Established geo-political trading relationships and structures may shift resulting in unforeseen barriers to free trade and movement of goods that significantly impact Group costs and consumer demand.

Ongoing legal, political and economic uncertainty in the UK, US and international markets could give rise to significant currency fluctuations, interest rate increases, adverse taxation arrangements or affect current trading and supply arrangements.

How we manage or mitigate the risk

- Regular monitoring of economic and political events
- Focus on client service to attract and retain clients
- Fostering brand loyalty and exclusivity
- The Group updates internal return on investment hurdles and criteria to reflect changing market environments
- Detailed sales and inventory data is analysed to anticipate future trends and demand, taking into consideration the current economic environment
- Regular review of supply chain and sourcing options
- Through continued expansion in the US, the Group is not wholly dependent on the economic or political environment in one single market

Change in risk

● Changes in US trade policies are creating global uncertainties and unpredictable impacts across our markets and those of our suppliers.

Links to strategy



9. BRAND AND REPUTATIONAL DAMAGE

Principal risk description

The Watches of Switzerland Group's trading brands and its corporate brand are an important asset, and failure to protect the Group's reputation and brand could lead to a loss of trust and confidence. This could result in a decline in the client base, affect the ability to recruit and retain the best people, and damage our reputation with our suppliers or investors.

How we manage or mitigate the risk

- The Group has a clear and open culture with a focus on trust and transparency
- Excellent client experience is a key priority of the Group and subject to independent scrutiny by our major brand partners through mystery shopping programmes
- The Group undertakes regular client engagement to understand and adapt the product, offer and showroom environment
- The use of impactful, digital-led marketing, along with an in-depth knowledge of products, makes the Group an authority in the markets it serves
- Training and monitoring of adherence by colleagues to Group policies and procedures
- Ongoing monitoring of social media and digital channels for abuse of Group copyright and disreputable content
- The Group has conducted a materiality assessment to understand the priorities and focus areas of its stakeholders, including colleagues, brand partners and other suppliers, investors and community groups

Change in risk

● No change

Links to strategy



STRATEGIC PRIORITIES



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Continue to advance across ESG indicators

10. FINANCIAL AND TREASURY

Principal risk description

The Group's ability to meet its financial obligations and to support the operations and expansion of the business is dependent on having sufficient funding over the short, medium and long-term. The Group is reliant on the availability of adequate financing from banks and capital markets to meet its liquidity needs.

The Group's level of indebtedness could adversely affect its ability to react to changes in the business and may limit the commercial and financial flexibility to operate the business.

The Group is exposed to foreign exchange risk and profits may be adversely impacted by unforeseen movements in foreign exchange rates.

Significantly reduced trading over an extended period could impact the business's ability to operate within committed credit facilities.

How we manage or mitigate the risk

- The Group had a total of £368.9 million in available committed facilities at 27 April 2025 with a term of three years
- The Group's net cash position and available funding is actively managed through a Group Treasury policy and cash flow projections are regularly monitored by management and the Board
- Exchange and interest rates are regularly reviewed to determine if hedging should be put in place
- A three-year strategic cash flow is prepared and stress-tested, including the impact on covenant calculations

Change in risk

● No change

Links to strategy



11. CLIMATE CHANGE

Principal risk description

The increased frequency of extreme weather events may lead to the significant disruption of retail showrooms, offices and distribution centres, through flooding and strong winds. The supply chain may also be impacted through transporting goods to showrooms and directly to our clients.

In a changing climate, there is the potential for higher insurance premiums across business operations, especially those taking place in geographies particularly impacted by extreme weather events.

The increasing cost of energy and potential regulatory mechanisms on direct carbon emissions, may impact business financials and profit if the Group cannot transition to a low-carbon business model.

The Group's reliance on premium raw materials, which are a finite resource, increases its exposure to resource scarcity, and the potential increased cost of obtaining these resources in a challenging and competitive supply chain environment.

The Group may fail to implement its mitigation strategy to reduce its impact on the climate and manage the risk appropriately, leading to increased scrutiny from stakeholders and investors, resulting in reputational damage.

How we manage or mitigate the risk

- Climate-related issues are addressed on a regular basis by the ESG Committee, which is chaired by an Independent Non-Executive Director
- The ESG Committee challenges the Group on progress against climate-related goals and targets
- Key climate-related risks and opportunities are governed via our Audit & Risk Committee along with the accuracy of and compliance with ESG-related disclosures, including TCFD
- The ESG agenda continues to evolve rapidly and annual training for Board members is maintained to ensure that they have sufficient knowledge for effective decision-making
- The CEO has overall operational responsibility for climate strategy and the mitigation of related risks
- The CFO has day-to-day operational responsibility for climate-related risks and opportunities and chairs a regular ESG Steering Group, which reports into the ESG Committee
- The Group has a dedicated Head of Sustainability and ESG, who has significant experience in relation to climate change
- The ESG Steering Group is responsible for assessing and managing climate-related risks and opportunities against KPIs aligned to our ESG pillars of People, Planet and Product and ensuring all operational matters in respect of our ESG Strategy are fully embedded into our business strategy and operation, including an underpin to Group bonus arrangements (refer to page 188)
- Our key ESG pillars are supported by Working Groups, which include senior operational managers, with input from external consultants
- The Group undergoes numerous external assessments on climate and sustainability activities

Change in risk

● No change

Links to strategy



GOING CONCERN

The Directors consider that the Group has, at the time of approving the Group Consolidated Financial Statements, adequate resources to remain in operation for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the consolidated information.

On 13 December 2024, the Group refinanced and repaid its \$115.0 million term loan facility which was originally taken out to finance the Roberto Coin Inc. acquisition with a new £150.0 million facility, being made up of a £100.0 million term loan and £50.0 million multicurrency revolving credit facility. The £100.0 million was drawn down on 13 December 2024 as \$125.0 million and no further drawdown on the £100.0 million is permitted. The new facilities run coterminously with the existing UK bank facility of £225.0 million. The going concern assessment has been carried out taking into account all facilities now in place.

The key covenant tests attached to all Group facilities are a measure of net debt to EBITDA, and the Fixed Charge Cover Ratio (FCCR) at each April and October. The facility covenants are on a pre-IFRS 16 basis and exclude share-based payment costs. Net debt to EBITDA is defined as the ratio of total net debt at the reporting date to the last 12-month Adjusted EBITDA. This ratio must not exceed 3. The FCCR is the ratio of Adjusted EBITDA plus rent to the total finance charge and rent for the 12 months to the reporting date. This ratio must exceed 1.6. At 27 April 2025 the Group comfortably satisfied the covenant tests with net debt to EBITDA being less than 3 and the FCCR exceeding 1.6.

At the balance sheet date, the Group had a total of £368.9 million in available committed facilities, of which £195.1 million was drawn down. Net debt at this date was £96.2 million. Liquidity headroom (defined as unrestricted cash plus undrawn available facilities) was £253.5 million. All bank facilities run coterminously and are due to expire in May 2028. Further detail with regards to covenant tests and liquidity headroom can be found in borrowings note 19 within the Consolidated Financial Statements.

In assessing whether the going concern basis of accounting is appropriate, the Directors have reviewed various trading scenarios for the period to 31 October 2026 from the date of this report. These included:

- The FY26 base case forecast which aligns to Guidance given on page 13, plus a further six-month period which assumes no additional sales or profit uplift. These included the following key assumptions:
 - Revenue forecast supported by expected luxury watch supply
 - Impact of US tariffs included where price changes have already been announced
 - Impact of announced UK showroom closures
 - Increased cost base in line with macroeconomic environment, employment taxes and environmental targets

Under the base case forecast, the Group has significant liquidity and complies with all covenant tests to 31 October 2026. The forecast reflects current visibility of supply from key brands and confirmed showroom refurbishments, openings and closures, and excludes uncommitted capital projects and acquisitions which would only occur if expected to be incremental to the business.

– Severe but plausible scenarios of:

- 15% reduction in sales against the base case forecast as a result of consumer confidence, macroeconomic and governmental factors. This scenario did not include cost mitigations which are given below
- The realisation of material risks detailed within Principal Risks and Uncertainties on pages 148 to 153 (including potential data breaches and non-compliance with laws and regulations), and also environmental risks highlighted on pages 123 to 126

Under these scenarios the net debt to EBITDA and the FCCR covenants would be complied with.

- Reverse stress-testing of cash flows during the going concern period was performed. This determined what level of reduced EBITDA and worst-case cash flows would result in a breach of the liquidity or covenant tests. The likelihood of this level of reduced EBITDA is considered remote taking into account liquidity and covenant headroom, as well as mitigating actions within management's control (as noted below) and that this would represent a significant reduction in sales and margin from prior financial years
- Should trading be worse than the outlined severe but plausible scenarios, the Group has the following mitigating actions within management's control:
 - Reduction of marketing spend
 - Reduction in the level of inventory holding and purchases
 - Restructuring of the business with headcount and showroom operations savings
 - Redundancies and pay freezes
 - Reducing the level of planned capex

The Directors also considered whether there were any events or conditions occurring just outside the going concern period that should be considered in their assessment, including whether the going concern period needed to be extended.

As a result of the above analysis, including potential severe but plausible scenarios and the reverse stress test, the Board believes that the Group and Company is able to adequately manage its financing and principal risks, and that the Group and Company will be able to operate within the level of its facilities and meet the required covenants for the period to 31 October 2026. For this reason, the Board considers it appropriate for the Group and Company to adopt the going concern basis in preparing the Consolidated Financial Statements.

VIABILITY STATEMENT

In accordance with UK Corporate Governance Code (the Code), the Directors are required to issue a Viability Statement declaring whether the Directors believe the Group is able to continue to operate and meet its liabilities over a period greater than 12 months, taking into account its current position and principal risks.

ASSESSMENT OF PROSPECTS

The Directors have assessed the prospects of the Group by reference to its current financial position, its recent and historical financial performance, its forecasts for future performance, its business model (pages 26 and 27), strategy (pages 34 to 37) and its principal risks and mitigating factors (pages 148 to 153). In addition, the Board regularly reviews the financial position of the Group, its liquidity and financial forecasts.

The base case forecast for FY26 aligns to Guidance given on page 13, and other years have prudently assumed no further sales or profit uplift for the purposes of our viability assessment.

ASSESSMENT PERIOD

The Directors have assessed the prospects of the Group over a three-year period to April 2028. This period is considered an appropriate timeframe to assess the Group's prospects and is consistent with the Group's business model, strategic planning period, management incentive schemes and medium-term financing considerations.

The strategic planning process reviewed by the Board is over a three-year period. In determining the appropriate assessment period, the Board considered the uncertainty regarding a number of global economic events, including the level of inflation, the cost-of-living crisis, and the impact of US tariffs, together with a number of environmental matters.

CURRENT FINANCING

On 13 December 2024, the Group refinanced and repaid its \$115.0 million term loan facility which was originally taken out to finance the Roberto Coin Inc. acquisition with a new £150.0 million facility, being made up of a £100.0 million term loan and £50.0 million multicurrency revolving credit facility. The £100.0 million was drawn down on 13 December 2024 as \$125.0 million and no further drawdown on the £100.0 million is permitted. The new facilities run coterminously with the existing UK bank facility of £225.0 million. The going concern assessment has been carried out taking into account all facilities now in place. All bank facilities run coterminously and are due to expire in May 2028.

The key covenant tests attached to all Group facilities are a measure of net debt to EBITDA, and the Fixed Charge Cover Ratio (FCCR) at each April and October. The facility covenants are on a pre-IFRS 16 basis and exclude share-based payment costs. Net debt to EBITDA is defined as the ratio of total net debt at the reporting date to the last 12-month Adjusted EBITDA. This ratio must not exceed 3. The FCCR is the ratio of Adjusted EBITDA plus rent to the total finance charge and rent for the 12 months to the reporting date. This ratio must exceed 1.6. At 27 April 2025 the Group comfortably satisfied the covenant tests with net debt to EBITDA being less than 3 and the FCCR exceeding 1.6.

During the three-year viability period, the Group anticipates that it will comfortably comply with the net debt to EBITDA and FCCR covenants at each six-month interval from October 2025 to April 2028.

ASSESSMENT OF VIABILITY

During the normal cycle of strategic planning, budgets and forecasts are approved by the Board at the start of each financial year.

In making the Viability Statement, the Board carried out a robust assessment of the principal risks and uncertainties facing Group as described on pages 148 to 153. In addition to the uncertainties noted above, the key risks identified that would have a material impact on the long-term viability of the Group were the loss of a key supplier and the impact of a potential penalty for statutory breaches

The scenarios assessed in relation to viability were:

- Severe but plausible scenarios of:
 - 15% reduction in sales against the base case forecast. This scenario did not include cost mitigations which are given below
 - The realisation of material risks detailed within the Principal Risks and Uncertainties on pages 148 to 153 and environmental risks highlighted on pages 123 to 126

These scenarios would still result in the net debt to EBITDA and the FCCR covenants all being complied with.

- Reverse stress-testing of this plan to determine what level of reduced EBITDA and other possible cash outflows would result in a breach of the lending requirements during the three-year period. This level of reduced EBITDA and other possible cash outflows is considered to be remote
- The loss of a key supplier to the business. Whilst this scenario would have a significant adverse impact on the Group, management consider that the strength of the current supplier relationship combined with the historic showroom investment and revenue growth achieved means that this scenario is not plausible, and therefore would not result in a covenant breach during the viability assessment period
- The severe impact of any statutory non-compliance has been evaluated and would not result in a breach of the facility covenants

Whilst global economic factors could impact the Group, the long-term strategy for value creation in the UK and US remains unchanged. The advantages of the Group's multi-channel operating model coupled with its scale and technological expertise should enable the business to outperform the market, take market share and capitalise on the material growth opportunities in the US.

The financial impact of actions being taken by the Group to achieve its climate change commitment have been included in future cash flows and stress testing.

CONCLUSION

Based upon this assessment, the Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation to meet its liabilities as they fall due over the three-year assessment period.

APPROVAL OF STRATEGIC REPORT

Approved by the Board and signed on its behalf:

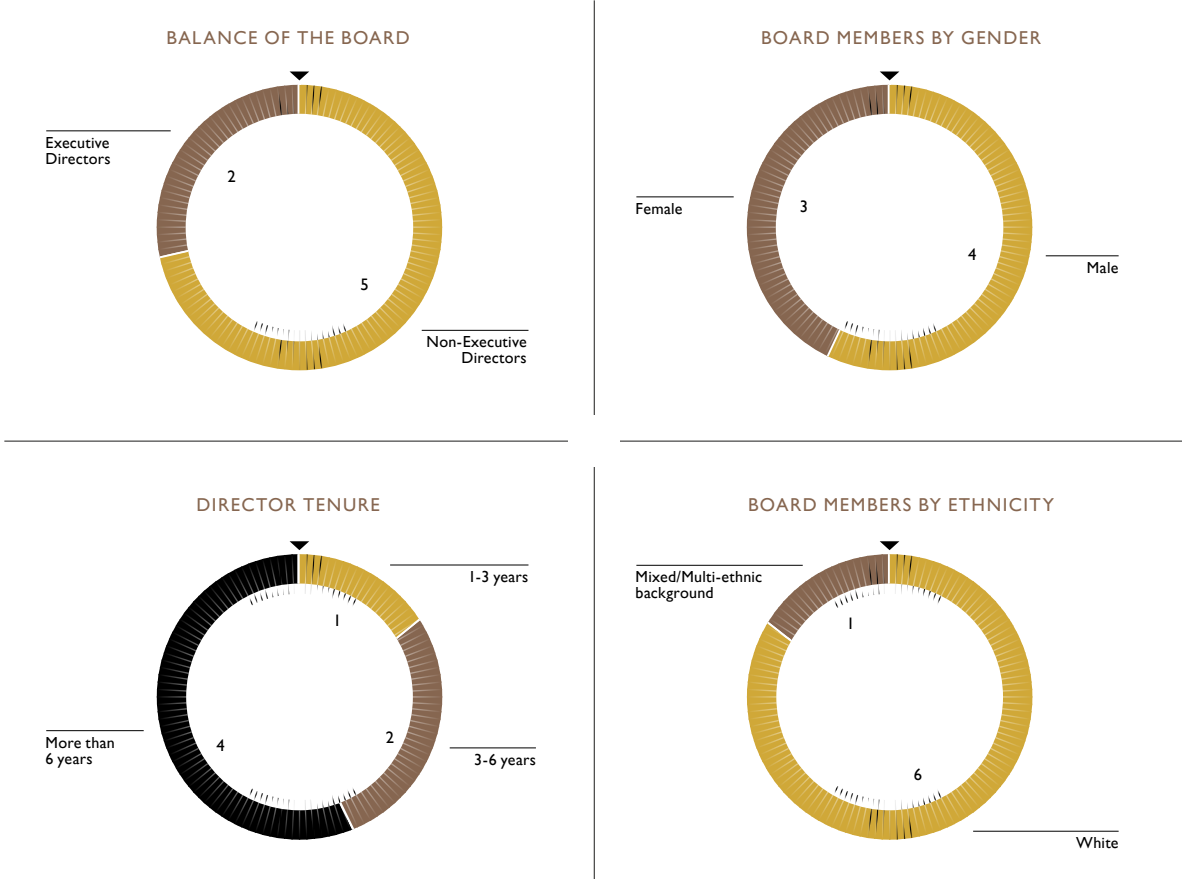
BRIAN DUFFY
CHIEF EXECUTIVE OFFICER
2 July 2025

CORPORATE GOVERNANCE REPORT



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CORPORATE GOVERNANCE AT A GLANCE



BOARD SKILLS



BOARD AND COMMITTEE ATTENDANCE

Director	Board		Audit & Risk		Remuneration		Nomination		ESG	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Ian Carter	6	6	n/a	n/a	3	3	3	3	3	3
Brian Duffy	6	6	n/a	n/a	n/a	n/a	n/a	n/a	3	3
Anders Romberg	6	6	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Tea Colaianni	6	6	4	4	3	3	3	3	3	3
Baroness (Rosa) Monckton MBE	6	6	4	4	3	3	3	3	3	3
Robert Moorhead	6	6	4	4	3	3	3	3	3	3
Chabi Nouri	6	6	4	4	n/a	n/a	n/a	n/a	3	3

MATTERS RESERVED FOR THE BOARD

Below is a summary of the key matters reserved for the Board. The full document can be viewed on the corporate website thewogroupplc.com

STRATEGY AND MANAGEMENT

- Overall leadership of the Group and its subsidiaries
- Annual budgets and business plans
- Establish, promote and articulate the Group's culture and assess and monitor how the desired culture has been embedded into the Group
- Extension of the activities into new areas or territories and cessation of operations of material parts
- Ensure necessary resources, policies and practices are in place to meet the Group's objectives and measure performance against them

FINANCIAL REPORTING, RISK AND CONTROL

- Financial results and announcements relating thereto
- Policies and procedures to ensure independence and effectiveness of internal and external audit functions
- External Auditor appointment or removal
- Establish and maintain an effective risk and internal control framework
- Monitor and review at least annually the Group's risk management and internal control systems including financial, operational and compliance controls

STAKEHOLDER ENGAGEMENT

- Approve matters requiring shareholder approval
- Review circulars and significant shareholder communications
- Ensure effective engagement and participation from stakeholders
- Ensure the Annual Report and Accounts describe how stakeholders' interests and the matters set out in Section 172 of the Companies Act 2006 are considered in Board discussions and decision-making

CAPITAL ALLOCATION AND STRUCTURE

- Changes relating to the Group's capital or material corporate structure
- Major capital projects or property leases
- Significant acquisitions or disposals
- Changes to the Group's management and control structure
- Dividend Policy, dividend payment recommendations and share buyback decisions

CORPORATE GOVERNANCE

- Delegation of authorities, including the division of responsibilities between the Chair of the Board and the CEO and Delegated Levels of Authority
- Policies and practices to ensure consistency with the Company's purpose, values and strategy
- Material Group policies and statements and any major changes
- Review of the Group's overall corporate governance arrangements

PEOPLE AND LEADERSHIP

- Board and Committee constitutions and Committee Terms of Reference
- Annual Board Performance Review facilitation
- Appointment or removal of Directors and the Company Secretary
- Non-Executive Director fees
- Ensure the Board and its Committees have a combination of skills, experience and knowledge

CHAIR'S INTRODUCTION



Welcome to the Corporate Governance Report, which I am pleased to present on behalf of the Board for the financial year ended 27 April 2025.

The Report that follows, in conjunction with the other Committee reports, provides a clear and transparent overview of the Board's oversight, providing details of our robust governance and risk management, our effective engagement with stakeholders and compliance with the principles and provisions of the Corporate Governance Code 2018.

As detailed in last year's Chair's letter, the Board has been briefed on the changes of the UK Corporate Governance Code 2024 which come into effect for FY26 and FY27. The Board considers that the Company is already prepared for the new requirements, which come into effect for FY26 and has included enhanced reporting and disclosures in the Annual Report and Accounts. The new substantive internal control changes will be effective for FY27, and the Company is making good progress to ensure the new requirements will be complied with by the deadline. The Board – alongside the Audit & Risk Committee – is being kept regularly updated on the plan and its progress.

Additionally, the Board has reviewed the requirements on the 'failure to prevent fraud' offence, which will become effective from September 2025. The Company will be building on its existing anti-fraud controls to enhance and build on existing procedures.

The Board believes that effective governance leads to better decision-making and that the robust framework should be embedded within every level of the organisation.

Throughout the financial year, the Board and its Committees have been highly engaged and played a key role in overseeing and shaping the strategic direction of the Group and supporting management. The Board aims to ensure the business remains sustainable over the long-term and ready to respond to external factors which may affect it. With the continuing challenging macroeconomic environment, the Board has focused on supporting the business to mitigate the ongoing impact of the economic environment whilst delivering its strategy, and ensuring the Group is in a strong position to take advantage when the economic environment improves. The business has been resilient and agile and the Board believes that our strategy remains the right one for the long-term success of the business and that the right team is in place to deliver it. To achieve this, it is essential for the Board to ensure appropriate governance is in place to support the Executive Directors and Senior Management.

We conducted an externally facilitated Board Performance Review this year. I was pleased that the review showed that there is a high level of satisfaction with the effectiveness of the Board and its Committees, with no high priority or urgent matters identified as needing to be addressed. More details can be found on page 175.

“

The Company is committed to supporting work initiatives that promote a culture of diversity and inclusion throughout the organisation.”

DIVERSITY AND INCLUSION

The Board continues to recognise the importance of diversity, inclusion and opportunities for all, including the benefits of recruiting leaders who reflect the diverse communities which we serve, and society as a whole.

The Company is not only focused on diversity and inclusion at the top level of the organisation but is committed to supporting work initiatives that promote a culture of inclusion and diversity throughout the organisation.

In recognition of the continually changing environment, the Board amended its Board Diversity & Inclusion Policy in May 2025, to take account of new recommendations of the Parker Review; recognising the importance of reviewing and enhancing recruitment practices by eliminating bias; creating progression opportunities for underrepresented groups and sustaining strong leadership pipelines; and recognising the importance of sponsorship, mentorship and structured training in developing leadership.

Additional information on diversity and inclusion in the boardroom can be found in the Nomination Committee Report on page 176 and 177 and information on the wider organisation can be found in the People Strategy section on pages 78 to 99.

Our succession planning and future recruitment considers diversity as set out in our Board Diversity & Inclusion Policy, which can be found on our corporate website thewsgroupplc.com.

ESG

The Company's governance framework has been further enhanced this year, with the recruitment of a new Head of Procurement and the introduction of Supplier Sustainability Standards (previously known as ESG Partner Standards), which have been issued to all suppliers.

STAKEHOLDER CONSIDERATIONS

We take our responsibilities to stakeholders very seriously ensuring all stakeholder views, whether complementary or diverging, are understood and embedded into Board discussions and the decision-making process. We also consider the impact of the Group's activities on the communities within which it operates, the environment and the Group's reputation for high standards of business conduct.

The Board considers all relevant stakeholders during its decision-making processes and continues to strengthen its understanding of the different key stakeholder groups. Relationships with our brand partners and other key suppliers are reviewed at each Board meeting and updates provided of activities undertaken. At the beginning of FY25, the Board held one of its meetings in Geneva. This visit was the perfect opportunity to meet with our key brand partners.

Baroness (Rosa) Monckton MBE, continues as our Designated Non-Executive Director for Workforce Engagement, providing information to the Board on key areas of interest and concern from our colleagues. Rosa's attendance at the Listening Forums, both UK and US, as well as our Global Listening Forum ensures that the Board remains increasingly visible amongst our colleagues. After each forum, Rosa reports back to the Board on her findings. During the year, the Workforce Engagement Programme was refreshed and from May 2025 Rosa will meet with a mixed group of junior team members (Head of Department level and below), known as skip-level meetings. Topics to be discussed over the next 12 months include business operation and culture. Equally, colleagues will get the opportunity to ask questions to Rosa from an outside-in-perspective, there will be no predetermined questions.

Rosa's feedback, along with the annual Colleague Engagement Survey, helps us to ensure that our colleagues' perspectives are considered by the Board and Committees during their decision-making processes.

More information on the Board's decision-making, engaging with stakeholders, as well as the interests of each of its stakeholders, can be found on pages 171 and 172.

BOARD CHANGES

There have been no changes to the membership of the Board or Committees during the year. The first three-year tenure for Chabi Nouri came to an end on 1 May 2025 and the second three-year tenure came to an end for Tea Colaianni, Robert Moorhead and Rosa Monckton early in May 2025. All the Directors expressed their willingness to remain in office and their Letters of Appointments were extended for a further three years. Further details can be found on page 205.

REMUNERATION POLICY

We will be putting a new Remuneration Policy to our shareholders at the 2025 AGM. This follows engagement with our top shareholders. Full details regarding the new policy can be found in the Directors' Remuneration Report on page 200.

ANNUAL GENERAL MEETING

I look forward to engaging with you at the forthcoming AGM which is scheduled to take place on 3 September 2025, commencing at 2.30pm, and will be held at 36 North Row, London W1K 6DH. Full details including the resolutions to be proposed to our shareholders can be found in the Notice of AGM, which will be communicated to shareholders and made available on our corporate website thewsgroupplc.com.

I am pleased to provide you with a clear outline of the work the Board has undertaken during the year and how our governance and Board agendas are aligned with the Group's strategy.

IAN CARTER

CHAIR

2 July 2025

EXPERIENCED LEADERS GUIDING OUR FUTURE



IAN CARTER
Chair



BRIAN DUFFY
Chief Executive Officer
Executive Director



ANDERS ROMBERG
Chief Financial Officer
Executive Director

APPOINTED

1 November 2020

7 May 2019

12 May 2023

Ian brings over 30 years of international and retail experience, having held a number of senior positions at consumer-facing and luxury companies. Ian currently serves as a non-executive director with Servpro Industries, LLC, owned by Blackstone, where he is the Chair of the Audit Committee. Ian is Chair of Eataly USA LLC. Ian joined Hilton International as CEO in London in 2005 becoming an integral part of the team that took Hilton Worldwide private and then public in 2013. Prior to joining Hilton, Ian served as an Officer and President of Black & Decker Corporation. Ian has significant experience as a non-executive director having served on a number of boards in the UK and the US, including Burberry Group PLC and Chair of the Del Frisco Restaurant Group Inc., listed in the US.

Brian has served on several boards across the fashion, retail and sports sectors and has been the CEO of the Group since 2014. Brian has previously served on the boards of several subsidiaries of Ralph Lauren, as well as the board of Celtic PLC. Brian is an ICAS Chartered Accountant and holds an Honorary Doctorate from Glasgow Caledonian University. Brian is the Chair of The Watches of Switzerland Group Foundation and was recently the Chair of The King's Trust Retail, Leisure and Hospitality Fundraising Leadership Group, stepping down in December 2024.

Anders was reappointed to the Board in 2023 as Chief Financial Officer. Anders was previously the CFO at the Watches of Switzerland Group from 2014 to 2022, transforming the business globally and taking the Company from private to public. Before this, Anders was with Ralph Lauren serving as Chief Financial Officer and Chief Operating Officer for Europe, Middle East and Africa, and Chief Operating Officer for Asia Pacific. Anders has previously held senior finance roles at Gillette and Duracell.

INDEPENDENT

Yes

No

No

PRINCIPAL EXTERNAL APPOINTMENTS

Servpro Industries, LLC
Eataly USA LLC

The Watches of Switzerland Group Foundation

None

RELEVANT SKILLS AND EXPERIENCE

Ian brings to the Board a wealth of international and retail experience and a deep understanding of the global luxury industry. Ian has considerable experience in the understanding of matters of a strategic nature. Ian also has significant experience as a non-executive director.

Brian brings to the Board significant retail and international experience, financial acumen and in-depth understanding of the global luxury watch and jewellery sector. Brian's corporate experience is relevant to the governance of a listed company and includes culture and stakeholder considerations.

Anders brings to the Board extensive experience at Senior Management level of accounting and operational matters, including IT and cyber, and has extensive experience in the international luxury retail sector.

COMMITTEE MEMBERSHIP

- Nomination (Chair)
- Remuneration
- ESG

- ESG



TEA COLAIANNI
Senior Independent Director
Non-Executive Director

7 May 2019

Tea was appointed as a Non-Executive Director and Chair of the Remuneration Committee in December 2018 and Senior Independent Director of the Company in May 2019. Tea has more than 30 years' experience in international human resource positions, within consumer facing industries, and has served as a non-executive director on multiple boards including DWF Group Plc, Bounty Brands and Mothercare Plc, and also as the Chair of the Remuneration Committees. Tea is currently serving on the board of SD Worx NV as an Executive, and has held senior roles at Merlin Entertainments and Hilton Hotels Corporation.

Tea is the Founder and Chair of WiHTL – Diversity in Hospitality, Travel and Leisure and Diversity in Retail (DIR).

Tea is a qualified lawyer.

Yes

SD Worx NV

Tea brings to the Board a wealth of experience in HR strategy governance and consumer facing industries as well as extensive DEI expertise. Tea's significant experience as a non-executive director, including extensive and current experience of all remuneration matters, enables her to carry out her role as Chair of the Remuneration Committee.

- Audit & Risk
- ESG
- Nomination
- Remuneration (Chair)



BARONESS (ROSA) MONCKTON MBE
Independent Designated
Non-Executive Director for
Workforce Engagement

7 May 2019

Rosa has over 20 years' experience in the luxury jewellery and watch sectors, and was appointed as a Non-Executive Director in 2014. Her experience includes setting up Tiffany & Co in the UK, and serving as Chief Executive Officer and then Chair of Asprey & Garrard. Rosa also has experience in the charity sector, and campaigns on behalf of disabled children and adults, through her role as Chair of Team Domenica.

Rosa is a member of the House of Lords having been granted peerage in January 2024 for her work as a charity founder and advocate for inclusion and equal opportunity for people with special educational needs.

Yes

Team Domenica

Rosa brings to the Board significant experience of the luxury jewellery and watch industry. Rosa's environmental, social and governance (ESG) experience includes diversity and inclusion initiatives and a deep understanding of the charity sector, which enables her to carry out her role as Chair of the ESG Committee.

- Audit & Risk
- ESG (Chair)
- Nomination
- Remuneration



ROBERT MOORHEAD
Independent Non-Executive
Director

7 May 2019

Robert has significant experience in the retail sector and was appointed as a Non-Executive Director in 2018. Robert previously served as Chief Financial Officer and Chief Operating Officer of WH Smith PLC, and was Finance Director at Specsavers Optical Group and Finance and IT Director at World Duty Free Europe Limited.

Robert is an ICAEW Chartered Accountant.

Yes

None

Robert brings to the Board extensive experience in the retail sector as well as recent relevant and up to date financial and information technology and cyber experience, which enables him to carry out his role as Chair of the Audit & Risk Committee.

- Audit & Risk (Chair)
- ESG
- Nomination
- Remuneration



CHABI NOURI
Independent Non-Executive
Director

1 May 2022

Chabi has over 20 years' experience in the luxury jewellery and watch sectors and was appointed as a Non-Executive Director in 2022. Chabi has particular experience in the jewellery sector for marketing and merchandising, being responsible for Cartier's creative and fine jewellery collections and in watches serving as the Chief Marketing Officer of Piaget, before being appointed as Chief Executive Officer of the company in 2017. Chabi is currently, since August 2024, the Global CEO of Bonhams, a non-executive director of Lucid Group, Inc., an automotive and luxury consumer goods business listed on the US Stock Exchange. Prior to her current role Chabi was a Private Equity Partner with Mirabaud Asset Management.

Yes

Bonhams
Lucid Group, Inc.
EveryWatch DMCC

Chabi brings to the Board significant international experience of the luxury watches and jewellery retail industry. Chabi has relevant experience and acumen in strategic matters.

- Audit & Risk
- ESG

CORPORATE GOVERNANCE STATEMENT

CORPORATE GOVERNANCE STATEMENT 2025

This Corporate Governance Statement explains key features of the Group's governance structure and how the Group measures itself against the standards set out in the UK Corporate Governance Code 2018 (the 'Code'), as required by the Listing Rules of the Financial Conduct Authority, the accepted standard of good governance practice in the UK. A copy of the Code can be found on the Financial Reporting Council's website at frc.org.uk.

We believe that good governance provides the framework for stronger value creation and lower risk for shareholders. It is the Board's responsibility to instil and maintain a culture of openness, integrity and transparency throughout the business, through our actions and conduct, policies and communications.

We apply corporate governance guidelines in a way that is relevant and meaningful to our business and consistent with our culture and values. If we decide that the interests of the Company and its shareholders can be better served by doing things in a different way, we will explain the reasons why.

STATUTORY INFORMATION

Disclosures required by the Disclosure Guidance and Transparency Rules DTR 7.2.6 with regard to share capital are presented in the Directors' Report on page 212. Disclosures required by DTR 7.2.8 relating to Diversity & Inclusion Policy are presented in the Nomination Committee Report on page 177. Information concerning diversity, including gender and ethnicity, as required under Listing Rule UKLR 6.6.6R(10) can be found on page 173 and in the Nomination Committee Report on page 177.

Statutory information	Section of report	Page
Internal control and risk management	Risk Management	174
Securities carrying special rights with regard to the control of the Company	Directors' Report	212
Restrictions on voting rights	Directors' Report	212
Appointment and replacement of Directors and amendments to the Company's Articles	Directors' Report	211
Powers of the Company's Directors relating to transactions in own shares	Directors' Report	212
Purpose, values and culture	Environmental, Social and Governance	74

UK CORPORATE GOVERNANCE CODE 2018 COMPLIANCE

The Company's obligation is to state whether it has complied with the relevant provisions of the Code, or to explain why it has not done so (up to the date of this Annual Report and Accounts).

The Board confirms that, throughout the year, the Company has applied the principles, both in spirit and in form, and complied with the provisions set out in the issued by the Financial Reporting Council (FRC) in July 2018. The Company's governance arrangements have been considered alongside the Code. The information set out in the Corporate Governance Statement and the Directors' Report on pages 164 to 213, including the various Board Committee Reports (on pages 176 to 189), is intended to provide an explanation of how the Code's principles were applied practically throughout the year.

BOARD APPROVAL FOR THE CORPORATE GOVERNANCE STATEMENT 2025

This Corporate Governance Statement is approved by the Board and signed on behalf of the Board by the Chair and by the Company Secretary.

IAN CARTER
CHAIR
2 July 2025

LAURA BATTLETT
COMPANY SECRETARY
2 July 2025

UK CORPORATE GOVERNANCE CODE 2018



DIVISION OF RESPONSIBILITIES

READ MORE:
Page 166



BOARD LEADERSHIP & COMPANY PURPOSE

READ MORE:
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COMPOSITION, SUCCESSION & EVALUATION

READ MORE:
Page 172



AUDIT, RISK MANAGEMENT & INTERNAL CONTROL

READ MORE:
Page 174

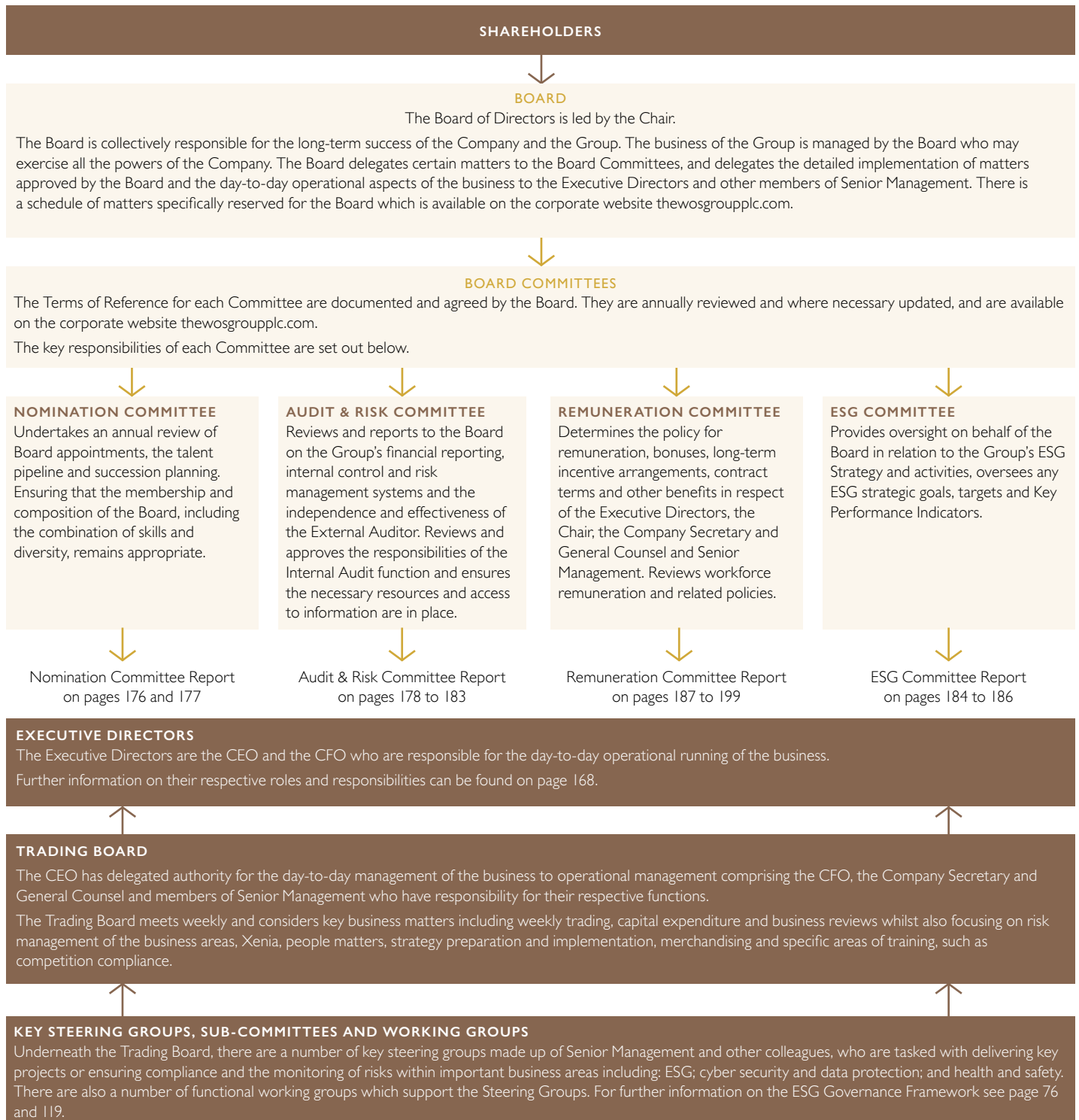


REMUNERATION

READ MORE:
Page 174

GOVERNANCE FRAMEWORK

The Board facilitates the operation of an open and straight-forward culture without complex hierarchy and over-delegation of responsibilities. The structure of the Board and its governance framework is set out below.





DIVISION OF RESPONSIBILITIES

KEY ROLES AND RESPONSIBILITIES

There is a clear division of responsibilities between the Chair and the CEO, which is set out in writing and has been agreed by the Board. This can be found on our corporate website at thewogroupplc.com.

The Board biographies are included on pages 162 and 163.

Chair	<ul style="list-style-type: none"> – Responsible for the operation, leadership and governance of the Board – Sets the Board agenda and ensures sufficient time is allocated to ensure effective debate to support sound decision-making – Ensures the Board is fully informed of all matters and receives precise, timely and clear information sufficient to make informed judgements – Ensures each Non-Executive Director makes an effective contribution to the Board – Meets with the Non-Executive Directors independently of the Executive Directors
Chief Executive Officer	<ul style="list-style-type: none"> – Management of the day-to-day operations of the Group – Develops the Group's strategic objectives for consideration and approval by the Board – Implements the strategy approved by the Board – Leads the Trading Board and Senior Management – Manages the Company and the Group – Ensures effective and ongoing communication with investors
Chief Financial Officer	<ul style="list-style-type: none"> – Manages all aspects of the Group's financial affairs – Works with the CEO to develop and implement the Group's strategic objectives – Delivers the financial performance of the Group – Ensures the Group remains appropriately funded to pursue its strategic objectives – Ensures proper financial controls and risk management of the Group and compliance with associated regulation – Ensures effective and ongoing communication with investors
Senior Independent Director	<ul style="list-style-type: none"> – Acts as a 'sounding board' for the Chair and serves as an intermediary for the other Directors where necessary – Leads the Non-Executive Directors in their annual assessment of the Chair's performance – Available to investors if they have concerns which the normal channels through the Chair, CEO or other Directors have failed to resolve
Non-Executive Directors	<ul style="list-style-type: none"> – Are all independent, experienced and influential individuals from a diverse range of industries, backgrounds and countries – Provide constructive contribution and challenge to the Executive Directors regarding the development of the strategy – Scrutinise the operational and financial performance of Senior Management – Monitor the integrity of financial information, financial controls and systems of risk management – Devote such time as is necessary to the proper performance of their duties
Designated Non-Executive Director for Workforce Engagement	<ul style="list-style-type: none"> – Gauges the views of colleagues and identifies any areas of concern – Ensures the views and concerns of the workforce are taken into account by the Board, particularly when they are making decisions that could affect colleagues – Ensures the Board takes appropriate steps to evaluate the impact of proposals and developments on colleagues and considers what steps should be taken to mitigate any adverse impact
Company Secretary and General Counsel	<ul style="list-style-type: none"> – Supports the Board and its Committees with their responsibilities and ensures information is made available to Board members in a timely fashion – Supports the Chair in setting Board agendas, designing and delivering Board inductions and Board evaluations, and co-ordinates post-evaluation action plans – Advises on regulatory compliance and corporate governance matters – Ensures compliance with the Board's procedures and with applicable rules and regulations – Communicates with investors and organises the AGM



BOARD LEADERSHIP AND COMPANY PURPOSE

THE ROLE OF THE BOARD

The Board provides leadership to the Group and is collectively responsible for promoting its long-term success and for delivering sustainable value to all stakeholders.

The Board ensures there is a sound system of internal control and risk management in place (including financial, operational and compliance controls) and ensures the overall effectiveness and maintenance of those systems.

The Board is supported by a number of Committees, to which it has delegated certain powers. The role of these Committees, their respective memberships, responsibilities and activities, during the year, are detailed on pages 176 to 199.

Some decisions are sufficiently material or important to the Group's business that they can only be made by the Board as a whole. There is a Schedule of Matters Reserved for the Board ('Reserved Matters'), which contains items reserved for the Board to consider and approve, relating to strategy and management, material contracts, financial reporting and controls, internal controls and risk management, Board membership and succession planning, corporate governance, structure and capital, and delegation of authority. In addition to the Reserved Matters, each Board Committee has written Terms of Reference defining its role and responsibilities. The Reserved Matters and the Terms of Reference of the Board Committees can be found on our corporate website, thewogroupplc.com. Further details regarding the role and activities of the Board can be found on pages 165 and 168 to 169. The Reserved Matters and the various Committees' Terms of Reference are reviewed annually, updated as appropriate and approved by the Board.

To support with stakeholder considerations and engagement, the Board has received updates on its roles and responsibilities, including its duties under the Companies Act 2006 and, in particular, is equipped to consider S172(1) of the Companies Act 2006 when decision-making for the Group.

Group policies and processes have been drafted with these duties in mind and to ensure that there is a culture of stakeholder engagement within the Group. The Company's purpose and values can be found on page 1.

The Company Secretary and General Counsel ensures that as the Board makes decisions, the impact on any of the stakeholder groups is considered.

BOARD AND COMMITTEE MEETING ATTENDANCE

In addition to the six scheduled Board meetings, the Board held two additional meetings to review the Trading Updates released to the market during the financial year and delegate to the Disclosure Committee for the final approval. A number of ad hoc meetings were also held to cover approvals which arose outside of the scheduled meetings. Additionally, a full day Board strategy session was held, where the Board received a number of presentations from Senior Management representing various functions, within the Group, and outlining matters which are considered to be strategically important to the Group going forward.

Recognising the importance of its stakeholders, and as a mechanism to improve their understanding, the Board held one of its meetings in Geneva, the home of a number of the Company's key brand partners. Scheduled meetings were also held at the corporate Support Centre in Leicester and in a London showroom.

The table on page 159 indicates the number of scheduled Board and Committee meetings, and attendance, during the financial year.

During the year, the Non-Executive Directors held three meetings without the Executive Directors present. The Chair also regularly maintains dialogue with each of the Non-Executive Directors outside of formal meetings.

BOARD SKILLS AND EXPERIENCE

It is essential to have an appropriate mix of skills, experience, diversity and independence on the Board. Such diverse attributes enable the Board, as a whole, to provide informed opinions and advice on strategy and relevant topics, thereby discharging its duty of oversight. Appointments to the Board are made following consideration of the experience and expertise of existing Directors, any required skill sets or competencies, and the strategic requirements of the Company.

The principles of the UK Corporate Governance Code 2018 (the 'Code') are embodied in both the Board and the Nomination Committee's approach to Board performance and succession planning. During the year, the Board refreshed its skills survey, the results of which were considered by the Nomination Committee during its continuous process of evaluating the skills and experience it believes are required on the Board. The results of the survey will be continually assessed and taken into consideration by the Chair, during discussions on succession planning.

INFORMATION AND SUPPORT

The Board discharges its responsibilities through an annual programme of Board meetings. Papers and presentations are given to the Board (and its Committees) to focus its oversight on key areas of the business, including trading, cash flows, financial and non financial key performance indicators and financing.

This information helps to facilitate effective decision-making and input, and aids the Board's oversight and awareness of business performance or routine good governance practices operated by the Company. A selection of principal decisions taken by the Board can be found on pages 171 and 172. The Board considers how the interests of relevant stakeholders are set out in summary on pages 66 to 69.

Alongside this reporting, there is regular daily market updates containing summary of the share price performance.

Full and timely access to all relevant information is given to the Board in advance of meetings. For Board meetings, this consists of a formal agenda, minutes of previous meetings, a matters arising schedule with details of progress made and a comprehensive set of papers including regular operational and financial reports. Where ad hoc meetings are required, outside of the scheduled meetings, the Board is sent documents in advance, for consideration and approval.

All Directors have the right to have their opposition to, or concerns over, any Board decision noted in the minutes. Directors are entitled to take independent professional advice at the Company's expense in the furtherance of their duties, where considered necessary.

All Directors have access to the advice and services of the Company Secretary and General Counsel.

PURPOSE, VALUES AND CULTURE

As set out in the Reserved Matters, the Board is responsible for establishing the Company's purpose and values and ensuring these and the Company's culture are aligned. The Board monitors culture and seeks to ensure that business practices, policies and behaviours are aligned and embedded within the Company's purpose, values and culture. During the year, the Executive Director HR updated the Board on the People Strategy, and how it was being embedded into the organisation. As part of the update, the Board considered culture, and the aim to further develop a high performing culture environment which would support the long-term success of the Company.

Following changes to the 2018 Code, in addition to setting the culture from top-down, boards are now also required to focus on the manifestation of culture within the organisation. Management have started to consider what processes (and metrics) are in place to provide the Board with assurance that the desired culture is effectively embedded.

PRINCIPAL AREAS OF BOARD FOCUS IN 2025

BOARD MEETINGS THROUGHOUT THE YEAR



AREAS OF BOARD FOCUS

- Reviewed FY25 budget assumptions
- Visited two key brands, toured both manufacturing facilities and discussed brand relationships
- ESG Materiality Assessment
- Colleague engagement – pulse surveys and insights
- UK organisation and key people structure

KEY APPROVALS

- FY25 Budget
- Acquisition of Roberto Coin Inc.
- Trading Update Q4 FY24
- Key governance matters 1
- Committee Terms of Reference
- Key corporate policies 2

AREAS OF BOARD FOCUS

- Investor relations deep dive by corporate brokers including market trends
- Group Technology Director on IT strategy and cyber security
- Talent and development update from key colleagues, including diversity and inclusion initiatives
- Designated Non-Executive Director for Workforce Engagement feedback

KEY APPROVALS

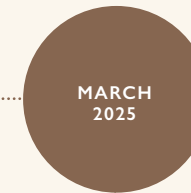
- Preliminary announcement FY24
- Annual Report and Accounts 2024
- AGM Notice of Meeting 2024
- Annual assessment of internal controls

AREAS OF BOARD FOCUS

- Annual General Meeting
- Company Foundation update and long-term plans
- Feedback from CEO on a recent US Management Team trip
- Group's Insurance programme renewal
- UK Retail Transformation Project structure
- Acquisition integration

KEY APPROVALS

- Renewal of Group Directors and Officers Liability Insurance
- Trading Update Q1 FY25
- Key corporate policies 3



AREAS OF BOARD FOCUS

- Ad hoc meeting to discuss Holiday Season trading
- Refinancing update

AREAS OF BOARD FOCUS

- One-day separate strategy session
- Suitability of non-financial KPIs, including ESG
- Corporate training including effective governance and directors' duties by external law firm
- Review of UK Retail Transformation project
- Post-investment review of acquisition of 15 Ernest Jones showrooms
- Board composition and Non-Executive Director tenure

KEY APPROVALS

- Capital expenditure on a number of projects within the US
- Trading Update Q3 FY25
- Key governance matters 6
- Key corporate policies 6

KEY APPROVALS

- Share buyback programme approval



AREAS OF BOARD FOCUS

- Progress on key acquisitions
- Feedback on a trip to Switzerland by the CEO on meeting with key brand partners

KEY APPROVALS

- Acquisition of the Hodinkee business
- Modern Slavery Statement 2024
- Key corporate policies **4**

AREAS OF BOARD FOCUS

- Proposed changes to the Workforce Board Engagement Programme
- Brand engagement presentation
- People Strategy and certification of Right Place to Work
- New insurance product introduction in US retail showrooms and roll-out plans
- Investor Relations deep dive by corporate brokers, including a focus on capital allocation
- Impact of UK Government budget on UK operations
- Board composition and Board Performance Review

KEY APPROVALS

- FY25 Half Year Results
- Refinanced the £150.0 million term loan facility
- Foundation Memorandum of Understanding with Company
- Non-Executive Director fees
- Key corporate policies **5**

REGULAR REPORTS

CEO Review which includes:

- Update on trading
- Update on key brand partnerships, relationships and priorities
- UK and US Operations update
- Progress on strategy
- Consideration and progress of proposed acquisitions
- Organisation and People update
- Communities, including The Watches of Switzerland Group Foundation

Reports by the CFO Review which includes:

- Financial review
- Investor Relations updates including share price and market feedback
- Annual acquisition and major project reviews

Updates from Board Committees

Key Corporate Policies:

- Board Diversity & Inclusion **2**
- Whistleblowing **3**
- Human Rights **4**
- Anti-Money Laundering **5**
- Anti-Bribery, Corruption and Fraud **6**
- Code of Ethics **6**
- Environmental **6**
- Anti-Trust; and Competition **6**
- Data Protection and Information Security **6**

Key Governance Matters:

- Delegated Levels of Authority **1 6**
- Matters Reserved for the Board **1**
- Updates on key legal and regulatory developments

Director Conflicts of Interest Schedule

PURPOSE, VALUES AND CULTURE (CONTINUED)

The Board recognises the importance of ensuring a positive and supportive culture throughout the Group which it believes can lead to organisational resilience and superior performance. Culture is monitored through direct and indirect colleague engagement activities and discussions with the Executive Directors, the Executive Director HR, the Designated Non-Executive Director for Workforce Engagement and other members of Senior Management. For further information see People Strategy on pages 78 to 99.

Through the following activities we ensure the Company's culture aligns with its purpose and values:

- Dedicated time at Board meetings for culture, people and workforce matters
- Reviewing the results of the annual Colleague Engagement Survey and one pulse survey which took place during the year, including diversity and inclusion
- Monitoring the levels and nature of whistleblowing reports through the Audit & Risk Committee
- Updates on legal and regulatory matters
- Monitoring colleague turnover and retention and other key performance indicators
- Reporting by Internal Audit on fraud and compliance breaches to the Audit & Risk Committee
- Engaging with colleagues directly during showroom and Support Centre visits, including a Board meeting held at the UK Support Centre
- Reviewing the Group's key policies and HR initiatives
- Being updated on the activities of the Diversity Council and the Employee Resource Group meetings and actions

Up until now, we engaged with colleagues through our regional Listening Forums chaired by Senior Management and co-chaired by Baroness (Rosa) Monckton MBE, Designated Non-Executive Director for Workforce Engagement.

During FY25, Baroness (Rosa) Monckton MBE joined colleagues for a meet and greet Q&A session in the Summer, along with a Climate Fresk workshop. In addition, the Board met with graduates from our internal management and leadership development programme in the Summer and in February 2025, and were joined by Heads of Department.

In conjunction with our new Communication Strategy, Rosa will hold skip-level meetings, starting in FY26 in which she will meet colleagues to discuss their work experience, without Senior Management being present. Topics will include culture, leadership, onboarding and safety. Equally colleagues will get the opportunity to ask questions to Rosa from an outside-in perspective and there will be no predetermined questions.

The Board takes responsibility for all the Group policies which are applicable to our colleagues, and further information can be found on pages 144 to 145.

STAKEHOLDER ENGAGEMENT

Our S172(I) Companies Act 2006 Statement includes details on how the Board has had regard to the need to foster the Company's business relationships and includes a Statement of Engagement with Colleagues. More information about the Board's engagement with its colleagues, clients, brand partners and other suppliers, communities and investors can be found on pages 66 to 69.

Understanding the views of the Company's stakeholders is a key priority for the Board and the business as a whole. As part of the Board Strategy Day in February 2025, the Board reviewed its key stakeholders, an update was included to ensure each stakeholder was considered as part of the strategy discussions.

This review helped to focus the Company's resources, engagement and reporting activities by addressing issues that matter most to the Group's businesses and to the Company's wider stakeholders. Fostering strong business relationships is an intrinsic part of the Company's long established and successful compounding strategy and a key consideration in all decision-making.

We understand that our business can only grow and prosper responsibly over the long-term if we understand and respect the views and needs of our stakeholders including colleagues, clients and the communities in which we operate, as well as our brand partners and other suppliers and investors, all of whom we are accountable to. Knowing who our stakeholders are and what interests them enables us to manage their expectations and deliver upon their requirements. We ensure effective communication with all stakeholder groups by identifying key personnel who manage the relationships with them.

Further details on the key stakeholders identified can be found on page 66.

ENGAGING WITH INVESTORS

We welcome the opportunity to engage with our investors. The Chair has overall responsibility for ensuring the Company has appropriate channels of communication with all of its investors and is supported in this by the Executive Directors, the Group Finance and Investor Relations Director, the Company Secretary and General Counsel and members of Senior Management.

We are in frequent contact with investors through a scheduled programme of communications and engagements.

The Board organises and directs the Group's affairs in a way that it believes will help the Group succeed for the benefit of its members as a whole, whilst having regard to each of its stakeholders. The Board seeks to ensure that it acts fairly between all members and considers both institutional investors and private shareholders when making decisions that impact them.

The Group ensures that it communicates the information that investors require, using traditional methods such as the Annual Report and Accounts, Trading Updates, RNS newswires, corporate press releases and in-person meetings. Engagements include various investor meetings attended, as appropriate, by the Chair, CEO, CFO, and the Group Finance and Investor Relations Director. A summary of meetings and communications with investors is provided at each Board meeting.

During the year, the Company's corporate brokers provided regular feedback to the Board and attended two meetings. The CEO, CFO and the Group Finance and Investor Relations Director provide information to the Board, at each meeting, on topics such as share price performance and macroeconomic conditions.

Feedback is also provided to the Board on the views of investors following individual meetings, relating to the following:

- Particular elements of the Company's strategy and operations; progress on specific projects, financial performance, product development and risks
- ESG issues that affect our stakeholders, such as the environment, climate change, working conditions and relationships with brand partners and other suppliers
- Governance issues, particularly on remuneration, but also succession planning, board diversity and expertise and independence
- Capital allocation plans, including share buyback
- Progress with long-term strategy
- Acquisitions and integration updates of acquired businesses

GOVERNANCE IN ACTION

STAKEHOLDER ENGAGEMENT – BRAND PARTNERS

Board trip to Geneva May 2024

The Watches of Switzerland Group has established strong and long-standing relationships with our brand partners. We retail the most prestigious and recognised luxury watch and jewellery brands.

Our brand partners are one of our key stakeholders and maintaining relationships is critical to the success of our Group. At each Board meeting, the Board receives updates on performance by brand, supply and allocation of product as well as brand partner relationships, any meetings that have taken place with the CEO or Senior Management, events held and exclusive partnerships on future product.

Board Performance Reviews have reinforced the need for Non-Executive Directors to continue enhancing and expanding their knowledge of these relationships. Subsequently, given the importance of the brand relationships, the Board took the opportunity to hold one of its meetings in Geneva – where there is a tradition of Genevan watchmaking – and meet two of its key brand partners.

During this visit, the Board met the respective CEOs, senior representatives and employees from different functions within the businesses and was able to discuss first-hand, the existing relationships, brand strategy, future opportunities and product allocation. The Board toured both of the brand's watchmaker manufacturers, where it learnt about the history of the respective brands and gained insight about the product and the manufacturing process.

At a museum visit with one of the brands, the Board viewed the evolution of pieces across the years, from pocket watches to modern day complications.

The visit has extended the Board's knowledge of the product offering of key brand partners and ensured the Non-Executive Directors are better equipped in subsequent meetings to make key decisions on brand partner long-term strategy.

STAKEHOLDER ENGAGEMENT – BOARD DECISION-MAKING

Acquisition of the Hodinkee business

One of the Watches of Switzerland's Group's strategic priorities is to grow revenue, profit and return on capital employed. We achieve this through disciplined investment in growth opportunities and achieving: improved operating margins; increased shareholder returns; and delivering profitable sales growth.

During FY25, the Board considered and approved the acquisition of the business of Hodinkee, which included editorial, limited edition product and insurance. The business attracts more than four million people each month across its platforms, making it the go-to digital hub for watch culture with the unique ability to drive demand and engagement across a range of watch brands.

The Board received regular updates on the acquisition, from initial discussions through to signing and completion. The Board considered the new areas of business that the Group would enter into and how the Group would benefit from potential growth opportunities, as well as discussing the benefits, challenges and integration. The acquisition significantly enhanced the Group's leadership position within the watch community, particularly driving the online leadership through the use of the Hodinkee platform.

The Board considered the impact on each of the Group's key stakeholders. Following the acquisition, the Board continues to receive updates, from management, on the integration of the business and colleagues into the Group. In FY26, the Board will also receive a full financial review, integration and 'lessons learnt' update from Senior Management as part of the annual review of the acquisition.

In considering the transaction, the Board identified and assessed the impact on all of its key stakeholders as part of its decision-making process. These considerations included:

- Investors: business growth, increased revenue and profits in the US luxury watch market. Rigorous commercial and financial evaluation to analyse return on investment
- Colleagues: experience and new skills being brought in-house diversifying our talent pool further; as a result of colleague transfers and integration
- Brand partners and other suppliers: further extending brand partner exposure, including specific editorial linkage to a number of key partner brands. New and exclusive in-store and third-party events for targeted audiences
- Clients: expanding knowledge and choice, driving online traffic and advertising to build the Group's credibility and increase transaction flow. Increased product offering to clients via specialist insurance and new limited edition product
- Communities: extending our community reach and enhancing dialogue concerning sustainability

Further information of the acquisition of the Hodinkee business can be found on pages 43 to 45.

STAKEHOLDER ENGAGEMENT – SHAREHOLDERS

The Company is owned by its shareholders, ranging from large institutions to private individuals (including colleagues). In order to maximise value and deliver long-term success, it is critical that we understand who our investors are and, by being open and transparent about our business and strategy, enable them to make informed decisions.

All shareholders are treated fairly and have equal access to both company information and our Board of Directors. In order to maximise value and deliver long-term success, it is critical that we understand who our investors are and their preferences.

In addition, we continually engage with potential investors to broaden the investor base.

At each Board meeting, the Board receives feedback on specific investor interactions including acquisitions and capital expenditure projects. Additionally, the CFO provides details on investor relations highlighting key shareholder movements.

During FY25, the Board received two separate presentations from our brokers which, following discussions with key investors, focused on their current needs and concerns. One was specially dedicated to capital allocation.

These presentations provide Directors with detailed knowledge of the current shareholder base and how supportive they are of the Company's management and strategic direction of the business. It equips the Directors with views of the investors and supports the decision-making when considering long-term sustainable business decisions.

Further information on the share buyback program can be found on page 63.

Further information on board engagement with investors can be found on page 69.



COMPOSITION, SUCCESSION AND EVALUATION

COMPOSITION AND INDEPENDENCE

The Code recommends that at least half of the Board, excluding the Chair, should comprise Non-Executive Directors determined by the Board to be independent. At the end of the year, excluding the Chair, the Board consists of six members, of which four members are determined by the Board to be independent Non-Executive Directors and is supported by the Company Secretary and General Counsel.

The composition of the Audit & Risk Committee, Nomination Committee and Remuneration Committee comply in all respects with the independence provisions of the Code.

Biographical details of the Directors of the Company are set out on pages 162 and 163.

DIVERSITY, EQUITY AND INCLUSION

The Company is committed to having a Board comprising Directors from different backgrounds, with diverse and relevant experience, perspectives, skills and knowledge. We believe that the Board can only adequately represent all of its stakeholder groups if collectively, it has the skills, experience and background to reflect them. We believe diversity contributes towards a high performing and effective Board, and this is considered in all recruitment and succession planning discussions. We fully support the aims, objectives and recommendations outlined by the FTSE Women Leaders Review (WLR) and the Parker Review.

The Company is pleased to report that as at 27 April 2025, the Board met the targets set out in the FTSE WLR and the Parker Review, and has also met the targets set out in the UK Listing Rules 9.8.6.

We are fully committed to providing opportunities for all to promoting an inclusive culture and diverse workforce.

Further information on the Company's targets can be found in the Nomination Committee Report on page 177.

All Board appointments are based on merit, and candidates are considered against objective criteria and with due regard for the benefits of diversity on the Board. As well as experience and track record, appointments will be made taking due account of other criteria, such as curiosity, insights, engagement, cultural contribution, personal identity and the differentiation that they could bring to the collective make-up of the Board.

In May 2025, the Nomination Committee reviewed the Board Diversity & Inclusion Policy which was updated, to include further recommendations of the Parker Review. The amended Policy was approved by the Board in May 2025 and can be found on our corporate website, thewosgroupplc.com.

We are fully committed to building an inclusive culture and workforce, and our Diversity and Inclusion Strategy continues to support this aim. We believe that by treating our colleagues with respect and trust, supported by our Company purpose and values, we will build a more diverse, fair, inclusive Group, which will underpin our strategy and management decisions, actions and behaviours. It is essential that the Company continues to hold itself accountable and that we have set ourselves clear goals to help us realise our ambitions.

The Company collects both gender and ethnicity data direct from the Board members and executive management annually on a self-identifying basis in a questionnaire. The data is used for statistical reporting purposes and is provided with consent. Board members and executive management are asked to identify their gender and ethnicity as set out in the table opposite.

GOVERNANCE IN ACTION

STAKEHOLDER ENGAGEMENT – COMMUNITIES

Communities have been identified as being one of the key stakeholders of the Company. Their interests are considered by the Board as part of the principal decision making process.

In 2021, we established The Watches of Switzerland Group Foundation as a means of establishing strategic long-term partners with a number of charities, within a number of our communities, that support our values.

The Foundation has introduced avenues for our colleagues to engage with these charity partners and to volunteer within the organisations and we have seen an increased interest in this over the past few years.

Additionally, the Group continues to sponsor and build a relationship with The King's Trust on major events.

The Board receives regular updates on the Foundation and its sponsorship arrangements, which includes impact assessments and details of events held which are often attended by both Trustees of the Foundation and members of Senior Management.

The Board also receives regular updates on the success of our colleague volunteering programme through People Strategy presentations.

This ensures the Non-Executive Directors have detailed knowledge and understanding of our community activities when making key decisions on supporting our community stakeholders.

Further information on our community activities can be found on pages 92 to 99.

STAKEHOLDER ENGAGEMENT – COLLEAGUES

We are committed to giving our colleagues every reason to join, grow and stay with our Group. To fulfil this we work within our purpose and values. Engaging with our colleagues and understanding their views is therefore of paramount importance to the Board.

We achieved Great Place to Work-Certified™ status for the first time this year. This accolade demonstrates our commitment to create a positive colleague experience and an enjoyable working environment.

Given the importance of our colleagues, the key themes from the colleague engagement survey, as well as Great Place To Work® were presented to the Board and areas that require focus are discussed within presentations of the People Strategy.

Additionally, feedback is received from the Designated Non-Executive Director for Workforce Engagement (DNED) and from Senior Management after each colleague engagement forum. A number of initiatives have been put in place following feedback and further discussions. As evidence of the importance of continually ensuring colleague engagement remains 'fit for purpose' and relevant, a number of proposed changes to the programme were discussed with the DNED and communicated during FY25, these are to be put in place shortly after the end of the financial year.

We believe we have created an inclusive culture which gives our colleagues every reason to join and develop long-term careers within our Group.

Further information on our People Strategy can be found on pages 78 to 99.

Further information on our purpose and values can be found on page 1.

SUCCESSION PLANNING

The Nomination Committee continues to review succession plans for both Board and Senior Management each year. During the year, the Nomination Committee focused specifically on the succession planning for Executive Directors, Non-Executive Directors and Senior Management. Further information on our approach to succession planning and Board appointments can be found in the Nomination Committee Report on pages 176 to 177.

The Board annually reviews the bench strength and skill set of Senior Management, taking into consideration the growth strategy of the business and the need to ensure we maintain the right levels of talent to support the future growth of the business. Succession planning for Executive Directors and Non-Executive Directors is considered on an ongoing basis throughout the year.

BOARD PERFORMANCE REVIEW

It is the Board's policy to conduct a Board Performance Review exercise on an annual basis. In line with the Code, the Board's policy is to conduct an externally facilitated review, at least, once every three years. During FY25, an externally facilitated board performance review was conducted by Independent Audit Limited.

The purpose of the Board Performance Review is to conduct a comprehensive review of how the Board operates, as measured against current best practice and in accordance with the UK Corporate Governance Code and associated guidance.

Further information on the Board effectiveness and Performance Review can be found on page 175.

RE-ELECTION OF DIRECTORS

In accordance with the Code, the Board has determined all Directors will stand for election or re-election at each AGM. The Chair of the Board has confirmed the Directors standing for re-election at this year's AGM continue to perform effectively and they demonstrate commitment to their roles. This can be seen by the attendance record set out on page 159. The reasons why the Board considers each Director's contribution is, and continues to be, important to the Company's long-term sustainable success are set out in the Directors' biographies on pages 162 and 163.

During the year, Chabi Nouri completed her first three-year term with the Company, while Tea Colaianni, Robert Moorhead and Rosa Monckton completed their second three-year terms. All of the Non-Executive Directors expressed a willingness to remain in office and the Board approved that terms be extended for a period of up to three years.

PREPARATION OF THE ANNUAL REPORT AND ACCOUNTS

Assisted by the Audit & Risk Committee, the Board has carried out a review of the Annual Report and Accounts and considers that, in its opinion, the report is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group and Company's position and performance, business model and strategy. Further information on this process can be found in the Audit & Risk Committee Report on page 179.

See pages 26 and 27 in the Strategic Report for the description of our Business Model and page 154 and 155 for the Going Concern and Viability Statement.

CONFLICTS OF INTEREST

Each of the Directors has a statutory duty under the Companies Act 2006 to avoid conflicts of interest with the Company and to disclose the nature and extent of any such interest to the Board. Under the Articles, the Board may authorise any matter which would otherwise involve a Director breaching this duty to avoid conflicts of interest and may attach to any such authorisation such conditions and/or restrictions on participation at relevant Board meetings. The Chair, acting reasonably, has the power to determine whether a matter was a conflict matter.

Directors are required to give notice of any potential situational and/or transactional conflicts, which are then considered by the Board and, if deemed appropriate, authorised accordingly. A Director is not however, permitted to participate in such considerations or to vote in relation to their own conflicts.

Following the last review, the Board concluded that any potential conflicts have been appropriately authorised, that no circumstances existed which would necessitate that any prior authorisation be revoked or amended and that the authorisation process continued to operate effectively.

Board and Senior Management diversity

The following tables set out the information required under the UK Listing Rule 9.8.6R(10) as at 27 April 2025. The information included supports the statements made in the Nomination Committee Report which can be found on page 177.

For the purposes of the below table, Executive Management is defined in the UK Listing Rules. In the absence of an executive committee, the Watches of Switzerland Group has defined Executive Management as the CEO and his direct reports, as per the UK Listing Rules definition and guidance.

Gender on a self-identifying basis	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of members of Executive Management	Percentage of Executive Management
Men	4	57.1%	3	5	62.5%
Women	3	42.9%	1	3	37.5%
Not specified/prefer not to say	–	–	–	–	–

Ethnicity on a self-identifying basis	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of members of Executive Management	Percentage of Executive Management
White British or other White (including minority-white groups)	6	85.7%	4	7	87.5%
Mixed/Multiple Ethnic Groups	1	14.3%	–	1	12.5%
Asian/Asian British	–	–	–	–	–
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

EXTERNAL DIRECTORSHIPS

Any external appointments or other significant time commitments of the Directors require the prior approval of the Board.

The Board is comfortable that external appointments of the Chair and the Directors do not impact on the time that any Director devotes to the Company and there are no overboarding concerns for any of the Directors.

TRAINING AND INDUCTION

The Directors are provided with annual refresher training on their duties and responsibilities as directors of a publicly listed company and governance and regulatory trends or updates. Any new director receives a comprehensive induction which includes a separate session on governance and directors' duties.

During the year, the Board Performance Review questionnaire focused on the needs of the Directors with regard to training, no new training requirements were identified. The Company Secretary and General Counsel continue to monitor the training requirements of each Director, and technical briefings are provided in response to any training requirements.

Training topics for FY25 included: effective governance; key relevant recent legal rulings; shareholder activism – recent themes; directors' duties and inside information; AI (specifically on ESG matters); corporate governance; and changes to the fraud legislation.

Additionally, a Board trip to Geneva, enabled the Non-Executive Directors to extend their knowledge of two key brand partners. Further information can found on page 171.

The Board is committed to the training and development of Directors to improve their knowledge of the business and the regulatory environment in which it operates. The Company Secretary and General Counsel is responsible for helping the Chair identify and organise training for the Directors which is tailored to individual needs.

The Board acknowledges its responsibility for establishing and maintaining the Group's system of risk management and internal controls, and it receives regular reports from management identifying, evaluating and managing the risks within the business. The system of internal controls is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide only reasonable, and not absolute, assurance against material misstatement or loss.



AUDIT, RISK MANAGEMENT AND INTERNAL CONTROL

The Audit & Risk Committee is chaired by Robert Moorhead and is comprised entirely of Independent Non-Executive Directors. Robert was until recently the Chief Financial Officer of WH Smith PLC and continues to have recent, relevant and up to date financial experience. The Committee has defined Terms of Reference which include assisting the Board in discharging its responsibilities with respect to:

- Establishing formal and transparent policies and procedures to agree the independence and effectiveness of internal and external audit functions and satisfy itself on the integrity of financial and narrative statements
- Establishing and reviewing procedures to ensure the Annual Report and Accounts present a fair, balanced and understandable assessment of the Group's position and prospects

- Establishing procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks the Group is willing to take in pursuance of its long-term strategic objectives

Refer to page 179 for detail on the work of the Audit & Risk Committee.

The Board is collectively responsible for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. The processes in place for assessment, management and monitoring of risks are described in the Risk Management section on pages 144 to 147.

The Board acknowledges its responsibility for establishing and maintaining the Group's system of risk management and internal controls, and receives regular reports from management identifying, evaluating and managing the risks within the business. The system of internal controls is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Board, assisted by the Audit & Risk Committee, has carried out a review of the effectiveness of the system of risk management and internal controls during FY25 and for the period up to the date of approval of the Consolidated Financial Statements contained in the Annual Report and Accounts.

All relevant members of Senior Management completed an annual 'control certificate', to confirm the effectiveness of internal control within their respective area. The 'control certificate' asked for the disclosure of any known control failures, instances of non-compliance with legislation or regulatory requirements, instances of identified fraud or serious control breakdown, or any other relevant matters they are aware of, that may need to be considered by the Board.

To gain assurance over the design and operation effectiveness of controls, and to confirm that accurate statements had been provided, sample tests were conducted, by Internal Audit, to determine whether controls are effective in mitigating risks.

In conclusion, based on the work performed, the Board is satisfied with the adequacy of the Group control framework and the Board confirms that no significant weaknesses or failings were identified as a result of the review of effectiveness.



REMUNERATION

The Remuneration Committee is chaired by Tea Colaiani and is made up of Independent Non-Executive Directors and the Chair. Prior to her appointment as Chair of the Committee, Tea had served on a Remuneration Committee for a significant period of time, longer than the required 12 months.

The Committee has defined Terms of Reference which include assisting the Board in discharging its responsibilities with respect to:

- Determining the policy for Executive Director remuneration and setting remuneration for the Chair of the Board, Executive Directors and Senior Management
- Reviewing workforce remuneration and related policies

Refer to page 187 for further details on the work of the Remuneration Committee.

BOARD AND COMMITTEE PERFORMANCE REVIEW

FY24 INTERNAL BOARD EVALUATION PROGRESS

During FY24, the Board conducted an internal Board Evaluation. The Chair and the Company Secretary and General Counsel worked together on producing a questionnaire which reflected the workings of our Board. The purpose of the exercise was to conduct a comprehensive evaluation of how the Board and its Committees operate, as measured against current best practice corporate governance principles and in accordance with the provisions of the Code and associated guidance.

The review concluded that the Board operated effectively, and the Group's governance framework had continued to develop. The Board has a range of strengths, with relevant, complementary skills and experience that help to provide scrutiny, oversight, input and value. The Directors intend to build on these strengths and develop the Board further with some key areas of focus. These strengths form a solid foundation.

Whilst the evaluation concluded that the Board and its Committees were effective and operated efficiently, and with good engagement, some areas still required development. A number of recommendations were agreed and, under the supervision of the Nomination Committee, an action plan was put in place covering the following priorities:

Key priorities identified from FY24 evaluation	Progress made against the FY24 evaluation
Further work is required to ensure there is effective succession planning process for all Board members and also for Senior Management	<p>Additional sessions were held during the course of the year at the Nomination Committee</p> <p>Executive Director HR presented an updated plan and progress which focused on succession</p> <p>The Board met with the next level of 'top talent' Senior Management, informally</p> <p>A detailed review of Board composition, skills, diversity and tenure to aid succession planning of Non-Executive Directors</p>
Strategic initiatives (and less operational matters) to be given greater discussion and less presentation	<p>The Chair reallocated time on agendas to ensure certain items were given additional time for debate. This allows key strategic items to be prioritised</p> <p>Reviewed rolling agenda items to ensure there were increased presentations from Senior Management across the business</p>
Further enhanced training and awareness in key relevant areas e.g. around different product categories and brands	<p>Board meeting held in Geneva allowing Non-Executive Directors to expand their knowledge and understanding on two key brands</p> <p>Received updates on Jewellery Strategy and products, particularly, new brands recently introduced to the Group</p>

FY25 EXTERNALLY FACILITATED BOARD PERFORMANCE REVIEW

Following the recommendations made by the 2024 Corporate Governance Code, the Company will refer to the annual evaluation as a 'Board Performance Review'. This is in line with the current process where the annual board evaluation considers Boards succession, skills and composition.

Towards the end of FY25, the Chair of the Board, alongside the Company Secretary and General Counsel, agreed the proposed approach for an external Board Performance Review with the Nomination Committee. Three expert external facilitators provided proposals for review and meetings were held with the Chair. The Company engaged Independent Audit Limited (IAL), who had carried out the previous external review in FY22. IAL is independent and does not provide any other services to the Group, and there are no connections between IAL and individual Directors to be disclosed.

A performance review questionnaire was completed to gain an insight into how well the Board is performing prior to carrying out one to one interviews with all Board members and the Company Secretary and General Counsel. The review also included the President of UK and Europe and the President of North America and Deputy CEO. IAL reviewed papers prepared for the Board's consideration.

IAL sought views on a range of topics including the effectiveness of Board composition and culture, the relationships between the Board and executive team, implementation and oversight of the strategic objectives and progress against the agreed areas of focus following the FY24 review.

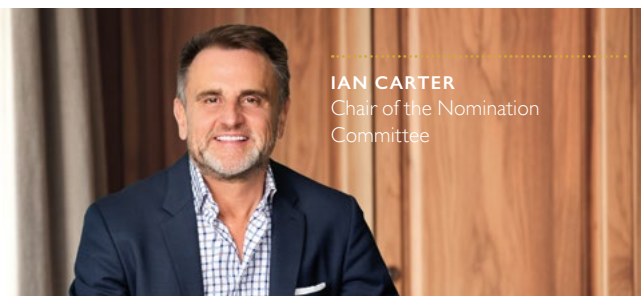
The review concluded the Board has a number of strengths, including; being led by a strong Chair with immense industry knowledge; a long-standing CEO who holds the confidence of the Board; a Board which is made up of strong Non-Executive Directors, who bring relevant experience; high quality company secretarial support; and Committees which are functioning well and led by strong Chairs. The Board is therefore satisfied that it is operating effectively.

The following areas were identified for further development:

- Further enhance the Board's oversight of culture
- Ongoing development of Board agendas and papers to ensure they are more forward looking and sufficiently focused on key strategic initiatives
- Balance the agenda between US and UK topics
- Continued development and focus on Jewellery Strategy and the long-term view
- Ongoing focus on the wider Executive team succession

Additionally, the Senior Independent Director conducted an independent assessment of the Chair of the Board and provided feedback to the Board.

NOMINATION COMMITTEE REPORT



IAN CARTER
Chair of the Nomination
Committee

MEMBERS

Ian Carter (Chair)
Tea Colaianni
Baroness (Rosa) Monckton MBE
Robert Moorhead

KEY RESPONSIBILITIES

- Review the structure, size and composition of the Board and its Committees
- Give full consideration to succession planning for the Board and other Senior Management taking into account the challenges and opportunities facing the Company, and the skills, diversity and expertise needed
- Review the leadership needs of the organisation
- Remain fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates
- Identify and nominate potential Board candidates
- Evaluate the combination of skills, knowledge, experience, diversity and independence on the Board
- Review the results of the Board performance evaluation process and manage any recommendations
- Support people initiatives that promote a culture of inclusion and diversity

DEAR STAKEHOLDER

I am pleased to report the Nomination Committee (the 'Committee') remains compliant with the Corporate Governance Code 2018 (the 'Code'). The Code recommends that the Committee be comprised of a majority of independent Non-Executive Directors which it does, as Tea Colaianni, Robert Moorhead and Baroness (Rosa) Monckton MBE are all independent.

The Company Secretary and General Counsel acts as Secretary to the Nomination Committee and, by invitation, the CEO, other Board members, the Executive Director HR, as well as other Senior Management and/or external advisers may attend as appropriate for all, or part of any meeting.

ROLE

The Committee is a Board committee whose role is to keep the composition and structure of the Board and its Committees under review and has responsibility for nominating candidates for appointment as Directors to the Board having regard to the Board's structure, size and composition (including the skills, knowledge, experience, diversity and independence of its members) ensuring that the Board and its other Committees are effective in discharging their responsibilities. The Committee is tasked with ensuring that succession plans are in place for the Board and Senior Management, taking into consideration the current Board composition, the leadership requirements of the Group and the wider commercial and market environment within which the Group operates.

During the year, there were no disagreements between the Committee and the Board.

TERMS OF REFERENCE

The responsibilities of the Committee are set out in its Terms of Reference which reflect the current regulatory requirements and best practice appropriate to the Group's size, nature and stage of development. The Terms of Reference were reviewed during the year and minor stylistic changes were made, which included a clarification of the definition of the Group's Senior Management to ensure consistency with the Board Diversity & Inclusion Policy and the new diversity reporting requirements.

The Terms of Reference can be found in full at thewosgroupplc.com.

The Committee's Terms of Reference require that it meets at least twice a year. During the year, the Committee met three times.

SUCCESSION

The Committee plays a vital role in promoting effective Board and leadership succession, making sure it is fully aligned to the Group's strategy.

Succession planning is the process of identifying the critical positions within our organisation and developing action plans and pipelines to fill them, thereby minimising the risk to the business of key roles being vacant. The Committee continues to ensure that succession planning for business-critical roles is proactively reviewed and the diverse pipeline continues to develop.

As part of our succession planning, the Committee held a comprehensive review of talent and considered succession for Executive Directors and Senior Management. The review assessed the performance and potential of Senior Management and closely monitored successor development plans when taking into consideration the future growth strategy of the business. The Committee considered the current skills, experience and tenure of the Directors, and assessed future needs against the Group's strategic objectives. In addition to Senior Management, the Committee considered succession planning at the next level down and met key colleagues from that level, informally.

In order to conclude the Board's composition and succession planning discussions, an information memorandum was discussed which detailed current Board composition, Non-Executive Director tenure and future considerations and Board diversity.

At the same time the collation of 'skills data' was requested, which is converted into a skills matrix to help identify the Board's requirements, and as part of general Board planning, gender and ethnicity data for Board members was captured, the details of which can be found on page 158.

KEY ACTIVITIES DURING THE YEAR

- Conducted a review of Executive Directors and Senior Management succession planning and talent development
- Considered pipeline of top talent at next level down from Senior Management
- Considered the skills, diversity and expertise as well as the backgrounds of each of the Board members, when reviewing the future needs of the Board
- Considered the Board composition, including Non-Executive Director tenure and succession planning
- Discussed the FY24 Board Performance Review
- Reviewed external appointments for the Non-Executive Directors to assess whether any appointment is significant or causes any conflicts
- Reviewed the Committee's Terms of Reference and recommended them to the Board for approval
- Reviewed the Company's Declarations and Conflicts of Interest Register
- Reviewed and recommended to the Board, the updated Board Diversity & Inclusion Policy
- Agreed, with the Board, the process for the FY25 external Board Performance Review

DIVERSITY

The Company is fully committed to providing opportunities for all to promote an inclusive culture and diverse workforce. We believe that our culture should promote integrity and openness, value diversity and be responsive to the views of all our stakeholders. Ensuring a culture of fairness and equity underpins all management decisions, actions and behaviours.

The Committee recognises the importance of diversity and inclusion both in the Boardroom and throughout the organisation, and understands that a diverse Board will offer wider perspectives which lead to better decision-making, enabling the Board to meet its responsibilities.

The Committee, on behalf of the Board, is responsible for the development of a diverse pipeline for succession to the Board and will ensure proper assessment as to the values and behaviours expected on the Board as part of the recruitment process. In being responsible for the Board's composition, the Committee will consider the benefits of all aspects of diversity in order to maintain an appropriate range and balance of skills, experience and background on the Board. Whilst the Committee will take into account a variety of factors before recommending any new appointment to the Board, including relevant skills to perform the role, experience, knowledge, ethnicity and gender, the most important priority of the Committee, however, is ensuring that the best candidate is selected to join the Board.

The Committee takes into consideration all regulations and best practice, including the FTSE Women Leaders Review (FTSE WLR) as well as the Parker Review, and is pleased to report it remains compliant with the recommendations of both these initiatives. With regard to the FTSE WLR, the Company was ranked #7 of the FTSE 250 (2024: #10), its highest score to date.

The Committee annually reviews the Board Diversity & Inclusion Policy as well as measurable objectives for achieving diversity on the Board. In May 2025, the Committee reviewed the Board Diversity & Inclusion Policy and made recommendations to the Board for amendments in line with the new Corporate Governance Code.

Reporting under the Listing Rule 9.8.6 can be found within the Corporate Governance Report on page 173. The Board has chosen to align its diversity

reporting reference date with the Company's financial year-end and proposes to maintain this alignment for future reporting periods. As required under LR 9.8.6 R(10), further details in respect of the three targets as at 27 April 2025 are disclosed in the tables on page 173.

Information on Board appointments and the criteria considered can be found within the Board Diversity & Inclusion Policy on the corporate website thewosgroupplc.com.

When considering succession planning, the Nomination Committee is advised by the CEO as to the internal pipeline of Board capable candidates. The pipeline aims to appropriately reflect the importance of diversity to the organisation.

The Board recognises and considers the importance of diversity, and opportunities for all, not just at Board level but throughout the organisation, and we have a number of programmes and initiatives in place within the organisation to help develop a diverse talent pipeline, including diversity induction training, learning and development, mentoring and sponsorship. Further information on our workforce initiatives on diversity and inclusion can be found on pages 82 and 83.

EFFECTIVENESS AND COMPOSITION

The FY25 Board Performance Review was conducted by way of an external facilitator, Independent Audit Limited. Directors were asked to complete a questionnaire prepared by Independent Audit, which was followed up by one-to-one interviews with the Directors and the President of UK & Europe, and the President of North America and Deputy CEO. Independent Audit also reviewed a number of Board packs.

Further details of key observations and also progress from the FY24 Board Evaluation and the process for FY25 can be found on page 175. The performance of this Committee was evaluated as part of the Board Performance Review process.

The Committee will be responsible for overseeing an action plan to be put in place following recommendations from Independent Audit, following the FY25 Board Performance Review.

As part of the annual review of the effectiveness of the Board, and its Committees, diversity and composition is considered, to ensure it is appropriate to discharge its duty effectively and to manage succession issues. The Committee keeps the composition of the Board and its Committees under continual review, to ensure that they have a suitable balance of skills and experience to oversee and challenge the delivery of the Group's strategy, and to discharge the Committee's responsibilities effectively.

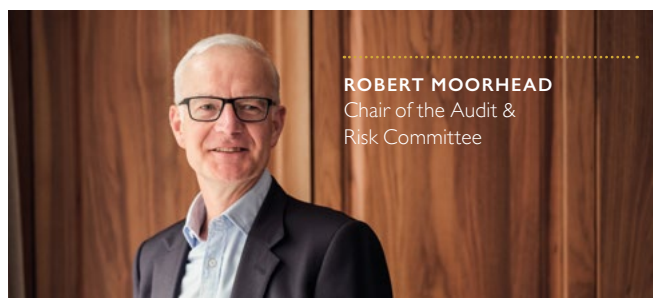
RE-ELECTION OF DIRECTORS

The effectiveness and commitment of each of the Non-Executive Directors is reviewed by the Committee annually. During FY25 the tenure of the Non-Executive Directors was considered. Chabi Nouri's first three-year term ended on 1 May 2025, Tea Colaianni's, and Rosa Monckton's second three-year terms ended on 7 May 2025, and Robert Moorhead's second three-year tenure ended on 10 May 2025. All of the appointments were renewed for a further three-year term following confirmation from each of an expression to continue in office. The Committee has satisfied itself as to the individual skills, relevant experience, contributions and time commitment of all the Non-Executive Directors, taking into account their other offices and interests held. As detailed on page 211, the Board is recommending the election or re-election to office of all Directors at our 2025 AGM.

I will be available at the AGM to answer any questions on the work of the Committee.

IAN CARTER
CHAIR OF THE NOMINATION COMMITTEE
2 July 2025

AUDIT & RISK COMMITTEE REPORT



ROBERT MOORHEAD
Chair of the Audit &
Risk Committee

MEMBERS

Robert Moorhead (Chair)

Tea Colaiani

Baroness (Rosa) Monckton MBE

Chabi Nouri

KEY RESPONSIBILITIES

Financial reporting:

- Monitor the integrity of the Financial Statements of the Company and Group
- Review the appropriateness and consistency of significant accounting policies
- Review and report to the Board on significant financial issues and judgements
- Review the appropriateness of Task Force on Climate-Related Financial Disclosures (TCFD)

Internal control and risk management:

- Carry out a robust assessment of the Group's emerging and principal risks on an annual basis, including environmental risks and opportunities
- Review the Group's internal control and risk management systems
- Monitor and review the effectiveness of the Group's Internal Audit function
- Assess the effectiveness of whistleblowing arrangements

External audit:

- Review the effectiveness of the External Auditor process
- Develop and implement policies on the engagement of the External Auditor to supply non-audit services and consider the impact they have on independence
- Review and monitor the External Auditor's independence and objectivity
- Conduct any external audit tender process and make recommendations to the Board about the appointment, reappointment and removal of the External Auditor
- Approve the remuneration and terms of engagement of the External Auditor
- Ensure the External Auditor has full access to Company colleagues and records
- Invite challenge by the External Auditor, giving due consideration to the points raised

Other:

- Engaging with shareholders on the scope of the external audit, where appropriate

DEAR STAKEHOLDER

I am pleased to introduce the Audit & Risk Committee Report for the financial year ended 27 April 2025. The Committee plays a key role in developing the Group's governance framework and its activities included reviewing and monitoring the integrity of financial information, the Group's system of internal controls and risk management, Internal and External Audit processes and the process for compliance with laws, regulations and ethical codes of practice. In addition, we work with other Committees and the Board to ensure that stakeholder interests are protected and support the delivery of the Group's strategy. The Committee also worked alongside the ESG Committee having regard to ESG risk management and TCFD reporting.

COMMITTEE COMPOSITION

All members of the Audit & Risk Committee are deemed Independent Non-Executive Directors. The Board considers that I have recent and relevant financial experience as required by the Corporate Governance Code 2018 (the Code) and the Committee has competence relevant to the sector in which the Group operates. Details of the Audit & Risk Committee members' experience can be found on pages 162 to 163. The Committee's wide range of financial and commercial skills and experience serves to provide the necessary knowledge and ability to work as an effective committee and to robustly challenge the Executive Directors and Senior Management as and when appropriate.

At the invitation of the Committee, the Chair of the Board, the CEO, the CFO, the Director of Internal Audit, Senior Management and the External Auditor attend meetings. The Committee has regular private meetings with the External and Internal Auditors during the year.

The Company Secretary and General Counsel acts as Secretary to the Committee.

TERMS OF REFERENCE

The Terms of Reference of the Committee reflect the current statutory requirements and best practice appropriate to the Group's size, nature and stage of development. The Committee met its requirement to meet at least four times a year. Details of meeting attendance can be found on page 159. The Committee reviews its Terms of Reference annually, recommending any suggested changes through to the Board. Changes were made this year in anticipation of the Corporate Governance Code 2024 coming into effect on 1 January 2025, but remain aligned to the current Code guidance.

COMMITTEE EFFECTIVENESS

During FY25, an externally facilitated Board Performance Review of the Board and its Committees was undertaken. The Report concluded that the Committees were thought to be functioning well, with effective Chairs in place. Details of how the Board Performance Review was conducted can be found on page 175.

ACTIVITIES UNDERTAKEN BY THE AUDIT & RISK COMMITTEE**Financial reporting:**

- Monitored the integrity of the Group's FY25 year-end Results Announcement, Annual Report and Accounts, and the FY25 Half Year Review
- Assessed and recommended to the Board that the Annual Report and Accounts are fair, balanced and understandable, including Alternative Performance Measures (APMs)
- Assessed the Going Concern and Viability Statement having reviewed supporting papers from management including the consideration of the cost-of-living increases, global conditions which included rapidly changing trading tariffs and climate change on those assessments
- Considered papers from management on the key financial reporting judgements and estimates
- Reviewed the TCFD FY25 year-end reporting, including the scenario analysis undertaken to assess the impact of climate-related risks

Internal control and risk management:

- Considered the adequacy and effectiveness of the Group's ongoing risk management systems and control processes, including environmental risks and opportunities
- Considered the Group's risk environment, including its significant and emerging principal risks and uncertainties, and reviewed the mitigating actions that management has taken, along with determining the risk appetite of the business
- Reviewed the Group's approach to identification and assessment of its material controls over principal risks
- Reviewed impact of climate-related risks and considered associated opportunities to enhance capital management
- Received deep dive presentations on principal risk areas of data governance, cyber security, health and safety and business interruption
- Received updates and recommendations on forthcoming changes to the Corporate Governance Code and new fraud legislation
- Reviewed and approved the Group's Whistleblowing Policy and received and reviewed whistleblowing incidents, investigation details and follow-up actions
- Received updates in relation to anti-bribery and corruption and anti-money laundering programmes. The Committee recommended to the Board for approval the Anti-Bribery, Corruption & Fraud Policy which includes the gifts and hospitality protocols. The Committee also recommended to the Board for approval the Anti-Money Laundering Policy
- Considered the Group's systems and framework of controls designed to detect and report fraud. Received updates on the Economic Crime and Transparency Act including the Failure to Prevent Fraud Legislation and the Group's response and preparedness
- Approved the Group Tax Strategy and received management reports on the tax affairs of the Group

Internal and external audit:

- Reviewed the effectiveness of the external audit process, taking into consideration relevant UK professional and regulatory requirements
- Invited challenge by the External Auditor, giving due consideration to the accounting, financial control, and audit issues reported by the External Auditor as a result of their work
- Reviewed the Internal and External Auditor independence and objectivity including approving the policy on non-audit services
- Agreed the External Auditor engagement letter and recommended the External Auditor remuneration to the Board
- Reviewed and approved the Internal Audit Charter
- Received and reviewed the annual plan and audit reports from the Internal Audit function
- Undertook a review of the effectiveness of the Internal Audit function
- Held regular private meetings with the Internal and External Auditors, without management present
- Ensured the External Auditor had full access to Company colleagues and records

Making recommendations to the Board about the reappointment of the External Auditor:

- Reported to the Board on how the Committee has discharged its responsibilities with respect to external audit

Other:

- Reviewed the integration plans for Roberto Coin Inc.
- Reviewed the Committee's Terms of Reference and approved amendments
- Monitored mandatory e-learning completion statistics for key compliance areas such as Health & Safety, Anti-bribery, Corruption & Fraud and Code of Ethics
- Received legal and regulatory compliance updates

GOING CONCERN AND VIABILITY STATEMENT

The Committee reviewed the process and assessment of the Group's prospects made by management, including:

- The three-year viability assessment period and alignment with the Group's internal forecasts and business model
- The assessment of the capacity of the Group to remain viable after consideration of future cash flows, financing and mitigating factors
- The modelling of the financial impact of the Group's principal risks materialising using severe but plausible scenarios

The Committee reviewed management's analysis supporting the going concern basis of preparation, including reviewing the Group's financial performance, FY26 forecasts and cash flow projections. The going concern and viability reviews by the Committee included the review of the results of the reverse-stress tests performed by management, available financing in place and any further mitigating actions that management could take. In making its assessment, the Committee took into consideration the trading results of the Group, liquidity and covenant compliance.

As a result of the assessment, the Committee reported to the Board that the going concern basis of preparation remained appropriate and that there is a reasonable expectation that the Group will be able to continue in operation to meet its liabilities as they fall due over the three-year viability assessment period.

The Going Concern and Viability Statement is set out in the Strategic Report on pages 154 and 155.

SIGNIFICANT FINANCIAL REPORTING AREAS

In preparing the Financial Statements, there are several areas requiring the exercise of judgement by management. The Committee's role is to assess whether the judgements and estimates made by management are reasonable and appropriate. To assist in this evaluation, the CFO provided an accounting paper to the Committee, setting out all the financial reporting judgements and estimates which were considered material to the Financial Statements.

The main areas of judgements and estimates that have been considered by the Committee in the preparation of the Financial Statements are as follows:

Impairment of tangible and right-of-use assets

The Committee received and considered a paper from management covering the judgements made in respect of the impairment testing of the Group's property, plant and equipment, and right-of-use assets. The Committee noted that management had considered the trading results of each showroom and noted where a showroom has low profitability which is not expected to improve in the near future. The Committee also reviewed management's assessment of whether any prior impairments should be reversed.

Given management has continued to report on the performance of the business on a pre-IFRS 16 (IAS 17) basis within its APMs alongside statutory measures derived under IFRS 16, the paper and discussions considered impairment assessment of these assets on both bases.

As part of their review of impairment, the Committee challenged the assumptions used in the cash flow forecasts for impairment testing, along with the disclosures made in the Financial Statements. The Committee also received and discussed a paper from the External Auditor on its work in this area, which specifically considered and reported on its challenge and assessment of the key assumptions and methodology used.

The Committee was satisfied that the approach adopted by management was sufficiently robust to identify when an impairment charge or reversal for showroom assets needs to be recognised and how it should be assessed and reported.

Inventory valuation

The Committee received a paper from management on accounting for and valuation of inventory, including pre-owned inventory. It discussed the judgements made by management, with specific consideration to discontinued product and slow-moving stock. The Committee also considered the policy for, and calculation of, rebates recognised and absorbed into inventory.

The Committee received a paper from the External Auditor regarding the audit work it performed over the valuation of inventory. The Committee is satisfied that the process and judgement adopted by management for the valuation of inventory is sufficiently robust to establish the value of inventory held and is satisfied as to the appropriateness of the Group's provisioning policy.

Revenue recognition

The Committee received papers from management covering the control environment relating to sales cut-off and accounting judgements in relation to the accounting for gift cards, client returns and client deposits.

The Committee also received a paper from the External Auditor regarding the audit work they performed over revenue recognition, which included the use of data analytic tools. The Committee determined that the majority of the Group's revenue transactions are non-complex, with minimal judgement applied over the amount recorded.

The Committee is satisfied that the approach taken by management is sufficiently robust in relation to the recognition of revenue.

IFRS 16 'Leases'

During the year, the Committee reviewed the key judgements and assumptions applied to the calculations and disclosures provided within the Financial Statements. These included the determination of the term of the leases and the discount rates used. The Committee also considered and challenged the use of pre-IFRS 16 APMs within the Annual Report and Accounts and concluded that these APMs align with the management reporting used to inform business decisions, investment appraisals, incentive schemes and banking covenants.

Pensions

The Committee assessed the accounting treatment adopted by management and the application of IAS 19 'Employee Benefits' in relation to the Aurum Retirement Benefits Scheme. The Committee reviewed the judgements made in respect of the assumptions used in the valuation of the Group's obligations under the scheme and the associated disclosures made in the Financial Statements.

Exceptional items

The Committee considered the presentation of the Financial Statements and in particular the use of APMs and the presentation of exceptional items in line with the Group accounting policy. This policy states that adjustments are only made to reported profit when not considered part of the normal operating costs of the business and considered exceptional due their size, nature or incidence.

Each of the above areas of judgement has been identified as an area of focus and therefore the Committee has also reviewed reporting from the External Auditor on the relevant areas.

Annual Report and Accounts – fair, balanced and understandable assessment

At the request of the Board, the Committee has considered whether, in its opinion, the Annual Report and Accounts 2025, taken as a whole, are fair, balanced and understandable, and that they provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy. The Group has established internal controls in relation to the process for preparing the Annual Report and Accounts. These include the following:

- Management regularly monitors and considers developments in accounting regulations and best practice in financial reporting and, where appropriate, reflects developments in the Financial Statements
- The Annual Report and Accounts are drafted by Senior Management with overall co-ordination by a member of the finance team, to ensure consistency across the relevant sections
- An internal verification process is undertaken to ensure accuracy
- Comprehensive reviews of drafts of the Annual Report and Accounts are undertaken by Executive Directors and Senior Management
- The final draft of the Annual Report and Accounts is reviewed by the Audit & Risk Committee prior to consideration by the Board

Following its review, the Committee advised the Board that the Annual Report and Accounts, taken as a whole, were considered to be fair, balanced and understandable and that they provided the information necessary for shareholders to assess the Group's position and performance, business model and strategy. The Committee was also satisfied that suitable accounting policies have been adopted and appropriate disclosures have been made in the Financial Statements.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board has ultimate responsibility for effective management of risk for the Group including determining its risk appetite, identifying key strategic and emerging risks, and reviewing the risk management and internal control framework. The Committee, in supporting the Board to assess the effectiveness of risk management and internal control processes, relies on several different sources to carry out its work including Internal Audit assurance reports, the assurance provided by the External Auditor and other third-parties in specific risk areas.

The Committee monitors and reviews the effectiveness of the Group's risk management processes and internal financial and non-financial controls. The key features of the risk management process that were in place during the year are as follows:

- Each business function conducted risk assessments based on identified business objectives, which were reviewed and agreed annually by the Senior Management of each function. Risks are considered and evaluated in respect of their potential impact and likelihood. These risk assessments are updated and reviewed at least quarterly and are reported to the Committee
- A Group risk assessment is also undertaken by management, which considers all areas of potential risk across all systems, functions and key business processes. This risk assessment, together with the business risk assessments, forms the basis for determining the Internal Audit plan
- Climate-related physical and transition risks and opportunities, which could impact the business in the future under different climate scenarios, have been considered and incorporated into the risk management framework with oversight from the ESG Committee
- The Director of Internal Audit & Risk met with all Senior Management to undertake a formal review of the internal controls across the Group. Senior executives were required to certify compliance with the Group's policies and procedures and that appropriate internal controls were in operation during the period under review. Any weaknesses were highlighted, and the results were reviewed by the Director of Internal Audit & Risk, the Committee, and the Board
- The Committee confirmed to the Board that it has reviewed the effectiveness of the systems of internal control, including financial, operational and compliance controls, and risk management for the period of this report, in accordance with the Code and the Risk Management and Internal Control Guidance

INTERNAL AUDIT

The Director of Internal Audit & Risk, who reports directly to the Committee Chair, provides assurance to the Committee through independent reviews of agreed risk areas. The Committee is responsible for overseeing the work of the Internal Audit function. It reviews and approves the scope of the Internal Audit plan and assesses the quality of Internal Audit reports, along with management's actions relating to findings and the closure of recommended actions.

Each year, a carefully targeted Internal Audit plan is agreed to provide appropriate assurance to the Committee over the effectiveness of risk management and internal control processes across the Group. The Internal Audit plan is risk-based and takes an independent view of what Internal Audit considers to be the highest known and emerging risks and strategic priorities facing the business. The Committee is satisfied that the Internal Audit plan provides appropriate assurance on the controls in place to manage the principal risks facing the Group. Internal Audit resources continue to be reviewed, with an agreement that external partners would be utilised where subject matter expertise would be most appropriate.

The Director of Internal Audit & Risk:

- Attended all Audit & Risk Committee meetings and provided reports and verbal updates to the Committee
- Had direct access to all Committee members and met with the Committee Chair and Committee members separately

- Regularly met with the Audit & Risk Committee Chair to carry out formal reviews of the Internal Audit function's resources, approach and audit plan
- Managed the risk register review process
- Met privately with the Committee without management being present

The assessment of the Internal Audit team covered the Internal Audit findings and reporting, Internal Audit delivery including the Internal Audit plan and whether Internal Audit has sufficient, appropriate resources. In reviewing the effectiveness of Internal Audit, the Audit & Risk Committee considered:

- The results of Internal Audits and reporting thereof
- Ongoing communication between the Director of Internal Audit & Risk and the Audit & Risk Committee, including the private sessions held
- Self-assessment by the Director of Internal Audit & Risk
- Questionnaires and feedback from key stakeholders including Senior Management

Following assessment by the Committee during the year, the Audit & Risk Committee is satisfied that the Internal Audit team has the quality, experience and expertise appropriate for the business.

The Group also has an operational audit, loss prevention and security team that reviews compliance with certain key internal procedures in showrooms and at other locations.

EXTERNAL AUDITOR

Interaction with external audit

One of the Committee's roles is to oversee the relationship with the External Auditor, Ernst & Young LLP (EY), and to evaluate the effectiveness of the service provided and their ongoing independence.

The External Auditor has attended all this year's Committee meetings and at two of those had time with the Committee without management present. The Chair of the Audit & Risk Committee has also met with the external audit partner to review the audit scope and audit findings.

The Committee had regular open communication with the External Auditor as well as the Group's management.

Auditor independence and objectivity

During the year, the External Auditor reported to the Committee on its independence from the Group.

The Company's independence and objectivity are safeguarded by:

- A policy being in place which limits the nature of non-audit services
- The External Auditor's own internal processes to approve requests for non-audit work to the External Auditor
- Monitoring changes in legislation related to auditor independence and objectivity
- Rotation of the lead audit partner after five years
- Independent reporting lines from the External Auditor to the Committee
- Restrictions on the employment by the Group of employees of the External Auditor

The Committee and the Board are satisfied that EY has adequate policies and safeguards in place to ensure that the External Auditor objectivity and independence are maintained.

When assessing the independence of the External Auditor, the Committee considers, amongst other things, the length of tenure of the audit firm and the audit partner, the value of non-audit fees provided by the External Auditor and the relationship with the External Auditor as a whole. As part of the assessment of the External Auditor, the Committee considered whether the External Auditor had exercised professional scepticism and an appropriate degree of challenge to management.

AUDIT & RISK COMMITTEE REPORT CONTINUED

Non-audit services provided by the External Auditor

The Committee has adopted a formal policy in respect of non-audit services provided by the External Auditor to ensure that Auditor objectivity and independence are maintained, in accordance with the EU Audit Reform.

Non-audit service	Policy
<p>Audit-related services Audit-related services are services, generally of an assurance nature, provided by the Auditor as a result of its expert knowledge and experience of the Group. Audit-related services include:</p> <ul style="list-style-type: none"> – Reviews of interim financial statements – Reporting required by law or regulation to be provided by the Auditor – Reports to regulators 	<p>The Auditor is eligible for selection to provide non-audit services to the extent that its skills and experience make it a competitive and most appropriate supplier of these services.</p> <p>Each new non-audit service must be approved by the Committee in advance of the services being commenced.</p>
<p>Permissible non-audit services Including, but not limited to:</p> <ul style="list-style-type: none"> – Work related to mergers, acquisitions, disposals or circulars – Benchmarking services – Corporate governance advice 	<p>Non-audit fees are capped to a maximum aggregate in any financial year of 70% of the average of the statutory audit fees charged in the previous three consecutive financial years. In the case of this cap, audit-related services concerning work required by national legislation are excluded.</p>
<p>Prohibited services In line with the FRC's ethical standards, services where the Auditor's objectivity and independence may be compromised by the threat of self-interest, self-review, management, advocacy, familiarity or intimidation are prohibited. Prohibited services include:</p> <ul style="list-style-type: none"> – Tax services – Services that involve playing any part in the management decision-making process – Bookkeeping and preparing accounting records and financial statements – Payroll services – Designing or implementing internal controls – Valuation services (except such services that have no direct effect or are immaterial to the financial statements) – Legal, internal or human resources services – Services linked to financing, capital structure and allocation and investment strategy except providing assurance services in relation to the Financial Statements, such as the issuing of comfort letters in connection with prospectuses issued by the audited entity – Promoting, dealing in or underwriting shares in the Company 	<p>The Auditor is prohibited from performing these services for the Company or any subsidiary within the Group.</p>

Non-audit services provided by EY during the financial year ending 27 April 2025 were limited to the Half Year Review. Fees in relation to these services were £73,100 (FY24: £66,520).

Competition and Market Authority (CMA) Order 2014 Statement of Compliance

EY was first appointed in 2019 following a competitive tender process. This means that FY25 represents EY's sixth year as the Company's External Auditor. Under UK law, as set out in the Companies Act 2006, the Company may retain its External Auditor for up to 20 years with a public tender process every ten years.

The Group confirms that it was in compliance with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 during the financial year ended 27 April 2025.

EXTERNAL AUDITOR EFFECTIVENESS

It is the Committee's responsibility to assess the effectiveness of the external audit, including audit quality. The Committee assessed the External Auditor's effectiveness in September 2024 and kept this under review throughout the year taking into account the External Auditor's mindset and culture; skills, character and knowledge; quality control and judgement. The assessment included:

Reviewing the Auditor's risk assessment and audit plan

The Committee discussed EY's risk assessment and detailed audit plan in response to those risks. The proposed approach and planned scope of the audit were also reviewed including the proposed materiality. The Committee was satisfied that the audit plan was robust and covered the financial reporting risks. The Committee also considered the balance of work completed between the UK, US and European components along with recent acquisitions.

Proposed level of audit fees

The Committee reviewed and approved the proposed audit fees, which included a detailed breakdown of those fees. This review also considered the level of resources, senior leadership involvement and the use of specialist teams where appropriate. The Committee satisfied itself that the agreed amount represented fair value in order to deliver the quality and scale of audit sought.

Evaluation of the FRC's Audit Quality Inspection and Supervision Report on Ernst & Young LLP

The Committee reviewed the FRC's Audit Quality Inspection and Supervision Report for Ernst & Young LLP and also compared the results of the Auditor to other audit firms. EY presented to the Audit & Risk Committee its feedback on the findings and planned actions to respond to each of those findings. The Committee was satisfied with the outcome of this review.

The Committee also considered how the Auditor had responded to its previous assessments of audit quality.

Feedback from management and the Committee members

The Committee considers it important to gather feedback from management, particularly those who are in direct contact with the audit team. Management and Audit & Risk Committee members completed a questionnaire and the results were reviewed by the Committee. The questions covered the following areas:

- Mindset and culture
- Skills, character and knowledge
- Quality control
- Judgement

The feedback received was positive in all areas. Each year the External Auditor meets with management to review the audit process, obtain feedback and make recommendations for improvement in the following year's audit.

Interaction with the External Auditor

Throughout the year, the Committee worked closely with EY and was able to gather a good insight into the overall quality of the audit process and the performance of key individuals within the audit team. This interaction included private sessions with the External Auditor without management present and regular meetings between the Audit & Risk Committee Chair and the Audit Partner. The Committee also considered the quality of the reporting provided by the External Auditor throughout the audit process. This included the robustness and perceptiveness of the Auditor in handling key judgements, responding to questions from the Committee and in its commentary where appropriate on the systems of internal control.

The Committee considered the External Auditor's use of professional scepticism throughout the audit by examining areas in which the External Auditor had challenged Senior Management's assumptions. This was particularly in relation to the key areas of judgement around the significant financial reporting areas, noted above, and the number and nature of accounting and control observations raised.

Based on these reviews, the Committee concluded that EY had applied appropriately robust challenge and scepticism throughout the audit, that it possessed the skills and experience required to fulfil its duties effectively and efficiently, and that the audit was effective.

Auditor reappointment

The Committee is responsible for considering whether there should be a rotation of the External Auditor in order to ensure continuing auditor quality and independence, including consideration of the advisability and potential impact of conducting a tender process for the appointment of a different External Auditor. The Committee is also responsible for recommending to the Board whether it should ask the shareholders to appoint, reappoint or remove the External Auditor at the AGM.

In its oversight of the external audit, the Committee considered whether it would be appropriate to conduct an audit tender at this time. The Committee took into account:

- Its continued satisfaction with the quality and independence of EY's audit
- Any new External Auditor would need a transition period to develop sufficient understanding of the business given the Company's size and complexity
- Frequent changes of External Auditor would be inefficient and could lead to increased risk and the loss of cumulative knowledge
- A change in auditor would be expected to have a significant impact on the Company, including on the Company's finance function
- Any change in auditor should be scheduled to limit operational disruption

The Committee also considered EY's leadership and activities in the area of climate change. After due consideration the Committee determined it would not be appropriate to re-tender for the external audit at this time.

EY has expressed willingness to continue in its capacity as independent Auditor of the Company. The Committee has recommended to the Board the reappointment of the External Auditor for the 2026 financial year and the Directors will be proposing the reappointment of EY at the forthcoming AGM.

The External Auditor is required to rotate the audit engagement partner every five years. Towards the end of FY24, EY engagement partner, Julie Carlyle, who began her appointment at the commencement of FY20, was replaced by the new engagement partner, Helen McLeod-Jones, who has been appointed with effect from FY25.

ROBERT MOORHEAD

CHAIR OF THE AUDIT & RISK COMMITTEE

2 July 2025

ESG COMMITTEE REPORT



**BARONESS (ROSA)
MONCKTON MBE**
Chair of the ESG Committee

MEMBERS

Baroness (Rosa) Monckton MBE (Chair)

Tea Colaianni

Ian Carter

Brian Duffy

Robert Moorhead

Chabi Nouri

KEY RESPONSIBILITIES

- Provide oversight on behalf of the Board in relation to the Company's ESG Strategy including activities and performance
- Oversee ESG goals, targets and KPIs, and provide accountability for successful delivery
- Monitor the Company's ESG Strategy to ensure it is embedded into core business operations, stakeholders are engaged with it and progress against achieving related goals, targets and KPIs is monitored
- Ensures the Company monitors current and emerging ESG trends and adheres to relevant international standards and legal/regulatory/governance requirements
- Provide guidance and monitor actions and initiatives taken to prevent, mitigate and manage risks related to ESG matters which may have a materially adverse impact on the Company and its stakeholders
- Collaborate with the Audit & Risk Committee and the Remuneration Committee on matters which overlap
- Make recommendations to the Board in relation to the required resourcing and funding of ESG related activity
- Oversee the Company's public disclosures, regarding the Company's ESG Strategy activities and performance, and review and monitor the Company's non-financial reporting with respect to ESG matters

DEAR STAKEHOLDER

It is my pleasure to present the ESG Committee Report for the financial year ended 27 April 2025.

The ESG Committee continues to support the Group in making progress across environmental, social and governance strategic initiatives; strengthening compliance and mitigating against risk. These incremental improvements are reflected in our rating agency scores.

A personal highlight of mine was joining colleague representatives in an interactive and collaborative Climate Fresk workshop, in my capacity as the Chair of the ESG Committee and also as the designated Non-Executive Director for Workforce Engagement. The workshop, which was delivered by a third-party climate expert, proved to be a fun and powerful way of understanding the scientific findings of the Intergovernmental Panel on Climate Change (IPCC), while providing an opportunity for quality engagement with colleagues within the organisation.

Guided by the results of our FY24 materiality assessment, we continued to advance the Company's ESG Strategy to ensure the business priorities identified in our assessment remain material. In FY25 the Committee considered a number of new and emerging issues impacting on our business, including the political and legislative landscape. A subsequent review of these issues by key business stakeholders confirmed that the priorities identified in FY24 remained mostly relevant and it was agreed that the Group would continue to manage and monitor all previously identified issues through our ESG Risk Register.

To drive continual improvement, the Committee stays up-to-date with best practice and, during each meeting, the Company's performance is benchmarked against retail peers and leaders in luxury discretionary goods. We remain cognisant of the continually evolving ESG landscape, particularly in light of the macroeconomic backdrop, and that the corporate ESG agenda is becoming increasingly under scrutiny. We monitor this alongside the increasing burden of climate reporting regulation.

MEMBERS

I am joined on the ESG Committee by Ian Carter, Chair of the Board, and a majority of independent Non-Executive Directors, comprising Tea Colaianni, Robert Moorhead and Chabi Nouri. Brian Duffy, the Company's CEO, is also a member of the Committee and plays an instrumental role in integrating ESG matters into the Company's business strategy and planning, demonstrating top level commitment from Senior Management in progressing the ESG Strategy.

Biographies of Committee members, including details of their skills and experience, can be found on pages 162 and 163.

The Company Secretary and General Counsel acts as Secretary to the ESG Committee and other Senior Management and/or external advisers may attend by invitation, as appropriate, for all or part of meetings. This includes the CFO, the Head of Sustainability and ESG, the Executive Director, Global Buying and Merchandising and the Executive Director HR.

ROLE

The role of the Committee is to oversee, on behalf of the Board, the governance of our ESG Strategy. Our ESG Strategy is aligned with best practice and the expectations of our stakeholders and aims to be both inspiring and achievable. Our ESG Strategy is organised into three strategic pillars: (i) People; (ii) Planet; and (iii) Product, to support engagement, and to align with the Group's purpose and values, as well as wider business strategies.

The Committee closely monitors progress against our metrics and targets for all areas of the ESG Strategy including the key performance indicators, set annually in the Modern Slavery Statement. Alongside the Remuneration Committee, the Committee also considers the key areas of strategy which link to the ESG

underpin, for determining bonus outcomes. Further details on the ESG underpin and its performance can be found in the Directors' Remuneration Report on page 187.

The Committee supports the Audit & Risk Committee and the Remuneration Committee, in respect of ESG-related matters reserved for their remit. The Committee also plays a crucial role in monitoring environmental goals and ensuring actions are taken to mitigate and manage climate-related risks and opportunities by making sure they are embedded in the Company's risk management processes, financial decision-making and core business strategy.

The ESG Committee is supported by an ESG Steering Group, which is chaired by the CFO. The ESG Steering Group is made up of key members of Senior Management, who each have formal operational responsibility for the management of relevant ESG issues. The ESG Steering Group acts under a separate Terms of Reference and reports progress towards the development, implementation and delivery of the Company's ESG Strategy into the ESG Committee. The ESG Steering Group is supported by a number of working groups which sit under the People, Planet and Product pillars. There is also a governance working group.

In FY25, the Committee continued to oversee the development and delivery of the ESG Strategy, including challenging and collaborating with the Executive Directors and Senior Management, to ensure ESG best practice is integrated into the Company's day-to-day business operations as well as the long-term strategy.

During the year, the Committee was pleased to note the appointment of a new Head of Procurement which is enabling the Company to drive improvements within its Supply Chain Management System. The Committee approved our new Procurement Policy which helps to deliver key ESG goals, and operates alongside revised Supplier Sustainability Standards (the 'Standards') (formerly known as the 'ESG Partner Standards').

The Procurement Policy, Standards and the Vendor Code of Conduct operate simultaneously to support the factory audit programme, which independently audits suppliers on a rotational basis. The Committee receives updates on the audit programme at each meeting. On-site factory audits help safeguard the integrity and reputation of our business operations and partnerships. Specialist independent auditors assess facilities against over 200 indicators consistent with our Vendor Code of Conduct and produce a report with a Low to Critical Risk classification. Following an audit a corrective action is drafted and sent to the supplier for review and comment. After a specified time period, a new audit will take place and if the designated action plan has not been completed, the supplier will be exited from the business. Stricter criteria has been applied this year, including a number of environmental matters, and during the year a number of high-risk suppliers have been audited, the results of which have led to us ceasing our relationships with three suppliers.

The Group participated in the CDP questionnaire on climate change for the third consecutive year and we were pleased to maintain our B Score, demonstrating significant good environmental management practices, including the management of climate-related risks and opportunities, which is detailed in our TCFD report on page 123 to 126.

While the Committee is disappointed to have missed our annual emission reduction targets, we have achieved our 100% renewable energy target across our Group through the purchase of renewable energy certificates, backed by guarantees of origin. We look forward to realising the benefits of a number of new energy management initiatives which were approved in FY25 and will be rolled out in FY26.

KEY FOCUS AND ACTIVITIES DURING THE YEAR

- Approved the Annual Report and Accounts 2024 ESG Committee Report
- Reviewed the ESG Committee Terms of Reference for Board approval
- Contributed to the development and delivery of the ESG Strategy and reporting, by approving key decisions and providing accountability against goals, targets and KPIs
- Received reports and recommendations from the ESG Steering Group, key management stakeholders and subject matter experts
- Governance – reviewed key documents for Board for approval including: the Modern Slavery Statement; the Environmental Policy; the Human Rights Policy; the Data Information and Security Information Statement; and the Vendor Code of Conduct
- Benchmarked the Company's performance against sustainability rating agency reports along with the CDP questionnaire on climate change
- Participated in an in-depth training session covering ESG areas suitable for automation through agentic AI, alongside anticipated future technological developments
- In conjunction with the Audit & Risk Committee, reviewed the Company's progress against recommendations by the TCFD and non-financial reporting
- Discussed the integration of the two acquisitions, Roberto Coin Inc. and the Hodinkee business, into the ESG Strategy of the Group
- Approved the Procurement Policy and Supplier Sustainability Standards
- Reviewed the Company's participation in an AI project to enhance its ESG reporting
- Reviewed the actions identified by the FY24 Materiality Assessment
- Reviewed the recently published Rolex Sustainability Report and considered any impact on the business

Further details on our approach to managing our environmental performance can be found on pages 76 and 77.

As previously reported in last year's Committee Report, the Company participated in its grant-funded programme to explore the use of artificial intelligence (AI) technology to supply chain support due diligence and ESG reporting. To advance the Committee's understanding of machine learning technology, a dedicated training session was held with external experts, who explained some of the many business benefits including strategic efficiency, regulatory agility and reporting automation. The Company recommended to the Committee that the Company entered into a commercial agreement at the close of the project and this was agreed. Further details on our AI project can be found on page 136.

STAKEHOLDER ENGAGEMENT

The Committee welcomes feedback from all our stakeholders to ensure their interests are represented in the ongoing development of the Company's ESG Strategy and approach to ESG matters.

Colleagues can share their thoughts through a variety of channels, including Colleague Listening Forums, which I attend, the annual Colleague Engagement Pulse/Surveys, or directly via email or CONNECT – the interactive digital Group engagement platform, which is used to promote and communicate the colleague incentive, GreenVibE, which encourages and rewards positive environmental behaviours.

The Company responds to sustainability rating agency questionnaires received on behalf of investors and facilitates meetings and roadshows to enable investors to ask questions.

The Head of Sustainability and ESG regularly updates the Committee with key external drivers and stakeholder sentiment, and it is also kept up to date with supplier engagement activities to support the promotion of shared sustainability goals and ensure due diligence.

A Materiality Assessment was undertaken towards the end of FY24; the results and action plans were carried out during FY25. A Materiality Assessment is an important way of engaging with all stakeholder groups to identify issues impacting on our business. Issues identified as 'material' through this process were assessed to help the Committee. The results and next steps resulting from this assessment can be found on page 77.

OUTLOOK

We will continue to monitor the Company's performance and review our approach to ESG matters in FY26 to further enhance the Company's brands, create new business opportunities, help reduce costs, engage stakeholders and ultimately build a successful business that is sustainable over the long-term. This monitoring will take place alongside external factors assessing the future of the ESG agenda as we continue to embed 'doing the right thing, always' into our business as usual practices and processes under the banner of delivering on our Purpose.

Further information on the work of the Committee and the progress being made by the Group can be found on pages 76 and 77.

BARONESS (ROSA) MONCKTON MBE

CHAIR OF THE ESG COMMITTEE

2 July 2025

REMUNERATION COMMITTEE REPORT



TEA COLAIANNI
Chair of the Remuneration Committee

Members	Independent	No. of meetings attended
Tea Colaianni (Chair)	✓	3/3
Ian Carter	✓	3/3
Baroness (Rosa) Monckton MBE	✓	3/3
Robert Moorhead	✓	3/3

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The Remuneration Committee's Terms of Reference at: [thewogroupplc.com](https://www.thewogroupplc.com)



On behalf of the Remuneration Committee, I am pleased to present the Group's Remuneration Committee Report for the financial year ended 27 April 2025.

FY25 business performance highlights

FY25 was a year of strong strategic and operational progress for the Group, which saw the US business continuing its strong momentum, and the UK returning to growth.

- Revenue increased by 7% to £1,651.5 million
- Adjusted EBIT¹ increased 11% to £149.7 million
- Operating profit decreased 5% to £113.9 million
- Return on Capital Employed¹ (ROCE) decreased by 50 bps from 19.5% to 19.0%

We remain confident that our strategy, exceptional client experience and strong brand relationships will enable us to continue to drive growth. I would like to thank all colleagues for their continued work and dedication during the year.

Base salary/fee increases in FY25

The annual salary review process took place in November 2024, in line with our normal review timing. The UK salary review saw an increase of 3% for our colleagues below Senior Management level. The salary review in the US saw an increase of 3% for both Support Centre and retail colleagues.

In the UK, following our accreditation with the Living Wage Foundation, we invested £0.7 million in salary increases for over 680 colleagues across retail and support functions, to bring them in line with the 2024-2025 Real Living Wage rates.

The CEO and CFO elected once again, not to receive an increase in base salary.

The Chair and Non-Executive Director fees were reviewed in December 2024, and it was once again agreed that there would be no increase in their fees.

Annual bonus outturn for FY25

The executive performance target for the FY25 annual bonus was based on Adjusted EBIT, with an ESG underpin. Adjusted EBIT for FY25 was £149.7 million, this falls between the threshold and target performance levels and there will be a bonus at 24.2% of maximum paid in respect of FY25.

The Remuneration Committee assessed progress against our ESG Strategy using the ESG underpin agreed at the start of the financial year. The key highlights included:

- **Caring for our Planet** – We have reduced our Scope 1 and 2 market-based emissions year-on-year and implemented a new energy management system
- **Caring for our Colleagues** – We have maintained strong engagement with our colleagues and were pleased to be Great Place to Work-Certified™ in the first year of entry. Our engagement score and inclusion score for the year were 70% and 77% respectively. We have also taken steps to protect and support lower paid employees in light of the cost-of-living crisis through the Real Living Wage commitment
- **Caring for our Communities** – We have continued our support of The Watches of Switzerland Group Foundation and increased volunteering hours by 37%

Overall, the Committee considered that the progress against our ESG strategy in FY25 was positive. The Committee therefore determined that the ESG underpin has been met and there would be no downwards adjustment to the formulaic bonus outcome.

Full details on the performance outturn against the targets are shown in the 'At a glance' section on pages 192 and 193.

¹ This is an Alternative Performance Measure. Refer to Glossary on pages 270 to 273 for definitions and reconciliation to statutory measures.

REMUNERATION COMMITTEE REPORT CONTINUED

Long-Term Incentive Plan (LTIP) awards vesting in FY25

The LTIP grants awarded in July 2022 were based 80% on three-year cumulative Adjusted EPS¹ and 20% on three-year average ROCE performance.

The performance targets were set taking into account internal and external expectations of performance at the time. The macroeconomic backdrop over the performance period has resulted in tough trading conditions in the UK this year, resulting in cumulative Adjusted EPS of 132.3p and three-year average ROCE of 22.1%. As such, 0% of the LTIP award is due to vest in July 2025.

NEW DIRECTORS' REMUNERATION POLICY

Our Remuneration Policy was last approved by shareholders at the 2022 AGM where it received strong support (98.15%). In line with the normal three-year cycle, we are submitting a new Remuneration Policy for shareholder approval this AGM. Following a comprehensive review the Committee has concluded that for now the current Policy remains fit-for-purpose and continues to support the execution of our long-term strategy and the continued generation of sustainable shareholder value. Key features remain as follows:

- No change to the overarching pay framework – the incentive structure will continue to include an annual bonus and performance-based LTIP
- No increase to incentive opportunities under either the annual bonus or LTIP
- Retention of 'best practice' features, including shareholding guidelines in-employment and post-employment, a post-vesting LTIP holding period and a pension allowance aligned with the wider workforce

We are proposing an amendment to our approach to annual bonus deferral to reflect developing market practice in this area. The Committee proposes that where Executive Directors have met their shareholding requirements in full, annual bonus awards will typically be made fully in cash rather than part being deferred into shares. Where an Executive Director has not met their shareholding guidelines, they would still be required to defer one-third of their annual bonus into shares to support building their shareholding and to increase alignment with shareholder interests.

This change will simplify the annual bonus structure and better align us with international market practice, whilst still ensuring strong shareholder alignment through existing shareholding guidelines. The Committee's view is that both deferral and shareholding guidelines ensure strong alignment to shareholders and it is not necessary to have further deferral of annual bonus awards where Executives already hold substantial holdings in the Company. Both Executive Directors currently have significant shareholdings, very considerably above the listed market average and in excess of our Executive Director shareholding guidelines (200%). Our Remuneration Policy continues to include other best practice features that further reinforce stewardship and creates shareholder alignment including a two-year holding period on the LTIP, post-employment shareholding requirements and recovery provisions to avoid payments for failure.

While only a minor change is proposed to the Policy at this stage, the Committee is conscious that we are operating in a rapidly changing macroeconomic context for both the luxury sector and UK pay governance. The Group is also continuing to evolve with US revenue increasing to 48% of total Group revenue. The Committee therefore intends to keep the Policy under careful review and it may be necessary to make further changes to the Policy within the three-year life of the Policy. Should the need to make further changes arise we will consult with our shareholders at that time. We maintain an ongoing dialogue with shareholders to understand their views and sought feedback from our major shareholders as we developed this Remuneration Policy.

FY26 IMPLEMENTATION OF REMUNERATION POLICY

Base salary/fee increases for FY26

Salary reviews for all colleagues in the UK and US Support Centres took place in November 2024 and the next support and retail colleague review will be in November 2025.

Annual bonus for FY26

The annual bonus will be determined in line with the normal cycle. For FY26, the annual bonus will continue to be based on Adjusted EBIT and the ESG underpin will continue to apply for FY26. The underpin will focus on key metrics under our three main ESG pillars:

- Caring for our Planet
- Caring for our Colleagues
- Caring for our Communities

This ESG underpin will inform the Committee's decision of whether or not to apply a downwards adjustment of up to 10% to the formulaic FY26 annual bonus outcome in order to take into account the wider ESG performance of the Group. Key factors considered by the Committee will be disclosed retrospectively in next year's Annual Report and Accounts, in line with best practice.

LTIP awards to be granted in FY26

Due to the ongoing market volatility the Committee has not yet finalised the LTIP targets for FY26 awards. These targets will be set prior to grant and will be disclosed, at the latest, in the RNS at the time of the award. No changes are proposed to the LTIP award levels and these will continue to be 200% of base salary for the CEO and 175% of base salary for the CFO. In line with last year's grant, the LTIP measures will be based on a three-year cumulative Adjusted EPS and three-year average ROCE with weightings of 80% and 20% of maximum respectively. ROCE is a Key Performance Indicator (KPI) and measures the efficiency with which the Group is able to utilise its capital. Strong average ROCE performance combined with continued growth in earnings is critical in ensuring the successful execution of our long-term strategy and growth ambitions.

¹ This is an Alternative Performance Measure. Refer to Glossary on pages 270 to 273 for definitions and reconciliation to statutory measures.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONSIDERATIONS

Wider workforce considerations and helping our employees with the cost-of-living crisis

The Watches of Switzerland Group always strives to be an organisation that is inclusive, rewarding and fair to all colleagues. It is the unwavering commitment from our colleagues that has been critical to the Group as we navigated the trading conditions across luxury retail. During this time, the Committee has been acutely aware of the challenges our colleagues have been facing because of the macroeconomic environment.

The Watches of Switzerland Group continues to be an organisation that values all colleagues across the business and is particularly mindful of the circumstances of those on the lowest salaries. We were proud to retain our Living Wage Foundation accreditation in FY25, making a commitment to paying all our UK colleagues the minimum real living wage to ensure that they receive sufficient income to meet their basic needs. In the US, we pay above state minimum to all our colleagues.

We launched a new communication strategy in FY25 which creates a further opportunity for two-way communication across the Group. Town halls have been attended by Baroness (Rosa) Monckton MBE in her capacity as the Designated Non-Executive Director for Workforce Engagement, which included question and answer sessions and review of colleague feedback.

In the US, we were pleased to confirm 100% participation in the new benefits platform enrolment and we have increased maternity leave to provide greater financial support to parents.

In the UK, we continue to provide the Watches of Switzerland Group Support Fund, which offers financial support by way of a loan for those most impacted by the cost-of-living crisis.

We will continue to monitor this area and make adjustments as necessary to support ongoing retention and motivation in a challenging macroeconomic and talent environment.

HOW THE REMUNERATION COMMITTEE SPENT ITS TIME IN FY25

As a Remuneration Committee, it is our responsibility to make decisions which support the Group's long-term business strategy, and which align with the Group's culture and values. We must balance this with our desire to reflect best practice remuneration and high standards of corporate governance. In addition to its usual activities, key areas of focus for the Committee in FY25 have been:

- Ensured that our incentive framework continues to appropriately motivate and retain our colleagues in challenging market circumstances
- Reviewed performance against incentives, performance measures including reviewing the ESG underpin
- Reviewed our Directors' Remuneration Policy and consulted with shareholders
- Considered and approved the remuneration package for colleagues below Board
- Reviewed gender pay gap progress and relevant actions
- Reviewed Chair fees

Engagement with shareholders

I would like to take this opportunity to thank our shareholders for their support of our Directors' Remuneration Report at our 2024 AGM which received 94% of votes cast in favour. We recognise that executive remuneration is an area of public interest and we have worked hard to ensure that full transparency has been provided in this year's Directors' Remuneration Report on the Group's remuneration practices and our new Remuneration Policy.

In conclusion

In addition to the policy, the remainder of the Remuneration Report is split into three parts:

Wider workforce considerations

This section contains discussions on the Company's initiatives in colleague and stakeholder engagement. In addition, we have included a report on specific areas in relation to wider workforce remuneration which the Committee reviewed during the course of the year.

'At a glance' section

The 'At a glance' section provides a summary of the payments made to the Executive Directors during FY25.

Annual Report on Remuneration

This section summarises remuneration decisions during the past year. This includes details of annual bonus and long-term incentive awards granted and vesting during the year.

I hope that you will find this year's report clear, transparent and informative. If you wish to discuss any aspect of this Remuneration Report, I would be happy to hear from you. You can contact me through our Company Secretary and General Counsel, Laura Battley. I will also be available at the Company's AGM at 2.30pm on Wednesday 3 September 2025 to answer any questions.

On behalf of the Remuneration Committee and the Board.

TEA COLAIANNI

CHAIR OF THE REMUNERATION COMMITTEE

2 July 2025

WIDER WORKFORCE CONSIDERATIONS

As part of our commitment to fairness, openness and inclusivity, as in previous years, we have included this dedicated section to provide more information on our communication with colleagues, our remuneration principles and wider workforce pay conditions.

COMMUNICATIONS WITH COLLEAGUES

We have a number of channels where colleagues' views on remuneration can be captured. For example, colleagues are able to express their views through the Company's Colleague Engagement Surveys and through two-way communication channels in the UK and the US. We are committed to giving our colleagues a voice and they have always had the opportunity to interact with our Directors. We have a dedicated Designated Non-Executive Director for Workforce Engagement, Baroness (Rosa) Monckton MBE, responsible for gathering our colleagues' views and presenting these to the Board.

How we engaged with colleagues in FY25

- Open conversation during 'In Conversation With' sessions attended by Baroness (Rosa) Monckton MBE and senior leadership
- Engagement survey and understanding what matters to our colleagues
- Innovative and accessible communication portals including CONNECT
- Colleague engagement, input to office environment and Foundation Forum
- Visits to showrooms by the Chair of the Board and other Board members
- Colleague attendance at Board meetings and informal engagement events with the Board

Our Listening Forums have been replaced by skip-level meetings chaired by Baroness (Rosa) Monckton in the UK and the US which involves open two-way conversation without senior levels of management. This gives Rosa an opportunity to ask questions in an informal setting about culture and organisation and any other issues.

REMUNERATION COMMITTEE REPORT

A process was introduced in 2020, which enables the Remuneration Committee to carry out its oversight and review of wider workforce pay and policies, and to ensure that they are designed to support the Company's desired culture and values. When conducting its annual review, the Remuneration Committee is paying particular attention to:

- Whether the element of remuneration is consistent with the Company's remuneration principles
- If there are differences, whether they are objectively justifiable
- Whether the approach seems fair and equitable in the context of other employees

Once the Remuneration Committee has conducted its review of the wider workforce remuneration and incentives, it will consider the approach applied to the remuneration of the Executive Directors and Senior Management. In particular, the Remuneration Committee is focused on whether the approach to the remuneration of the Executive Directors and Senior Management is consistent with that applied to the wider workforce.

The Remuneration Committee remains satisfied that the approach to remuneration across the Group is consistent with the Company's principles of remuneration. Furthermore, in the Remuneration Committee's opinion, the approach to executive remuneration aligns with the wider Company pay policy and there are no anomalies specific to the Executive Directors excluding the fact that, since the IPO in 2019, the Executive Directors have elected not to receive salary increases or pension.

GENDER PAY

UK legislation requires employers with more than 250 employees to disclose information on their gender pay gap on an annual basis. We have published our seventh disclosure of the pay gap based on amounts paid in the April 2024 payroll. The bonus gap was based on incentives paid in the year to 31 March 2024.

The mean gender pay gap at the Group is 16%, compared to 20% last year. The median bonus gap at the Group is 25%, compared to 42% last year. Whilst there is still a way to go, we are encouraged by the result. The full report, including details on the initiatives we have underway to help close our gender pay gap, is available on our website thewosgroupplc.com

The following table sets out a summary of the information received by the Remuneration Committee on the Group's remuneration structure:

Element of remuneration	Overview of practice at the Watches of Switzerland Group PLC
Alignment with remuneration principles	The Group's remuneration principles are designed to enable fair and flexible reward structures to be developed and implemented across the entire organisation. We continue to review and redesign our policies in line with this principle.
Salary	Salaries are set to reflect the market value of the role, and to aid recruitment and retention. Remuneration for all UK colleagues is above the Real Living Wage. We also closely monitor the rates of pay of people who are training with us to make sure they remain fair and competitive. Salary increases are normally awarded annually following the Company's main pay review and are typically between 2% and 3%. This year, our UK Support Centre pay review delivered an increase of 3% for all colleagues below Senior Management level. We also implemented adjustments in support and retail salaries to comply with our commitment to the Real Living Wage. Typically, the Executive Directors will receive no more than the same percentage increase as the wider workforce. The US awarded pay increases of 3% to support and retail colleagues. From time to time, ad hoc pay reviews are conducted in order to make market or inflationary adjustments and ensure the Company's targeted living wage differential is maintained.

Element of remuneration	Overview of practice at the Watches of Switzerland Group PLC												
Annual variable pay	<p>All Watches of Switzerland Group colleagues are entitled to earn variable pay linked to stretching performance targets:</p> <p>Annual bonus plan Subject to service and eligibility, our colleagues in support functions participate in the Company's annual bonus plan and are rewarded based on financial performance measured using Adjusted EBIT. As outlined in last year's Directors' Remuneration Report, a robust ESG underpin applies to annual bonus awards.</p> <p>Bonuses typically operate in one of three formats depending on the level of seniority and line-of-sight to performance:</p> <ul style="list-style-type: none"> – For roles with a global remit, bonuses are based 100% on Group performance – For roles that wholly or mainly concentrate on either our UK or US operations, bonuses are based 100% on the performance of the business in the relevant country <p>In line with market practice, the bonus quantum and the question of whether it is paid solely in cash or in a mixture of cash and deferred shares depends on the level of seniority of the colleague.</p> <p>Bonuses to eligible colleagues are normally paid in July, when performance conditions have been met.</p> <p>Sales commission plans A range of plans exist for our retail team members which reflect the size and complexity of the showrooms. Targets can be based on individual objectives for larger showrooms or team-based objectives for smaller showrooms. The majority of these plans are paid monthly and biannually.</p> <p>We review these schemes periodically to ensure they adhere to our reward principles and support good client outcomes.</p>												
LTIP	<p>The LTIP is currently available to Executive Directors and Senior Management. LTIP awards are normally granted annually. Malus and clawback provisions are in place.</p> <p>The vesting period is three years and all LTIP participants are subject to an additional two-year holding period. Eligible colleagues and details of the award opportunity are set out below.</p> <table border="1"> <thead> <tr> <th>Level</th> <th>No. of eligible colleagues</th> <th>Targeted ranges (% of salary)</th> </tr> </thead> <tbody> <tr> <td>Group CEO</td> <td>1</td> <td>200%</td> </tr> <tr> <td>Group CFO</td> <td>1</td> <td>175%</td> </tr> <tr> <td>Senior Management</td> <td>18</td> <td>20–80%</td> </tr> </tbody> </table>	Level	No. of eligible colleagues	Targeted ranges (% of salary)	Group CEO	1	200%	Group CFO	1	175%	Senior Management	18	20–80%
Level	No. of eligible colleagues	Targeted ranges (% of salary)											
Group CEO	1	200%											
Group CFO	1	175%											
Senior Management	18	20–80%											
Pension	<p>The Company operates a UK defined contribution pension arrangement, which all UK employees are entitled to participate in.</p> <p>The Executive Directors are entitled to receive an employer pension contribution of 3% of salary, which is aligned with the level available to the majority of the wider workforce in the UK. The CEO and the CFO waive their employer pension contributions.</p> <p>Arrangements for US employees vary depending on territory. In some locations, the Company offers a 3% 401k employer match and in other locations a 2% match is offered.</p>												

Element of remuneration	Overview of practice at the Watches of Switzerland Group PLC
Benefits	<p>We offer a suite of benefits across the Group, which are designed to be appropriate for different roles and functions and countries. These include health insurance (for all US colleagues and some UK colleagues), and in the UK, season ticket loans, a cycle to work scheme, a Health Cash Plan and UK and US enhanced maternity leave. Life cover is offered to varying degrees depending on grade and region.</p> <p>We operate an Employee Assistance Programme (EAP) in the UK and US. This is intended to help employees deal with any personal problems that may adversely impact their work performance, health and/or wellbeing and financial support.</p> <p>All of our colleagues are entitled to staff discounts, subject to the rules of the relevant schemes.</p>
All-employee share schemes	Our colleagues are able to participate in our employee sharesave schemes in the UK and US.

A summary of the Company's general policies is as follows:

Policy	Description
Reward	We have an ethical pay policy, whereby we ensure that our pay rates are ahead of the Real Living Wage in the UK and we periodically benchmark salaries against market data. We have implemented interim reviews for relevant groups of colleagues when deemed necessary to guarantee compliance with the legislation, and to ensure that our pay rates remain competitive with those of our main competitors.
Recognition and celebration	Our UK recognition programme, VibE, provides all colleagues with the ability to recognise and celebrate achievements across the colleague population instantly via a digital platform. CONNECT, our internal community based social platform, provides Company news, and enables our colleagues to recognise and celebrate achievements across the Group.
Development opportunities	We are proud of our wide range of training and development programmes in the UK and US and we work closely with our brand partners to ensure that our colleagues are true experts in our category. Our e-learning modules make learning and personal development accessible to all.
Equal opportunities and diversity initiatives	The Company is committed to an active Diversity & Inclusion Policy from recruitment and selection to training and development, performance reviews and promotion. All decisions relating to employment practices are objective, free from bias and based solely upon work criteria and individual merit. The Company is responsive to the needs of its colleagues, clients and the community. We are an organisation that seeks to make use of everyone's talents and abilities, and where diversity is valued. The Company ensures that its promotion and recruitment practices are fair and objective and encourages the continuous development and training, as well as the provision of equal opportunities for the training and career development, of all colleagues. Further details of this are shown on pages 176 and 177.

AT A GLANCE

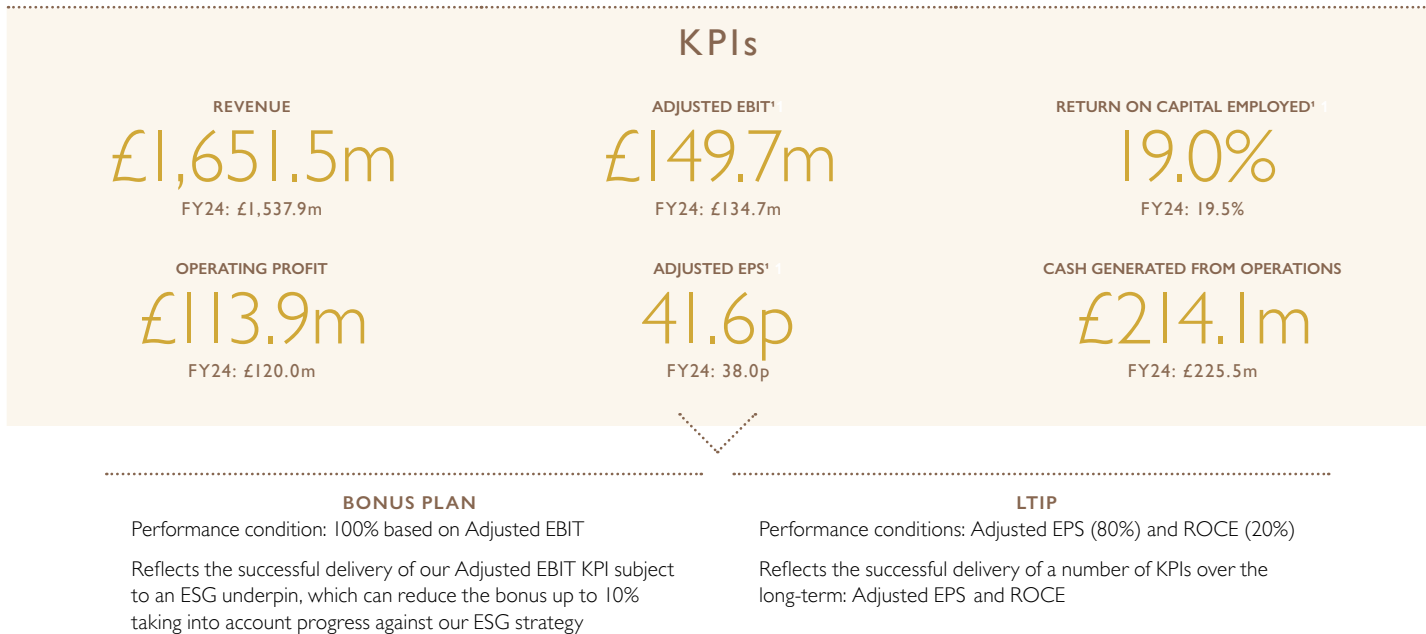
REMUNERATION PRINCIPLES

Our reward strategy is designed to support and reinforce our purpose and values, and to reward all of our colleagues for delivering against our strategic objectives. The remuneration principles that we have developed across the Group are cascaded throughout the organisation.

Current Directors' Remuneration Policy	
Fixed	Salary Reflects the value of the individual, their role, skills, experience and contribution to the business
	Benefits Aligned with all other colleague arrangements
	Pension Alignment of employer pension contributions with the wider workforce at 3%. The CEO and CFO waive their employer pension contribution
Variable	Annual bonus plan Incentivises achievement of annual objectives and aligns Director and shareholder interests by ensuring share ownership for Executive Directors
	LTIP Provides alignment with shareholders and motivates key individuals to achieve long-term targets and deliver sustainable performance

WHAT IS THE LINK TO COMPANY STRATEGY?

The following diagram shows the link between our Remuneration Policy and our strategy through looking at our KPIs, which measure the successful implementation of that strategy and the performance conditions we use for our incentive plans. Our FY25 performance against our KPIs is also shown below:



¹ This is an Alternative Performance Measure and is shown pre-IFRS 16. Refer to the Glossary on pages 270 to 273 for definition, purpose and reconciliation to statutory measures where relevant.

REMUNERATION IN RESPECT OF FY25

Total compensation			
Brian Duffy (CEO)		Anders Romberg (CFO)	
Salary:	£500,000	Salary:	£380,000
Taxable benefits: ¹	£28,771	Taxable benefits: ¹	£6,177
Annual bonus: ²	£181,500	Annual bonus: ²	£114,950
LTIP: ³	–	LTIP: ³	–
Pension:	–	Pension:	–
Total:	£710,271	Total:	£501,127

1 Taxable benefits include one or more of private healthcare, accommodation when attending different offices, company car (including private fuel) or a car allowance.

2 A bonus payment is to be awarded for FY25, based on 24.2% of maximum potential with two-thirds payable in cash and one-third deferred shares.

3 The FY23 LTIP awards have not met the performance conditions and 0% will vest.

► For further detail refer to page 195.

ANNUAL BONUS OUTCOMES IN FY25 (AUDITED)

Performance condition	Weighting	Threshold performance required (20% of max bonus)	Target performance required (50% of max bonus)	Maximum performance required (100% of max bonus)	Actual performance	Percentage of maximum performance achieved	Bonus value achieved	
							Brian Duffy	Anders Romberg
Adjusted EBIT	100%	£148.6m	£156.4m	£164.2m	£149.7m	24.2%	£181,500	£114,950

► For further detail refer to page 195.

LTIP OUTCOMES IN FY25

The LTIP awards granted in July 2022 were based 80% on three-year cumulative Adjusted EPS and 20% on three-year average ROCE performance.

As a result of Adjusted EPS and ROCE performance over the three-year performance period, 0% of the LTIP award is due to vest in July 2025.

Performance condition	Weighting	Threshold performance required (20% of max LTIP)	Target performance required (60% of max LTIP)	Maximum performance required (100% of max LTIP)	Actual performance	Vesting level
Cumulative Adjusted Earnings Per Share	80%	166.2p	175.0p	183.7p	132.3p	0%
Average ROCE	20%	26.4%	27.8%	29.2%	22.1%	0%

► For further detail of the performance outcomes refer to page 195.

No malus nor clawback provisions in relation to any element of Directors' remuneration were used during the year under review.

ANNUAL REPORT ON REMUNERATION

SINGLE TOTAL FIGURE OF REMUNERATION (AUDITED)

The table below sets out the single total figure of remuneration and breakdown for each Director in respect of FY25. Figures provided have been calculated in accordance with the UK disclosure requirements: The Large and Medium-Sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2019 (Schedule 8 to the Regulations).

Name	Period	Salary/fees £	Taxable benefits ¹ £	Bonus ² £	LTIP ³ £	Pension ⁴ £	Other £	Total £	Total fixed remuneration £	Total variable remuneration £
Executive Directors										
Brian Duffy	FY25	500,000	28,771	181,500	–	–	–	710,271	528,771	181,500
	FY24	500,000	25,190	–	347,770	–	–	872,960	525,190	347,770
Anders Romberg ⁵	FY25	380,000	6,177	114,950	–	–	–	501,127	386,177	114,950
	FY24	377,082	8,523	–	41,415	–	–	427,020	385,605	41,415
Non-Executive Directors⁶										
Ian Carter	FY25	190,000	8,577	n/a	n/a	n/a	n/a	198,577	198,577	n/a
	FY24	190,000	19,820	n/a	n/a	n/a	n/a	209,820	209,820	n/a
Tea Colaiani	FY25	82,500	–	n/a	n/a	n/a	n/a	82,500	82,500	n/a
	FY24	82,500	230	n/a	n/a	n/a	n/a	82,730	82,730	n/a
Robert Moorhead	FY25	72,500	155	n/a	n/a	n/a	n/a	72,655	72,655	n/a
	FY24	72,500	–	n/a	n/a	n/a	n/a	72,500	72,500	n/a
Baroness (Rosa) Monckton MBE	FY25	72,500	283	n/a	n/a	n/a	n/a	72,783	72,783	n/a
	FY24	72,500	–	n/a	n/a	n/a	n/a	72,500	72,500	n/a
Chabi Nouri	FY25	60,000	1,301	n/a	n/a	n/a	n/a	61,301	61,301	n/a
	FY24	60,000	3,848	n/a	n/a	n/a	n/a	63,848	63,848	n/a

- 1 Taxable benefits for Executive Directors includes one or more of: private healthcare; accommodation when attending different offices; company car (including private fuel); or a car allowance. Healthcare provision for Executive Directors was enhanced effective 23 December 2024. Taxable benefits for Non-Executive Directors includes reimbursement for travel and accommodation costs.
- 2 The annual bonus is paid two-thirds in cash and one-third in shares, with the portion deferred into shares subject to continued employment for three years but with no further performance conditions attached.
- 3 The FY23 LTIP award will vest at 0% of maximum due to the performance conditions not being met. The value of the FY22 LTIP award which vested in FY24 has been updated to reflect the share price on the exercise date of 7 April 2025, being £3.276.
- 4 The CEO and CFO waive their employer pension contributions.
- 5 Anders Romberg retired as CFO and as an Executive Director of the Board with effect from 1 January 2022. On 12 May 2023 he rejoined the Board and replaced Bill Floydd as CFO. The increased salary in comparison to FY24 is as a result of the annualisation of his remuneration. The FY24 LTIP value shown reflects the proportion of the LTIP award he retained (12,642) shares of the original 65,021 shares granted.
- 6 Non-Executive Director fees include fees in respect of committee meetings. There has been no increase in respect of any of the individual fee components.

ANNUAL BONUS OUTCOMES IN FY25 (AUDITED)

The maximum bonus opportunity for the CEO and CFO for FY25 was 150% and 125% of salary respectively. Two-thirds of the bonus award is paid out in cash with the remaining one-third deferred into shares and subject to a three-year vesting period.

Details of the targets used to determine bonuses in respect of FY25 and the extent to which they were satisfied are shown in the table below:

Performance condition	Weighting	Threshold performance required (20% of max bonus)	Target performance required (50% of max bonus)	Maximum performance required (100% of max bonus)	Actual performance	Percentage of maximum performance achieved	Bonus value achieved	
							Brian Duffy	Anders Romberg
Adjusted EBIT	100%	£148.6m	£156.4m	£164.2m	£149.7m	24.2%	£181,500	£114,950

Included in our bonus pay-out, in line with best practice and as disclosed in last year's report, the Remuneration Committee assessed progress against our ESG Strategy using the ESG underpin developed at the start of the year. The key highlights included:

- **Caring for our Planet** – We have reduced our Scope 1 and 2 market-based emissions year-on-year and implemented a new energy management system
- **Caring for our Colleagues** – We have maintained strong engagement with our colleagues. Our engagement score and inclusion score for the year were 70% and 77% respectively. We have also taken steps to protect and support lower paid colleagues in light of the cost-of-living crisis through the Real Living Wage commitment
- **Caring for our Communities** – We have continued our support of The Watches of Switzerland Group Foundation and increased the Company's volunteering hours by 37%

Overall, the Committee considered that the progress against our ESG Strategy in FY25 was positive and we have delivered continuous improvements across our environmental and social activities in FY25. The Committee therefore determined that the ESG underpin has been met and it has not resulted in any downwards adjustment to the formulaic bonus outcome.

LONG-TERM INCENTIVE OUTCOMES IN FY25

LTIP awards granted in July 2022 were subject to performance to the end of FY25. Details of the three-year cumulative Adjusted EPS and three-year average ROCE targets attached to these awards and the extent to which they were satisfied are shown in the table below. EPS and ROCE performance was below the stretching thresholds and therefore no portion of this award will vest. A two-year holding period applies to long-term incentive awards following vesting.

Performance condition	Weighting	Threshold performance required (20% of max LTIP)	Target performance required (60% of max LTIP)	Maximum performance required (100% of max LTIP)	Actual performance	Vesting level
Cumulative Adjusted EPS	80%	166.2p	175.0p	183.7p	132.3p	0%
Average ROCE	20%	26.4%	27.8%	29.2%	22.1%	0%

LONG-TERM INCENTIVES AWARDED IN FY25 (AUDITED)

The table below sets out the details of the long-term incentive awards granted in FY25, where vesting will be determined according to the achievement of performance conditions that will be tested based on three-year performance to the end of FY27.

Name	Award type	Basis on which award made	Shares awarded	Percentage of award vesting at threshold performance (%)	Maximum percentage of face value that could vest (%)	Performance conditions
Brian Duffy	Nil-cost options	200% of annual salary	241,429	20%	100%	EPS (80%) ROCE (20%)
Anders Romberg	Nil-cost options	175% annual of salary	160,550	20%	100%	EPS (80%) ROCE (20%)

The awards were granted on 8 July 2024; the face value is calculated with reference to a share price of £4.14, being the closing share price on 5 July 2024.

Awards are based 80% on three-year cumulative Adjusted EPS and 20% on three-year average ROCE over the period FY25 to FY27. Targets are as follows:

- Cumulative Adjusted EPS: 178.2p (Threshold); 187.6p (Target); 196.9p (Maximum)
- Average ROCE: 22.7% (Threshold); 23.9% (Target); 25.1% (Maximum)

DIRECTORS' REMUNERATION REPORT
CONTINUED

DIRECTORS' SHARE INTERESTS (AUDITED)

Name	Shares held directly		Deferred shares not subject to performance conditions	LTIP vested but not yet exercised	LTIP interests subject to performance conditions	LTIP interests not subject to performance conditions	Shareholding requirement	
	Current shareholding	Beneficially owned					% Salary	Shareholding requirement met?
Executive Directors								
Brian Duffy	8,511,459	8,511,459	58,112	–	524,038	–	200%	Yes
Anders Romberg	1,494,236	1,494,236	12,853	–	259,877	–	175%	Yes
Non-Executive Directors								
Ian Carter	182,200	182,200	–	–	–	–	n/a	n/a
Tea Colaianni	32,947	32,947	–	–	–	–	n/a	n/a
Robert Moorhead	30,620	30,620	–	–	–	–	n/a	n/a
Baroness (Rosa) Monckton MBE	8,904	8,904	–	–	–	–	n/a	n/a
Chabi Nouri	–	–	–	–	–	–	n/a	n/a

There have been no changes to shareholdings between 27 April 2025 and the date of this Report.

The market price of shares at 25 April 2025 was £3.59 and the range during FY25 was £3.25 to £5.92.

PAYMENTS TO PAST DIRECTORS AND PAYMENTS FOR LOSS OF OFFICE

No payments were made to past Directors or for loss of office in FY25.

REMUNERATION AND ALIGNMENT WITH PERFORMANCE

CEO pay ratio

Our CEO to employee pay ratios for FY20 to FY25 are set out in the table below:

Financial year	Method used	25th percentile pay ratio	50th percentile pay ratio	75th percentile pay ratio
FY25 (reported)	Option A	27:1	24:1	19:1
FY24 (reported)	Option A	37:1	32:1	25:1
FY23 (reported)	Option A	144:1	124:1	92:1
FY22 (reported)	Option A	206:1	174:1	128:1
FY21 (reported)	Option A	61:1	51:1	37:1
FY20 (reported)	Option A	317:1	262:1	179:1

Details of salary and total pay and benefits as required under the regulations are set out below:

CEO base salary: £500,000

CEO total pay and benefits: £710,271

Employee figures (£'000)	Salary	Total pay and benefits
25th percentile employee	36.8	37.9
50th percentile employee	29.0	29.5
75th percentile employee	24.8	26.2

The Company has used Option A to calculate the CEO pay ratio. The Company feels that using comparable single figure data ensures the most like for like comparison of CEO pay against the pay levels of employees at the 25th, 50th and 75th percentiles. We have determined the individuals at the 25th, 50th and 75th percentiles as at 27 April 2025, the last day of the financial year.

The CEO pay ratio gap has decreased during the year, and while this is influenced by a number of factors, a key influence is the fact that there is no LTIP vesting this year compared to a full vesting of the award which vested last year.

The value of the LTIP vesting in respect of FY25 is £nil due to the performance conditions not being met.

In addition, we expect the ratios could be fairly volatile for the following reasons:

- The CEO's pay is made up of a greater proportion of incentive pay than for employees generally, and this leads to a higher degree of variability in his overall pay each year
- LTIPs are provided in shares, and therefore a change in share price over the three years changes the value of a long-term incentive award vesting in any given year

We recognise that the ratio is driven by the different structure of the pay of our CEO versus that of our colleagues generally, as well as the make-up of our workforce. What is important from our perspective is that this ratio is influenced only by the differences in structure, and not by divergence in fixed pay between the CEO and wider workforce. The Remuneration Committee reviews information about colleague pay, reward and progression policies of the Company and is comfortable that the median pay ratio is consistent with these policies.

NOTES ON METHODOLOGY

In determining the quartile figures, the hourly rates were annualised using the same number of contractual hours as the CEO. Actual pay and benefits were calculated for all UK colleagues at the snapshot date and subsequently ranked in order to identify the relevant person at each quartile. For the purpose of the calculations the following elements of pay were included (if applicable) for all colleagues:

- Annual basic salary
- Private medical insurance cover
- Car or car allowance
- Employer pension contribution (noting that the CEO and CFO waive their employer pension contribution)
- Bonus and commission earned in the year in question
- LTIP value
- Management incentive plan value

DIRECTORS' REMUNERATION REPORT CONTINUED

PERCENTAGE CHANGE IN DIRECTORS' REMUNERATION

The table below shows how the percentage change in each Director's salary/fees, taxable benefits and annual bonus from FY20 to FY25 compares with the average percentage change in each of those components of pay for the UK-based employees of the Group as a whole.

The reporting regulations prescribe that all employees of the listed company, excluding Directors, should be included in the average employee calculation. However, as the Watches of Switzerland Group PLC does not have any colleagues other than the two Executive Directors, no statutory disclosure can be provided in respect of colleagues. Therefore, the Company has chosen to voluntarily disclose the information in the table below using UK full time colleagues as the comparator group; this group was chosen on the basis that the majority of our workforce is UK-based.

Year-on-year changes in pay for Directors compared to the average UK colleague increase:

Name	FY20 to FY21			FY21 to FY22			FY22 to FY23			FY23 to FY24			FY24 to FY25		
	Salary/fees	Taxable benefits	Annual bonus	Salary/fees	Taxable benefits	Annual bonus	Salary/fees	Taxable benefits	Annual bonus	Salary/fees	Taxable benefits	Annual bonus	Salary/fees	Taxable benefits	Annual bonus
Executive Directors															
Brian Duffy	0%	2.7%	n/a	4.3%	(0.6)%	4.3%	0%	6.9%	(25.0)%	0%	1.2%	(100.0)%	0%	14.2%	100%
Anders Romberg ¹	0%	(43.0)%	n/a	(30.4)%	(27.7)%	(30.4)%	n/a	n/a	n/a	100.0%	100.0%	n/a	0.8% ¹	(27.5)%	100%
Non-Executive Directors															
Ian Carter	n/a	n/a	n/a	0%	0%	n/a	0%	28.7%	n/a	0%	128.2%	n/a	0%	(56.7)%	n/a
Tea Colaianni	0%	n/a	n/a	10.0% ²	0%	n/a	1.0% ²	100.0%	n/a	0%	(83.0)%	n/a	0%	(100.0)%	n/a
Robert Moorhead	0%	n/a	n/a	10.8% ²	0%	n/a	1.2% ²	0%	n/a	0%	0%	n/a	0%	100.0%	n/a
Baroness (Rosa) Monckton MBE	0%	n/a	n/a	18.3% ²	0%	n/a	2.4% ²	0%	n/a	0%	0%	n/a	0%	100.0%	n/a
Chabi Nouri	n/a	n/a	n/a	n/a	n/a	n/a	100.0%	100.0%	n/a	1.4% ³	(18.0)%	n/a	0%	(66.2)%	n/a
Average percentage increase for UK employees	5.0%	4.0%	n/a	9%	(15.5)%	35%	9.1%	(14.4)%	(48.3)%	12.5%	15.9%	(100.0)%	5.0%	(10.0)% ⁴	100%

1 Anders Romberg retired as CFO and as an Executive Director of the Board with effect from 1 January 2022. On 12 May 2023 he rejoined the Board and replaced Bill Floydd as CFO. The increased salary in comparison to FY24 is as a result of the annualisation of his remuneration.

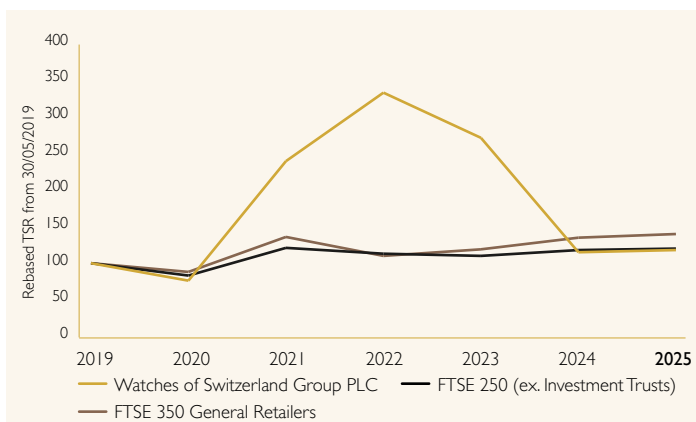
2 Changes in pay for the Non-Executive Directors related to the introduction of the ESG Committee part way through FY22. There have been no increases in Non-Executive Director fees over the year.

3 Chabi Nouri was appointed as an independent Non-Executive Director with effect from 1 May 2022. The increase in FY24 was as a result of the annualisation of her remuneration.

4 The reduction in taxable benefits is due to a move to more efficient fleet cars.

TOTAL SHAREHOLDER RETURN

The graph shows the Group's TSR performance (share price plus dividends paid) compared with the performance of the FTSE 250 (excluding Investment Trusts) Index and the FTSE 350 General Retailers, since the Company's IPO in June 2019. These indices have been selected because the Company believes that the constituent companies are the most appropriate for this comparison for the Group. This chart will be built out in future reports until it provides a picture of performance over ten years.



CEO REMUNERATION SINCE IPO

The Remuneration Committee does not believe that the remuneration paid whilst the Company was private is relevant to the remuneration following IPO. As such, this table shows remuneration from FY20, the first financial year when the Company was listed. We will add to this table each year until a full ten-year history is shown

Financial year	Single figure of remuneration	% of max annual bonus earned	% of max LTIP awards vesting
FY25 – Brian Duffy	£710,271	24%	0%
FY24 – Brian Duffy	£872,960	0%	100%
FY23 – Brian Duffy	£3,329,581	75%	100%
FY22 – Brian Duffy	£4,547,352	100%	100%
FY21 – Brian Duffy	£1,221,337	100%	n/a
FY20 – Brian Duffy excluding one-off IPO award	£6,512,387 (£512,388)	0%	n/a

RELATIVE IMPORTANCE OF SPEND ON PAY

The table below shows the percentage change in total colleague pay expenditure and shareholder distribution (i.e. dividends and share buybacks) from 28 April 2024 to 27 April 2025.

Relative importance of the spend on pay	FY25 £m	FY24 £m	% change
Colleague remuneration	£170.1	£149.4	13.9%
Distribution to shareholders (share buyback)	£11.3	–	100.0%

The Company commenced a share buyback programme on 10 March 2025 which was completed on 18 June 2025 (refer to note 21 of the Consolidated Financial Statements for further detail).

APPROVAL OF THE DIRECTORS' REMUNERATION REPORT

The FY25 Directors' Remuneration Report will be subject to a shareholder vote at the 2025 AGM. The table below sets out the actual voting in respect of resolutions regarding remuneration at previous Annual General Meetings.

	Votes for	% for	Votes against	% against	Total votes	Votes withheld
Approve the 2024 Directors' Remuneration Report (2024 AGM)	175,413,162	93.71%	11,776,624	6.29%	187,189,786	21,340
Approve the 2022 Directors' Remuneration Policy (2023 AGM)	189,914,532	98.15%	3,583,126	1.85%	193,685,453	187,795

ROLE OF THE REMUNERATION COMMITTEE

The Committee complies with the UK Corporate Governance Code 2018 in terms of composition and Terms of Reference. The Committee's Terms of Reference, which are reviewed annually, are available on the Group's website at thewosgroupplc.com.

The Committee's responsibilities are to:

- Determine Remuneration Policy for the Company Chair, Executive Directors, the Company Secretary and General Counsel and other members of the Senior Management as designated
- Determine remuneration packages for the Company Chair, Executive Directors, the Company Secretary and General Counsel and other members of the Senior Management as designated. No Director plays a part in any decision about their own remuneration
- Review the appropriateness of the Remuneration Policy on an ongoing basis and make recommendations to the Board on appropriate changes
- Obtain up to date comparative market information and appoint remuneration consultants as required to advise or obtain information
- Approve the design of, and set targets for, performance related incentives across the Group
- Oversee any major changes to benefits for employees
- Oversee wider workforce pay practices and incentive arrangements
- Ensure that failure and excessive risk taking are not rewarded

None of the Committee members have any personal financial interest (other than as a shareholder) in the decisions made by the Committee, any conflict of interest arising from cross-directorships, or day-to-day involvement in running the business.

WHO SUPPORTS THE COMMITTEE?

Internal

Internal support is provided by the Company Secretary and General Counsel and the Executive Director HR, whose attendance at Committee meetings is by invitation from the Remuneration Committee Chair; to advise on specific questions raised by the Remuneration Committee and on matters relating to the performance and remuneration of the Senior Management team. No Director was present for any discussions that related directly to their own remuneration.

External

The Committee appointed Deloitte LLP as independent adviser to the Committee following an independent selection process. Fees paid to Deloitte LLP in relation to remuneration services provided to the Committee for FY25 were £59,950, which were charged on a time and materials basis. Deloitte LLP is a member of the Remuneration Consultants' Group, and as such chooses to operate pursuant to a code of conduct that requires remuneration advice to be given objectively and independently. Deloitte did not provide any other services to the Group during the year under review, and there are no connections between Deloitte LLP and individual Directors to be disclosed. The Committee is satisfied that the advice provided by Deloitte LLP in relation to remuneration matters is objective and independent.

TEA COLAIANNI

CHAIR OF THE REMUNERATION COMMITTEE

2 July 2025

2025 DIRECTORS' REMUNERATION POLICY

This section contains Watches of Switzerland Group PLC's proposed Directors' Remuneration Policy (the 'Remuneration Policy') that will govern and guide the Company's future remuneration payments to Directors. The Remuneration Policy described in this section will be subject to approval by shareholders at the Company's AGM on 3 September 2025, and will apply from this date. The Remuneration Policy may be in force for three years until the AGM in 2028 ('Policy Period'). However, the Committee intends to keep the operation of the Remuneration Policy under review during this time and the Policy may be returned to shareholders in advance of the AGM in 2028, if appropriate.

The Remuneration Committee has established the Remuneration Policy for the remuneration of the Chair and Executive Directors, and the Board (without the Non-Executive Directors present) has established the Remuneration Policy for the remuneration of the Non-Executive Directors.

PROCESS TO DETERMINE NEW REMUNERATION POLICY

In order to determine the Remuneration Policy, the Remuneration Committee:

- Independently reviewed the impact of the Company's strategy on remuneration and considered whether the current approach to remuneration continues to be the best way to align the Policy with our growth strategy
- Sought advice from its independent remuneration consultant on global market practice and current investor sentiment in formulating the Remuneration Policy
- Consulted with the Chair of the Board and Executives on the proposed Remuneration Policy

During its deliberations on the Remuneration Policy, the Remuneration Committee was mindful of the potential for conflicts of interest and sought to minimise these through an open and transparent process, both internally and externally, by seeking independent advice and through communication with shareholders on the Remuneration Policy.

REMUNERATION STRATEGY

The Company's Remuneration Policy is designed to provide a framework to:

- Promote the long-term sustainable success of the Group and the delivery of shareholder value
- Support the delivery of Group strategy and the achievement of key KPIs
- Recruit, retain and develop high-quality people who are experts in their field and incentivise the Executive Directors to deliver the Group's growth strategy
- Provide an appropriate balance between fixed and performance-related pay to support a high performance culture and a platform for delivering superior service to our clients and enabling expansion of the business and delivering value for our shareholders
- Provide a remuneration structure which is easily understood by all stakeholders
- Adhere to principles of good corporate governance and appropriate risk management

In determining the Remuneration Policy the Remuneration Committee considered Provision 40 of the UK Corporate Governance Code 2018 (the 'Code'). The following table summarises the Committee's views of how the Remuneration Policy continues to align with these principles:

Factor: Clarity

- The Remuneration Policy sets out clearly the basis for any payments and the terms of the incentive arrangements
- The performance conditions used for the Annual Bonus Plan and Long-Term Incentive Plan (LTIP) are based on the Group's KPIs ensuring direct alignment between the successful implementation of the strategy and the reward provided to the Executive Directors

Factor: Simplicity

- The incentive plans are in line with standard UK market practice and therefore should be familiar to all stakeholders

Factor: Risk

- Setting defined limits on the maximum awards which can be awarded under the Annual Bonus Plan and the LTIP
- Applying shareholding guidelines, including post-employment, a holding period for vested LTIP awards and the deferral of a portion of the annual bonus where shareholding guidelines have not been achieved to support alignment with shareholders and to encourage sustainable long-term decision-making
- Aligning the performance conditions for incentives with the strategy of the Company
- Ensuring there is sufficient flexibility to adjust incentive payments through malus and clawback
- Ensuring an overriding discretion to depart from formulaic outcomes under the incentives

These features outlined above mitigate against the inherent risk of incentives creating the wrong behaviours by:

- Limiting the maximum value that can be earned
- Requiring Executives to build a significant shareholding, applying a post-vesting LTIP holding period and deferral of annual bonus where shareholding guidelines have not been met, which helps ensure that the performance was sustainable and thereby discouraging short-term behaviours
- Aligning any reward to the agreed strategy of the Company
- Focusing the LTIP on sustainable performance over the longer-term
- Reducing the awards or cancelling them if the behaviours giving rise to the awards are inappropriate
- Reducing the awards or cancelling them, if it appears that the criteria on which the award was based do not reflect the underlying performance of the Group

Factor: Predictability

- The Remuneration Policy clearly sets out the potential rewards available to the Executive Directors depending on the performance achieved

Factor: Proportionality

- The Company's incentives clearly reward the successful implementation of the strategy and, through deferral and measurement of performance over a number of years, ensure that the Executive Directors have a strong drive to ensure that the performance is sustainable over the long-term
- The Remuneration Committee has overriding discretion to depart from the formulaic outcomes under the incentive plans if they do not reflect underlying business performance or the experience of stakeholders which mitigates the risk of reward for poor performance

Factor: Alignment to culture

- A key tenet of the Group culture is a focus on ensuring long-term sustainable performance. This is reflected in the type of performance conditions used in the incentive plans
- The focus on share ownership as a support to delivering long-term sustainable performance is also a key part of the Company's culture

OPERATION OF THE REMUNERATION POLICY

The Remuneration Policy aims to align the interests of the Executive Directors, Senior Management and employees to the long-term interests of shareholders and aims to support a high performance, collegiate and inclusive culture with appropriate reward for superior Group, business unit and individual performance without creating incentives that will encourage excessive risk taking or unsustainable Company performance. Overall remuneration levels have been set at a level that are considered by the Remuneration Committee to be appropriate for the size and nature of the business, having taken specialist, independent advice where necessary. There has been no increase to any element of the CEO's remuneration package since our admission to the London Stock Exchange in June 2019 despite the increase in the size, complexity and geographical spread of the business since this time.

Desired Remuneration Policy position

The Remuneration Committee considers that it is appropriate to have a defined policy position for new members of the Board to take into account that the Company continues to mature and the size and complexity of its global operations continue to increase. The CEO has been with the business since 2014 and has elected not to take an annual pay rise at any time during his tenure. He retains a substantial equity holding in the business and his remuneration, in particular the level of his base salary, is at the lower end of market compared to other companies of a similar size and complexity.

In the event that we were to appoint a new Executive Director, the desired policy position for remuneration (compared to the FTSE 250, excluding financial services) is as follows:

- Median fixed pay
- Median to upper quartile incentive opportunities
- Total target remuneration at around the median

The Remuneration Committee feels that this approach is aligned with the performance-based culture of the Group with market level of rewards only being earned if performance is delivered with the opportunity to earn more than median for exceptional performance, while ensuring that the overall remuneration arrangements are sufficiently complex to enable us to recruit talent at the right level to run the business.

Key changes to our Remuneration Policy

Following the Remuneration Committee's detailed review of the current Remuneration Policy, the Remuneration Committee concluded that the current Remuneration Policy remains broadly fit-for-purpose and continues to support the execution of our long-term strategy. As such, no major changes are proposed at this time.

The Committee has determined that where Executive Directors have met their shareholding requirement in full, awards made under the Annual Bonus Plan will typically be made in cash rather than a portion being deferred into shares. The Committee's view is that both of these features ensure strong alignment to shareholders, and it is not necessary to have further deferral of annual bonus awards where Executives already meet the Company's shareholding guidelines.

Other minor changes have been made to the wording of the Remuneration Policy to aid operation, increase flexibility in certain areas in-line with standard market practice and to increase clarity.

The Committee will keep the operation of the Policy under review during the Policy Period to ensure that it remains appropriate, and it enables us to recruit and retain the talent that we need to run the business successfully.

Remuneration Policy table

The following table sets out the key components of Executive Director remuneration:

Element of remuneration and link to strategy: Base salary

Provides a base level of remuneration to support recruitment and retention of Executive Directors with the necessary experience and expertise to deliver the Group's strategy.

Operation

An Executive Director's basic salary is set on appointment and normally reviewed annually or when there is a change in position or responsibility. When determining an appropriate level of salary or salary increases, the Remuneration Committee considers factors such as:

- Pay increases to other colleagues
- Remuneration practices within the Group
- Any change in scope, role and responsibilities including as a result of any changes in the size and complexity of the organisation
- The general performance of the Group and each individual
- The experience of the relevant Director
- The economic environment

As set out above our desired fixed pay positioning for Executive Directors is around market median.

Maximum opportunity

Whilst there is no maximum salary, increases will normally be in line with the typical increases awarded to other colleagues in the Group.

However, the Remuneration Committee may determine larger increases in circumstances such as, but not limited to, if there is a material change in the size and responsibilities of the role (including as a result of a significant change in Group size and/or complexity of operations), where there has been a significant change in the market, where the overall remuneration opportunity has been set lower than the market and where larger increases are justified based on skills/performance in role or in any other circumstances which the Committee considers to be exceptional.

Performance conditions and recovery provisions

A broad assessment of individual and business performance is used as part of the salary review.

No recovery provisions apply.

DIRECTORS' REMUNERATION POLICY CONTINUED

Element of remuneration and link to strategy: Pension

Provides an appropriate level of benefits taking into account the responsibilities of the role, market practice and our overall remuneration philosophy.

Operation

The Group may provide a pension contribution or allowance (or a combination of the two) in line with corporate governance best practice aligned with the rate of pension contribution available to the majority of the wider workforce. This contribution or allowance will be a non-consolidated allowance and will not impact any incentive calculations.

Maximum opportunity

The maximum value of the pension contribution allowance is in line with the rate of pension contribution available to the majority of the wider workforce (currently this is 3.0% of salary).

Performance conditions and recovery provisions

No performance or recovery provisions applicable.

Element of remuneration and link to strategy: Benefits

Provides an appropriate level of benefits taking into account the responsibilities of the role, market practice and our overall remuneration philosophy.

Operation

Benefits may include (but are not limited to) provision of a car and coverage of its cost (including business fuel costs), car allowance, membership of any private health insurance or medical scheme operated by the Group (including eligibility for spouse/civil partner and dependent children), death in service life assurance, subsistence expenses, mobile telephone expenses, a retirement gift and staff discounts.

Executive Directors may participate in any all-employee plans on the same basis as other colleagues up to the same limits as for other employees.

The Committee may introduce other benefits if it is considered appropriate to do so.

Executive Directors shall be reimbursed for all reasonable expenses and the Company may settle any tax incurred.

Where an Executive Director is required to relocate to perform their role, appropriate one-off or ongoing benefits may be provided (e.g. housing, schooling etc.)

Maximum opportunity

The maximum value is the cost of providing the relevant benefits.

Performance conditions and recovery provisions

No performance or recovery provisions applicable.

Element of remuneration and link to strategy: Annual bonus

The Annual Bonus Plan provides an incentive to the Executive Directors linked to achievement in delivering goals that are closely aligned with the Company's strategy and the creation of value for shareholders.

Operation

The performance period is normally one financial year with pay-out determined by the Remuneration Committee following the year-end, normally based on the achievement against a performance target or targets.

Where an Executive Director has not met their shareholding guideline (as determined by the Committee), two-thirds of the bonus award will normally be paid out in cash with the further one-third normally deferred into shares subject to a three-year vesting period. Deferred shares will be in the form of conditional awards or nil-cost options. There are no further performance targets on the deferred amount.

Where an Executive Director has met their shareholding guideline (as determined by the Committee), the annual bonus will normally be paid out in cash.

Participants may be entitled to dividends or dividend equivalents (where applicable) on deferred share awards to the extent they vest representing the dividends paid during the deferral period (as determined by the Committee).

Maximum opportunity

The maximum annual award in the Annual Bonus Plan in respect of a financial year is 150% of salary.

Up to 20% of the bonus will be paid for delivering a threshold level of performance and up to 50% of the bonus will be paid for delivering a target level of performance and 100% for maximum performance. The Committee retains discretion to vary these percentage if considered appropriate in the circumstances.

Performance conditions and recovery provisions

The specific performance measures, underpins, targets and weightings may vary from year-to-year in order to align with the Group's strategy over each year. The measures may include financial and non-financial measures. However, at least 50% of the awards will be linked to financial measures.

Discretion may be exercised in cases where the Remuneration Committee believes that the bonus does not reflect the underlying financial or non-financial performance of the participant or the Group over the relevant period, or that such payout level is not appropriate in the context of circumstances that were unexpected or unforeseen when the targets were set. When making this judgement the Committee may take into account such factors as the Committee considers relevant. The exercise of this discretion may result in a downward or upward movement in the amount of bonus earned resulting from the application of the performance measures and underpins.

The actual performance targets set will not normally be disclosed at the start of the financial year, as they are considered to be commercially sensitive. These will be reported and disclosed retrospectively at the end of the year in order for shareholders to assess the basis for any bonus outcomes.

The Annual Bonus Plan contains malus and clawback provisions (further details are provided on page 206).

Element of remuneration and link to strategy: LTIP

Awards are designed to incentivise the Executive Directors over the longer-term to successfully implement the Group's strategy and to support retention.

Operation

Under the LTIP, the Remuneration Committee may award annual grants of performance share awards in the form of conditional awards or nil-cost options.

LTIP awards will normally vest three years from the date of grant subject to the achievement of the performance measures.

A two-year holding period will normally apply following the three-year vesting period for LTIP awards granted to the Executive Directors. Upon vesting, sufficient shares can be sold to pay tax.

Participants may be entitled to dividends or dividend equivalents (where applicable) on the LTIP shares representing the dividends paid during the vesting and holding period (as determined by the Committee).

Maximum opportunity

The maximum award that may be granted under the LTIP in respect of a financial year is 200% of salary. The maximum LTIP award in exceptional circumstances is 250% of salary.

20% of the award will normally vest for threshold performance and 100% of the award will vest for maximum performance. The Remuneration Committee retains discretion to vary these percentages if considered appropriate in the circumstances.

Performance conditions and recovery provisions

Awards vest based on performance against targets, normally measured over a three-year performance period. The Remuneration Committee will review and set weightings and targets for each grant to ensure they remain appropriate. The Remuneration Committee may change the balance of the measures, or use different measures for subsequent awards, as appropriate.

Discretion may also be exercised in cases where the Remuneration Committee believes that the vesting outcome does not reflect the underlying financial or non-financial performance of the participant or the Group over the relevant period, or that such payout level is not appropriate in the context of circumstances that were unexpected or unforeseen when the targets were set. When making this judgement the Remuneration Committee may take into account such factors as the Remuneration Committee considers relevant. The exercise of this discretion may result in a downward or upward movement in the amount of the LTIP vesting resulting from the application of the performance measures.

Details of the performance conditions for awards made in the year will normally be set out in the Annual Report on Remuneration and for future grants in the section headed Implementation of Remuneration Policy.

The LTIP contains clawback and malus provisions.

Choice of performance measures and targets

The performance measures selected for the annual bonus and LTIP awards are set on an annual basis by the Committee, to ensure that they remain appropriate to reflect the priorities for the Company in the year ahead. For FY26, the annual bonus is based on Adjusted EBIT¹, subject to an ESG underpin to reflect our commitment to delivering our strategy in this area. The performance measures for the FY26 LTIP award will be based on Adjusted Earnings Per Share (EPS)¹ and Return on Capital Employed (ROCE)¹, which are selected by the Remuneration Committee to reflect the successful delivery of revenue, sales growth, capital efficiency and profit. The targets for the performance measures are set taking into account a number of factors, including the Company's annual operating plan, strategic priorities, the economic environment and market conditions and expectations.

Discretion within the Remuneration Policy

The Remuneration Committee has discretion in several areas of the Remuneration Policy as set out in this document. The Remuneration Committee may also exercise operational and administrative discretions under relevant plan rules as set out in those rules (see 'Operation of incentive plans' below). In addition, the Remuneration Committee has the discretion to amend the Remuneration Policy with regard to minor or administrative matters where it would be, in the opinion of the Remuneration Committee, disproportionate to seek or await shareholder approval.

Operation of incentive plans

The Remuneration Committee will operate all incentive plans according to the rules of each respective plan and the discretions contained therein. The discretions cover aspects such as the timing of grant and vesting of awards, determining the size of the award (subject to the Remuneration Policy limits), the treatment of leavers, retrospective adjustment of awards (e.g. for a rights issue, a corporate restructuring or for special dividends) and, in exceptional circumstances, the discretion to adjust previously set targets for an incentive award if events happen which cause the Remuneration Committee to determine that it would be appropriate to do so. In exercising such discretions, the Remuneration Committee will take into account generally accepted market practice, best practice guidelines, the provisions of the UK Listing Rules and the Company's approved Remuneration Policy.

In exceptional circumstances the Remuneration Committee retains the discretion to change the performance measures and targets and the weighting attached to the performance measures and targets part-way through a performance period if there is a significant and material event which causes the Remuneration Committee to believe the original measures, weightings and targets are no longer appropriate.

¹ This is an Alternative Performance Measure. Refer to Glossary on pages 270 to 273 for definitions and reconciliation to statutory measures.

DIRECTORS' REMUNERATION POLICY CONTINUED

Legacy arrangements

The Remuneration Committee reserves the right to make any remuneration payments and/or payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the Remuneration Policy, where the terms of the payment were agreed (i) before the Remuneration Policy set out came into effect, provided that the terms of the payment were consistent with any shareholder-approved Directors' Remuneration Policy in force at the time they were agreed; or (ii) at a time when the relevant individual was not a Director of the Company (or other persons to whom the Remuneration Policy set out above applies) and, in the opinion of the Remuneration Committee, the payment was not in consideration for the individual becoming a Director of the Company or such other person. For these purposes, 'payments' includes the Remuneration Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' no later than at the time the award is granted.

This Policy applies equally to any individual who is required to be treated as a Director under the applicable regulations.

Minimum shareholding guideline

The Remuneration Committee has adopted shareholding guidelines that will encourage the Executive Directors to build up their shareholding over a five-year period, from date of appointment, and then subsequently hold a shareholding equivalent to a percentage of salary. This policy ensures that the interests of Executive Directors and those of shareholders are closely aligned. The minimum expected shareholding guideline for Executive Directors is 200% of salary. The Remuneration Committee retains the discretion to increase the shareholding requirements.

In addition, a post-cessation minimum shareholding guideline will apply to Executive Directors who step down from the Board. Leavers will have a requirement to hold 100% of their pre-cessation shareholding guideline for 24 months from the date they step down from the Board. In the event that a leaver has not met the relevant shareholding requirement at the point of stepping down from the Board then they would be required to retain their full pre-cessation shareholding for the 24-month period. The Committee retains discretion to waive this guideline if it is not considered to be appropriate in the specific circumstance.

Recruitment policy

The Group's approach is that the remuneration of any new recruit will be assessed in line with the same principles as for the current Executive Directors. The Remuneration Committee is mindful that it wishes to avoid paying more than it considers necessary to secure a preferred candidate with the appropriate calibre and experience needed for the role. In setting the remuneration for new recruits, the Remuneration Committee will have regard to our desired Remuneration Policy position outlined above as well as to guidelines and shareholder sentiment.

The Group's detailed policy when setting remuneration for the appointment of new Executive Directors is summarised below:

Remuneration element: Salary, benefits and pension

These will normally be set in line with the Remuneration Policy table.

Remuneration element: Annual bonus

The Executive Director may be eligible to participate in the Annual Bonus Plan as set out in the Remuneration Policy table.

Remuneration element: LTIP

The Executive Director may be eligible to participate in the LTIP as set out in the Remuneration Policy table.

Remuneration element: Maximum variable remuneration

The maximum level of variable remuneration which may be offered in the year of recruitment is 400% of salary.

Remuneration element: 'buy out' of incentives forfeited on cessation of employment

The Remuneration Committee does not provide replacement awards as a matter of course. However, should the Remuneration Committee determine that the individual circumstances of recruitment justified the provision of compensatory payments or awards then, where an individual forfeits outstanding variable pay opportunities or contractual rights at a previous employer as a result of appointment, the Remuneration Committee may offer compensatory payments or awards, in such form as the Remuneration Committee considers appropriate, taking into account all relevant factors including the form of awards, expected value and vesting timeframe of forfeited opportunities.

When determining any such 'buyout', the guiding principle would be that awards would generally be on a 'like for like' basis unless this is considered by the Remuneration Committee not to be practical or appropriate.

Remuneration element: Relocation policies

In instances where a new Executive Director is required to relocate or spend significant time away from their normal residence, the Company may provide assistance with relocation (either via one-off or ongoing payments or benefits). The level of the relocation package will be assessed on a case-by-case basis but will take into consideration any cost-of-living differences/housing allowance and schooling.

Where an existing colleague is promoted to the Board, the Remuneration Policy would apply from the date of their appointment to the Board as an Executive Director and there would be no retrospective application of the Remuneration Policy in relation to subsisting incentive awards or remuneration arrangements. Accordingly, prevailing elements of the remuneration package for an existing employee would be honoured and form part of the ongoing remuneration of the person concerned. Where required, these would be disclosed to shareholders in the Remuneration Report for the relevant financial year.

When setting fees for the appointment of new Non-Executive Directors the same arrangement applies as to the current Non-Executive Directors.

Service contracts and letters of appointment

The Remuneration Committee's policy for setting notice periods is that a six-month period will normally apply for Executive Directors unless the Remuneration Committee determines that a longer period of up to 12 months would be more appropriate in the circumstances. The Remuneration Committee may in exceptional circumstances, arising on recruitment, allow a longer period, which would in any event reduce to either six or 12 months following the first year of employment. The Non-Executive Directors of the Company do not have service contracts.

The Non-Executive Directors are appointed by letters of appointment. Each Non-Executive Director's term of office runs for a three-year period.

The Company follows the Code's recommendation that all directors of FTSE 350 companies be subject to annual reappointment by shareholders.

Service agreements

The table below summarises the service contracts for Executive Directors.

Director	Date of contract	Notice period
Brian Duffy (CEO)	7 May 2019	6 months
Anders Romberg (CFO)	12 May 2023	6 months

Letters of appointment

The Non-Executive Directors do not have service contracts but do have letters of appointment which reflect their responsibilities and commitments.

Name	Date of letter of appointment	Date of letter of appointment renewal	Notice period
Ian Carter (Chair)	1 November 2020	1 November 2023	3 months
Tea Colaïanni	7 May 2019	7 May 2025	3 months
Robert Moorhead	7 May 2019	7 May 2025	3 months
Rosa Monckton	7 May 2019	7 May 2025	3 months
Chabi Nouri	3 May 2022	3 May 2025	3 months

Contracts and letters of appointments will be available for inspection at the Company's office.

Loss of office

When determining any loss of office payment for a departing Executive Director, the Remuneration Committee will always seek to minimise the cost to the Group while complying with contractual terms and seeking to reflect the circumstances in place at the time.

Element: General

The Remuneration Committee will honour Executive Directors' contractual entitlements. Service contracts do not contain liquidated damages clauses. If a contract is to be terminated, the Remuneration Committee will determine such mitigation as it considers fair and reasonable in each case. There are no contractual arrangements that would guarantee a pension with limited or no abatement on severance or early retirement. There is no agreement between the Company and its Directors or colleagues providing for compensation for loss of office or employment that occurs because of a takeover bid.

The Remuneration Committee reserves the right to make additional payments where such payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation); or by way of settlement or compromise of any claim arising regarding the termination of an Executive Director's office or employment.

The Remuneration Committee may agree that the Group will pay for the provision of outplacement support and the reasonable fees for a departing Director to obtain independent legal advice in relation to their termination arrangements and reasonable consideration for any agreement to introduce contractual terms protecting the Company's rights following termination.

Element: Salary, benefits and pension

These will be paid over the notice period. The Company has discretion to make a lump sum payment in lieu of any remaining notice.

Element: Annual bonus – cash awards

Good leaver reason

Performance conditions will normally be measured at the bonus measurement date. Bonus will normally be pro-rated for the period worked during the financial year.

Other reason

No bonus will be payable for year of cessation.

Discretion

The Remuneration Committee has the following elements of discretion:

- To determine that an Executive Director is a good leaver
- To determine whether to pro-rate the bonus for time or not. The Remuneration Committee's normal policy is that it will pro-rate for time
- To determine that any annual bonus in respect of the year of cessation of employment will be paid fully in cash

DIRECTORS' REMUNERATION POLICY CONTINUED

Element: Annual bonus – deferred share awards

Good leaver reason

All subsisting deferred share awards will vest.

Other reason

Lapse of any unvested deferred share awards.

Discretion

The Remuneration Committee has the following elements of discretion:

- To determine that an Executive Director is a good leaver
- The Remuneration Committee's normal policy is that the deferred share award vests at the end of the original performance period, but it retains discretion to allow for vesting at the date of cessation
- To determine whether to pro-rate the maximum number of shares to the time from the date of grant to the date of cessation. The Remuneration Committee's normal policy is that it will not pro-rate awards for time

Element: LTIP

Good leaver reason

Pro-rated for time and performance in respect of each subsisting LTIP award.

Other reason

Lapse of any unvested LTIP awards.

Discretion

The Remuneration Committee has the following elements of discretion:

- To determine that an Executive Director is a good leaver
- To measure performance over the original performance period or at the date of cessation. The Remuneration Committee's normal policy is that performance will be measured over the original performance period
- The Committee's normal policy is that the LTIP award vests at the end of the original performance period, but it retains discretion to allow for vesting at the date of cessation
- To determine whether the holding period will apply including whether in full or in part
- To determine whether to pro-rate the maximum number of shares to the time from the date of grant to the date of cessation. The Remuneration Committee's normal policy is that it will pro-rate awards for time

Change of control

The following treatment will apply on a change of control of the Company as defined in the relevant plan rules.

Element: Annual bonus – cash awards

Pro-rated for time and performance to the date of the change of control.

The Remuneration Committee has discretion regarding whether to pro-rate the bonus for time or not. The Remuneration Committee retains the discretion to determine the extent to which the performance targets have been met.

Element: Annual bonus – deferred share awards

Subsisting deferred share awards will vest on a change of control.

Element: LTIP

The number of shares subject to subsisting LTIP awards will vest on a change of control, pro-rated to time and performance.

The Remuneration Committee has discretion regarding whether to pro-rate the LTIP awards for time or not. The Remuneration Committee retains the discretion to determine the extent to which the performance targets have been met.

Definition of 'good leaver' under the Group's incentive plans

A good leaver reason is defined as cessation in the following circumstances:

- Death
- Redundancy
- Ill-health
- Retirement (in agreement with the Company)
- Injury or disability
- Employing company ceasing to be a Group company
- Transfer of employment to a company which is not a Group company
- Any reason permitted by the Remuneration Committee in its absolute discretion in any particular case except where termination is for dishonesty, fraud, misconduct or other circumstances justifying summary dismissal

Cessation of employment in circumstances other than those set out above is cessation for other reasons.

Malus and clawback

Element: Annual bonus – cash awards

Malus will apply up to the date of the bonus payment and clawback will apply for a period of two years following the bonus payment.

Element: Annual bonus – deferred share awards

Malus will apply during any share deferral period.

Element: LTIP

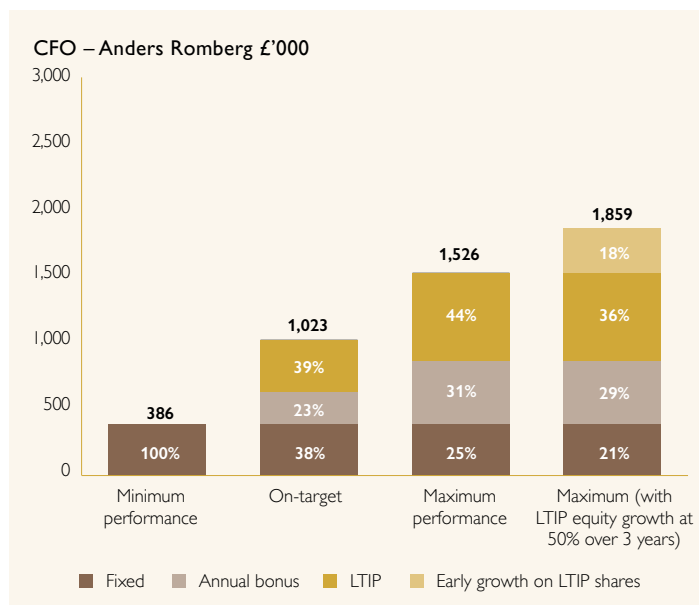
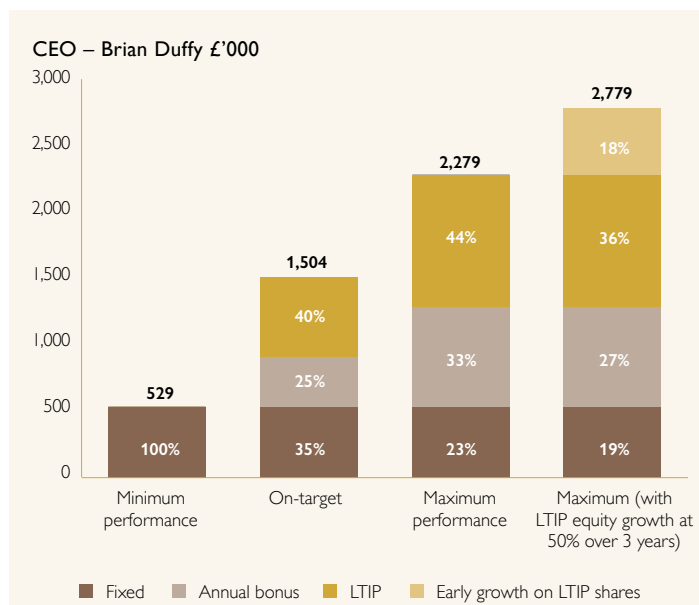
Malus will apply during the vesting period and clawback will apply for a period of two years post-vesting.

The Remuneration Committee determined the most appropriate timeframe for provisions to apply in consideration of a number of factors including the timing of the underlying award as well as the nature of our business. The circumstances in which malus and clawback could apply are as follows:

- Discovery of a material misstatement resulting in an adjustment in the audited accounts of the Group or Company
- The assessment that any performance condition or condition in respect of the annual bonus or LTIP award was based on error, or inaccurate or misleading information
- The discovery that any information used to determine the annual bonus or LTIP award was based on error, or inaccurate or misleading information
- Action or conduct of a participant which amounts to fraud or gross misconduct
- Events or the behaviour of a participant have led to the censure of the Company or Group by a regulatory authority or have had a significant detrimental impact on the reputation of the Group or Company provided that the Board is satisfied that the relevant participant was responsible for the censure or reputational damage and that the censure or reputational damage is attributable to the participant
- A material failure of risk management
- Corporate failure

Remuneration scenario charts FY25

The charts below seek to demonstrate how pay varies with performance for the Executive Directors based on the stated Remuneration Policy. The charts show an estimate of the remuneration that could be received by Executive Directors under the Remuneration Policy set out in this document. Each of the bars is broken down to show how the total under each scenario is made up of fixed elements of remuneration, the annual bonus and the LTIP. The charts indicate that a significant proportion of both target and maximum pay is performance related.



Assumptions for the scenario charts

Element: Fixed pay (base salary, pension and benefits)

- Base salary of £500,000 for CEO and £380,000 for CFO
- No employer pension for either CEO or CFO
- Benefits as disclosed in the single total figure of remuneration for FY25

Element: Annual bonus

Minimum

None

On-target

50% of maximum award

Maximum

100% of maximum award

Element: LTIP

Minimum

None

On-target

60% of maximum award

Maximum

100% of maximum award

External appointments

Executive Directors are permitted to accept external, non-executive appointments with the prior approval of the Board where such appointments are not considered to have an adverse impact on their role within the Group. The Executive Directors may retain fees paid for these services, which will be subject to approval by the Board. Neither Brian Duffy nor Anders Romberg currently have any external appointments.

DIRECTORS' REMUNERATION POLICY CONTINUED

Non-Executive Director Remuneration Policy

Non-Executive Directors are paid fees at a level sufficient to attract individuals of the calibre and qualifications required to manage the business of the Group effectively. Fees are set at levels appropriate to the size and complexity of the organisation, the time commitment required, and the qualifications and experience of the individual appointed.

Element of remuneration and link to strategy

Core element of remuneration set at a level sufficient to attract and retain individuals with appropriate knowledge and experience in organisations of broadly similar size and complexity.

Operation

The Board is responsible for setting the remuneration of the Non-Executive Directors.

The Remuneration Committee is responsible for setting the Chair of the Board's fees.

Non-Executive Directors are paid an annual fee and additional fees for chairship of committees, the role of Senior Independent Director (SID) and membership of committees.

The Chair of the Board receives a fee but does not receive any additional fees for membership of committees.

Fees are reviewed annually with reference to the market as well as to the time commitment of the role and the evolving size and complexity of the business. Changes to fees are normally effective from the beginning of the relevant financial year.

Non-Executive Directors and the Chair of the Board do not participate in any variable remuneration or benefits arrangements with the exception of the staff discount offered to colleagues.

Additional fees may be paid to reflect additional Board or Committee responsibilities or time commitment (such as travel) as appropriate.

Reasonable costs in relation to travel and accommodation for business purposes are reimbursed to the Chair of the Board and Non-Executive Directors.

The Company may meet any tax liabilities that may arise on such expenses.

Additional benefits may be introduced if considered appropriate.

Maximum opportunity

There is no maximum fee or fee increase for the Non-Executive Directors and the Chair of the Board.

In general the level of fee increase for the Non-Executive Directors and the Chair of the Board will be set taking account of any change in responsibility and will take into account the general rise in salaries across the UK workforce. However, the Board/Remuneration Committee may determine larger increases in circumstances such as but not limited to if there is a material change in the size and responsibilities of the role or the time commitment of the role (including as a result of a significant change in Group size and/or complexity of operations) or where there has been a change in market practice.

The Group will pay reasonable expenses incurred by the Non-Executive Directors and settle any tax incurred in relation to these.

Remuneration throughout the Group

When setting the Remuneration Policy for Executive Directors, the Remuneration Committee takes into account the pay and employment conditions elsewhere within the Group. The Remuneration Committee considers factors such as Group colleagues' base salary increases (the base salary increases for Executive Directors takes into consideration base salary increases for colleagues and relevant market conditions), Group colleagues' pension plans design and contribution levels (the pension contribution for Executive Directors will not exceed the maximum contribution that can be made to the majority of the wider workforce), and the Group's remuneration principles which apply to all colleagues in the Group.

Remuneration arrangements and practices throughout the Group are determined taking into account the Group's purpose and values, to support delivery of our strategy and promote long-term sustainable success. The Group also seeks to remunerate in line with market salaries and benefits. Bonus arrangements are cascaded down the organisation to incentivise the achievement of Group and personal objectives. Participation in the LTIP is extended to members of the Senior Executive Team and others on a discretionary basis. The Remuneration Committee believes the Group's approach to cascading its variable incentive arrangements down the organisation is fair.

Given the geographical spread of the Group's operations, the Remuneration Committee does not consider it appropriate to consult colleagues on the Remuneration Policy in operation for Executive Directors. Although we do not specifically consult colleagues on executive remuneration, we have in place a variety of colleague engagement channels which provide colleagues with an opportunity to provide feedback on any topics that interest or concern them.

Consideration of shareholder views

The Remuneration Committee carefully considered the views of our shareholders and shareholder bodies when developing the Remuneration Policy. The Company welcomes continued dialogue with its shareholders and the Remuneration Committee will consult with key shareholders prior to any significant changes to its Remuneration Policy in future.

Implementation for FY26 for Executive Directors

Element	Implementation for FY26
Salary	<p>The Executive Directors elected not to receive a salary increase with the salary budget focused on providing increases to lower paid workers.</p> <p>Base salary levels for FY26 therefore remain at:</p> <ul style="list-style-type: none"> – CEO: £500,000 – CFO: £380,000 <p>– Salary reviews for all colleagues take place in November</p>
Pension	The CEO and CFO have chosen to waive their employer pension contributions.
Benefits	<p>Market standard benefits.</p> <p>The CFO has chosen to waive his car allowance.</p>

Element	Implementation for FY26
Annual bonus	<p>No changes to opportunity levels:</p> <ul style="list-style-type: none"> – CEO: 150% of salary – CFO: 125% of salary <p>For FY26, the annual bonus will continue to be based on Adjusted EBIT and the ESG underpin will continue to apply.</p> <p>The ESG underpin will inform the Committee's decision of whether or not to apply a downwards adjustment of up to 10% to the formulaic FY26 annual bonus outcome in order to take into account the wider ESG performance of the Group.</p> <p>Two-thirds will be paid out in cash and one-third deferred into shares for any Executive Director whose shareholding guidelines have not been met. Where an Executive Director has met their shareholding guideline, the annual bonus will be paid fully in cash.</p>
LTIP	<p>No changes proposed to opportunity levels:</p> <ul style="list-style-type: none"> – CEO: 200% of salary – CFO: 175% of salary <p>LTIP awards will continue to be based 80% on a three-year cumulative Adjusted EPS and 20% on three-year average ROCE.</p> <p>LTIP awards will be granted later in the year. The payouts under the LTIP for levels of performance are as follows:</p> <ul style="list-style-type: none"> – Threshold: 20% of max – Target: 60% of max – Max: 100% of max <p>With straight-line vesting between these points. Due to the ongoing market volatility, the Committee has not yet finalised the LTIP targets for FY26 awards. These targets will be set prior to grant, and will be disclosed, at the latest, in the RNS at the time of the award.</p>
Shareholding guidelines	<p>The minimum shareholding requirement for Executive Directors is 200% of salary, which can be built up within five years of appointment.</p>

Implementation for FY26 for Non-Executive Directors

Element	Implementation for FY26
Chair and Non-Executive Director fees	<p>Fees remain as follows:</p> <ul style="list-style-type: none"> – Chair £190,000 (no change) – NED base fee £50,000 (no change) – Senior Independent Director fee £10,000 (no change) – Committee Chair fee £10,000 (no change) – Audit & Risk Committee, Remuneration Committee, ESG Committee membership fee £5,000 (no change) – Nomination Committee membership fee £2,500 (no change) <p>No increase to Non-Executive Director or Chair fees has been determined at this time but fees will continue to be kept under review.</p>

WATCHES OF SWITZERLAND GROUP PLC

Registered number: I1838443

Registered office address: Aurum House, 2 Elland Road, Braunstone, Leicester, LE3 1TT

Country of incorporation: England and Wales

Type: Public Limited Company

Principal activities: The principal activity of the Group is the retailing of luxury watches and jewellery.

The Directors present their report, together with the audited Consolidated Financial Statements of the Group and of the Company, for the financial year ended 27 April 2025. The Company has chosen in accordance with Section 414C (11) of the Companies Act 2006 to provide disclosures and information in relation to a number of matters which are covered elsewhere in this Annual Report and Accounts. These matters, together with those required under the 2013 Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, are cross-referenced in the accompanying tables and together form the Directors' Report.

STATUTORY INFORMATION

Topic	Section of the report	Page
Important events impacting the business	Strategic Report	8 to 13
Financial instruments	Note 23 of the Consolidated Financial Statements	258
Colleague disabilities	Environment, Social and Governance	211
Modern Slavery Statement	Environment, Social and Governance	137
Greenhouse gas emissions, energy consumption and energy-efficient action	Environment, Social and Governance	130
Carbon reporting	Environment, Social and Governance	130
Risk Management	Risk Management	144 to 147
S172(1) Companies Act 2006	Strategic Report	66

INFORMATION REQUIRED BY LR 9.8.6(10)

Topic	Section of the report	Page
Diversity and Ethnicity	Corporate Governance Report and Nomination Committee Report	173 and 177

INFORMATION REQUIRED BY LR 9.8.4(R)

Topic	Section of the report	Page
Directors' interests in shares	Remuneration Committee Report	196
Directors' long-term incentive share awards	Remuneration Committee Report	196
Going concern	Going Concern and Viability Statement	154 155

INFORMATION REQUIRED BY DTR 7.2

Topic	Section of the report	Page
Corporate Governance Statement 2025	Corporate Governance Report	164

INFORMATION REQUIRED BY DTR 4.1.11R

Topic	Section of the report	Page
Likely future developments	Strategic Report	8 to 13
Research and Development	Strategic Report	108
Branches – A list of our subsidiaries, associates and joint ventures	Financial Statements	267

INFORMATION REQUIRED BY SCH 7.11(1)(B) COMPANIES (MISCELLANEOUS REPORTING) REGULATIONS 2018

Statement of Engagement with Colleagues

The Group has chosen to provide information in relation to the Statement of Engagement with colleagues elsewhere in this report. This is cross referenced in the table below:

Information	Section of the report	Page
How the Directors engage with colleagues	Section 172(1) Statement Board activity	67
How the Group provides colleagues with information on matters of concern to them as colleagues	Environment, Social and Governance	143
How the Group consults with and considers colleague feedback	Environment, Social and Governance	80 to 82
Non-Financial Information and Sustainability Information Statement	Non-Financial and Sustainability Information Statement	65

Business relationships

Information	Section of the report	Page
Foster the Company's business relationships	Section 172(1) Statement	66
Principal decisions affecting suppliers, clients and others taken by the Company during the financial year	Section 172(1) Statement Board activity	66 to 69

DTR 4.1.8

The Strategic Report and the Directors' Report (or parts thereof), together with sections of this Annual Report and Accounts incorporated by reference, are the Management Report for the purposes of DTR 4.1.8.

ARTICLES OF ASSOCIATION

In accordance with the Companies Act 2006, the Articles of Association (the 'Articles') may only be amended by a special resolution of the Company's shareholders at a general meeting.

AGM

The 2025 AGM of the Company will be held at 2.30pm on 3 September 2025, at our offices at 36 North Row, London W1K 6DH. The Notice of AGM is given, together with explanatory notes, in the booklet which accompanies this Annual Report and Accounts.

BOARD OF DIRECTORS

Ian Carter
Brian Duffy
Anders Romberg
Tea Colaanni
Robert Moorhead
Baroness (Rosa) Monckton MBE
Chabi Nouri

All Directors have served throughout the year. Full biographies of the current Directors can be found on pages 162 and 163.

APPOINTMENT AND REMOVAL OF A DIRECTOR

The appointment, reappointment and replacement of Directors is governed by the Articles, the UK Corporate Governance Code 2018 (the 'Code'), the Companies Act 2006 and related legislation. The Code recommends that all directors of publicly listed companies stand for election every year. At the 2024 AGM, all members of the Board stood for election or re-election and were duly elected. At the 2025 AGM all Directors will be offering themselves for re-election. The Board is satisfied that each Non-Executive Director, offering themselves for re-election, is independent in both character and judgement, and that their experience, knowledge and other business interests enable them to contribute significantly to the work and balance of the Board.

A Director may be appointed to the Board by:

- (i) Ordinary resolution of the shareholders
- (ii) Board approval following recommendation by the Nomination Committee
- (iii) Ordinary resolution if the Director chooses to seek re-election at a general meeting

In addition, the Directors may appoint a Director to fill a vacancy or as an additional Director, provided that the individual retires at the next AGM; if they are to continue, they must offer themselves for election. A Director must vacate office in certain circumstances as set out in the Company's Articles and may be removed by ordinary resolution provided special notice of that resolution has been given.

POWERS OF THE DIRECTORS

Subject to the Articles, the Companies Act 2006 and any directions given by the Company by special resolution and any relevant statutes and regulations, the business of the Company will be managed by the Board which may exercise all the powers of the Company. Specific powers relating to the allotment and issuance of ordinary shares and the ability of the Company to purchase its own securities are also included within the Articles, and such authorities may be submitted for approval by the shareholders at the AGM each year.

DIRECTORS' INTERESTS AND CONFLICTS OF INTEREST

The Directors' interests in, and options over, ordinary shares in the Company are shown in the Directors' Remuneration Report on Remuneration on page 196. In line with the requirements of the Companies Act 2006,

Directors have a statutory duty to avoid situations in which they have, or may have, interests that conflict with those of the Company unless that conflict is first authorised by the Board. The Company has procedures in place for managing conflicts of interest. The Company's Articles contain provisions to allow the Directors to authorise potential conflicts of interest, so that if approved, a Director will not be in breach of his/her duty under company law. In line with the requirements of the Companies Act 2006, each Director has notified the Company of any situation in which they have, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (a situational conflict). Directors have a continuing duty to update any changes to their conflicts of interest and a note is then made of that update.

During the year, the conflict of interests' procedures operated effectively.

DIRECTORS' INDEMNITIES

Directors' and Officers' insurance has been established for all Directors and Officers to provide cover against their reasonable actions on behalf of the Company. The Company also indemnifies the Directors under a qualifying indemnity for the purposes of Section 236 of the Companies Act 2006. This indemnity contains provisions that are permitted by the director liability provisions of the Companies Act 2006 and the Company's Articles.

EQUAL OPPORTUNITIES AND EMPLOYMENT OF PERSONS WITH DISABILITIES

The Group has policies on equal opportunities and the employment of persons with disabilities which, through the application of fair employment practices, are intended to ensure that individuals are treated equitably and consistently regardless of age, race, creed, colour, gender, marital or parental status, sexual orientation, religious beliefs and nationality. Applications for employment by persons with disabilities are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of colleagues becoming disabled, every effort is made to ensure their employment with the Group is continued and that the appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of a persons with disabilities should, as far as possible, be identical to that of a person who does not have a disability.

DIRECTORS' STATEMENT OF RESPONSIBILITY IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year that give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year, and of the profit or loss of the Group for the financial year. Under that law the Directors have prepared the Group Financial Statements in accordance with UK adopted international accounting standards and have elected to prepare the Company's Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 (The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland) and the Companies Act 2006.

Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period.

In preparing the Annual Report and Accounts, the Directors are required to:

- Select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (or in respect of the Parent Company Financial Statements, Section 10 of FRS 102) and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information
- Provide additional disclosures when compliance with the specific requirements in IFRSs (or in respect of the Parent Company Financial Statements, FRS 102) is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance
- For the Group Financial Statements, state whether International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006 and UK adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements
- For the Parent Company Financial Statements, state whether applicable UK accounting standards, FRS 102, have been followed, subject to any material departures disclosed and explained in the Parent Company Financial Statements
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business

DIRECTORS' REPORT CONTINUED

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that comply with that law and those regulations. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Each of the Directors, whose names and functions are listed on pages 162 and 163 confirms that, to the best of their knowledge:

- That the Group Financial Statements, which have been prepared in accordance with UK adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group
- That the Annual Report and Accounts 2025, including the Strategic Report, include a fair review of the development and performance of the business and the position of the Company and undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face
- That they consider the Annual Report and Accounts 2025, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position, performance, business model and strategy

COMPANY SECRETARY

Laura Battley is the Company Secretary of the Watches of Switzerland Group PLC and its trading UK Group subsidiaries who can be contacted via the Company's Registered Office.

AUDITOR REAPPOINTMENT

Having been appointed as the External Auditor in 2019, Ernst & Young LLP has expressed its willingness to continue in its capacity as independent External Auditor of the Company. The Directors are recommending a resolution in favour of this reappointment and a resolution for authorisation of Auditor remuneration at the forthcoming AGM.

DISCLOSURE OF INFORMATION TO THE AUDITOR

In accordance with Section 418(2) of the Companies Act 2006, each Director in office at the date the Directors' Report is approved, confirms that:

- So far as the Director is aware, there is no relevant audit information of which the Company's Auditor is unaware
- They have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information

DIVIDENDS

The Directors do not recommend the payment of a dividend.

POLITICAL DONATIONS

The Group made no political donations and incurred no political expenditure during the year.

SHARE CAPITAL AND SHAREHOLDER VOTING RIGHTS

The share capital of the Company at 27 April 2025 was as follows:

	Number of shares	Nominal value
Allotted, called up and fully paid ordinary shares of £0.0125 each	236,767,569	£2,959,595

All shareholders are entitled to attend and speak at the general meetings of the Company, appoint proxies, receive any dividends, exercise voting rights and transfer shares without restriction. On a show of hands at a general meeting, every member present in-person shall have one vote, and on a poll, every member present in-person or by proxy shall have one vote for every ordinary share held. There are no known arrangements that may restrict the transfer of shares or voting rights.

Under the Company's Share Incentive Plan, Trustees hold shares on behalf of colleague participants. The Trustees will only vote on those shares, and receive dividends on those shares, should the Company pay dividends in the future, that a participant beneficially owns, in accordance with the participant's wishes.

An Employee Benefit Trust also operates which has discretion to vote on any shares it holds as it sees fit, except any shares participants own beneficially, in which case the Trustee will only vote on such shares as per a participant's instructions. The Trustee of the Employee Benefit Trust has waived its right to dividends on all shares within the Trust.

The Company is not aware of any other dividend waivers or voting restrictions in place.

RESTRICTIONS ON THE TRANSFER OF SECURITIES

The Articles do not contain any restrictions on the transfer of ordinary shares in the Company other than the usual restrictions applicable where any amount is unpaid on a share. However, restrictions are imposed by laws and regulations such as the prohibition on insider trading and the requirements of the Listing Rules whereby PDMR's dealings need to be approved. The Company has adopted a Share Dealing Code to regulate PDMR dealings and has extended the scope of that Code to include certain other colleagues.

AUTHORITY TO ALLOT SHARES

Under the Companies Act 2006, the Directors may only allot shares if authorised to do so by the shareholders in a general meeting.

SHAREHOLDER AUTHORITY TO PURCHASE OWN SHARES

At the Company's 2024 AGM the Company's shareholders passed a shareholder resolution granting the Company authority to purchase its own shares pursuant to Sections 693 and 701 of the Companies Act 2006.

The authority is limited to an aggregate maximum number of 23,957,029 ordinary shares, representing 10% of the Company's issued share capital, excluding treasury shares. The maximum price which may be paid for an ordinary share will be an amount which is not more than the higher of (i) 5% above the average of the middle market quotation for an ordinary share as derived from the London Stock Exchange Plc's Daily Official List for the five business days immediately preceding the day on which the ordinary share is contracted to be purchased; and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out (in each case, exclusive of expenses).

The authority shall, unless varied, revoked or renewed, expire at the end of the Company's 2025 AGM or, if earlier, at close of business on 3 December 2026, when a resolution to renew the authority to purchase Company shares will be submitted to shareholders.

During the financial year, 3,302,454 ordinary shares of GBP 0.025 each (representing 1.3% of the ordinary shares in issue at 27 April 2025) were purchased by the Company for a total consideration of £12,115,883, including expenses, and subsequently cancelled.

A further 3,465,947 shares were purchased between 28 April 2025 and the date of this Report and subsequently cancelled.

There are currently no shares held in Treasury.

The purpose of the share buyback programme was to reduce the capital of the Company.

USE OF FINANCIAL INSTRUMENTS

Information regarding the Company's use of financial instruments, financial risk management objectives and policies can be found in the Risk Management section of the Strategic Report on pages 144 to 147 and note 23 of the Consolidated Financial Statements.

CHANGE OF CONTROL

There are no agreements between the Company and its Directors or colleagues providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) by reason of a takeover bid.

Details concerning the impact on the annual bonus (cash and deferred share awards) and LTIPs held by Directors and Senior Management in the event of a change of control are set out in the Remuneration Policy which was approved by shareholders at the AGM in 2022; a revised Remuneration Policy will be proposed to shareholders for approval at the 2025 AGM. Further details on the 2025 Remuneration Policy can be found on pages 200 to 209.

Various agreements that the Group has entered into with third-parties, including key distribution agreements with luxury watch and jewellery brands, lease agreements, as well as contracts with third-party service providers, provide such parties with a right to terminate the agreement in the event of a change of control.

The £225.0 million multicurrency revolving loan facility entered into on 9 May 2023, includes certain customary mandatory prepayment and cancellation events, including mandatory prepayments on a change of control of either Watches of Switzerland Group PLC or Jewel UK Midco Limited if a lender so requests after a period of negotiations.

Additionally, a £150.0 million multicurrency term and revolving facilities agreement was entered into on 13 December 2024, which includes certain customary mandatory prepayment and cancellation events, including mandatory prepayments on a change of control of either Watches of Switzerland Group PLC or Jewel UK Midco Limited if a lender so requests after a period of negotiations.

SIGNIFICANT SHAREHOLDERS AND INTEREST IN VOTING RIGHTS

The table below, shows the notifiable interests in the Company's ordinary issued share capital, as at the date of this report, as notified in accordance with the provisions of DTR 5.1.2R representing 3% or more of the Company's issued ordinary share capital.

These holdings may have changed since the Company was notified. However, notification of any change is not required until the next notifiable threshold is crossed.

Notifiable interest	Voting rights	% of capital disclosed	Nature of holding as per disclosure
The Capital Group Companies, Inc.	12,052,654	5.03	– Indirect interest 5.03%
Pelham Capital Ltd. ¹	11,948,369	4.99	– Direct interest 4.99%
Norges Bank	10,284,447	4.41	– Indirect interest 4.41%
Brian Duffy	7,696,999	3.21	– Direct interest 3.21%
Alberta Investment Management Corporation	7,075,000	3.00	– Direct interest 3.00%

¹ These holdings reflect the latest notification received by the Company. However, the Company is of the view that this holding may no longer be accurate and is seeking confirmation from the relevant investor.

TRANSACTIONS WITH RELATED PARTIES

Refer to note 24 on page 261 of the Consolidated Financial Statements for details of related party transactions in the year.

POST-BALANCE SHEET EVENT

Following the year-end, the £25.0 million share buyback programme was completed with the payment and cancellation of 3,465,947 shares for a cash consideration of £13.7 million. Following the cancellation, there are 233,301,622 ordinary shares in issue.

APPROVAL OF THE ANNUAL REPORT AND ACCOUNTS

The Strategic Report on pages 2 to 155, the Directors' Report on pages 201 to 213 and the Corporate Governance Report were approved by the Board on 2 July 2025.

Approved by the Board and signed on its behalf.

LAURA BATTLEY
COMPANY SECRETARY
2 July 2025

FINANCIAL STATEMENTS



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WATCHES OF SWITZERLAND GROUP PLC

OPINION

In our opinion:

- Watches of Switzerland Group PLC's Group Financial Statements and Parent Company Financial Statements (the 'Financial Statements') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 27 April 2025 and of the Group's profit for the 52-weeks then ended;
- the Group Financial Statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company Financial Statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the Financial Statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements of Watches of Switzerland Group PLC (the 'Parent Company') and its subsidiaries (the 'Group') for the 52-week period ended 27 April 2025 which comprise:

Group	Parent Company
Consolidated Income Statement for the 52-weeks ended 27 April 2025	Company Balance Sheet as at 27 April 2025
Consolidated Statement of Comprehensive Income for the 52-weeks ended 27 April 2025	Company Statement of Changes in Equity as at 27 April 2025
Consolidated Balance Sheet as at 27 April 2025	Related notes C1 to C10 to the Financial Statements including a summary of significant accounting policies
Consolidated Statement of Changes in Equity as at 27 April 2025	
Consolidated Statement of Cash Flows for the 52-weeks ended 27 April 2025	
Related notes I to 27 to the Financial Statements, including material accounting policy information	

The financial reporting framework that has been applied in the preparation of the Group Financial Statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company Financial Statements is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We are independent of the Group and Parent in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Group and the Parent Company in conducting the audit.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the Financial Statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate. Our evaluation of the directors' assessment of the Group and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining management's going concern assessment, which covers the period to 31 October 2026, and includes details of facilities available, forecast covenant calculations, and the results of management's downside sensitivity scenarios;
- Testing management's model for clerical accuracy;
- Understanding and assessing the design effectiveness of controls over the Directors' going concern assessment and management's forecasting process;
- Obtaining the agreements in respect of the Group's financing arrangements and confirming the maturity dates and covenants that are required to be met;
- Challenging the reasonableness of forecasts and key assumptions underpinning the going concern model, which are based on the FY26 base case forecast presented to the Board in May 2025 plus a further six-month period which assumes no additional sales or profit uplift. Our procedures included assessing changes from the prior period, ensuring the forecast appropriately reflect the Group's climate change commitments, comparing to external forecasts for the sector and considering whether there was any indication of management bias, including consideration of any contrary indicators;
- Performing sensitivity analysis to challenge management's assessment of the impact of climate change based on their TCFD disclosures;
- Considering management's historical forecast accuracy by comparing actual performance to that budgeted;
- Comparing actual performance and liquidity post year-end to that budgeted;
- Reperforming forecast covenant calculations and comparing to the requirements under the facility agreements;
- Assessing the Group's severe but plausible downside scenarios which factor in the potential effect of a reduction in sales due to reduced consumer confidence, macroeconomic and governmental factors. This assessment included challenging the assumptions and whether the quantum of the impact of the downside scenarios is sufficiently severe;
- Challenging whether the scenarios modelled appropriately consider the Group's principal risks and uncertainties;
- Assessing the mitigating factors available to management should downside scenarios be worse than anticipated, including challenging whether these are realistic and controllable;
- Assessing the reverse stress tests used by the Directors to determine the risk to liquidity and covenant compliance. Including performing appropriate sensitivity analysis and assessing the likelihood of this occurring;
- Performing a suite of procedures, including management enquiry to identify events or conditions beyond the period of assessment that may cast significant doubt on the entity's ability to continue as a going concern; and
- Assessing the going concern disclosures in the Financial Statements to assess whether they are in accordance with regulatory and legislative requirements.

Our key observations are that the director's assessment forecasts that the Group will maintain sufficient liquidity and comply with all covenants throughout the going concern assessment period in both the base case and plausible downside scenarios. The directors consider that the possibility of the reverse stress scenario occurring to be remote taking into account liquidity and covenant headroom, as well as mitigating actions within the Group's control and the fact that this would represent a significant reduction in sales and margin from prior financial years.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Parent Company's ability to continue as a going concern for a period to 31 October 2026.

In relation to the Group and Parent Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the Financial Statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Overview of our audit approach

Audit scope	– We performed an audit of the complete financial information of three components and audit procedures on specific balances for a further one component. We also performed specified audit procedures on certain accounts on one additional component. Central procedures were performed on cash, loans and borrowings, taxation, exceptional items and equity.
Key audit matters	– Showroom asset impairment – Inventory provision valuation – Revenue recognition including the risk of management override
Materiality	– Overall Group materiality of £6.7m which represents 5% of profit before tax and exceptional items.

AN OVERVIEW OF THE SCOPE OF THE PARENT COMPANY AND GROUP AUDITS

In the current year our audit scoping has been updated to reflect the new requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion.

We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the Group Financial Statements and identified significant accounts and disclosures. When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group Financial Statements, we considered our understanding of the Group and its business environment, the potential impact of climate change, the applicable financial framework, the Group's system of internal control at the entity level, the existence of centralised processes, applications and any relevant internal audit results.

We determined that centralised audit procedures can be performed on 14 components in the following audit areas: cash, loans and borrowings, taxation, exceptional items and equity.

We then identified four components as individually relevant to the Group due to significant risks or an area of higher assessed risk of material misstatement of the Group Financial Statements being associated with the components.

For the above individually relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the Group significant accounts on which centralised procedures will be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the Group significant financial statement account balance.

We then considered whether the remaining Group significant account balances not yet subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the Group Financial Statements. We selected one component of the Group to include in our audit scope to address these risks.

Having identified the components for which work will be performed, we determined the scope to assign to each component.

Of the five components selected, we designed and performed audit procedures on the entire financial information of three components ('full scope components'). For one component, we designed and performed audit procedures on specific significant financial statement account balances or disclosures of the financial information of the component ('specific scope components'). For one component, we performed specified audit procedures to obtain evidence for one or more relevant assertions.

Our scoping to address the risk of material misstatement for each key audit matter is set out in the Key audit matters section of our report.

INVOLVEMENT WITH COMPONENT TEAMS

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the Group audit engagement team, or by component auditors operating under our instruction.

Of the five components selected, audit procedures were performed on four of these directly by the Group audit team. For the component not audited by the Group team, we determined the appropriate level of involvement to enable us to determine that sufficient audit evidence had been obtained as a basis for our opinion on the Group as a whole.

During the current year's audit cycle, the Group audit team visited the component team in the US. This involved meeting with our local component team to discuss the audit approach, understanding the significant audit findings, reviewing relevant working papers in risk areas, and meeting with local management.

The Group team interacted regularly with the component team where appropriate during various stages of the audit, reviewed relevant working papers and were responsible for the scope and direction of the audit process. Where relevant, the section on key audit matters details the level of involvement we had with component auditors to enable us to determine that sufficient audit evidence had been obtained as a basis for our opinion on the Group as a whole. This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group Financial Statements.

CLIMATE CHANGE

Stakeholders are increasingly interested in how climate change will impact Watches of Switzerland Group PLC. The Group has determined that the most significant future impacts from climate change on its operations will be from extreme weather events disrupting offices and distribution centres as well as the supply chain, increased office and showroom energy requirements for heating and cooling, the costs of complying with environmental legislation and from changing expectations from stakeholders. These are explained on pages 114 to 131 in the required Task Force On Climate-Related Financial Disclosures and on pages 150 to 153 in the principal risks and uncertainties. They have also explained their climate commitments on pages 148 to 153. All of these disclosures form part of the 'Other information', rather than the audited Financial Statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF WATCHES OF SWITZERLAND GROUP PLC
CONTINUED**

Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on 'Other information'.

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its Financial Statements.

The Group has explained in note 1 how they have reflected the impact of climate change in their Financial Statements including how this aligns with their commitment to the aspirations of the Paris Agreement to achieve net zero emissions by 2050. Significant judgements and estimates relating to climate change have been factored into the Directors' showroom asset impairment assessment. These considerations did not have a material impact on the Financial Statements.

Our audit effort in considering the impact of climate change on the Financial Statements was focused on evaluating management's assessment of the impact of climate risk, physical and transition, their climate commitments, the effects of material climate risks disclosed on pages 123 to 125 and the significant judgements and estimates disclosed in note 1 and whether these have been appropriately reflected in asset values where these are impacted by future cash flows and associated sensitivity disclosures, being the showroom asset impairment testing (see notes 12 and 13), following the requirements of UK adopted international accounting standards. As part of this evaluation, we

performed our own risk assessment, supported by our climate change internal specialists, to determine the risks of material misstatement in the Financial Statements from climate change which needed to be considered in our audit.

We also challenged the directors' considerations of climate change risks in their assessment of going concern and viability and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work, whilst we have not identified the impact of climate change on the Financial Statements to be a standalone key audit matter, we have considered the impact on the showroom impairment key audit matter. Details of the impact, our procedures and findings are included in our explanation of key audit matter below.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit and Risk Committee
<p>Showroom asset impairment – £46.5m (FY24 £26.2m)</p> <p><i>Refer to the Audit and Risk Committee Report (page 178); Accounting policies (page 227); and Note 4 and 12 of the Consolidated Financial Statements (page 246)</i></p> <p>Cash generating units ('CGU') should be reviewed for indicators of impairment at each reporting period end. Forecasts and discount rates used in assessing showroom impairment are judgemental and involve estimates of future trading which involves uncertainty. In particular, there is a risk of impairment as a result of the current consumer landscape which adds greater uncertainty on future showroom performance particularly in respect of non-supply constrained brands.</p>	<ul style="list-style-type: none"> – We understood and assessed the design effectiveness and implementation of management's controls over the impairment indicator review and impairment test. – We validated that management's calculations were performed in accordance with the requirements of IAS 36. – We challenged the UK and US discount rates used with the assistance of EY valuation specialists which included independently determining a reasonable range as a corroboration for the appropriateness of the discount rate used by management. – We challenged the showroom cash flow forecasts used by management in calculating the value in use. Our procedures included assessing changes from the prior period, comparing to external forecasts for the industry, considering the potential impacts from climate change, inspecting post year-end results and considering whether there was any indication of management bias, including consideration of any contrary indicators. – We have challenged the judgements on the identification of cash generating units to assess whether the threshold for grouping showrooms as one CGU had been met. – We challenged the long-term growth rates applied by comparing to external forecasts in the UK and US. – We assessed the process for allocating forecast cash flows to individual showrooms. – We validated impairment test input data and arithmetical accuracy of the model, including the allocation of overheads to CGUs. – We independently stress tested the model's key assumptions to determine if any plausible change in assumptions would result in a material change in impairment. – We assessed the adequacy of the disclosures in the Financial Statements in respect of the impairment. This included assessing the disclosure on the reasonable possible changes in assumptions. <p>All audit work performed to address this risk was undertaken by the Group audit team.</p>	<p>Based on our procedures over showroom asset impairment no material misstatements were identified.</p> <p>We consider the showroom asset impairment recognised to be materially stated and appropriately disclosed in exceptional items.</p> <p>Management has appropriately included sensitivity analysis disclosures in note 12 to the Financial Statements to reflect the level of estimation uncertainty.</p>

Risk	Our response to the risk	Key observations communicated to the Audit and Risk Committee
<p>Inventory valuation – £447.4m of inventory, (FY24 £393.3m)</p> <p>Refer to the Audit and Risk Committee Report (page 178); Accounting policies (page 227); and Note 15 of the Consolidated Financial Statements (page 249)</p> <p>The Group sells luxury goods, which have a high carrying value and are subject to changing consumer trends. Management applies judgement to anticipate the saleability of on-hand inventory and to evaluate the liquidation of slow moving and discontinued inventory when calculating the inventory provision.</p> <p>There is greater risk on the inventory provision for products where margins tend to be lower, more variable and impacted by changes in the consumer landscape such as jewellery and non-super high demand products.</p> <p>There is also a heightened risk on the valuation of second-hand watch inventory, including Rolex Certified Pre-Owned, given the recoverable amount is subject to fluctuations in second hand market prices.</p>	<ul style="list-style-type: none"> – We understood and assessed the design effectiveness and implementation of management’s controls over the inventory valuation and provision calculation process. – We enquired of key members of finance and the merchandising team to understand inventory levels, ageing and plans for discontinuation. – We assessed management’s judgements and assumptions used in determining the inventory provision to challenge if they were appropriate and supportable and recalculated the provision. We understood the sensitivity of these assumptions to change. – We assessed the level of provisioning by specific brand and compared this to performance in the year and stock turn. We directed greater attention to the products likely to be impacted by cost of living challenges as well as pre-owned inventory. – We inspected the value of inventory sold at less than cost during the period and challenged management on whether a provision was required for any such products that remain on hand at year-end. – In assessing the reasonableness of management’s methodology, we have considered the historical level of provisioning and subsequent utilisation and releases to determine the accuracy of prior provisions. <p>Audit work performed to address this risk was undertaken by the Group audit team and the component audit team. For details of our involvement with the component team refer to the section above on Involvement with component team.</p>	<p>Based on our procedures we consider the valuation of inventory to be materiality appropriate.</p>
<p>Revenue recognition including the risk of management override – £1,651.5m Revenue (FY24 £1,537.9m)</p> <p>Refer to the Audit and risk Committee Report (page 178); Accounting policies (page 227); and note 2 and 3 of the Consolidated Financial Statements (pages 234 to 236)</p> <p>Our assessment is that the majority of the Group’s revenue transactions are non-complex, with no judgement applied over the amount recorded.</p> <p>Revenue recognition is a significant risk by presumption due to the risk of material misstatements as a result of fraudulent or erroneous financial reporting.</p> <p>We consider the revenue recognition significant risk to be in the following areas:</p> <ul style="list-style-type: none"> – Manual adjustments to revenue; and – Completeness of deferred customer deposits (occurrence of revenue) 	<ul style="list-style-type: none"> – We understood and assessed the design effectiveness and implementation of management’s controls over the revenue recognition process. – We performed analytical review procedures to understand the revenue trends compared to the prior period, budget and post year-end to identify areas that warrant further investigation. – For the full scope components and specific scope component (totalling 99.4% of Group revenue), we utilised data analytic procedures to test the entire population of postings from Revenue to Cash, correlating the cash conversion of sales. For a sample of these items, we then verified the revenue to the receipt and bank statement. – Using data analytic tools, we identified material manual adjustments to revenue that do not follow the core processes such as postings for deferred revenue on deposits for further investigation and corroboration to other audit procedures. – We tested the completeness of deposits through the use of data analytics procedures on showroom margins and by testing a sample of deposit releases to revenue in the period confirming the goods were collected before the period end date by inspecting receipts. – We tested material consolidation adjustments to revenue and assessed whether they are appropriate. – We assessed the year-end consignment revenue accrual estimate through analysing historical trends and current performance. <p>Audit work performed to address this risk was undertaken by the Group audit team and the component audit team. For details of our involvement with the component team refer to the section above on Involvement with component team.</p>	<p>We did not identify any evidence of management override through the use of manual journal entries.</p> <p>Based on our procedures in respect of deposits no material misstatements were identified.</p>

The following changes have been made to our key audit matters in the current year:

- The revenue recognition key audit matter, previously included a risk on sales returns. This is no longer considered to be a significant risk following our risk assessment procedures and lack of historical audit differences.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WATCHES OF SWITZERLAND GROUP PLC CONTINUED

OUR APPLICATION OF MATERIALITY

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the Financial Statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £6.7 million (2024: £6.2 million), which is 5% (2024: 5%) of profit before tax and exceptional items. We believe that profit before tax and exceptional items provides us with an appropriate basis for setting materiality as it is not distorted by exceptional items which are both material and occur infrequently and which may fluctuate from period to period. This measure represents Adjusted PBT adding back the impact of IFRS 16 since this reoccurs each year.

We determined materiality for the Parent Company to be £9.2 million (2024: £9.4 million), which is 2% (2024: 2%) of equity due to the main purpose of the entity being an investment holding company which does not trade. When auditing balances included within to the Group Financial Statements we reduced this down to the Group materiality.

During the course of our audit, we reassessed initial materiality and tried this up to final results to reflect the full year actual profit before tax and exceptional items.

STARTING BASIS	Profit before tax – £75.9m
ADJUSTMENTS	– Exceptional items – £57.7m
MATERIALITY	– Totals £133.6m – Materiality of £6.7m (5% of materiality basis)

PERFORMANCE MATERIALITY

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2024: 75%) of our planning materiality, namely £5.0 million (2024: £4.6 million). We have set performance materiality at this percentage as we did not anticipate a significant level of audit differences following our 2024 audit.

Audit work was undertaken at component locations for the purpose of responding to the assessed risks of material misstatement of the Group Financial Statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was £1.0 million to £4.9 million (2024: £0.9 million to £4.6 million).

REPORTING THRESHOLD

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit and Risk Committee that we would report to them all uncorrected audit differences in excess of £0.33 million (2024: £0.31 million), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

OTHER INFORMATION

The other information comprises the information included in the Annual Report and Accounts set out on pages 1 to 213, other than the Financial Statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Accounts.

Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company Financial Statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

CORPORATE GOVERNANCE STATEMENT

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the Financial Statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 154;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 155;
- Directors' statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 211;
- Directors' statement on fair, balanced and understandable set out on page 212;

- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 144;
- The section of the Annual Report and Accounts that describes the review of effectiveness of risk management and internal control systems set out on page 144; and
- The section describing the work of the Audit & Risk Committee set out on page 179.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 211, the directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the directors are responsible for assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are frameworks which are directly relevant to specific assertions in the Financial Statements are those that relate to the reporting framework (UK adopted international accounting standards, FRS 102, the Companies Act 2006 and UK Corporate Governance Code). In addition, we concluded that there are certain significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the Financial Statements being the Listing Rules of the UK Listing Authority, and those laws and regulations relating to General Data Protection Regulation (GDPR), health and safety and employee matters.

We understood how Watches of Switzerland Group PLC is complying with those frameworks by making enquiries of management, Internal Audit, those responsible for legal and compliance matters and the Company Secretary and General Counsel. We confirmed our enquiries through our review of Board minutes, papers provided to the Audit & Risk Committee and correspondence received from regulatory bodies.

We assessed the susceptibility of the Group's Financial Statements to material misstatement, including how fraud might occur by meeting with management and Internal Audit to understand where they considered there was susceptibility to fraud. We also considered performance targets and the potential incentives or opportunities to manage earnings or influence the perceptions of analysts. We considered the programmes and controls that the Group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how Senior Management monitors those programmes and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk as discussed in the key audit matters section above. These procedures included testing manual journals and were designed to provide reasonable assurance that the Financial Statements were free from material fraud.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved understanding management's internal controls over compliance with laws and regulations; reviewing internal audit reports and whistleblowing investigation reports provided to the Audit and Risk Committee; making enquiries of legal counsel, Group management, Internal Audit; involving the use of management and EY specialists; and journal entry testing, with a focus on manual consolidation journals and journals indicating large or unusual transactions based on our understanding of the business.

Specific enquiries were made with the component team to confirm any non-compliance with laws and regulations and this was reported through their audit deliverables. Further, the Group team would communicate any instances of non-compliance with laws and regulations to the component team through our regular interactions.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

OTHER MATTERS WE ARE REQUIRED TO ADDRESS

- Following the recommendation from the Audit & Risk Committee we were appointed by the company on 17 October 2019 to audit the Financial Statements for the year ending 26 April 2020 and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is six years, covering the years ending 26 April 2020 to 27 April 2025.
- The audit opinion is consistent with the additional report to the Audit & Committee.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

HELEN MCLEOD-JONES (SENIOR STATUTORY AUDITOR)
FOR AND ON BEHALF OF ERNST & YOUNG LLP, STATUTORY AUDITOR
Birmingham

2 July 2025

**CONSOLIDATED INCOME STATEMENT
FOR THE 52 WEEKS ENDED 27 APRIL 2025**

	Note	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Revenue	2, 3	1,651.5	1,537.9
Cost of sales		(1,438.3)	(1,348.5)
Exceptional cost of sales	4	(2.0)	0.5
GROSS PROFIT		211.2	189.9
Administrative expenses		(43.6)	(37.5)
Exceptional impairment of assets	4	(46.5)	(26.2)
Exceptional other administrative expenses	4	(7.0)	(6.2)
Share of loss of joint venture and associates	11	(0.2)	–
OPERATING PROFIT		113.9	120.0
Finance costs	7	(38.1)	(29.5)
Finance income	7	2.3	2.9
Exceptional finance costs	4, 7	(2.2)	(1.3)
NET FINANCE COST		(38.0)	(27.9)
Profit before taxation		75.9	92.1
Taxation	8	(22.1)	(33.0)
Profit for the financial period		53.8	59.1
EARNINGS PER SHARE			
Basic	9	22.8p	25.0p
Diluted	9	22.7p	24.8p

The notes on pages 227 to 263 are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 52 WEEKS ENDED 27 APRIL 2025

Note	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Profit for the financial period	53.8	59.1
Other comprehensive (expense)/income:		
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS		
Foreign exchange (loss)/gain on translation of foreign operations	(15.2)	1.7
Related current tax movements	8	(0.1)
	(14.1)	1.6
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS		
Actuarial movements on defined benefit pension scheme	20	0.1
Related deferred tax movements	8	–
	0.1	(0.7)
Other comprehensive (expense)/income for the period	(14.0)	0.9
Total comprehensive income for the period	39.8	60.0

The notes on pages 227 to 263 are an integral part of these Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEET
AS AT 27 APRIL 2025

	Note	27 April 2025 €m	28 April 2024 €m
ASSETS			
NON-CURRENT ASSETS			
Goodwill	10	231.2	199.3
Intangible assets	10	72.9	16.4
Property, plant and equipment	12	192.4	191.4
Right-of-use assets	13	358.6	381.8
Investment in joint venture and associates	11	0.5	–
Deferred tax assets	8	4.1	0.4
Post-employment benefit asset	20	0.5	–
Trade and other receivables	14	4.5	2.1
		864.7	791.4
CURRENT ASSETS			
Inventories	15	447.4	393.3
Current tax asset		8.6	4.5
Trade and other receivables	14	56.0	22.5
Cash and cash equivalents	16	98.9	115.7
		610.9	536.0
Total assets		1,475.6	1,327.4
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	17	(254.9)	(215.4)
Current tax liability		(0.5)	–
Lease liabilities	13	(56.0)	(57.0)
Provisions	18	(2.4)	(1.9)
		(313.8)	(274.3)
NON-CURRENT LIABILITIES			
Trade and other payables	17	(4.6)	(1.1)
Deferred tax liabilities	8	(15.9)	(3.4)
Lease liabilities	13	(398.6)	(403.4)
Borrowings	19	(192.8)	(113.3)
Post-employment benefit obligations	20	–	(0.2)
Provisions	18	(10.3)	(8.7)
		(622.2)	(530.1)
Total liabilities		(936.0)	(804.4)
Net assets		539.6	523.0
EQUITY			
Share capital	21	3.0	3.0
Share premium	21	147.1	147.1
Merger reserve	21	(2.2)	(2.2)
Other reserves	21	(13.3)	(23.4)
Retained earnings	21	414.7	394.1
Foreign exchange reserve	21	(9.7)	4.4
Total equity		539.6	523.0

The notes on pages 227 to 263 are an integral part of these Consolidated Financial Statements.

The Consolidated Financial Statements were approved and authorised for issue by the Board and were signed on its behalf by:

L A ROMBERG
CHIEF FINANCIAL OFFICER
Date: 2 July 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 27 APRIL 2025

	Share capital £m	Share premium £m	Merger reserve £m	Other reserves £m	Retained earnings £m	Foreign exchange reserve £m	Total equity attributable to owners £m
Balance at 30 April 2023	3.0	147.1	(2.2)	(18.4)	337.0	2.8	469.3
Profit for the financial period	–	–	–	–	59.1	–	59.1
Other comprehensive income, net of tax	–	–	–	–	(0.7)	1.6	0.9
Total comprehensive income	–	–	–	–	58.4	1.6	60.0
Purchase of own shares for share schemes	–	–	–	(7.2)	–	–	(7.2)
Share-based payment charge (note 22)	–	–	–	–	2.1	–	2.1
Share-based payments exercised	–	–	–	2.2	(2.2)	–	–
Tax on items credited to equity	–	–	–	–	(1.1)	–	(1.1)
Tax on vested shares moved to current tax	–	–	–	–	(0.1)	–	(0.1)
Total other transactions	–	–	–	(5.0)	(1.3)	–	(6.3)
Balance at 28 April 2024	3.0	147.1	(2.2)	(23.4)	394.1	4.4	523.0
Profit for the financial period	–	–	–	–	53.8	–	53.8
Other comprehensive income, net of tax	–	–	–	–	0.1	(14.1)	(14.0)
Total comprehensive income	–	–	–	–	53.9	(14.1)	39.8
Purchase of own shares for cancellation (note 21)	–	–	–	(12.1)	–	–	(12.1)
Own shares cancelled (note 21)	–	–	–	11.3	(11.3)	–	–
Committed share buyback	–	–	–	–	(12.9)	–	(12.9)
Share-based payment charge (note 22)	–	–	–	–	1.8	–	1.8
Share-based payments exercised	–	–	–	10.9	(10.9)	–	–
Tax on items credited to equity	–	–	–	–	0.4	–	0.4
Tax on vested shares moved to current tax	–	–	–	–	(0.4)	–	(0.4)
Total other transactions	–	–	–	10.1	(33.3)	–	(23.2)
Balance at 27 April 2025	3.0	147.1	(2.2)	(13.3)	414.7	(9.7)	539.6

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 52 WEEKS ENDED 27 APRIL 2025

Note	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	53.8	59.1
Adjustments for:		
Depreciation of property, plant and equipment	12 40.8	39.7
Depreciation of right-of-use assets	13 54.5	54.8
Depreciation of right-of-use assets – exceptional items (note 4)	13 2.0	1.2
Amortisation of intangible assets	10 3.3	3.6
Impairment of right-of-use assets – exceptional items (note 4)	13 26.8	16.4
Impairment of property, plant and equipment – exceptional items (note 4)	12 19.7	9.8
Loss on disposal of property, plant and equipment	12 0.2	1.1
Loss on disposal of property, plant and equipment – exceptional items (note 4)	12 0.6	–
Loss on disposal of intangibles	10 0.2	–
Gain on lease modifications and disposals	13 (5.5)	(0.8)
Share-based payment charge	22 1.8	2.1
Share of loss of joint venture and associates	11 0.2	–
Finance income	7 (2.3)	(2.9)
Finance costs	7 38.1	29.5
Finance costs – exceptional items (note 4)	7 2.2	1.3
Taxation	8 22.1	33.0
Increase in inventory	(13.3)	(11.3)
Increase in debtors	(18.2)	(4.4)
Decrease in creditors, provisions and pensions	(12.9)	(6.7)
Cash generated from operations	214.1	225.5
Pension scheme contributions	20 (0.7)	(0.7)
Tax paid	(29.7)	(33.5)
Total net cash generated from operating activities	183.7	191.3
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of non-current assets:		
Property, plant and equipment additions	12 (68.0)	(81.6)
Intangible asset additions	10 (3.6)	(2.4)
Movement on capital expenditure accrual	(3.8)	4.1
Cash outflow from purchase of non-current assets	(75.4)	(79.9)
Interest received	2.3	3.0
Investment in joint venture and associates	(0.7)	–
Disposal of European property, plant and equipment	12 2.7	–
Acquisition of subsidiaries net of cash acquired	25 (106.9)	(44.2)
Total net cash outflow from investing activities	(178.0)	(121.1)
CASH FLOWS FROM FINANCING ACTIVITIES		
Purchase of own shares for share schemes	–	(7.2)
Purchase of own shares for cancellation	21 (11.3)	–
Proceeds/(repayment) of term loan	19 99.5	(120.0)
Net movement on multicurrency revolving loan facility	19 (13.8)	115.0
Costs directly attributable to raising new loan facility	19 (1.5)	(2.2)
Payment of capital element of leases	13 (56.2)	(46.0)
Payment of interest element of leases	13 (24.4)	(22.1)
Interest paid	(13.4)	(9.2)
Net cash outflow from financing activities	(21.1)	(91.7)
Net decrease in cash and cash equivalents	(15.4)	(21.5)
Cash and cash equivalents at the beginning of the period	115.7	136.4
Exchange (losses)/gains on cash and cash equivalents	(1.4)	0.8
Cash and cash equivalents at the end of period	98.9	115.7
Comprised of:		
Cash at bank and in hand	16 80.4	93.8
Cash in transit	16 18.5	21.9
Cash and cash equivalents at end of period	98.9	115.7

I. ACCOUNTING POLICIES

GENERAL INFORMATION

Watches of Switzerland Group PLC (the 'Company') is a public limited company, limited by shares, which is listed on the London Stock Exchange and incorporated and domiciled in England and Wales. The address of the registered office is Aurum House, 2 Elland Road, Braunstone, Leicester, LE3 1TT. The Company and its subsidiaries together form the Group.

The principal activity of the Group is the selling of luxury watches and jewellery, in showrooms, online and via wholesale. At the balance sheet date, the Group was trading from 148 UK and Europe based showrooms, and 60 US based showrooms. The Group mainly trades under seven prestigious brands: Watches of Switzerland (UK and US), Mappin & Webb (UK), Goldsmiths (UK), Mayors (US), Betteridge (US), Analog:Shift (US) and Hodinkee (US), with a complementary jewellery offering. Since 8 May 2024, the Group has also owned the exclusive distribution rights for Roberto Coin in the US, Canada, Central America and the Caribbean.

The Consolidated Financial Statements are presented in Pounds Sterling (£), which is the Group's presentational currency, and are shown in £millions to one decimal place.

BASIS OF PREPARATION

The Consolidated Financial Statements include the financial statements of the Company and its subsidiary undertakings made up to 27 April 2025. A subsidiary is an entity that is controlled by the parent. The financial year represents the 52 weeks to 27 April 2025 (prior financial year 52 weeks to 28 April 2024). The financial year-end date is determined to be the Sunday closest to 30 April each year.

The Consolidated Financial Statements are prepared in accordance with UK adopted international accounting standards. The Consolidated Financial Statements have been prepared under the historical cost convention except for pension assets which are measured at fair value.

GOING CONCERN

The Directors consider that the Group has, at the time of approving the Group Consolidated Financial Statements, adequate resources to remain in operation for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the consolidated information.

On 13 December 2024, the Group refinanced and repaid its \$115.0 million term loan facility which was originally taken out to finance the Roberto Coin Inc. acquisition with a new £150.0 million facility, being made up of a £100.0 million Term Loan and £50.0 million multicurrency revolving credit facility. The £100.0 million was drawn down on 13 December 2024 as USD \$125.0 million and no further drawdown on the £100.0 million is permitted. The new facilities run coterminously with the existing UK bank facility of £225.0 million. The going concern assessment has been carried out taking into account all facilities now in place.

The key covenant tests attached to all Group facilities are a measure of net debt to EBITDA, and the Fixed Charge Cover Ratio (FCCR) at each April and October. The facility covenants are on a pre-IFRS 16 basis and exclude share-based payment costs. Net debt to EBITDA is defined as the ratio of total net debt at the reporting date to the last 12 month Adjusted EBITDA. This ratio must not exceed 3. The FCCR is the ratio of Adjusted EBITDA plus rent to the total finance charge and rent for the 12 months to the reporting date. This ratio must exceed 1.6. At 27 April 2025 the Group comfortably satisfied the covenant tests with net debt to EBITDA being less than 3 and the FCCR exceeding 1.6.

At the balance sheet date, the Group had a total of £368.9 million in available committed facilities, of which £195.1 million was drawn down. Net debt at this date was £96.2 million. Liquidity headroom (defined as unrestricted cash plus undrawn available facilities) was £253.5 million. All bank facilities run coterminously and are due to expire in May 2028. Further detail can be found in borrowings note 19 within the Consolidated Financial Statements.

In assessing whether the going concern basis of accounting is appropriate, the Directors have reviewed various trading scenarios for the period to 31 October 2026 from the date of this report. These included:

- The FY26 base case forecast which aligns to Guidance given on page 13, plus a further six-month period which assumes no additional sales or profit uplift. These included the following key assumptions:
- Revenue forecast supported by expected luxury watch supply
- Impact of US tariffs included where price changes have already been announced
- Impact of announced UK showroom closures
- Increased cost base in line with macroeconomic environment, employment taxes and environmental targets

Under the base case forecast, the Group has significant liquidity and complies with all covenant tests to 31 October 2026. The forecast reflects current visibility of supply from key brands and confirmed showroom refurbishments, openings and closures, and excludes uncommitted capital projects and acquisitions which would only occur if expected to be incremental to the business.

– Severe but plausible scenarios of:

- 15% reduction in sales against the base case forecast as a result of consumer confidence, macroeconomic and governmental factors. This scenario did not include cost mitigations which are given below
- The realisation of material risks detailed within the Principal Risks and Uncertainties on pages 148 to 153 (including potential data breaches and non-compliance with laws and regulations), and also environmental risks highlighted on pages 123 to 126

Under these scenarios the net debt to EBITDA and the FCCR covenants would be complied with.

- Reverse stress-testing of cash flows during the going concern period was performed. This determined what level of reduced EBITDA and worst-case cash flows would result in a breach of the liquidity or covenant tests. The likelihood of this level of reduced EBITDA is considered remote taking into account liquidity and covenant headroom, as well as mitigating actions within management's control (as noted below) and that this would represent a significant reduction in sales and margin from prior financial years
- Should trading be worse than the outlined severe but plausible scenarios, the Group has the following mitigating actions within management's control:
 - Reduction of marketing spend
 - Reduction in the level of inventory holding and purchases
 - Restructuring of the business with headcount and showroom operations savings
 - Redundancies and pay freezes
 - Reducing the level of planned capex

The Directors also considered whether there were any events or conditions occurring just outside the going concern period that should be considered in their assessment, including whether the going concern period needed to be extended.

As a result of the above analysis, including potential severe but plausible scenarios and the reverse stress test, the Board believes that the Group and Company is able to adequately manage its financing and principal risks, and that the Group and Company will be able to operate within the level of its facilities and meet the required covenants for the period to 31 October 2026. For this reason, the Board considers it appropriate for the Group and Company to adopt the going concern basis in preparing the Consolidated Financial Statements.

I. ACCOUNTING POLICIES (CONTINUED)

CLIMATE CHANGE

In preparing the Consolidated Financial Statements management has considered the impact of climate change, particularly in the context of the disclosures included in the Strategic Report. These considerations did not have a material impact on the Consolidated Financial Statements, including the Group's going concern assessment to 31 October 2026 and the viability of the Group over the next three years (refer to the Viability Statement on page 155).

EXCEPTIONAL ITEMS

The Group presents as exceptional items on the face of the Consolidated Income Statement those items of income and expense which, because of their size, nature or the expected infrequency of the events giving rise to them, merit separate presentation to provide a better understanding of the elements of financial performance in the financial period, so as to assess trends in financial performance. Further details on exceptional items are given within note 4.

ALTERNATIVE PERFORMANCE MEASURES (APMS)

The Group has identified certain measures that it believes will assist the understanding of the performance of the business. These APMs are not defined or specified under the requirements of IFRS.

The Group believes that these APMs, which are not considered to be a substitute for, or superior to, IFRS measures, provide stakeholders with additional useful information on the underlying trends, performance and position of the Group and are consistent with how business performance is measured internally. The APMs are not defined by IFRS and therefore may not be directly comparable with other companies' APMs.

The key APMs that the Group uses include: Net Margin, Adjusted EBITDA, Adjusted EBIT and Adjusted Earnings Per Share. These APMs are set out in the Glossary on pages 270 to 273, including explanations of how they are calculated and how they are reconciled to a statutory measure where relevant.

The Group makes certain adjustments to the statutory profit measures in order to derive many of these APMs. The Group's policy is to exclude items that are considered non-underlying and exceptional due to their size, nature or incidence, and are not considered to be part of the normal operating costs of the Group. Treatment as an adjusting item provides stakeholders with additional useful information to assess the year-on-year trading performance of the Group but should not be considered in isolation of statutory measures.

FOREIGN CURRENCIES

The Consolidated Financial Statements are presented in Pounds Sterling (£), which is the Group's presentational currency, and are shown in £millions to one decimal place. The Group includes foreign entities whose functional currencies are not Pounds Sterling (£). On consolidation, the assets and liabilities of those entities are translated at the exchange rates at the balance sheet date and income and expenses are translated at average rates during the period. Translation differences are recognised in other comprehensive income.

Transactions in currencies other than an entity's functional currency are recorded at the exchange rate on the transaction date, whilst assets and liabilities are translated at exchange rates at the balance sheet date. Exchange differences are recognised in the Consolidated Income Statement.

SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Makers (CODMs). The CODMs, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the Chief Executive Officer and Chief Financial Officer of the Group. The CODMs review the key profit measures Adjusted Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) and Adjusted Earnings Before Interest and Tax (EBIT), both shown pre-exceptional items and IFRS 16.

REVENUE

The Group is in the business of selling luxury watches and jewellery and providing ongoing services to our customers, such as repairs and servicing. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it controls the goods or services before transferring them to the customer.

In determining the transaction price for the sale of goods, the Group considers the existence of significant financing components.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

Sale of goods – retail

Sales of goods are recognised when a Group entity sells a product to the customer and control of the goods is transferred to the customer. Retail sales are usually settled in cash or by credit card. It is the Group's policy to sell its products to the retail customer with a right to return within 14 days for a cash refund and 30 days for a product exchange. The Group does not operate any loyalty programmes.

Where sales are made on credit provided by a third-party, revenue is recognised immediately on sale of the product and control has been passed to the customer. The Group offers Interest Free Credit on certain goods and the cost of this product is netted against revenue.

Sale of goods – wholesale

Sales of goods are recognised when a Group entity sells a product to a customer and control of the goods is transferred to the customer. This is either upon delivery to customers, or for consigned inventory, the date of sell through by the customer, provided the sales price is fixed, title has transferred, and collectability of the resulting receivable is reasonably assured.

Sale of goods – online

Revenue from the sale of goods on the internet is recognised at the point that control has passed to the customer, which is the point of delivery. Transactions are settled by credit or payment card. Where sales are made on credit provided by a third-party, revenue is recognised when control has been passed to the customer, on delivery.

Rendering of services

Revenue from a contract to provide services, such as product repairs and servicing, is recognised in the period in which the services are provided. Revenue is recognised when the following conditions are satisfied:

- The amount of revenue can be measured reliably
- It is probable that the Group will receive the consideration due under the contract
- The service has been completed
- Control of the good is passed back to the customer

Rights of return

When a contract provides a customer with a right of return, under IFRS 15, the consideration is variable because the contract allows the customer to return the product. The Group uses the expected value method to estimate the goods that will be returned and recognise a refund liability and an asset for the goods to be recovered. Provisions for returned goods are calculated based on future expected levels of returns for each channel, assessed across a variety of factors such as historical trends, economic factors and other measures.

Rebates

Under IFRS 15, rebates give rise to variable consideration. To estimate this the Group applies the most likely amount method.

Contract balances – customer deposits and gift cards

A customer deposit or gift card liability is the obligation to transfer goods or services to a customer for which the Group has received consideration. If consideration is received before the Group transfers goods or services to the customer, revenue is deferred and a customer deposit or gift card liability is recognised. Customer deposits and gift cards are recognised as revenue when the customer is passed control of the goods.

Gift card redemptions are estimated on the basis of historical redemptions and are reviewed regularly and updated to reflect management's best estimate of patterns of redemption. The estimated non-redemption is recognised in revenue based on historical redemptions.

Cost of sales

Included within cost of sales are any items which are directly attributable to the sale of goods and services. This includes the cost of bringing inventory into a condition to sell, wages and salaries, depreciation on land and buildings and fittings and equipment, and other costs directly attributable to the cost of selling goods and services.

Insurance contracts

Commission income is earned by the Group in showrooms and online through the sale of insurance policies. In addition, the Group issues contracts that transfer insurance risk which are classified as insurance contracts. This activity is completed through the Aurum Insurance (Guernsey) Limited subsidiary which is fully consolidated. The Group manages its risk via its underwriting strategy within its overall risk management framework. Premiums are earned from the date of the attachment of risk, over the indemnity period, based on the pattern of risks underwritten. The earned portion of premiums written is recognised as revenue. Unearned premium represents the proportion of premiums written which is estimated to be earned in future financial years, calculated separately for each insurance contract using the daily pro-rata method. Claims and claims handling expenses are recognised as incurred based on the estimated cost of settling all liabilities arising on events occurring up to the balance sheet date.

Share-based payments

Some employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The fair value of the equity-settled awards is calculated at grant date using a Black-Scholes model. The resulting cost is charged in the Consolidated Income Statement over the vesting period of the option or award and is regularly reviewed and adjusted for the expected and actual number of options or awards vesting. This applies to LTIP Awards, Deferred Share Bonus Schemes, Save as You Earn and Employee Stock Purchase Plan Awards, and Free Share Awards.

Service and non-service performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. No expense is recognised for awards that do not ultimately vest because of non-market performance and/or service conditions that have not been met.

The social security contributions payable in connection with the award of the share options is determined at each balance sheet date as a liability with the total cost recognised in the Consolidated Income Statement over the vesting period.

Own shares held

Own shares represent the shares of Watches of Switzerland Group PLC that are held in an Employee Benefit Trust which has been set up for this purpose. The Company adopts a 'look-through' approach which, in substance, accounts for the trust as an extension of the Company. Own shares are recorded at cost and are deducted from equity.

Taxation

Taxation, comprised of current and deferred tax, is charged or credited to the Consolidated Income Statement unless it relates to items recognised in other comprehensive income or directly in equity. In such cases, the related tax is also recognised in other comprehensive income or directly in equity.

Current tax liabilities are measured at the amount expected to be paid, based on tax rates and laws that are enacted or substantively enacted at the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method and is calculated using rates of taxation enacted or substantively enacted at the balance sheet date which are expected to apply when the asset or liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are only recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is not recognised in respect of investments in subsidiaries where the reversal of any taxable temporary differences can be controlled and are unlikely to reverse in the foreseeable future. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset and there is an intention to settle the balances on a net basis.

On 23 May 2023, IASB issued 'International Tax Reform-Pillar Two Model Rules – Amendments to IAS 12' in response to the OECD's BEPS Pillar Two model rules. The amendments introduced an immediate, mandatory temporary exception (IAS 12 Para 4A) from the requirement for companies to recognise and disclose deferred tax assets and liabilities related to Pillar Two income taxes. The Group has applied the mandatory temporary exception at 27 April 2025.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 'Financial Instruments', is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amount to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

I. ACCOUNTING POLICIES (CONTINUED)

Joint venture and associates

The Group presents its share of profit or loss of joint venture and associates using the equity method under IAS 28 'Investments in Associates and Joint Ventures'. IAS 1.82(c) requires share of the profit or loss of joint venture and associates accounted for using the equity method to be presented in a separate line item on the face of the Consolidated Income Statement. In complying with this requirement, the Group combines the share of profit or loss in one line item.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment. At each reporting date, the Group determines whether there is objective evidence that the investment is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount and its carrying value and then recognises the loss within 'Share of profit or loss of joint venture and associates' in the Consolidated Income Statement.

Intangible assets

Expenditure on internally generated goodwill and brands is recognised in the Consolidated Income Statement as an expense as incurred.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses.

The cost of intangible assets acquired in a business combination is capitalised separately from goodwill if the fair value can be measured reliably at the acquisition date.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit (CGU) level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Acquired computer software licences are capitalised based on the costs incurred to acquire and bring to use the specific software. Software is measured initially at acquisition cost or costs incurred to develop the asset. Following initial recognition, software is carried at cost less accumulated amortisation. Assets are amortised on a straight-line basis over their estimated useful lives of three to five years.

Cloud software licence agreements

Licence agreements to use cloud software are treated as service contracts and expensed in the Consolidated Income Statement, unless the Group has both a contractual right to take possession of the software at any time without significant penalty, and the ability to run the software independently of the host vendor. In such cases the licence agreement is capitalised as software within intangible assets. Costs to configure or customise a cloud software licence are expensed alongside the related service contract in the Consolidated Income Statement, unless they create a separately identifiable resource controlled by the Group, in which case they are capitalised.

Amortisation

Amortisation is charged to the Consolidated Income Statement on a straight-line basis over the estimated useful lives of intangible assets. Amortisation is recognised wholly within cost of sales. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Computer software	3 to 5 years
Brands	5 to 30 years
Agency agreements	10 years

The bases for choosing these useful lives are:

- Brand longevity considering brand history and market awareness
- Agency agreements considering the longevity of the agreements in place with a major supplier

The Group reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Property, plant and equipment

Management accounts for property, plant and equipment under the cost basis of IAS 16 'Property, plant and equipment', rather than applying the alternative (revaluation) treatment. The cost of property, plant and equipment includes directly attributable costs.

Depreciation is provided on the cost of all other assets (except assets in the course of construction), so as to write off the cost, less residual value, on a straight-line basis over the expected useful economic life of the assets concerned, as follows:

Land and buildings	Lease period
Fittings and equipment	3 to 10 years

Useful lives and residual values are reviewed at each balance sheet date and revised where expectations are significantly different from previous estimates. In such cases, the depreciation charge for current and future periods is adjusted accordingly. The impact of climate change on asset lives has also been considered in the period. Asset lives are not affected by climate actions taking place.

Impairment of non-financial assets

The carrying values of non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any impairment loss arises, the asset is adjusted to its estimated recoverable amount and the difference is recognised in the Income Statement.

Property, plant and equipment and other non-current assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of an asset or a CGU is not recoverable. A CGU is the smallest identifiable group of assets that generate independent cash flows which are monitored by management and the CODMs. The Group considers this to be showroom locations or offices. CGUs are grouped for the purposes of allocating goodwill where the CGU group is expected to benefit from synergies, such as sharing of centralised functions and management. Goodwill allocated to groups of CGUs is tested annually for impairment and whenever there is an indication that the goodwill may be impaired.

Impairment testing is performed at several levels and applied in the order set out by IAS 36 'Impairment of assets'. Impairment testing is first applied to the assets within a CGU where the value of assets held by the CGU are compared to the recoverable value. Impairment testing is then performed at a higher level which compares the value of goodwill to the recoverable value of the associated group of CGUs.

Trade and other receivables

Trade receivables represent outstanding customer balances less an allowance for Expected Credit Losses (ECLs). Trade receivables are recognised when the Group becomes party to the contract which happens when the goods are received and controlled by the end user. They are derecognised when the rights to receive the cash flows have expired e.g. due to the settlement of the outstanding amount or where the Group has transferred substantially all the risks and rewards associated with that contract. Other receivables are stated at invoice value less an allowance for ECLs. Trade and other receivables are subsequently measured at amortised cost as the business model is to collect contractual cash flows and the debt meets the Solely Payment of Principal and Interest (SPPI) criterion.

Expected Credit Losses (ECLs)

The Group recognises an allowance for ECLs for customer and other receivables. IFRS 9 'Financial instruments' requires a provision to be recognised on origination of a customer advance, based on its ECL.

The Directors have taken the simplification available under IFRS 9 5.5.15 which allows the loss amount in relation to a trade receivable to be measured at initial recognition and throughout its life at an amount equal to lifetime ECL. This simplification is permitted where there is either no significant financing component (such as customer receivables where the customer is expected to repay the balance in full prior to interest accruing) or where there is a significant financing component (such as where the customer expects to repay only the minimum amount each month), but the Directors make an accounting policy

choice to adopt the simplification. Adoption of this approach means that Significant Increase in Credit Risk (SICR) and Date of Initial Recognition (DOIR) concepts are not applicable to the Group's ECL calculations.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Trade and other receivables are only written off when the Group has exhausted all options to recover the amounts due and provided for in full when there is no reasonable expectation of recovery, which is the Group's definition of default.

The assessment of credit risk and the estimation of ECL are required to be unbiased, probability-weighted and should incorporate all available information relevant to the assessment, including information about past events, current conditions and reasonable and supportable forecasts of economic conditions at the reporting date. The forward-looking aspect of IFRS 9 requires considerable judgement as to how changes in economic factors affect ECLs.

ECL charges in respect of customer receivables are recognised in the Consolidated Income Statement within cost of sales.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition. Raw materials, consumables and goods for resale are recognised on an average cost basis. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Cash and cash equivalents

In the Consolidated Balance Sheet, cash and cash equivalents includes cash in hand, cash in transit, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Cash in transit largely comprises amounts receivable on credit cards where the transaction has been authorised but the funds have yet to clear the bank. These balances are considered to be highly liquid, with minimal risk of default, and are typically received in less than three days.

Provisions

Provisions are recognised when:

- The Group has a present legal or constructive obligation as a result of past events
- It is probable that an outflow of resources will be required to settle the obligation
- The amount has been reliably estimated

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

Post-employment benefit obligations

The Group operates various post-employment schemes, including both defined benefit schemes and defined contribution pension plans. Typically, defined benefit schemes define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The amount recognised in the Consolidated Balance Sheet in respect of the defined benefit pension scheme is the present value of the defined benefit obligation at the end of the reporting period less the fair value of scheme assets. The defined benefit obligation is calculated by a full yield-curve independent actuarial valuation. The present value of the defined benefit amount is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

The current service cost of the defined benefit scheme, recognised in the Consolidated Income Statement in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current period, benefit changes, curtailments and settlements. Past-service costs are recognised immediately in the Consolidated Income Statement.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of scheme assets. This cost is included in employee benefit expense in the Consolidated Income Statement.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise. Where the Group has an unconditional right to a refund, it recognises an asset measured as the amount of the surplus at the balance sheet date that it has a right to receive as a refund.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due.

Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity.

The Group does not hold any derivative instruments in either the current or prior period.

Financial assets

Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at amortised cost, Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit or Loss (FVPL). The classification is based on two criteria:

- The Group's business model for managing the assets; and
- Whether the instruments' contractual cash flows represent 'Solely Payments of Principal and Interest' on the principal amount outstanding (the SPPI criterion)

A summary of the Group's financial assets is as follows:

Financial assets	Classification under IFRS 9
Trade and other receivables (excluding prepayments)	Amortised cost – held to collect as business model and SPPI met
Cash and short-term deposits	Amortised cost

Under IFRS 9 the Group initially measures a financial asset at its fair value plus directly attributable transaction costs, unless the asset is classified as FVPL. Transactional costs of financial assets carried at FVPL are expensed in the Consolidated Income Statement.

Subsequent measurement

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest rate (EIR) method. The amortised cost is reduced by impairment losses. Interest income, impairment or gain or loss on derecognition are recognised in profit or loss.

Derecognition

A financial asset is derecognised primarily when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third-party under a 'pass-through' arrangement; and either a) the Group has transferred substantially all the risks and rewards of the asset, or b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

I. ACCOUNTING POLICIES (CONTINUED)

Impairment

The Group recognises an allowance for ECLs for all debt instruments not held at FVPL. The most significant financial assets of the Group are its trade receivables. ECLs are calculated in accordance with the accounting policies set out above.

Financial liabilities

Initial recognition and measurement

The Group has classified its financial liabilities as follows:

Financial liabilities	Classification under IFRS 9
Interest-bearing loans and borrowings	Amortised cost
Trade and other payables (excluding accrued income)	Amortised cost

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

A summary of the subsequent measurement of financial liabilities is set out below:

Financial liabilities at FVPL	Subsequently measured at fair value. Gains and losses are recognised in the Consolidated Income Statement
Interest-bearing loans and borrowings	Subsequently measured at amortised cost using the EIR method. The EIR amortisation is included in finance costs in the Income Statement
Trade and other payables (excluding accrued income)	Subsequently measured at amortised cost

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Income Statement.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention and ability to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Leases

The Group's lease portfolio is principally comprised of property leases in relation to Watches of Switzerland, Mappin & Webb, Goldsmiths, Mayors and Betteridge showrooms, mono-brand boutiques and Support Centres. The leases typically run for terms between five and 20 years and may include break clauses or options to renew beyond the non-cancellable periods. The majority of the Group's lease payments are subject to market review, usually every five years, with a number of leases having annual increases dependent on economic indices. Some lease agreements include rental payments which are contingent on the turnover of the property to which they relate. These payments are excluded from the calculation of the lease liabilities under IFRS 16 'Leases'.

Definition of a lease

The Group assesses whether a contract is or contains a lease based on the definition of a lease under IFRS 16. A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative standalone prices.

Lease liability – initial recognition

The Group recognises right-of-use assets and lease liabilities at the lease commencement date. The lease liabilities are initially measured at the present value of the lease payments that are not yet paid at the commencement date, less any incentives receivable, discounted using the determined incremental borrowing rate applicable to the lease.

Lease payments in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives
- Variable lease payments such as those that depend on an index or rate (such as RPI), initially measured using the index or rate at the commencement date; and
- Penalty payments for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The Group discounts lease payments to their present value, using its Incremental Borrowing Rate (IBR) at the lease commencement date. IBR applied to each lease is determined by taking into account:

- The risk-free rate based on country-specific swap markets
- A credit risk adjustment based on country-specific corporate indices; and
- A Group specific adjustment to reflect the Group's specific borrowing conditions

The IBR applied to individual leases ranged from 2.1% to 7.7%.

Lease liability – subsequent measurement

Lease liabilities are subsequently measured at amortised cost and are increased to reflect interest on the lease liability (using the effective interest method) and decreased by the lease payments made.

Lease liability – remeasurement

Lease liabilities are remeasured when there is a change in future lease payments arising from a change in an index or market rental review, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a renewal option is reasonably certain to be exercised or a break clause is reasonably certain to be exercised.

When the lease liability is remeasured, an equivalent adjustment is made to the right-of-use asset, unless its carrying amount is reduced to £nil, in which case any remaining amount is recognised in profit or loss.

The Group has applied judgement to determine the lease term for those lease contracts that include a renewal or break option. The assessment of whether the Group is reasonably certain to exercise a renewal option or reasonably certain not to exercise a break option significantly impacts the value of lease liabilities and right-of-use assets recognised on the Balance Sheet and the Consolidated Income Statement.

Right-of-use assets – initial recognition

Right-of-use assets are initially measured at cost, which is an amount equal to the corresponding lease liabilities adjusted for any lease payments made at or before the commencement date, dilapidation provisions required, less any lease incentives received. The Group has elected to apply the exemption for short-term leases (leases with a term of less than one year) and low-value assets under IFRS 16, as such not recognising a right-of-use asset and lease liability on the Balance Sheet, but recognising lease payments associated with those leases as an expense on a straight-line basis over the lease term.

Where the Group has an obligation for costs to restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37 'Provisions, contingent liabilities and contingent assets'. The estimated costs are included in the related right-of-use asset. Initial direct costs (lease acquisition costs), incurred subsequently to the initial date of application, have been included within the right-of-use asset.

Right-of-use assets – subsequent measurement

Right-of-use assets are subsequently measured at cost less any accumulated depreciation and impairment losses, adjusted for certain remeasurements of the lease liabilities. Depreciation is calculated on a straight-line basis over the expected useful economic life of a lease which is taken as the lease term.

NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

The following amendment was adopted early by the Group in the prior year:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to IAS 1

This had no material impact on the Group.

Significant accounting estimates, assumptions and judgements

The preparation of consolidated financial information requires the Group to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Actual results may differ from these estimates.

Significant estimates and assumptions

Estimates and underlying assumptions are reviewed by management on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future period affected.

The areas involving significant risk resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are as follows:

Net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value, on a weighted average cost basis. Provisions are recognised where the net realisable value is assessed to be lower than cost. The calculation of this provision requires estimation of the eventual sales price and sell-through of goods to customers in the future. The inventory provision held at the year-end was £5.8 million (2024: £6.4 million). A 20% reduction in the sell-through of slow moving stock would impact the net realisable value by c.£ 4.0 million.

Impairment of property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. For the impairment test, the value-in-use method requires the Group to determine appropriate assumptions (which are sources of estimation uncertainty) in relation to the cash flow projections over the strategic plan period, the long-term growth rate to be applied beyond this period and the risk-adjusted pre-tax discount rate used to discount those cash flows. The key assumptions relate to sales growth rates and discount rates used to discount the cash flows. Climate risk and near-term environmental actions that the Group is taking have been considered in future cash flows used in the impairment review. This includes unavoidable future costs such as price increases, together with the cost of mitigating climate risks, and consideration of quantified climate-related risks on future cash flows. Showroom related property, plant and equipment and right-of-use assets are tested for impairment at a showroom by showroom level, including an allocation of overheads related to showroom operations. Sensitivity of the key assumptions in relation to impairment is included in note 12.

Significant judgements

The following are the critical judgements, apart from those involving estimations, that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the Consolidated Financial Statements:

Classification of exceptional items and presentation of non-GAAP measures

The Directors exercise their judgement in the classification of certain items as exceptional and outside the Group's underlying results. The determination of whether an item should be separately disclosed as an exceptional item, non-underlying or non-trading requires judgement on its size, nature or expected infrequency, as well as whether it provides clarity on the Group's underlying trading performance. In exercising this judgement, the Directors take appropriate regard of IAS 1 'Presentation of financial statements' as well as guidance from the Financial Reporting Council and the European Securities Market Authority on the reporting of exceptional items and APMs. The overall goal of the Directors is to present the Group's underlying performance without distortion from one-off or non-trading events regardless of whether they are favourable or unfavourable to the underlying result. Further details on exceptional items are provided in note 4.

Lease term (IFRS 16)

IFRS 16 defines the lease term as the non-cancellable period of a lease together with the options to extend or terminate a lease, if the lessee were reasonably certain to exercise that option.

Where a lease includes the option for the Group to terminate the lease before the term end, the Group makes a judgement as to whether it is reasonably certain that the option will or will not be taken.

On entering into a lease, the Group assesses how reasonably certain it is to exercise these options. The default position is that the Group will determine that the lease term is to the end of the lease (i.e. will not include break-clauses or options to extend) unless there is clear evidence to the contrary.

The lease term of each lease is reassessed if there is specific evidence of a change in circumstance such as:

- A decision has been made by the business to exercise a break or option
- The trading performance significantly changes
- Planned future capital expenditure suggests that the option to extend will be taken

Discount rates (IFRS 16)

The discount rate used to calculate the lease liability is the rate implicit in the lease, if it can be readily determined, or the lessee's incremental borrowing rate if not. Management uses the rate implicit in the lease in relation to the Group's 'Other' leases and the lessee's incremental borrowing rate for all property leases.

Incremental borrowing rates are determined on entering a lease and depend on the term, country, currency and start date of the lease. The incremental borrowing rate used is calculated based on a series of inputs including:

- The risk-free rate based on country-specific swap markets
- A credit risk adjustment based on country-specific corporate indices; and
- A Group-specific adjustment to reflect the Group's specific borrowing conditions

As a result, reflecting the breadth of the Group's lease portfolio, judgements on the lease terms and the international spread of the portfolio, there are a large number of discount rates applied to the leases within the range of 2.1% to 7.7%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

2. SEGMENT REPORTING

The key Group performance measures are Adjusted Earnings Before Interest, Tax, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted Earnings Before Interest and Tax (Adjusted EBIT), both shown pre-exceptional items, as detailed below. The segment profit/loss is disclosed on a pre-IFRS 16 basis reflecting how results are reported to the Chief Operating Decision Makers (CODMs) and how they are measured for the purposes of covenant testing. Both Adjusted EBITDA and Adjusted EBIT are APMs and these measures provide stakeholders with additional useful information to assess the year-on-year trading performance of the Group but should not be considered in isolation of statutory measures.

Adjusted EBITDA represents profit for the period before finance costs, finance income, taxation, depreciation, amortisation, and exceptional items presented in the Group's Consolidated Income Statement (consisting of exceptional cost of sales, exceptional administrative expenses and exceptional finance costs) on a pre-IFRS 16 basis. UK and Europe operating segments are aggregated into one reporting segment, which is reflective of the management structure in place and meets the aggregation criteria of IFRS 8.

Wholesale revenue is reported separately to the CODM and the results are aggregated into the US reporting segment. This is reflective of the management structure in place. As such, following the acquisition of Roberto Coin Inc. in the period, wholesale revenue has been reported separately. Roberto Coin Inc. forms part of the US segment below and further detail of revenue, profit before tax and assets held has been disclosed in note 25 to these accounts.

	52 week period ended 27 April 2025			
	UK and Europe £m	US £m	Corporate £m	Total £m
Retail revenue	865.9	679.3	–	1,545.2
Wholesale revenue	–	110.8	–	110.8
Eliminations	–	(4.5)	–	(4.5)
Revenue from external customers	865.9	785.6	–	1,651.5
Cost of sales	(553.9)	(499.0)	–	(1,052.9)
Net margin	312.0	286.6	–	598.6
Less:				
Showroom costs	(170.3)	(122.4)	–	(292.7)
Overheads	(44.0)	(58.6)	(3.9)	(106.5)
Showroom opening and closing costs	(1.6)	(5.3)	–	(6.9)
Share of loss of joint venture and associates	(0.2)	–	–	(0.2)
Adjusted EBITDA	95.9	100.3	(3.9)	192.3
Depreciation, amortisation, impairment and loss on disposal of assets	(25.9)	(15.2)	(1.5)	(42.6)
Segment profit/(loss)*	70.0	85.1	(5.4)	149.7
Impact of IFRS 16 (excluding interest on leases)				19.7
Net finance costs				(35.8)
Exceptional cost of sales (note 4)				(2.0)
Exceptional impairment of assets (note 4)				(46.5)
Exceptional other administrative expenses (note 4)				(7.0)
Exceptional finance costs (note 4)				(2.2)
Profit before taxation for the financial period				75.9

* Segment profit/(loss) is defined as being Earnings Before Interest, Tax, exceptional items and IFRS 16 adjustments (Adjusted EBIT).

	52 week period ended 28 April 2024			
	UK and Europe £m	US £m	Corporate £m	Total £m
Revenue from external customers	846.1	691.8	–	1,537.9
Cost of sales	(538.8)	(436.9)	–	(975.7)
Net margin	307.3	254.9	–	562.2
Less:				
Showroom costs	(162.6)	(126.5)	–	(289.1)
Overheads	(50.2)	(32.8)	(2.3)	(85.3)
Showroom opening and closing costs	(5.6)	(3.3)	–	(8.9)
Adjusted EBITDA	88.9	92.3	(2.3)	178.9
Depreciation, amortisation, impairment and loss on disposal of assets	(27.6)	(15.2)	(1.4)	(44.2)
Segment profit/(loss)*	61.3	77.1	(3.7)	134.7
Impact of IFRS 16 (excluding interest on leases)				17.2
Net finance costs				(26.6)
Exceptional cost of sales (note 4)				0.5
Exceptional impairment of assets (note 4)				(26.2)
Exceptional other administrative expenses (note 4)				(6.2)
Exceptional finance costs (note 4)				(1.3)
Profit before taxation for the financial period				92.1

Entity-wide revenue disclosures

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
UK AND EUROPE		
Luxury watches	729.5	709.4
Luxury jewellery	65.0	62.1
Services/other	71.4	74.6
Total	865.9	846.1
US		
Luxury watches	624.0	635.3
Luxury jewellery	39.2	40.3
Luxury jewellery wholesale	110.8	–
Eliminations	(4.5)	–
Services/other	16.1	16.2
Total	785.6	691.8
GROUP		
Luxury watches	1,353.5	1,344.7
Luxury jewellery	104.2	102.4
Luxury jewellery wholesale	110.8	–
Eliminations	(4.5)	–
Services/other	87.5	90.8
Total	1,651.5	1,537.9

'Services/other' consists of the sale of fashion and classic watches and jewellery, the sale of gifts, servicing, repairs and product insurance. Information regarding geographical areas, including revenue from external customers, is disclosed above.

No single customer accounted for more than 10% of revenue in any of the financial periods noted above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

2. SEGMENT REPORTING (CONTINUED)

Entity-wide statutory non-current asset disclosures

	27 April 2025 £m	28 April 2024 £m
UK AND EUROPE		
Goodwill	137.6	137.6
Intangible assets	5.5	5.1
Property, plant and equipment	100.7	115.7
Right-of-use assets	202.4	252.3
Investment in joint venture and associates	0.5	–
Total	446.7	510.7
US		
Goodwill	93.6	61.7
Intangible assets	67.4	11.3
Property, plant and equipment	81.9	65.2
Right-of-use assets	151.2	124.3
Total	394.1	262.5
CORPORATE		
Property, plant and equipment	9.8	10.5
Right-of-use assets	5.0	5.2
Total	14.8	15.7
GROUP		
Goodwill	231.2	199.3
Intangible assets	72.9	16.4
Property, plant and equipment	192.4	191.4
Right-of-use assets	358.6	381.8
Investment in joint venture and associates	0.5	–
Total	855.6	788.9

3. REVENUE

The Group's disaggregated revenue recognised under contracts with customers relates to the following categories and operating segments:

	52 week period ended 27 April 2025				
	Sale of goods – retail and online £m	Sale of goods – wholesale £m	Eliminations £m	Rendering of services* £m	Total £m
UK and Europe	839.4	–	–	26.5	865.9
US	666.3	110.8	(4.5)	13.0	785.6
Total	1,505.7	110.8	(4.5)	39.5	1,651.5
	52 week period ended 28 April 2024				
	Sale of goods £m	Rendering of services £m			Total £m
UK and Europe	810.6	35.5			846.1
US	678.8	13.0			691.8
Total	1,489.4	48.5			1,537.9

* The decrease in UK and Europe rendering of service revenue was due to the prior period including the gross amounts collected from the sale of insurance policies, compared to the disclosure for the 52-week period ended 27 April 2025 showing the net commission earned. The total revenue reported in the prior period was correct, and as the disclosure change is not material the prior year balances have not been restated.

4. EXCEPTIONAL ITEMS

Exceptional items are those that in the judgement of the Directors need to be separately disclosed by virtue of their size, nature or incidence, in order to draw the attention of the reader and to show the underlying business performance of the Group. Such items are included within the Income Statement caption to which they relate and are separately disclosed on the face of the Consolidated Income Statement.

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
EXCEPTIONAL COST OF SALES		
Acquisition costs	–	(0.7)
Rolex Old Bond Street (IFRS 16 depreciation) ⁽ⁱ⁾ (note 13)	(2.0)	(1.2)
Reversal of inventory provision created on acquisition	–	2.4
Total exceptional cost of sales	(2.0)	0.5
EXCEPTIONAL ADMINISTRATIVE COSTS		
Showroom impairment ⁽ⁱⁱ⁾		
Impairment of right-of-use assets (note 13)	(24.6)	(13.0)
Impairment of property, plant and equipment (note 12)	(19.0)	(7.2)
Other onerous contracts	(1.6)	(1.0)
Lease surrender gain	0.7	–
Showroom closures ⁽ⁱⁱⁱ⁾		
Impairment of right-of-use assets (note 13)	(2.2)	–
Disposal of property, plant and equipment (note 12)	(0.6)	–
Other onerous provisions	(1.8)	–
Redundancy costs	(1.6)	–
European showroom impairment ^(iv)		
Impairment of right-of-use assets (note 13)	–	(3.4)
Impairment of property, plant and equipment (note 12)	(0.7)	(2.6)
Other costs	–	(2.6)
Business acquisitions ^(v)		
Professional and legal expenses on actual and prospective business acquisitions	(0.9)	(2.6)
Integration costs of business acquisitions	(1.2)	–
Total exceptional administrative costs	(53.5)	(32.4)
EXCEPTIONAL FINANCE COSTS		
Rolex Old Bond Street (IFRS 16 interest) ⁽ⁱ⁾ (note 13)	(2.2)	(1.3)
Total exceptional finance costs	(2.2)	(1.3)
Total exceptional items	(57.7)	(33.2)

(i) Rolex Old Bond Street

A new 7,200 sq ft showroom was built and opened during the year in partnership with Rolex. This new flagship is our largest Rolex showroom and reflects the importance of the London market and the special relevance of London to the history of Rolex. The cost shown here is the IFRS 16 depreciation and interest costs incurred whilst the showroom was being constructed. They are deemed to be exceptional in nature given that this unique proposition results in a project size and complexity significantly outside of a standard build, coupled with documented project delays outside of the Group's control. Costs shown are prior to the showroom opening on 14 March 2025.

(ii) Showroom impairment

The current macroeconomic environment, high interest rates and inflationary landscape gave rise to indicators of impairment in the current period. Consequently, discounted cash flows were performed on all Cash Generating Units (CGUs) with indicators of impairment. This resulted in a non-cash impairment charge of £43.6 million being recorded in the period. This is allocated over the right-of-use assets and the property, plant and equipment of those showrooms as required by IAS 36 'Impairment of Assets'. A further provision of £1.6 million relates to associated onerous contracts. A lease surrender gain of £0.7 million was also recognised in exceptionals, as the original impairment was presented in exceptionals in the prior year.

(iii) Showroom closures

In April 2025 the closure of a number of showrooms was announced as the Group continually assesses its operations to remain as efficient and productive as possible. The exceptional costs are reflective of asset write downs, other onerous provisions and redundancy costs.

(iv) European showroom impairment

As announced during the prior year, the Group's intention has been to reallocate investment from Europe into the UK and US. During the year the Group has closed or transferred a further seven showrooms.

(v) Business acquisitions

Professional and legal expenses on business combinations have been expensed to the Consolidated Income Statement as an exceptional cost as they are regarded as non-trading, non-underlying costs and are considered to be material by nature. Similarly, the costs associated with the integration of Roberto Coin Inc., and the Hodinkee business, have also been expensed as exceptional items.

The total cash outflow in FY25 as a result of the above was £8.6 million, being (i) £3.3 million + (ii) £1.6 million + (iii) £1.2 million + (iv) £0.8 million + (v) £1.7 million.

All of these items are considered exceptional as they are linked to unique non-recurring events and do not form part of the underlying trading of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

5. OPERATING PROFIT

Group operating profit for continuing operations is stated after charging the below items:

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Depreciation of property, plant and equipment (note 12)	(40.8)	(39.7)
Amortisation of intangible assets (note 10)	(3.3)	(3.6)
Depreciation of right-of-use assets (note 13)	(54.5)	(54.8)
Depreciation of right-of-use assets – exceptional items (note 13)	(2.0)	(1.2)
Impairment of property, plant and equipment – exceptional items (note 12)	(19.7)	(9.8)
Impairment of right-of-use assets – exceptional items (note 13)	(26.8)	(16.4)
Inventory recognised as an expense	(1,064.4)	(981.6)
Write down of inventories to net realisable value	(1.6)	(2.4)
FEES PAYABLE TO THE GROUP'S EXTERNAL AUDITOR AND ITS ASSOCIATES IN RESPECT OF:		
Audit of these Financial Statements	(0.8)	(0.6)
Audit of Financial Statements of subsidiaries	(0.1)	(0.1)
Audit related assurance services	(0.1)	(0.1)
	(1.0)	(0.8)

6. EMPLOYEES AND DIRECTORS

Staff costs for continuing operations recognised in operating profit for the Group during the period:

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Wages and salaries	151.5	132.0
Social security costs	12.9	11.3
Share-based payments (note 22)	1.8	2.1
Share-based payments social security costs	0.2	0.3
Pensions costs – defined contribution schemes (note 20)	3.5	3.6
Pensions costs – defined benefit scheme (note 20)	0.2	0.1
Total	170.1	149.4

Average number of people (including Executive Directors) employed:

	52 week period ended 27 April 2025	52 week period ended 28 April 2024
Retail	2,193	2,135
Services	146	149
Wholesale	46	–
Editorial	13	–
Administrative	693	667
Total	3,091	2,951

Average Full Time Equivalents (FTE) (including Executive Directors) employed:

	52 week period ended 27 April 2025	52 week period ended 28 April 2024
Retail	2,041	1,982
Services	140	142
Wholesale	45	–
Editorial	13	–
Administrative	668	645
Total	2,907	2,769

Further disclosure of the amounts paid to key management personnel is included within note 24.

7. FINANCE COSTS AND INCOME

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
FINANCE COSTS		
Interest payable on long-term borrowings	(14.9)	(7.9)
Amortisation of capitalised transaction costs	(0.9)	(0.5)
Interest on lease liabilities (note 13)	(22.2)	(20.8)
Net foreign exchange expense on financing activities	(0.1)	(0.3)
Total finance costs	(38.1)	(29.5)
FINANCE INCOME		
Bank interest receivable	2.2	2.9
Other interest income	0.1	–
Total finance income	2.3	2.9
Total net finance costs excluding exceptional items	(35.8)	(26.6)
Exceptional finance costs (note 4)	(2.2)	(1.3)
Total net finance costs	(38.0)	(27.9)

Further detail of borrowing facilities in place is given in note 19 to these Consolidated Financial Statements.

8. TAXATION

Tax charge for the period

The tax charge for the period is shown below. Tax is made up of current and deferred tax. Current tax is the amount payable on the taxable income in the period and any adjustments to tax payable in previous periods.

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
CURRENT TAX:		
Current UK tax on profits for the period	9.5	8.7
Current US tax on profits for the period	16.5	16.9
Adjustments in respect of prior periods	1.0	1.2
Total current tax	27.0	26.8
DEFERRED TAX:		
Origination and reversal of temporary differences	(3.8)	5.2
Impact of change in tax rate	–	0.1
Adjustments in respect of prior periods	(1.1)	0.9
Total deferred tax	(4.9)	6.2
Tax expense reported in the Consolidated Income Statement	22.1	33.0

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

8. TAXATION (CONTINUED)

Factors affecting the tax charge in the period

The tax rate for the current period was higher than the standard rate of corporation tax in the UK due to the following factors:

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Profit before taxation	75.9	92.1
Notional taxation at standard UK corporation tax rate of 25.0% (2024: 25.0%)	19.0	23.0
Non-deductible expenses – recurring	2.0	2.5
Non-deductible expenses – exceptional items	0.2	1.9
Overseas tax differentials	0.8	1.9
Deferred tax not recognised – European subsidiaries	0.2	1.5
Adjustments in respect of prior periods	(0.1)	2.1
Adjustments due to deferred tax rate change	–	0.1
Tax expense reported in the Consolidated Income Statement	22.1	33.0

Tax recognised in other comprehensive income

In addition to the amount charged to the Consolidated Income Statement, tax movements recognised in other comprehensive income were as follows:

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
CURRENT TAX:		
Foreign exchange difference on translation of foreign operations	1.1	(0.1)
DEFERRED TAX:		
Pension benefit obligation	–	0.2
Tax charge in other comprehensive income	1.1	0.1

Deferred tax

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences that arise when the carrying value of assets and liabilities differs between accounting and tax treatments. Deferred tax assets represent the amounts of income taxes recoverable in the future in respect of those differences, while deferred tax liabilities represent the amounts of income taxes payable in the future in respect of those differences.

The deferred tax is made up of:

	27 April 2025 £m	28 April 2024 £m
Deferred tax assets	4.1	0.4
Deferred tax liabilities	(15.9)	(3.4)
Total	(11.8)	(3.0)

For full breakdown see note below:

		27 April 2025 £m	28 April 2024 £m
Accelerated capital allowances	(i)	(12.3)	(15.4)
Non-trade tax losses	(ii)	0.8	1.2
Trade tax losses	(iii)	1.7	2.0
Deferred tax on leases (IFRS 16)	(iv)	8.2	7.0
Share-based payments	(v)	0.2	1.5
Intangible fixed assets	(vi)	(4.8)	(4.1)
Other temporary differences	(vii)	8.3	3.7
Deferred tax on business combinations	(viii)	(13.9)	1.1
Total		(11.8)	(3.0)

The material amounts are explained below:

- (i) The Group has a deferred tax liability for property, plant, equipment and computer software (advanced capital allowances) due to bonus depreciation in the US and the availability of the super deduction and full expensing in the UK, reducing the tax value of the assets
- (ii) Non-trade tax losses not utilised as they arise are available for offset against non-trade income in future years
- (iii) The trade tax losses relate to US losses that will be used based on restricted amounts in accordance with US tax legislation
- (iv) The deferred tax on leases relates to future deductions arising from IFRS 16 adjustments
- (v) The asset for share-based payments relates to the market value of the shares accrued at the balance sheet date which will be deductible when the shares are exercised
- (vi) The liability for intangible assets relates mainly to US goodwill that is deductible for tax purposes and as such the tax value reduces in value compared to the book value. This balance will increase year-on-year until the goodwill is fully depreciated for tax purposes. It will unwind upon any future sale of the relevant goodwill
- (vii) Other temporary differences relate to timing differences where expenses incurred in the period are tax deductible in future periods. The full £8.3 million relates to the US and the material balances include deferred tax assets relating to sales return provisions (£2.5 million), accrued/prepaid rent (£2.4 million), stock obsolescence provisions (£1.0 million) and onerous lease provisions (£1.0 million). The balance of £1.4 million relates to smaller adjustments for items including accrued professional fees, warranties, bonuses, intercompany interest and acquisition fees
- (viii) The deferred tax on business combinations from the current year relates to the acquired deferred tax liability on Roberto Coin Inc. intangibles (supply agreement and CENTO brand). This will be included in intangible assets in FY26 onwards. It differs to the acquired amount in note 25 due to the difference between the FX rate at acquisition and the FX rate at the year-end date. The asset arising on business combinations in the prior year is in relation to accelerated capital allowances of the Ernest Jones trade and assets acquired

The net deferred tax asset in the UK of £4.1 million is disclosed separately on the balance sheet from the net deferred tax liability in the US of £15.9 million. The UK net deferred tax asset largely relates to a £6.6 million deferred tax asset on leases, a £0.8 million deferred tax asset on tax losses and a £0.4 million deferred tax asset on share-based payments, net of deferred tax liabilities on fixed asset differences (£3.7 million).

The deferred tax movement in the period is as follows:

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Balance at 29 April 2024	(3.0)	3.2
RECOGNISED IN THE INCOME STATEMENT:		
Accelerated capital allowances	2.0	(5.6)
Pension benefit obligations	(0.2)	(0.2)
Movement on unused tax losses	(0.7)	(0.7)
Deferred tax on leases (IFRS 16)	1.2	1.5
Share-based payments	(1.3)	(1.3)
Intangible fixed assets	(0.7)	(1.6)
Other temporary differences	4.6	1.7
RECOGNISED IN OTHER COMPREHENSIVE INCOME:		
Pension benefit obligations	–	0.2
Foreign exchange movements	0.2	(0.1)
RECOGNISED DIRECTLY WITHIN EQUITY:		
Share-based payments	0.4	(1.1)
Vested share-based payments	(0.4)	(0.1)
RECOGNISED DIRECTLY WITHIN GOODWILL:		
Deferred tax on business combination	(13.9)	1.1
Balance at 27 April 2025	(11.8)	(3.0)

Non-trade losses available in future years have no expiry date and have been fully recognised. They will be fully utilised against future non-trade profits as and when they arise. In addition to the deferred tax items above, the Group has additional unrecognised gross non-trading tax losses of £4.2 million (2024: £4.2 million). These are unrecognised as it is uncertain as to whether the losses will be capable of utilisation. There is no expiry date applicable to the use of these losses. No deferred tax asset has been recognised in respect of trading losses in the European countries on the basis that they are unlikely to be utilised.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates. This legislation is effective for the period ended 27 April 2025, and subsequent periods. The Group has performed an assessment of the Group's potential exposure to Pillar Two income taxes based on the financial performance of the constituent entities in the Group. Based on the assessment performed, the Pillar Two effective tax rates in all jurisdictions in which the Group operates are above 15%, or the results fall under a Pillar Two Safe Harbour. Management is not currently aware of any circumstances under which this might change for future periods and therefore the Group does not expect a potential exposure to Pillar Two top up taxes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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9. EARNINGS PER SHARE (EPS)

	52 week period ended 27 April 2025	52 week period ended 28 April 2024
BASIC		
EPS	22.8p	25.0p
EPS adjusted for exceptional items	40.8p	36.8p
EPS adjusted for exceptional items and pre-IFRS 16	41.6p	38.0p
DILUTED		
EPS	22.7p	24.8p
EPS adjusted for exceptional items	40.8p	36.6p
EPS adjusted for exceptional items and pre-IFRS 16	41.5p	37.7p

Basic EPS is based on the profit for the year attributable to the equity holders of the Parent Company divided by the weighted average number of shares.

Diluted EPS is calculated by adjusting the weighted average number of shares used for the calculation of basic EPS as increased by the dilutive effect of potential ordinary shares.

The following table reflects the profit and share data used in the basic and diluted EPS calculations:

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Profit after tax attributable to equity holders of the Parent Company	53.8	59.1
ADJUST FOR EXCEPTIONAL ITEMS:		
Exceptional items (note 4)	57.7	33.2
Tax on exceptional items	(15.0)	(5.2)
Profit adjusted for exceptional items	96.5	87.1
Pre-exceptional IFRS 16 adjustments, net of tax	1.8	2.8
Profit adjusted for exceptional items and IFRS 16	98.3	89.9

The following table reflects the share data used in the basic and diluted EPS calculations:

	52 week period ended 27 April 2025 '000	52 week period ended 28 April 2024 '000
WEIGHTED AVERAGE NUMBER OF SHARES:		
Weighted average number of ordinary shares in issue	236,518	236,753
Weighted average shares for basic EPS	236,518	236,753
Weighted average dilutive potential shares	224	1,446
Weighted average shares for diluted EPS	236,742	238,199

The weighted average number of shares takes into account the weighted average effect of changes in own shares during the period. Following the year-end, the £25.0 million share buyback programme was completed with the payment and cancellation of 3,465,947 shares for a cash consideration of £13.7 million. Following the cancellation there are 233,301,622 ordinary shares in issue.

10. INTANGIBLE ASSETS

	27 April 2025					
	Goodwill £m	Brands £m	Agency agreement £m	Licences with indefinite useful life £m	Computer software £m	Total £m
COST						
At 29 April 2024	199.3	14.1	2.8	–	15.6	231.8
Acquired on business acquisition (note 25)	37.5	3.4	–	57.2	–	98.1
Additions	–	–	–	–	3.6	3.6
Disposals	–	–	–	–	(2.6)	(2.6)
Foreign exchange differences	(5.6)	(0.9)	(0.2)	(3.5)	(0.1)	(10.3)
At 27 April 2025	231.2	16.6	2.6	53.7	16.5	320.6
ACCUMULATED AMORTISATION AND IMPAIRMENT						
At 29 April 2024	–	4.1	1.8	–	10.2	16.1
Charge for the period	–	0.8	0.3	–	2.2	3.3
Disposals	–	–	–	–	(2.4)	(2.4)
Foreign exchange differences	–	(0.3)	(0.1)	–	(0.1)	(0.5)
At 27 April 2025	–	4.6	2.0	–	9.9	16.5
NET BOOK VALUE						
At 27 April 2025	231.2	12.0	0.6	53.7	6.6	304.1
At 28 April 2024	199.3	10.0	1.0	–	5.4	215.7
	28 April 2024					
	Goodwill £m	Brands £m	Agency agreement £m	Computer software £m	Total £m	
COST						
At 1 May 2023	182.8	14.0	2.8	13.2	212.8	
Acquired on business acquisition (note 25)	16.0	–	–	–	16.0	
Additions	–	–	–	2.4	2.4	
Foreign exchange differences	0.5	0.1	–	–	0.6	
At 28 April 2024	199.3	14.1	2.8	15.6	231.8	
ACCUMULATED AMORTISATION AND IMPAIRMENT						
At 1 May 2023	–	3.5	1.6	7.3	12.4	
Charge for the period	–	0.6	0.2	2.8	3.6	
Foreign exchange differences	–	–	–	0.1	0.1	
At 28 April 2024	–	4.1	1.8	10.2	16.1	
NET BOOK VALUE						
At 28 April 2024	199.3	10.0	1.0	5.4	215.7	
At 30 April 2023	182.8	10.5	1.2	5.9	200.4	

The Brands category is formed of intangible assets recognised on the business combinations of Mayors Jewelers, Analog:Shift, Betterridge, CENTO (acquired as part of the Roberto Coin Inc. business combination), and Hodinkee.

As at 27 April 2025, the Mayors Jewelers' brand had a remaining useful economic life of 23 (2024: 24) years, the Analog:Shift brand had a remaining useful economic life of nil (2024: one) year(s), the Betterridge brand had a remaining useful life of seven (2024: eight) years, the CENTO brand had a remaining useful economic life of four years, and the Hodinkee brand had a remaining useful economic life of nine years.

The Agency agreement category is solely formed of the intangible assets recognised on the business combination in relation to the showrooms within the Wynn Resort, Las Vegas, acquired in December 2017. As at 27 April 2025, the Agency agreements had a remaining useful economic life of 3 (2024: 4) years.

Impairment tests for goodwill

As noted within the accounting policies (note 1), goodwill is allocated between groups of CGUs for the purposes of impairment testing. CGUs are grouped due to sharing centralised functions and management, and this represents the smallest identifiable group of assets that generate independent cash flows that are monitored by management and the CODMs.

Goodwill is monitored by management based on the categories set out below. Goodwill relating to the Heritage CGU consists of the Goldsmiths, Mappin & Webb and Watches of Switzerland businesses (included in the UK segment) which were purchased as part of the acquisition of Watches of Switzerland Group Limited (formerly Aurum Holdings Limited) in the period to 4 May 2014. Goodwill relating to the Watches of Switzerland (US) CGU consists of a number of US acquisitions which trade as Watches of Switzerland. The goodwill acquired as part of the Hodinkee business combination has been included in the Watches of Switzerland (US) goodwill number, as a large proportion of incremental revenue will be generated through the existing showroom network.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

10. INTANGIBLE ASSETS (CONTINUED)

A summary of the groups of CGUs and allocation of goodwill held by the Group is presented below:

	27 April 2025 £m	28 April 2024 £m
Heritage (UK)	137.6	137.6
Watches of Switzerland (US)	31.4	24.2
Betteridge (US)	20.9	22.1
Mayors Jewelers (US)	11.5	12.2
The Wynn Resort, Las Vegas (US)	2.9	3.0
AnalogShift (US)	0.2	0.2
Roberto Coin Inc. (US)	26.7	–
Total	231.2	199.3

As at each period end, the recoverable amount of all groups of CGUs, owned for greater than 12 months, has been determined based on value-in-use calculations. Value-in-use calculations are underpinned by the Group's forecasts and strategic plans covering a three-year period, which have regard to historical performance and knowledge of the current market, together with management's view on the future achievable growth and committed initiatives. The cash flows which derive from the forecasts and strategic plans are pre-tax and include ongoing maintenance capital expenditure. Cash flows beyond the three-year period are extrapolated using the estimated long-term growth rates. Other than detailed strategic plans, the key assumptions for the value-in-use calculations are the long-term growth rates and the pre-tax discount rate, which takes into account the impact of IFRS 16 lease liabilities. The UK used a long-term growth rate of 2.0% (2024: 2.0%) and a pre-tax discount rate of 13.3% (2024: 13.0%), and the US used a long-term growth rate of 2.0% (2024: 2.0%) and a pre-tax discount rate of 13.1% (2024: 13.3%). Using these assumptions, no sales growth was required to support the asset values.

Sensitivity analysis

Whilst management believes the assumptions are realistic, it is possible that an impairment would be identified if any of the above key assumptions were changed significantly. A sensitivity analysis has been performed on each of these key assumptions with other variables held constant. Given ongoing uncertainties in the global economy, management continues to use increased sensitivities. Despite this, management has concluded that there are no reasonably possible changes in any key assumptions that would cause the carrying amount of goodwill to exceed the value-in-use.

11. INTEREST IN JOINT VENTURE AND ASSOCIATES

From November 2024, the Group held a 40% interest in Audemars Piguet (Manchester) Limited. The Group's interest in Audemars Piguet (Manchester) Limited is accounted for using the equity method in the Consolidated Financial Statements. Summarised financial information, based on its financial statements prepared in accordance with IFRS accounting standards, and reconciliation with the carrying amount of the investment in the Consolidated Financial Statements are set out below.

The showroom opened after the year-end in May 2025, and the results below reflect pre-opening costs incurred.

Summarised balance sheet of Audemars Piguet (Manchester) Limited

	27 April 2025 £m	28 April 2024 £m
Current assets	2.9	–
Non-current assets	5.3	–
Current liabilities	(1.0)	–
Non-current liabilities	(6.0)	–
Equity	1.2	–
Group's share in equity – 40.0%	0.5	–
Group's carrying amount of the investment	0.5	–

Summarised income statement of Audemars Piguet (Manchester) Limited

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Administrative expenses	(0.5)	–
Finance costs	(0.1)	–
Loss before taxation	(0.6)	–
Taxation	–	–
Loss for the financial period	(0.6)	–
Group's share of loss for the financial period	(0.2)	–

12. PROPERTY, PLANT AND EQUIPMENT

	27 April 2025		
	Land and buildings £m	Fittings and equipment £m	Total £m
COST			
At 29 April 2024	2.2	342.4	344.6
Additions	–	68.0	68.0
Acquired on business acquisition (note 25)	–	1.0	1.0
Disposals	–	(18.2)	(18.2)
Disposals – exceptional items (note 4)	–	(3.8)	(3.8)
Foreign exchange differences	–	(7.3)	(7.3)
At 27 April 2025	2.2	382.1	384.3
ACCUMULATED DEPRECIATION			
At 29 April 2024	1.6	151.6	153.2
Charge for the period	0.1	40.7	40.8
Impairment – exceptional items (note 4)	–	19.7	19.7
Disposals	–	(15.3)	(15.3)
Disposals – exceptional items (note 4)	–	(3.2)	(3.2)
Foreign exchange differences	–	(3.3)	(3.3)
At 27 April 2025	1.7	190.2	191.9
NET BOOK VALUE			
At 27 April 2025	0.5	191.9	192.4
At 28 April 2024	0.6	190.8	191.4
	28 April 2024		
	Land and buildings £m	Fittings and equipment £m	Total £m
COST			
At 1 May 2023	2.5	264.4	266.9
Additions	0.1	81.5	81.6
Acquired on business acquisition (note 25)	–	5.8	5.8
Disposals	(0.4)	(9.7)	(10.1)
Foreign exchange differences	–	0.4	0.4
At 28 April 2024	2.2	342.4	344.6
ACCUMULATED DEPRECIATION			
At 1 May 2023	1.7	110.8	112.5
Charge for the period	0.2	39.5	39.7
Impairment – exceptional items (note 4)	–	9.8	9.8
Disposals	(0.3)	(8.7)	(9.0)
Foreign exchange differences	–	0.2	0.2
At 28 April 2024	1.6	151.6	153.2
NET BOOK VALUE			
At 28 April 2024	0.6	190.8	191.4
At 30 April 2023	0.8	153.6	154.4

Expenditure on assets in the course of construction at 27 April 2025 was £13.1 million (2024: £26.0 million). The cost of assets which continue to be used that have a £nil net book value (excluding impaired assets) total £48.8 million (2024: £41.2 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Impairment of property, plant and equipment and right-of-use assets

For impairment testing purposes, a CGU is defined as the smallest identifiable group of assets that generate independent cash flows which are monitored by management and the CODMs. The Group considers this to be showroom locations or offices. Each CGU is tested for impairment at the balance sheet date if any indicators of impairment have been identified.

The value-in-use of each CGU is calculated based on the Group's latest forecast cash flows, covering a three-year period, which have regard to historic performance and knowledge of the current market, together with the Group's views on the future achievable growth. Cash flows beyond this three-year period are extrapolated using a long-term growth rate based on management's future expectations, with reference to forecast GDP growth. These growth rates do not exceed the long-term growth rate for the Group's operations in the relevant territory. The recoverable amount of the two remaining European mono-brand boutiques is based on fair value less costs to sell. Revenues used for showroom impairment include revenues generated by those showrooms only, and no overlay is made for ecommerce sales.

The key assumptions in the value-in-use calculations are the growth rates of sales and gross profit margins, long-term growth rates and the risk-adjusted pre-tax discount rates. Pre-tax discount rates are derived from the Group's weighted average cost of capital, which has been calculated using the capital asset pricing model, the inputs of which include a country risk-free rate, equity risk premium and a risk adjustment (beta). The pre-tax discount rates are 13.3% in the UK and 13.1% in the US. Pre-tax discount rates are used to discount pre-tax cash flows. The post-tax discount rates, calculated in the same manner as the pre-tax discount rates, are 10.5% in the UK and 10.4% in the US.

During the period, the Group recognised an exceptional impairment charge of £26.8 million relating to right-of-use assets, and £19.7 million relating to property, plant and equipment. The Group reviewed the profitability of its showroom network, taking into account the potential future impact on customer demand and increased costs. At 27 April 2025, following the impairment having been booked, all showroom asset values are supported by their value-in-use recoverable amount.

As disclosed in the accounting policies (note 1), the cash flows used within the impairment model are based on assumptions which are sources of estimation uncertainty and movements in these assumptions could lead to further impairments. Management has performed sensitivity analysis on the key assumptions in the impairment model using reasonably possible changes in these key assumptions across the showroom portfolio.

Reducing the expected FY26 sales by 5.0% and modelling this lower performance through the outer periods, would result in an increased impairment charge of £5.4 million. A 2.0% increase in the discount rate would increase the impairment charge by £1.5 million. In combination, a 5.0% sales reduction and a 2.0% increase in discount rate would increase the impairment charge by £6.5 million. This analysis does not assume any improvement in macroeconomic conditions or interest rates. Reasonably possible changes of the other assumptions would have no further significant impact on the impairment charge.

13. LEASES

Group as a lessee

Right-of-use assets have been grouped into two groups being Properties and Other. Properties are defined as land and buildings leased for our showrooms and offices which are generally leased for between five and ten years with some office buildings leased for longer. Other leases are mainly motor vehicles which are in general leased for four years. There are several lease contracts that include extension and termination options and variable lease payments. Management assesses the lease term at inception based on facts and circumstances applicable to each property including the period over which the investment appraisal was initially considered.

Management reviews the retail lease portfolio on an ongoing basis, taking into account retail performance and future trading expectations. In certain instances, management may exercise break options, negotiate lease reductions or decide not to negotiate a lease extension at the end of the lease term. The most significant factor impacting future lease payments is the changes management chooses to make to the showroom portfolio.

A number of the retail property leases incur payments based on a percentage of revenue achieved at the location. Changes in future variable lease payments will typically reflect changes in the Group's retail revenues. In line with IFRS 16, variable lease payments which are not linked to an index are not included in the lease liability.

The Group also has certain leases with lease terms of 12 months or less and leases of office equipment with low-value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Right-of-use assets

	Properties £m	Other £m	Total £m
At 29 April 2024	380.6	1.2	381.8
Additions	75.4	0.1	75.5
Acquired on business acquisition (note 25)	1.9	–	1.9
Lease surrenders and breaks	(15.4)	–	(15.4)
Impairment – exceptional items (note 4)	(26.8)	–	(26.8)
Depreciation	(54.0)	(0.5)	(54.5)
Depreciation – exceptional items (note 4)	(2.0)	–	(2.0)
Leases renewed during the period	6.4	–	6.4
Lease modifications and expansions	1.1	–	1.1
Foreign exchange differences	(9.4)	–	(9.4)
At 27 April 2025	357.8	0.8	358.6

Right-of-use assets

	Properties £m	Other £m	Total £m
At 1 May 2023	358.0	1.1	359.1
Additions	88.3	0.6	88.9
Acquired on business acquisition (note 25)	14.5	–	14.5
Lease surrenders and breaks	(15.4)	–	(15.4)
Impairment – exceptional items (note 4)	(16.4)	–	(16.4)
Depreciation	(54.3)	(0.5)	(54.8)
Depreciation – exceptional items (note 4)	(1.2)	–	(1.2)
Leases renewed during the period	6.0	–	6.0
Lease modifications and expansions	0.5	–	0.5
Foreign exchange differences	0.6	–	0.6
At 28 April 2024	380.6	1.2	381.8

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Lease liabilities

	Properties £m	Other £m	Total £m
At 29 April 2024	(459.3)	(1.1)	(460.4)
Additions	(73.0)	(0.1)	(73.1)
Acquired on business acquisition (note 25)	(1.9)	–	(1.9)
Lease surrenders and breaks	20.5	–	20.5
Interest (note 7)	(22.2)	–	(22.2)
Interest – exceptional items (note 4)	(2.2)	–	(2.2)
Leases renewed during the period	(6.0)	–	(6.0)
Lease modifications and expansions	(1.2)	0.1	(1.1)
Payments	80.0	0.6	80.6
Foreign exchange differences	11.2	–	11.2
At 27 April 2025	(454.1)	(0.5)	(454.6)

Lease liabilities

	Properties £m	Other £m	Total £m
At 1 May 2023	(409.4)	(1.0)	(410.4)
Additions	(86.4)	(0.6)	(87.0)
Acquired on business acquisition (note 25)	(18.5)	–	(18.5)
Lease surrenders and breaks	16.1	–	16.1
Interest (note 7)	(20.8)	–	(20.8)
Interest – exceptional items (note 4)	(1.3)	–	(1.3)
Leases renewed during the period	(5.7)	–	(5.7)
Lease modifications and expansions	(0.4)	–	(0.4)
Payments	67.6	0.5	68.1
Foreign exchange differences	(0.5)	–	(0.5)
At 28 April 2024	(459.3)	(1.1)	(460.4)

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13. LEASES (CONTINUED)

The following are the amounts recognised in the Consolidated Income Statement:

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Depreciation expense of right-of-use assets	(54.5)	(54.8)
Depreciation expense of right-of-use assets – exceptional items (note 4)	(2.0)	(1.2)
Interest expense on lease liabilities	(22.2)	(20.8)
Interest expense on lease liabilities – exceptional items (note 4)	(2.2)	(1.3)
Impairment of right-of-use assets – exceptional items (note 4)	(26.8)	(16.4)
Gain on lease modifications and disposals	5.5	0.8
Expense relating to short-term leases (included within cost of sales)	(1.1)	(1.4)
Variable lease payments (included within cost of sales)	(5.0)	(6.8)
Total amount recognised in the Consolidated Income Statement	(108.3)	(101.9)

Rental expense for contracts not in the scope of IFRS 16 totalled £3.7 million (2024: £3.6 million). Contracts not in the scope of IFRS 16 are contracts that were considered to be leases under IAS 17 which do not meet the definition under IFRS 16, principally because the supplier is considered to have substantive substitution rights over the associated assets.

Total cash flows in relation to leases, as defined in IFRS 16, in the 52-week period ended 27 April 2025 are £87.5 million (2024: £75.9 million). This relates to payments of £56.2 million (2024: £46.0 million) of lease principal, £24.4 million (2024: £22.1 million) of lease interest, £5.8 million (2024: £6.4 million) of variable lease payments and £1.1 million (2024: £1.4 million) of other lease payments principally relating to short-term leases and leases in which tenancy has continued after the lease term has ended.

Maturity analysis of lease liabilities

The below table gives the undiscounted cash flows which relate to the leases recognised in line with IFRS 16. For leases which contain a break clause, the full liability to the end of the lease term is shown, unless highlighted in the narrative below.

	27 April 2025 £m	28 April 2024 £m
Within 1 year	78.0	78.7
Between 1 and 2 years	76.5	77.9
Between 2 and 3 years	73.4	74.7
Between 3 and 4 years	70.9	70.2
Between 4 and 5 years	65.7	64.4
Total for the periods thereafter	211.5	214.4
Total	576.0	580.3

As at 27 April 2025, 12 (2024: 13) leases have cash flows that exceed ten years. The value of undiscounted cash flows greater than ten years totals £28.0 million (2024: £22.3 million).

Future possible cash outflows not included in the lease liability

Some leases contain break clauses to provide operational flexibility. In some instances, the Group has identified certain leases where it is reasonably likely that a break will be served and as such has reflected this in the term of the lease. Potential future undiscounted lease payments not included in the reasonably certain lease term and hence not included in lease liabilities total £9.9 million (2024: £10.8 million).

Future increases or decreases in rentals linked to an index or rate, which is applicable to two properties, are not included in the lease liability until the change in cash flows take effect. Approximately 48.6% of leases (2024: 50.2%) will be subject to rent reviews in future periods with rental changes linked to rent reviews which typically occur on a five-yearly basis. The Group is committed to payments totalling £31.0 million (2024: £33.1 million) in relation to leases that have been agreed but have not yet commenced and as such, do not form part of the lease liability balance and are not included within the maturity analysis above.

Impairment of right-of-use assets

The Group has incurred an exceptional impairment charge of £26.8 million in the year in relation to right-of-use assets. Refer to note 12 for further disclosure relating to impairment of non-current assets including right-of-use assets.

14. TRADE AND OTHER RECEIVABLES

	27 April 2025		28 April 2024	
	Current £m	Non-current £m	Current £m	Non-current £m
Trade receivables	32.4	–	10.1	–
Other receivables	15.4	4.5	5.7	2.1
Allowance for expected credit losses	(0.9)	–	(0.5)	–
	46.9	4.5	15.3	2.1
Prepayments	9.1	–	7.2	–
Total	56.0	4.5	22.5	2.1

Included within trade receivables are amounts receivable from third-parties which provide credit arrangements with our customers. The increased trade receivables in the year is as a result of the inclusion of Roberto Coin Inc. balances. Other receivables includes supplier incentives, and in the current year also includes £8.8 million held in escrow in relation to business combinations (note 25). Prepayments relate mainly to prepaid property rates and service charges, and insurance and software prepayments. There are no material differences between the fair values and book values stated above.

Movements on the allowance for expected credit losses (ECLs) for impairment of trade and other receivables are as follows:

	27 April 2025 £m	28 April 2024 £m
Opening balance	0.5	0.3
(Decrease)/increase in allowance – cost of sales	(0.1)	0.2
Receivables written off during the period as uncollectable	(0.1)	–
Acquired on business combination	0.6	–
Balance at period end	0.9	0.5

15. INVENTORIES

	27 April 2025 £m	28 April 2024 £m
Finished goods	439.0	389.2
Work in progress	8.4	4.1
Inventories	447.4	393.3

16. CASH AND CASH EQUIVALENTS

	27 April 2025 £m	28 April 2024 £m
Cash at bank and in hand	80.4	93.8
Cash in transit	18.5	21.9
Cash and cash equivalents	98.9	115.7

Included in cash and cash equivalents is restricted cash of £19.2 million (2024: £16.4 million). Restricted cash is defined as cash controlled by the Group but which is not freely useable by the Group in day-to-day operations.

17. TRADE AND OTHER PAYABLES

	27 April 2025		28 April 2024	
	Current £m	Non-current £m	Current £m	Non-current £m
Trade payables	(114.1)	–	(123.7)	–
Other taxation and social security	(19.5)	–	(16.1)	–
Accruals and deferred income	(121.3)	(4.6)	(75.6)	(1.1)
Total	(254.9)	(4.6)	(215.4)	(1.1)

Trade payables do not bear interest and are generally settled within 30 to 60 days. Accruals and deferred income do not bear interest.

The increase in accruals and deferred income in the year is as a result of the inclusion of Roberto Coin Inc. balances, including £7.9 million of contingent consideration and £8.8 million held in escrow (see note 25 for further detail).

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18. PROVISIONS

	27 April 2025		28 April 2024	
	Current £m	Non-current £m	Current £m	Non-current £m
Dilapidations	(1.9)	(8.3)	(1.4)	(8.1)
Onerous	(0.5)	(2.0)	(0.5)	(0.6)
Total	(2.4)	(10.3)	(1.9)	(8.7)

Movement of dilapidations provision

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Opening balance	(9.5)	(7.8)
Increase in provision	(1.9)	(2.3)
Utilised	1.2	0.6
Balance at period end	(10.2)	(9.5)

The dilapidations provision comprises obligations for showroom or office remediation costs to be incurred in compliance with applicable legal and environmental regulations together with constructive obligations stemming from established practice once the property leases have expired. The key estimates associated with calculating the provision relate to the cost of repair or replacement to perform the necessary remediation work as at the reporting date together with determining the year of retirement. Estimates are updated annually based on the total estimated remaining life of leases.

Movement of onerous contracts

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Opening balance	(1.1)	–
Charged to Income Statement	(1.6)	(1.3)
Utilised	0.2	0.2
Balance at period end	(2.5)	(1.1)

A provision is recognised for certain contracts with suppliers for which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received.

19. BORROWINGS

	27 April 2025 £m	28 April 2024 £m
NON-CURRENT		
Term loan	(93.9)	–
Multicurrency revolving loan facility	(101.2)	(115.0)
Associated capitalised transaction costs	2.3	1.7
Total borrowings	(192.8)	(113.3)

Analysis of net debt

	29 April 2024 £m	Cash flow £m	Non-cash changes ¹ £m	Foreign exchange £m	27 April 2025 £m
Cash and cash equivalents	115.7	(15.4)	–	(1.4)	98.9
Term loan	–	(99.5)	–	5.6	(93.9)
Multicurrency revolving loan facility	(115.0)	13.8	–	–	(101.2)
Net cash/(debt) excluding capitalised transaction costs (pre-IFRS 16)	0.7	(101.1)	–	4.2	(96.2)
Capitalised transaction costs	1.7	1.5	(0.9)	–	2.3
Net cash/(debt) (pre-IFRS 16)	2.4	(99.6)	(0.9)	4.2	(93.9)
Lease liabilities	(460.4)	80.6	(86.0)	11.2	(454.6)
Total net debt	(458.0)	(19.0)	(86.9)	15.4	(548.5)

¹ Non-cash charges are principally a release of capitalised finance costs and lease liability interest charges, additions and revisions.

On 13 December 2024, the Group refinanced and repaid its \$115.0 million term loan facility which was originally taken out to finance the Roberto Coin Inc. acquisition with a new £150.0 million facility, being made up of a £100.0 million term loan and £50.0 million multicurrency revolving credit facility. The £100.0 million was drawn down on 13 December 2024 as USD \$125.0 million and no further drawdown on the £100.0 million is permitted. The new facilities run coterminously with the existing UK bank facility of £225.0 million.

The key covenant tests attached to all Group facilities are a measure of net debt to EBITDA, and the Fixed Charge Cover Ratio (FCCR) at each April and October. The facility covenants are on a pre-IFRS 16 basis and exclude share-based payment costs. Net debt to EBITDA is defined as the ratio of total net debt at the reporting date to the last 12 month Adjusted EBITDA. This ratio must not exceed 3. The FCCR is the ratio of Adjusted EBITDA plus rent to the total finance charge and rent for the 12 months to the reporting date. The covenant tests at October 2024 and April 2025 were comfortably met.

20. POST-EMPLOYMENT BENEFIT OBLIGATIONS

Defined contribution schemes

The Group operates two (2024: two) separate UK defined contribution pension schemes. A defined contribution scheme called the Watches of Switzerland Company Limited Pension Scheme which is a Group Personal Pension (GPP) scheme, and a second scheme also called the Watches of Switzerland Company Limited Pension Scheme which is a defined contribution multi-employer occupational pension scheme. The Group operates one (2024: two) US defined contribution pension scheme, called The Mayors Jewelers Inc. Scheme.

During the period to 27 April 2025, the pension charge for the period represents contributions payable by the Group to these schemes and amounted to £3.5 million (2024: £3.6 million). The Group has no legal or constructive obligation to pay further contributions to the fund once the contributions have been paid. Members' benefits are determined by the amount of contributions paid by the Group and the member, together with investment returns earned on the contributions arising from the performance of each individual's chosen investments and the type of pension the member chooses to buy at retirement. As a result, actuarial risk (that benefits will be lower than expected) and investment risk (that assets invested in will not perform in line with expectations) fall on the employee. The assets of the schemes are held separately from the assets of the Group in trustee administered funds.

Defined benefit scheme

The Group operates a defined benefit scheme, the Aurum Retirement Benefits Scheme. The pension scheme operates under the regulatory framework of The Occupational Pension Schemes Regulations 1996. This is an approved funded pension scheme. Defined benefit arrangements entitle employees to retirement benefits based on their final salary and length of service at the time of leaving the scheme, payable on attainment of retirement ages (or earlier death). The assets of the scheme are held separately from the assets of the Group in trustee administered funds. Contributions to the scheme are assessed in accordance with the advice of a qualified independent actuary. As a result of the valuation at 5 April 2023, contributions of £0.7 million per annum are being paid to the scheme until 5 April 2029, however, this will be reassessed upon the next triennial valuation in 2026. The Group is expecting to make total contributions of approximately £0.7 million in the 53-week period ended 3 May 2026.

By operating its defined benefit pension scheme, the Group is exposed to the risk that the cost of meeting its obligations is higher than anticipated. This could occur for several reasons, for example:

- Investment returns on the scheme's assets may be lower than anticipated, especially if falls in asset values are not matched by similar falls in the value of the scheme's liabilities
- The level of price inflation may be higher than that assumed, resulting in higher payments from the scheme
- Scheme members may live longer than assumed, for example due to unanticipated advances in medical healthcare. Members may also exercise (or not exercise) choices in a way that leads to increases in the scheme's liabilities, for example through early retirement or commutation of pension for cash
- Legislative changes could also lead to an increase in the scheme's liabilities

The scheme liabilities are calculated using a discount rate set with reference to corporate bond yields. If scheme assets underperform this yield, this will create a deficit. The Group believes that due to the long-term nature of the scheme liabilities, a level of continuing equity investment is an appropriate element of the Group's long-term strategy to manage the scheme efficiently.

A decrease in corporate bond yields will increase scheme liabilities, although that will be partially offset by an increase in the value of the scheme's bond holdings.

This scheme was closed on 28 February 2002 to new employees. There are nil (2024: nil) active employees within the scheme. The latest full actuarial valuation was carried out at 5 April 2023 and was updated for IAS 19 'Employee benefits' purposes to 27 April 2025 by a qualified independent actuary.

Income Statement

The components of the net defined benefit expense recognised in the Consolidated Income Statement are as follows:

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Administrative expenses	(0.2)	(0.1)
Charge within labour costs and operating profit	(0.2)	(0.1)
Defined benefit charge to the Consolidated Income Statement	(0.2)	(0.1)
Defined contribution schemes	(3.5)	(3.6)
Total charge to the Consolidated Income Statement	(3.7)	(3.7)

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20. POST-EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

Other comprehensive income

The components of the net defined benefit expense recognised in other comprehensive income are as follows:

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Actuarial gains due to liability financial assumption changes	1.0	0.4
Experience adjustment	–	(0.5)
Loss on scheme assets greater than discount rate	(0.7)	(1.0)
Actuarial (losses)/gains due to demographic changes	(0.2)	0.2
Actuarial gain/(loss) recognised in other comprehensive income	0.1	(0.9)

Balance Sheet valuation

The net defined benefit pension amount recognised in the Consolidated Balance Sheet is analysed as follows:

	27 April 2025 £m	28 April 2024 £m
Diversified growth funds	–	9.6
Bonds	13.1	–
Liability Driven Investment (LDI)	–	3.4
Cash	–	0.2
Fair value of scheme assets	13.1	13.2
Present value of benefit obligations	(12.6)	(13.4)
Net pension asset/(liability)	0.5	(0.2)

Scheme obligations

Changes in the present value of defined benefit pension obligations are analysed as follows:

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Opening defined benefit obligation	(13.4)	(13.7)
Interest cost	(0.6)	(0.6)
Actuarial gains on defined benefit obligation	0.8	0.1
Benefits paid	0.6	0.8
Closing defined benefit obligation	(12.6)	(13.4)

Scheme assets

Changes in the fair value of scheme assets were as follows:

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Opening scheme assets	13.2	13.8
Expected return on scheme assets	0.7	0.6
Actuarial losses on pension scheme assets	(0.7)	(1.0)
Employer contributions	0.7	0.7
Benefits paid	(0.6)	(0.8)
Administrative expenses	(0.2)	(0.1)
Closing scheme assets	13.1	13.2

None of the pension arrangements directly invest in any of the Group's own financial instruments nor any property occupied by, or other assets used by, the Group. During the period, Schroders remain appointed as the Scheme investment manager with a mandate to invest 30% of the Scheme's assets in Liability Driven Investment (LDI) and 70% invested in a diversified growth fund. The LDI allocation is around three times leveraged and therefore targets around 100% interest rate and inflation hedging of the Scheme's liabilities.

During the year the Trustees and the Company agreed to implement a new bond-based investment strategy that consists of high-quality credit assets and removes the exposure to leveraged LDI. The trade was completed on 20 May 2024 and Schroders remain appointed as the Scheme investment manager but with a revised mandate to invest 60% in gilts, 25% in buy and maintain credit and 15% in secured finance. The investment strategy continues to hedge the Scheme's funded interest rates and inflation risks associated with the liabilities measured on a gilt flats basis.

Principal assumptions

The IAS 19 (accounting) valuation of the defined benefit obligation was undertaken by an external qualified actuary as at 27 April 2025 using the projected unit credit method. The principal actuarial assumptions used in the valuation were as follows:

	27 April 2025	28 April 2024
Discount rate	5.55%	5.10%
Rate of future inflation – RPI	3.15%	3.45%
Rate of future inflation – CPI	2.55%	2.85%
Rate of increase in pensions in payment	2.95%	3.20%
Proportion of employees opting for a cash commutation	100.0%	100.0%

	27 April 2025		28 April 2024	
	Pensioner aged 65	Non-pensioner aged 45	Pensioner aged 65	Non-pensioner aged 45
Life expectancy at age 65 (years):				
Male	21	22	21	22
Female	24	25	24	25

The post-retirement mortality assumptions allow for expected increases to life expectancy. The life expectancies quoted for members currently aged 45 assume that they retire at age 65 (i.e. 20 years after the balance sheet date). The base mortality assumptions are in line with the standard S3PA year of birth tables. Future improvement trends have been allowed for in line with the CMI 2023 (2024: CMI 2023) series with a long-term trend towards 1.0% (2024: 1.0%) per annum.

The discount rate in the current and prior year has been derived using a full yield curve approach. The yield curve is based on iBoxx AA rated GBP Corporate Bond index and considers expected scheme cash flows at each duration. The expected average duration of the scheme's liabilities is 12 years.

The rate of retail price inflation (RPI) has been derived in a consistent way to the discount rate, so that it is appropriate to the term of the liabilities. The RPI assumption for the scheme allows for the inflation risk premium of 0.2% per annum (2024: 0.2% per annum).

The rate of consumer price inflation (CPI) is set at 0.6% lower (2024: 0.6% lower) than the assumption for retail price inflation, reflecting the long-term expected gap between the two indices.

Sensitivity analysis

The impact on the defined benefit obligation to changes in the financial and demographic assumptions is shown below:

	27 April 2025 £m	28 April 2024 £m
0.25% increase in discount rate	0.3	0.4
0.25% decrease in discount rate	(0.3)	(0.4)
0.25% increase in pension growth rate	(0.3)	(0.2)
0.25% decrease in pension growth rate	0.3	0.2
1 year increase in life expectancy	(0.4)	(0.4)
1 year decrease in life expectancy	0.4	0.4

Virgin Media Limited v NTL Pension Trustees II Limited legal case

On 16 June 2023, the High Court issued a ruling in respect of Virgin Media v NTL Pension Trustees II Limited (and others) calling into question the validity of rule amendments made between 6 April 1997 and 5 April 2016 to defined benefit pension schemes contracted-out on a salary-related basis. Relevant amendments to benefits within these pension schemes over this time required written confirmation from the Scheme Actuary that the 'Reference Scheme Test' would continue to be met. In the absence of such a confirmation, the Rule amendment would be void.

This decision was confirmed by the Court of Appeal in 2024, however the Government announced on 5 June 2025 that legislation would be introduced to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. This effectively means that provided schemes did in fact continue to meet the 'Reference Scheme Test' following any rule amendments, obtaining a retrospective actuarial confirmation where necessary will resolve this issue entirely.

The Aurum Retirement Benefits Scheme includes benefits arising from having been contracted-out on a salary-related basis and we have identified five relevant amendments over the time period in question. The Company has not yet reviewed these with its legal adviser, however in the majority of the important cases it is clear that the relevant documentation is in order as the S37 certification is present. Furthermore, given that retrospective actuarial confirmation would now be permitted if necessary, there is no cause to believe that the legal ruling will have any impact on the Scheme, and by extension on the pensions disclosures required for accounting purposes.

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21. EQUITY

	Nominal value £	Shares No.	Share capital £m	Share premium £m	Merger reserve £m	Other reserves £m	Retained earnings £m	Foreign exchange reserve £m
As at 28 April 2024	0.0125	239,570,297	3.0	147.1	(2.2)	(23.4)	394.1	4.4
Other comprehensive income, net of tax	–	–	–	–	–	–	53.9	(14.1)
Purchase of own shares for cancellation	–	–	–	–	–	(12.1)	–	–
Own shares cancelled	–	(2,802,728)	–	–	–	11.3	(11.3)	–
Committed share buyback	–	–	–	–	–	–	(12.9)	–
Share-based payment charge	–	–	–	–	–	–	1.8	–
Share-based payments exercised	–	–	–	–	–	10.9	(10.9)	–
Tax on items credited to equity	–	–	–	–	–	–	0.4	–
Tax on vested shares moved to current tax	–	–	–	–	–	–	(0.4)	–
As at 27 April 2025	0.0125	236,767,569	3.0	147.1	(2.2)	(13.3)	414.7	(9.7)

Share capital

236,767,569 ordinary shares of £0.0125 nominal value. At the year-end date, 229,726 shares had been purchased by the Group as part of the share buyback programme, which were subsequently cancelled after the year-end date to give a holding of 236,537,843 ordinary shares in issue.

Share premium account

This reserve represents the amount of proceeds received for shares in excess of their nominal value of £0.0125 per share.

Merger reserve

This reserve arose as a consequence of a Group reorganisation which inserted the Company as the Parent Company of the Group.

Capital redemption reserve

The capital redemption reserve relates to the repurchase and cancellation of shares of the Company. During the year, the aggregate nominal value of shares cancelled and transferred to the capital redemption reserve was £35,034 (2024: £nil).

Other reserves

Other reserves represent own shares purchased by the Group. During the period, the Group purchased £12.1 million of own shares for cancellation as part of the announced £25.0 million share buyback programme. At the year-end date, £11.3 million of these shares had been paid, cancelled and transferred to retained earnings, with the remaining £0.8 million being paid and cancelled on 28 and 29 April 2025.

In the prior period the Group purchased £7.2 million of shares to satisfy employee share incentive schemes. Shares are held by an Employee Benefit Trust. The Group adopts a 'look-through' approach which, in substance, accounts for the Trust as an extension of the Group. Own shares are recorded at cost. At the year-end the Group held 1,889,509 (2024: 3,119,758) own shares.

Foreign exchange reserve

This reserve represents the cumulative effect of foreign exchange differences in relation to the retranslation of the Group's subsidiaries which are denominated in a currency other than the Group's reporting currency of Pounds Sterling (£).

22. SHARE-BASED PAYMENTS

During the period to 27 April 2025, the Group operated four (2024: five) separate share-based payment schemes. The Group has granted a number of different equity-based awards to employees which it has determined to be share-based payments as detailed below.

Long-Term Incentive Plan (LTIP)

The LTIP is a discretionary executive share plan under which the Board may grant options over shares in Watches of Switzerland Group PLC, subject to Adjusted EPS and Return on Capital Employed (ROCE) performance conditions. The Group grants awards with one to three-year performance periods. Grants vest and become exercisable after the performance period and are awarded as nil-cost options. There are no cash settlement alternatives.

Details of the share options outstanding are as follows:

	27 April 2025	28 April 2024
Outstanding at 29 April 2024	2,093,838	1,866,662
Granted	1,271,895	551,319
Exercised	(1,198,711)	(284,703)
Forfeited/lapsed	(463,532)	(39,440)
Outstanding at 27 April 2025	1,703,490	2,093,838
Exercisable price	£nil	£nil
Exercisable at period end	28,819	988,471
Average fair value at grant	£4.87	£5.08

Deferred Bonus Plan (DBP)

The DBP is a discretionary bonus plan under which the Board may issue one-third of a bonus in the form of conditional share awards in Watches of Switzerland Group PLC. The annual bonus is linked to annual earnings targets. Two-thirds of the bonus is settled in cash. The remaining third of the bonus is deferred as share options and accounted for as an equity-settled share-based payment. These deferred shares are subject to a three-year vesting period with no additional performance conditions except for continued employment. Deferred shares are awarded as nil-cost options. Refer to the Remuneration Committee Report on pages 187 to 199 for further details of the scheme and changes made in the year.

Details of the share options outstanding are as follows:

	27 April 2025	28 April 2024
Outstanding at 29 April 2024	372,886	378,607
Granted*	27,541	–
Change in FY23 number of shares granted*	–	9,440
Exercised	(251,975)	(7,552)
Forfeited/lapsed	(1,894)	(7,609)
Outstanding at 27 April 2025	146,558	372,886
Exercisable price	£nil	£nil
Exercisable at period end	40,203	15,485
Average fair value at grant	£6.92	£8.02

* The share price at which the number of shares granted under the DBP scheme is calculated is not confirmed until after the date of the approval of the Annual Report and Accounts. The maximum number of DBP shares granted during the period is therefore estimated using the year-end closing share price and trued up at the date of grant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

22. SHARE-BASED PAYMENTS (CONTINUED)

Save As You Earn (SAYE) (UK)/Employee Stock Purchase Plan (ESPP) (US)

The Company operated two (2024: one) SAYE schemes for UK employees and one (2024: one) ESPP scheme for US employees in the year.

Options are granted at the prevailing market rate less a discount of 15%, being exercisable after three years (UK employees) and two years (US employees) from the date of grant. The scheme permits a maximum saving of £500 (or US equivalent at the time of invitation) per month out of taxed income. SAYE/ESPP options are accounted for as an equity-settled award under IFRS 2.

Details of the share options outstanding are as follows:

	27 April 2025	28 April 2024
Outstanding at 29 April 2024	202,549	367,259
Granted	764,610	–
Forfeited	(212,704)	(133,013)
Expired	–	(31,697)
Outstanding at 27 April 2025	754,455	202,549
Exercisable price	£nil	£nil
Exercisable at period end	nil	nil
Average fair value at grant	£3.99	£10.80

FY22 Free share issue

During FY22 the Group issued 50 free shares to all colleagues who were employed by the Group on 15 December 2021. Employees were required to remain employed for a period of three years to earn the shares. The UK shares are administered through a Share Incentive Plan. The US shares are issued under the LTIP and subject to the Employee Benefit Trust. The Trust results are consolidated by the Group. During the year, the required three-year employment period ended, giving employees the option to exercise shares earned.

Details of the share options outstanding are as follows:

	27 April 2025	28 April 2024
Outstanding at 29 April 2024	73,450	92,700
Exercised	(16,700)	–
Forfeited	(8,150)	(19,250)
Outstanding at 27 April 2025	48,600	73,450
Exercisable price	£nil	£nil
Exercisable at period end	48,600	nil
Average fair value at grant	£12.66	£12.66

Former Chief Financial Officer buy-out award (CFO)

Two buy-out share options were granted to the former CFO when joining the Group to replace those in place at his previous employment. The awards were translated into Group shares at the share price on the date of joining. These options were exercised and finalised in the prior year.

Details of the share option movements are as follows:

	27 April 2025	28 April 2024
Outstanding at 29 April 2024	–	1,722
Exercised	–	(1,722)
Lapsed	–	–
Outstanding at 27 April 2025	–	–
Exercisable price	–	£nil
Exercisable at period end	–	nil
Average fair value at grant	–	£14.20

Charged to the Consolidated Income Statement

The amounts recognised in the Consolidated Income Statement within administrative expenses (excluding employer's national insurance) in relation to these schemes were as follows:

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
LTIP	0.4	0.5
DBP	0.7	0.8
SAYE/ESPP	0.5	0.6
Free shares	0.2	0.2
	1.8	2.1

Fair value of share schemes

The fair value of equity-settled share options and share awards granted is estimated at the date of grant using share option valuation models. The schemes are valued using the Black-Scholes model.

The following tables list the inputs to the models for options and share-based payment costs during the year:

	LTIP				
	27 April 2025	28 Apr 2024	30 Apr 2023	1 May 2022	2 May 2021
Share price (£)	£4.14/£4.56	£4.89/£6.70	£7.51	£9.42	£3.20
Exercise price (£)	nil	nil	nil	nil	nil
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (%)	3.83%	4.39%	3.72%	0.61%	0.57%
Expected life of share option	1-3 yrs	3 yrs	3 yrs	3 yrs	3 yrs

	DBP				SAYE/ESPP	
	27 April 2025	30 Apr 2023	1 May 2022	2 May 2021	27 April 2025	1 May 2022
Share price (£)	£3.59	£7.56	£7.51	£9.42	£3.49	£10.80
Exercise price (£)	nil	nil	nil	nil	nil	nil
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (%)	3.83%	3.71%	0.66%	0.57%	3.83%	0.05%
Expected life of share option	4 yrs	4 yrs	4 yrs	4 yrs	UK 3 yrs US 2 yrs	UK 3 yrs US 2 yrs

The Group did not enter into any share-based payment transactions with parties other than employees during the current period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

23. FINANCIAL INSTRUMENTS

Categories

	27 April 2025 £m	28 April 2024 £m
FINANCIAL ASSETS – HELD AT AMORTISED COST		
Trade and other receivables*	51.4	174
Cash and cash equivalents	98.9	115.7
Total financial assets	150.3	133.1
FINANCIAL LIABILITIES – HELD AT AMORTISED COST		
Interest-bearing loans and borrowings:		
Term loan (net of capitalised transaction costs)	(93.2)	–
Multicurrency revolving loan facility (net of capitalised transaction costs)	(99.6)	(113.3)
Multicurrency revolving loan facility interest payable	–	(1.4)
Trade and other payables**	(235.6)	(188.4)
	(428.4)	(303.1)
Lease liability (IFRS 16)	(454.6)	(460.4)
Total financial liabilities	(883.0)	(763.5)

* Excludes prepayments of £9.1 million (2024: £7.2 million) that do not meet the definition of a financial instrument.

** Trade payables exclude customer deposits of £4.3 million (2024: £6.0 million) and deferred income of £19.6 million (2024: £20.7 million) that do not meet the definition of a financial instrument.

Fair values

At 27 April 2025, the fair values of each category of the Group's financial instruments are materially the same as their carrying values in the Group's Balance Sheet based on either their short maturity or, in respect of long-term borrowings, interest being incurred at a floating rate.

Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk and capital management framework and for establishing the Group's risk management policies.

The Group has exposure to the following risks arising from financial instruments:

- Liquidity risk
- Interest rate risk
- Credit risk
- Currency risk
- Capital risk

No significant changes were made in the objectives, policies and processes for managing capital during the years ended 27 April 2025 and 28 April 2024.

Liquidity risk

The Group has generated sufficient cash from operations to meet its working capital requirements. Cash flow forecasting is performed in the operating entities of the Group. The Group monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits on any of its borrowing facilities.

The table below shows the maturity analysis of the undiscounted remaining contractual cash flows, including interest, of the Group's financial liabilities:

	27 April 2025			Total £m
	Less than one year £m	Between one and five years £m	Greater than five years £m	
Term loan	–	(93.2)	–	(93.2)
Multicurrency revolving loan facility	–	(99.6)	–	(99.6)
Trade and other payables	(231.0)	(4.6)	–	(235.6)
Lease liabilities (IFRS 16)	(78.0)	(286.5)	(211.5)	(576.0)
Total	(309.0)	(483.9)	(211.5)	(1,004.4)

	28 April 2024			Total £m
	Less than one year £m	Between one and five years £m	Greater than five years £m	
Multicurrency revolving loan facility	(1.4)	(113.3)	–	(114.7)
Trade and other payables	(188.4)	–	–	(188.4)
Lease liabilities (IFRS 16)	(78.7)	(287.2)	(214.4)	(580.3)
Total	(268.5)	(400.5)	(214.4)	(883.4)

As at 27 April 2025, 12 (2024: 13) leases have cash flows that exceed ten years. The value of undiscounted cash flows greater than ten years totals £28.0 million (2024: £22.3 million).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

The Group's policy is to maintain low levels of variable debt by managing the cash position of the business closely and ensuring that the debt position is minimised. The Group regularly refinances in order to obtain better rates for both long-term debt and short-term debt obligations. The Group uses strong cash positions to pay down long-term and short-term debt when possible in order to reduce the overall debt position.

Interest rate risk – sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected.

The analysis has been prepared using the assumptions that:

- For floating rate assets and liabilities, the amount of the asset or liability outstanding at the balance sheet date is assumed to have been outstanding for the whole period
- Fixed rate financial instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of this analysis. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Interest rate increase of 0.5%	(1.0)	(0.6)
Interest rate decrease of 0.5%	1.0	0.6

Credit risk

Credit risk arises from cash and cash equivalents, credit sales and deposits with banks. Credit risk related to the use of treasury instruments is managed on a Group basis. This risk arises from transactions with banks, such as those involving cash and cash equivalents and deposits. To reduce the credit risk, the Group has concentrated its main activities with a group of banks that have secure credit ratings. For each bank, individual risk limits are set based on its financial position, credit ratings, past experience and other factors. The utilisation of credit limits is regularly monitored.

Management continually review specific balances for potential indicators of impairment. In the instance where an indicator is identified, management will determine overall recovery from a legal perspective and provide for any irrecoverable amounts.

Credit risk also arises from the recoverability of the Group's trade and other receivables. Trade and other receivables are only written off when the Group has exhausted all options to recover the amounts due and provided for in full when there is no reasonable expectation of recovery, which is the Group's definition of default. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of the debtor to engage in a repayment plan with the Group and a failure to make contractual payments. An ECL provision is then calculated on the remaining trade and other receivables.

The ageing analysis of the trade receivables is as follows:

	27 April 2025 £m	28 April 2024 £m
Not past due	22.8	9.3
Less than one month past due	3.9	0.2
One to two months past due	2.0	0.1
More than two months past due	3.7	0.5
Total	32.4	10.1

The maximum exposure to credit risk at the reporting date is the carrying value of each class of asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

23. FINANCIAL INSTRUMENTS (CONTINUED)

Currency risk

The exposure to currency risk is considered below:

	27 April 2025			
	Sterling £m	US Dollar £m	Other £m	Total £m
FINANCIAL ASSETS				
Trade and other receivables	18.5	32.9	–	51.4
Cash and cash equivalents	61.1	37.4	0.4	98.9
Total financial assets	79.6	70.3	0.4	150.3
FINANCIAL LIABILITIES				
Term loan	0.7	(93.9)	–	(93.2)
Multicurrency revolving loan facility	(88.4)	(11.2)	–	(99.6)
Trade and other payables	(123.3)	(107.7)	(4.6)	(235.6)
Lease liabilities	(265.5)	(186.5)	(2.6)	(454.6)
Total financial liabilities	(476.5)	(399.3)	(7.2)	(883.0)
28 April 2024				
	Sterling £m	US Dollar £m	Other £m	Total £m
FINANCIAL ASSETS				
Trade and other receivables	10.6	6.8	–	17.4
Cash and cash equivalents	77.3	37.4	1.0	115.7
Total financial assets	87.9	44.2	1.0	133.1
FINANCIAL LIABILITIES				
Multicurrency revolving loan facility	(113.3)	–	–	(113.3)
Trade and other payables	(113.9)	(72.8)	(3.1)	(189.8)
Lease liabilities	(299.7)	(152.9)	(7.8)	(460.4)
Total financial liabilities	(526.9)	(225.7)	(10.9)	(763.5)

Currency risk sensitivity

The following table demonstrates the sensitivity to a change in the US Dollar exchange rate, with all other variables held constant, and the impact upon the Group's profit after tax assuming that none of the US Dollar exposures are used as hedging instruments. Sensitivities have not been performed for any other currencies as the Group has no significant exposure in any other currency.

	(Increase)/ decrease in rate £m	Effect on profit after tax 52 week period ended 27 April 2025 £m	Effect on profit after tax 52 week period ended 28 April 2024 £m
US Dollar	(5%)	(1.9)	(2.3)
US Dollar	5%	2.1	2.5

Capital risk

The capital structure of the Group consists of debt, as analysed in note 19, and equity attributable to the equity holders of the Parent Company, comprising issued capital reserves and retained earnings as shown in the Consolidated Statement of Changes in Equity. The Group manages its capital with the objective that all entities within the Group continue as going concerns while maintaining an efficient structure to minimise the cost of capital.

The Directors carefully monitor the Group's long-term borrowings including the ability to service debt and long-term forecast covenant compliance.

The Group takes a disciplined approach to capital allocation with the objective to deliver long-term sustainable earnings growth whilst retaining financial capability to invest in developing our business and to execute our strategic priorities. The Group is well positioned to continue investing in elevating and expanding its existing showroom portfolio and to make complementary acquisitions which meet strict investment criteria and advance the Group's strategic objectives.

24. RELATED PARTY TRANSACTIONS

Key management personnel compensation

Total compensation of four (2024: two) key management personnel in the period to 27 April 2025 amounted to £2.1 million (2024: £1.5 million). Compensation includes salaries and other short-term employee benefits, post-employment benefits and other long-term benefits. Key management are eligible to receive discounts on goods purchased from the Group's trading companies. Such discounts are in line with discounts offered to all staff employed by Group companies. In addition to their salaries, the Group also contributes to post-employment defined contribution plans unless individuals choose to waive these employer contributions.

Key management are those individuals who have authority and responsibility for planning, directing and controlling the activities of the Group. Figures reported for the 52 week period ended 27 April 2025 now also include President North America & Deputy CEO, and President UK & Europe to align with the latest Group operational structure in place.

	52 week period ended 27 April 2025 £m	52 week period ended 28 April 2024 £m
Short-term employment benefits	1.8	0.9
Share-based payments	0.3	0.6
Total	2.1	1.5

Other items to note

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

In November 2024, a loan of £2.4 million has been made to Audemars Piguet (Manchester) Limited in which the Group holds a 40% interest.

In April 2025, the Executive Directors exercised vested share-based payment awards. The grossed up taxable value of the shares was processed through the Group's payroll. Amounts owed to HMRC of £1.7 million were owing by Directors at 27 April 2025, and were settled in May 2025 as per the terms of the exercise agreement.

25. BUSINESS COMBINATIONS

Roberto Coin Inc.

On 8 May 2024, the Group signed and completed the acquisition of the entire share capital of Roberto Coin Inc., an associate company of Roberto Coin S.p.A. from Roberto Coin S.p.A., Peter Webster, Co-Founder and President of Roberto Coin Inc., and Pilar Coin. The acquisition completed for a total cash consideration of £106.2 million, of which £7.9 million was deferred for one year and contingent on the future profitability of the acquired business. This has been paid in full after the year-end. A final net working capital true up payment of £2.1 million was paid after the 27 April 2025 year-end date.

Luxury branded jewellery is a core pillar of the Group's growth strategy and the acquisition will significantly enhance our strategic positioning in the luxury branded jewellery market on a per capital basis. The business contributed revenue of £111.9 million and profit before tax of £23.5 million from the 8 May 2024 acquisition date to 27 April 2025.

The following table summarises the consideration paid for the acquisition net of £4.0 million of cash acquired, and the fair value of assets acquired at the acquisition date:

	£m
Total cash consideration net of cash acquired	106.2
<i>Assessment of values on acquisition</i>	
Inventories	53.9
Trade and other receivables	13.2
Intangibles – licences with indefinite useful life	57.2
Intangibles – brand	0.5
Property, plant and equipment	1.0
Trade and other payables	(32.3)
Provisions	(0.4)
Right-of-use asset	1.9
Lease liabilities	(1.9)
Deferred tax liability	(15.5)
Total identifiable net assets	77.6
Goodwill	28.6
Total assets acquired	106.2

At 27 April 2025 an amount of £8.2 million, from the initial consideration paid, was held with a third-party on retention and reported within debtors in these accounts. The full amount was paid in June 2025 after the year-end date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

25. BUSINESS COMBINATIONS (CONTINUED)

The goodwill recognised is attributable to the profitability of the acquired business and is deductible for tax purposes. Intangible assets have been recognised in relation to the licence with an indefinite useful life and the brand name CENTO was acquired. The licence is non-amortising as the supply agreement with Roberto Coin S.p.A. extends into perpetuity. The CENTO brand has been assigned a five-year life.

Wholesale non-current assets are contained within the US operating segment. At the year-end the values remain materially in line with the acquisition balances.

The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities.

Given the proximity of the acquisition to the beginning of FY25, the Group's revenue and profit before tax had the acquisition been made on the first day of the year would not be materially different to the result reported and therefore has not been disclosed separately.

Acquisition-related costs have been charged to exceptional items in the Consolidated Income Statement, as disclosed in note 4 to these Consolidated Financial Statements.

Hodinkee, Inc.

On 3 October 2024, the Group signed and completed the acquisition of the trade and assets of Hodinkee, Inc., a digital editorial content provider for luxury watch enthusiasts. As part of the transaction, the entire share capital of Hodinkee Insurance Holdings Inc. was acquired to retain the licence to sell insurance. The acquisition completed for a total cash consideration of £10.7 million. The acquisition allows the Group to leverage existing growth opportunities by growing sector leadership online, and also further enhances the Group's ability to capture market share, particularly in the fast growing US market.

The acquisition contributed revenue of £3.1 million from the 3 October 2024 acquisition date to 27 April 2025. The profit before tax contribution was not material to the Group result.

The following table summarises the consideration paid for the acquisition, and the provisional fair value of assets acquired at the acquisition date:

	£m
Total cash consideration net of cash acquired	10.7
<i>Initial assessment of values on acquisition</i>	
Inventories	0.2
Trade and other receivables	0.1
Intangibles – brand	2.9
Trade and other payables	(1.4)
Total identifiable net assets	1.8
Goodwill	8.9
Total assets acquired	10.7

An amount of £0.6 million, from the initial consideration paid, is held with a third-party on retention and is reported within debtors in these accounts. This will be paid by the Group within 12 months of the acquisition date.

The goodwill recognised is attributable to the profitability of the acquired business and is deductible for tax purposes.

An intangible asset has been recognised in relation to the Hodinkee brand which has been assigned a ten-year life.

If the business combination had taken place at the beginning of FY25, the contribution to revenue would have been £6.1 million. The profit before tax is not material to the results of the Group and therefore has not been disclosed separately.

Acquisition-related costs have been charged to exceptional items in the Consolidated Income Statement, as disclosed in note 4 to these Consolidated Financial Statements.

Acquisitions completed in the 52 week period to 28 April 2024

On 17 November 2023, the Group acquired the trade and assets of 15 showrooms from retailers Ernest Jones Limited and Signet Trading Limited for a cash consideration of £44.2 million. The acquisition further advanced the Group's expansion strategy.

The following table summarises the consideration paid for the acquisition, and the fair value of assets acquired at the acquisition date:

	£m
Total cash consideration	44.2
<i>Assessment of values on acquisition</i>	
Inventories	25.3
Fixed assets	5.8
Right-of-use asset	14.5
Lease liabilities	(18.5)
Deferred tax asset	1.1
Total identifiable net assets	28.2
Goodwill	16.0
Total assets acquired	44.2

The goodwill recognised was attributable to the profitability of the acquired showrooms and is deductible for tax purposes.

The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities, with an adjustment required to reflect the terms of the lease relative to market terms.

26. CONTINGENT LIABILITIES

There are a number of contingent liabilities that arise in the normal course of business, which if realised, are not expected to result in a material liability to the Group.

27. POST-BALANCE SHEET EVENTS

Following the year-end, the £25.0 million share buyback programme was completed with the payment and cancellation of 3,465,947 shares for a cash consideration of £13.7 million. Following the cancellation there are 233,301,622 ordinary shares in issue.

No further post-balance sheet events have been identified.

COMPANY BALANCE SHEET
AS AT 27 APRIL 2025

	Note	27 April 2025 £m	28 April 2024 £m
FIXED ASSETS			
Investments	C2	471.9	471.9
CURRENT ASSETS			
Debtors: amounts receivable within one year	C3	0.2	0.3
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	C4	(13.7)	–
Net current liabilities		(13.5)	0.3
Net assets		458.4	472.2
EQUITY			
Share capital	C6	3.0	3.0
Share premium	C6	147.1	147.1
Other reserves	C6	(13.3)	(23.4)
Retained earnings		321.6	345.5
Total equity		458.4	472.2

The Company's profit after tax was £9.4 million (2024: £4.4 million). The profit in year is a result of a dividend received which allowed repayment of management recharges from subsidiary entities, and enabled the purchase of shares.

The Financial Statements were approved and authorised for issue by the Board and were signed on its behalf by:

L A ROMBERG
CHIEF FINANCIAL OFFICER
Date: 2 July 2025

The notes on pages 264 to 269 form part of these Financial Statements.

Company number: 11838443

COMPANY STATEMENT OF CHANGES IN EQUITY
AS AT 27 APRIL 2025

	Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	Total equity attributable to owners £m
Balance at 30 April 2023	3.0	147.1	(18.4)	341.2	472.9
Profit for the financial period	–	–	–	4.4	4.4
Purchase of own shares	–	–	(7.2)	–	(7.2)
Share-based payments charge	–	–	–	2.1	2.1
Share-based payments exercised	–	–	2.2	(2.2)	–
Balance at 28 April 2024	3.0	147.1	(23.4)	345.5	472.2
Profit for the financial period	–	–	–	9.4	9.4
Purchase of own shares for cancellation	–	–	(12.1)	–	(12.1)
Own shares cancelled	–	–	11.3	(11.3)	–
Committed share buyback	–	–	–	(12.9)	(12.9)
Share-based payments charge	–	–	–	1.8	1.8
Share-based payments exercised	–	–	10.9	(10.9)	–
Balance at 27 April 2025	3.0	147.1	(13.3)	321.6	458.4

CI. GENERAL INFORMATION

Watches of Switzerland Group PLC (the 'Company') is a public limited company, limited by shares, which is listed on the London Stock Exchange and incorporated and domiciled in England and Wales. The registered number is 11838443 and the address of the registered office is Aurum House, 2 Elland Road, Braunstone, Leicester, LE3 1TT.

These Financial Statements present information about the Company as an individual undertaking and not about its Group. The Financial Statements of Watches of Switzerland Group PLC have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' (FRS 102) and the Companies Act 2006. The Financial Statements are presented in Pounds Sterling (£), which is the Group's presentational currency, and are shown in £millions to one decimal place.

Accounting policies

The accounting policies set out in the notes below have been applied in preparing the Financial Statements for the 52 week period ended 27 April 2025 and the comparative information presented in these Financial Statements for the 52 week period ended 28 April 2024.

The Company is included within the Consolidated Financial Statements of Watches of Switzerland Group PLC. The Consolidated Financial Statements of Watches of Switzerland Group PLC are prepared in accordance with IFRS and are publicly available. In these Financial Statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- The requirement to prepare a statement of cash flows
- Certain disclosures in relation to share-based payments
- Key Management Personnel compensation

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the Company is not presented as part of the Financial Statements. The Company's accounting policies are the same as those set out in note 1 of the Consolidated Financial Statements, unless noted below.

Investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Impairment

The carrying values of non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any impairment loss arises, the asset is adjusted to its estimated recoverable amount and the difference is recognised in the Income Statement.

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Share-based payments

Some employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The fair value of the equity-settled awards is calculated at grant date using a Black-Scholes model. The resulting cost is charged in the Income Statement over the vesting period of the option or award and is regularly reviewed and adjusted for the expected and actual number of options or awards vesting. This applies to LTIP Awards, Deferred Share Bonus Schemes, Save as You Earn and Employee Stock Purchase Plan Awards, and Free Share Awards.

Service and non-service performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. No expense is recognised for awards that do not ultimately vest because of non-market performance and/or service conditions that have not been met.

The social security contributions payable in connection with the grant of the share options is determined at each balance sheet date as a liability with the total cost recognised in the Income Statement over the vesting period.

Own shares held

Own shares represent the shares of Watches of Switzerland Group PLC that are held in an Employee Benefit Trust which has been set up for this purpose. The Company adopts a 'look-through' approach which, in substance, accounts for the Trust as an extension of the Company. Own shares are recorded at cost and are deducted from equity.

Financial risk management

The Company's financial risk is managed as part of the Group's strategy and policies as discussed in note 23 of the Consolidated Financial Statements.

Company result for the period

In accordance with the exemption allowed by Section 408(3) of the Companies Act 2006, the Company has not presented its own Income Statement or Statement of Comprehensive Income.

Directors' remuneration and staff numbers

The Company has no employees other than the Directors, who did not receive any remuneration for their services directly from the Company in either the current or preceding period. Refer to note 24 in the Group Financial Statements for Key Management Personnel compensation.

External Auditor's remuneration

The remuneration paid to the External Auditor in relation to the audit of the Company is disclosed in note 5 of the Consolidated Financial Statements. The fees for the audit of the Company's Financial Statements are borne by a subsidiary of the Company and are not recharged.

C2. FIXED ASSET INVESTMENTS

Our activities and interests are operated through subsidiaries, joint ventures and associates which are subject to the laws and regulations of many different jurisdictions. As at 27 April 2025:

Entity	Principal activity	Country of incorporation	Registered office	Type of share held by the Group	Proportion of ordinary shares held by Group companies
Jewel UK Midco Limited*	Intermediate holding company	England and Wales	Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT	Ordinary	100%
Jewel UK Bidco Limited	Intermediate holding company	England and Wales	Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT	Ordinary	100%
Watches of Switzerland Operations Limited	Intermediate holding company	England and Wales	Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT	Ordinary	100%
Aurum Acquisitions Limited	Intermediate holding company	England and Wales	Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT	Ordinary	100%
Watches of Switzerland Company Limited	Retailer	England and Wales	Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT	Ordinary	100%
Mappin & Webb Limited	Trading	England and Wales	Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT	Ordinary	100%
Goldsmiths Limited	Dormant	England and Wales	Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT	Ordinary	100%
WoS Dormant 1 Limited	Dormant	England and Wales	Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT	Ordinary	100%
WoS Dormant 2 Limited	Dormant	England and Wales	Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT	Ordinary	100%
Aurum Insurance (Guernsey) Limited**	Captive insurance company	Guernsey	Heritage Hall, Le Marchant Street, St Peter Port, Guernsey GY1 4JH	Ordinary	100%
Watches of Switzerland Limited	Dormant	England and Wales	Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT	Ordinary & redeemable preference	100%
Aurum Pension Trustees Limited	Pension trustee company	England and Wales	Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT	Ordinary	100%
Audemars Piguet (Manchester) Limited	Non-trading	England and Wales	Audemars Piguet (Uk) Limited 82-84 Grosvenor Street, 1st Floor, London W1K 3JZ	Ordinary	40%
Watches of Switzerland Group USA Inc	Holding company	USA	3340 NW 53rd Street, Suite 402, Fort Lauderdale, Florida 33309	Ordinary	100%
Watches of Switzerland (Nevada) LLC	Retailer	USA	3340 NW 53rd Street, Suite 402, Fort Lauderdale, Florida 33309	Ordinary	100%
Watches of Switzerland (A/S) LLC	Retailer	USA	3340 NW 53rd Street, Suite 402, Fort Lauderdale, Florida 33309	Ordinary	100%
Watches of Switzerland LLC	Retailer	USA	3340 NW 53rd Street, Suite 402, Fort Lauderdale, Florida 33309	Ordinary	100%
Mayors Jewellers LLC	Retailer	USA	3340 NW 53rd Street, Suite 402, Fort Lauderdale, Florida 33309	Ordinary	100%
Roberto Coin Inc.	Wholesaler and Retailer	USA	579 5th Avenue, 17th Floor, New York 10017	Ordinary	100%
Hodinkee LLC	Holding	USA	13450 W. Sunrise Blvd. Suite 500, Sunrise FL 33323	Ordinary	100%
RC Employee Services LLC	Non-trading	USA	579 5th Avenue, 17th Floor, New York 10017	Ordinary	100%
RBC 100 LLC	Non-trading	USA	579 5th Avenue, 17th Floor, New York 10017	Ordinary	100%
Hodinkee Insurance Holding Inc.	Holding	USA	255 Centre Street, 4th Floor, New York 10013	Ordinary	100%
Hodinkee Insurance Agency Inc.	Trading	USA	255 Centre Street, 4th Floor, New York 10013	Ordinary	100%
Mayors Jewellers Florida LLC	Retailer	USA	3340 NW 53rd Street, Suite 402, Fort Lauderdale, Florida 33309	Ordinary	100%
WOSG (Ireland) Limited	Non-trading	Ireland	Suite 3, One Earlsfort Centre, Lower Hatch Street, Dublin 2, D02 X288, Ireland	Ordinary	100%
Watches of Switzerland Group (Denmark) Aps	Retailer	Denmark	Store Kongensgade 68, 1264 København K, Denmark	Ordinary	100%
Watches of Switzerland Group (Sweden) AB	Non-trading	Sweden	AB Birger Jarlsgatan 14, Stockholm, 114 34, Sweden	Ordinary	100%
WI23 BV	Non-trading	Netherlands	Henikerbergweg 88, 1101CM, Amsterdam, Netherlands	Ordinary	100%
WOSG (Germany) GmbH	Non-trading	Germany	Maximiliansplatz 17, 80333, Munchen, Germany	Ordinary	100%

* Investment in Jewel UK Midco is directly held. All other investments are indirectly held.

** Results of this company are fully taxable in the UK as a controlled foreign company.

NOTES TO THE COMPANY FINANCIAL STATEMENTS
CONTINUED

C2. FIXED ASSET INVESTMENTS (CONTINUED)

All subsidiary undertakings are included in the Consolidated Financial Statements. The proportion of the voting rights in the subsidiary undertakings held directly by the Company do not differ from the proportion of ordinary shares held.

Investment in subsidiaries at the period end was as follows:

	27 April 2025 £m	28 April 2024 £m
Investment in subsidiaries	471.9	471.9

Investments in Company undertakings are recorded at cost, which is the fair value of the consideration paid.

C3. DEBTORS: AMOUNTS RECEIVABLE WITHIN ONE YEAR

	27 April 2025 £m	28 April 2024 £m
Amounts owed by Group undertakings	0.2	0.3

Amounts owed by Group undertakings are unsecured and repayable on demand.

C4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	27 April 2025 £m	28 April 2024 £m
Other creditors	(13.7)	–

Other creditors represent £0.8 million of shares purchased as part of the share buyback programme which had not been settled at the year-end date, in addition to a further £12.9 million commitment to purchase shares after the balance sheet date.

C5. FINANCIAL INSTRUMENTS

	27 April 2025 £m	28 April 2024 £m
FINANCIAL ASSETS – HELD AT AMORTISED COST		
Amounts owed by Group undertakings	0.2	0.3
FINANCIAL LIABILITIES – HELD AT AMORTISED COST		
Other creditors	(13.7)	–

C6. EQUITY

	Nominal value £	Shares No.	Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m
As at 29 April 2024	0.0125	239,570,297	3.0	147.1	(23.4)	345.5
Profit for the financial period	–	–	–	–	–	9.4
Purchase of own shares for cancellation	–	–	–	–	(12.1)	–
Own shares cancelled	–	(2,802,728)	–	–	11.3	(11.3)
Committed share buyback	–	–	–	–	–	(12.9)
Share-based payments charge	–	–	–	–	–	1.8
Share-based payments exercised	–	–	–	–	10.9	(10.9)
As at 27 April 2025	0.0125	236,767,569	3.0	147.1	(13.3)	321.6

Share capital

236,767,569 ordinary shares of £0.0125 nominal value. At the year-end date, 229,726 shares had been purchased by the Group as part of the share buyback programme, which were subsequently cancelled after the year-end date to give a holding of 236,537,843 ordinary shares in issue.

Share premium account

This reserve represents the amount of proceeds received for shares in excess of their nominal value of £0.0125 per share.

Capital redemption reserve

The capital redemption reserve relates to the repurchase and cancellation of shares of the Company. During the financial year, the aggregate nominal value of shares cancelled and transferred to the capital redemption reserve was £35,034 (2024: £nil).

Other reserves

Other reserves represent own shares purchased by the Company. During the period, the Company purchased £12.1 million of own shares for cancellation as part of the announced £25.0 million share buyback programme. At the year-end date, £11.3 million of these shares had been paid, cancelled and transferred to retained earnings, with the remaining £0.8 million being paid and cancelled on 28 and 29 April 2025.

In the prior period the Company purchased £7.2 million of shares to satisfy employee share incentive schemes. Shares are held by an Employee Benefit Trust. The Group adopts a 'look-through' approach which, in substance, accounts for the Trust as an extension of the Company. Own shares are recorded at cost. At the year-end the Company held 1,889,509 (2024: 3,119,758) own shares.

C7. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemptions under FRS 102.33 'Related Party Transactions' for wholly owned subsidiaries not to disclose intra-group transactions.

C8. SHARE-BASED PAYMENTS

Details of the Company's share-based payments are disclosed within note 22 in the Consolidated Financial Statements.

C9. GUARANTEES

At the date of signing the accounts, the Company has provided cross guarantee arrangements to Barclays Bank PLC, BNP Paribas London Branch, Citibank N.A. London Branch, Fifth Third Bank National Association, HSBC UK Bank PLC, Lloyds Bank PLC, National Westminster Bank PLC, Northern Bank Limited Trading as Danske Bank and Crédit Industriel et Commercial London Branch in respect of the obligations of certain fellow subsidiary undertakings in relation to the Group's lending facilities.

C10. POST-BALANCE SHEET EVENTS

Following the year-end, the £25.0 million share buyback programme was completed with the payment and cancellation of 3,465,947 shares for a cash consideration of £13.7 million. Following the cancellation there are 233,301,622 ordinary shares in issue.

No further post-balance sheet events have been identified.

GLOSSARY

ALTERNATIVE PERFORMANCE MEASURES

The Directors use Alternative Performance Measures (APMs) as they believe these measures provide additional useful information on the underlying trends, performance and position of the Group. These measures are used for performance analysis. The APMs are not defined by IFRS and therefore may not be directly comparable with other companies' APMs. These measures are not intended to be a substitute for, or superior to, IFRS measures.

The majority of the Group's APMs are on a pre-IFRS 16 basis. This aligns with the management reporting used to inform business decisions, investment appraisals, incentive schemes and banking covenants.

4-WALL EBITDA

Net margin less showroom costs.

Why used

4-Wall EBITDA is a direct measure of profitability of the showroom operations.

Reconciliation to IFRS measures

£million	FY25	FY24
Revenue	1,651.5	1,537.9
Inventory recognised as an expense	(1,064.4)	(981.6)
Other inc. supplier incentives	11.5	5.9
Net margin	598.6	562.2
Showroom costs	(292.7)	(289.1)
4-Wall EBITDA	305.9	273.1

Showroom costs include rental costs on a pre-IFRS 16 basis (i.e. under IAS 17). Refer to the IFRS 16 reconciliations on page 273 for further details.

4-WALL EBITDA, EBITDA, ADJUSTED EBITDA AND ADJUSTED EBIT MARGIN

For each of these areas as defined above, the Group shows the measures as a percentage of Group revenue.

Why used

Profitability as a percentage of Group revenue is shown to understand how effectively the Group is managing its cost base.

Reconciliation to IFRS measures

£million	FY25	FY24
Revenue	1,651.5	1,537.9
Net margin	598.6	562.2
	36.3%	36.6%
4-Wall EBITDA	305.9	273.1
	18.5%	17.8%
EBITDA (Unadjusted)	199.4	187.8
	12.1%	12.2%
Adjusted EBITDA	192.3	178.9
	11.6%	11.6%
Adjusted EBIT (segmental profit)	149.7	134.7
	9.1%	8.8%

ADJUSTED EARNINGS BEFORE INTEREST AND TAX (ADJUSTED EBIT)

Operating profit before exceptional items and IFRS 16 impact.

Why used

Measure of profitability that excludes one-off exceptional costs and IFRS 16 adjustments to allow for comparability between years.

This measure was linked to management incentives in the financial year.

Reconciliation to IFRS measures

Reconciled in note 2 to the Consolidated Financial Statements.

ADJUSTED EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (ADJUSTED EBITDA)

EBITDA before exceptional items presented in the Group's Consolidated Income Statement. Shown on a continuing basis and before the impact of IFRS 16.

Why used

Measure of profitability that excludes one-off exceptional items and IFRS 16 adjustments to provide comparability between years. This measure was linked to management incentives in the financial year.

Reconciliation to IFRS measures

Reconciled within note 2 of the Consolidated Financial Statements.

ADJUSTED EARNINGS PER SHARE (ADJUSTED EPS)

Basic Earnings Per Share before exceptional items and IFRS 16 impact.

Why used

Measure of profitability that excludes one-off exceptional items and IFRS 16 adjustments to provide comparability between years. This measure was linked to management incentives in the financial year.

Reconciliation to IFRS measures

Reconciled within note 9 of the Consolidated Financial Statements.

ADJUSTED PROFIT BEFORE TAX (ADJUSTED PBT)

Profit before tax before exceptional items and IFRS 16 impact.

Why used

Measure of profitability that excludes one-off exceptional items and IFRS 16 adjustments to provide comparability between years.

Reconciliation to IFRS measure

£million	FY25	FY24
Segment profit (as reconciled in note 2 of the Financial Statements)	149.7	134.7
Net finance costs excluding exceptional items (note 7)	(35.8)	(26.6)
IFRS 16 lease interest (note 13)	22.2	20.8
Adjusted profit before tax	136.1	128.9

AVERAGE SELLING PRICE (ASP)

Revenue (including sales related taxes) generated in a period from sales of a product category divided by the total number of units of such products sold in such period.

Why used

Measure of sales performance.

Reconciliation to IFRS measures

Not applicable.

CONSTANT CURRENCY BASIS

Results for the period had the exchange rates remained constant from the comparative period.

Why used

Measure of revenue growth that excludes the impact of foreign exchange.

Reconciliation

	(£/US\$ million)
FY25 Group revenue (£)	1,651.5
FY25 US revenue (\$)	1,006.2
FY25 US revenue (£) @ FY25 exchange rate	785.6
FY25 US revenue (£) @ FY24 exchange rate	799.8
FY25 Group revenue (£) at constant currency	1,665.7
FY25 exchange rate	£1: \$1.281
FY24 exchange rate	£1: \$1.258

EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)

EBITDA before exceptional items presented in the Group's Consolidated Income Statement. Shown on a continuing basis before the impact of IFRS 16 and showroom opening and closing costs. These costs include rent (pre-IFRS 16), rates, payroll and other costs associated with the opening or closing of showrooms, or during closures when refurbishments are taking place.

Why used

Measure of profitability that excludes one-off exceptional and non-underlying items, IFRS 16 adjustments and showroom opening and closing costs to allow for comparability between years.

Reconciliation to IFRS measures

£million	FY25	FY24
Adjusted EBITDA	192.3	178.9
Showroom opening and closing costs	6.9	8.9
Share of loss of joint venture and associates	0.2	–
EBITDA	199.4	187.8

EXCEPTIONAL ITEMS

Items that in the judgement of the Directors need to be disclosed by virtue of their size, nature or incidence, in order to draw the attention of the reader and to show the underlying business performance of the Group.

Why used

Draws the attention of the reader and to show the items that are significant by virtue of their size, nature or incidence.

Reconciliation to IFRS measures

Disclosed in note 4 of the Group's Consolidated Financial Statements.

FREE CASH FLOW

Cash flow shown on a pre-IFRS 16 basis excluding expansionary capex, acquisitions of subsidiaries, exceptional items, financing activities and the purchase of own shares.

Why used

Represents the cash generated from operations including maintenance of capital assets. Demonstrates the amount of available cash flow for discretionary activities such as expansionary capex, dividends or acquisitions.

Reconciliation to IFRS measures

£million	FY25	FY24
Net decrease in cash and cash equivalents	(15.4)	(21.5)
Net financing cash flow	21.1	91.7
Interest paid	(13.4)	(9.2)
Lease payments	(80.6)	(68.1)
Acquisitions	106.9	44.2
Investment in joint venture and associates	0.7	–
Exceptional items – cash (note 4)	8.6	2.5
Expansionary capex	72.6	78.0
Disposal of European property, plant and equipment	(2.7)	–
Free cash flow	97.8	117.6

FREE CASH FLOW CONVERSION

Free cash flow divided by Adjusted EBITDA.

Why used

Measurement of the Group's ability to convert profit into free cash flow.

Reconciliation to IFRS measures

Free cash flow of £97.8 million divided by Adjusted EBITDA of £192.3 million shown as a percentage.

GLOSSARY CONTINUED

LIQUIDITY HEADROOM

Liquidity headroom is unrestricted cash plus undrawn available facilities.

Why used

Liquidity headroom shows the amount of unrestricted funds available to the Group.

Reconciliation to IFRS measures

£million	FY25	FY24
Multicurrency revolving credit facility	275.0	225.0
Term loan (\$125.0 million USD at 27 April 2025)	93.9	–
Total facility	368.9	225.0
Facility drawn	(195.1)	(115.0)
Unrestricted cash (note 16)	79.7	99.3
Total headroom	253.5	209.3

NET CASH/(DEBT)

Total borrowings (excluding capitalised transaction costs) less cash and cash equivalents and excludes IFRS 16 lease liabilities.

Why used

Measures the Group's indebtedness.

Reconciliation to IFRS measures

Reconciled in note 19 of the Consolidated Financial Statements.

NET MARGIN

Revenue less inventory recognised as an expense, commissions paid to the providers of interest-free credit and inventory provision movements.

Why used

Measures the profit made from the sale of inventory before showroom or overhead costs.

Reconciliation to IFRS measures

Refer to 4-Wall EBITDA.

RETURN ON CAPITAL EMPLOYED (ROCE)

Return on Capital Employed (ROCE) is defined as Adjusted EBIT divided by average capital employed, calculated on a Last Twelve Months (LTM) basis. Average capital employed is total assets less current liabilities excluding IFRS 16 lease liabilities.

Why used

ROCE demonstrates the efficiency with which the Group utilises capital. This measure was linked to management incentives in the financial year.

Reconciliation to IFRS measures

Adjusted EBIT of £149.7 million divided by the average capital employed, which is calculated as follows:

£million	FY25	FY24
Pre-IFRS 16 total assets	1,123.0	958.9
Pre-IFRS 16 current liabilities	(275.0)	(229.7)
Capital employed	848.0	729.2
Average capital employed	788.6	690.1

OTHER DEFINITIONS

EXPANSIONARY CAPITAL EXPENDITURE/CAPEX

Expansionary capital expenditure relates to new showrooms or offices, relocations or refurbishments greater than £250,000.

LUXURY WATCHES

Watches that have a Recommended Retail Price greater than £1,000.

LUXURY JEWELLERY

Jewellery that has a Recommended Retail Price greater than £500.

SHOWROOM MAINTENANCE CAPITAL EXPENDITURE/CAPEX

Capital expenditure which is not considered expansionary.

IFRS 16 ADJUSTMENTS

The following tables reconcile from pre-IFRS 16 balances to statutory post-IFRS 16 balances.

FY25 Consolidated Income Statement

£million	Pre-IFRS 16 and exceptional items	IFRS 16 adjustments	Exceptional items	Statutory
Revenue	1,651.5	–	–	1,651.5
Net margin	598.6	–	(2.0)	596.6
Showroom costs	(292.7)	65.9	–	(226.8)
4-Wall EBITDA	305.9	65.9	(2.0)	369.8
Overheads	(106.5)	–	(7.0)	(113.5)
EBITDA	199.4	65.9	(9.0)	256.3
Showroom opening and closing costs	(6.9)	4.7	–	(2.2)
Share of loss of joint venture and associates	(0.2)	–	–	(0.2)
Adjusted EBITDA	192.3	70.6	(9.0)	253.9
Depreciation, amortisation, loss on disposal, impairment of fixed assets and lease modifications	(42.6)	(50.9)	(46.5)	(140.0)
Adjusted EBIT (Segment profit)	149.7	19.7	(55.5)	113.9
Net finance costs	(13.6)	(22.2)	(2.2)	(38.0)
Adjusted profit before tax	136.1	(2.5)	(57.7)	75.9
Adjusted Basic EPS	41.6p	(0.8)p	(18.0)p	22.8p

FY25 Balance Sheet

£million	Pre-IFRS 16	IFRS 16 adjustments	Post-IFRS 16
Goodwill and intangibles	304.1	–	304.1
Property, plant and equipment	191.9	0.5	192.4
IFRS 16 right-of-use assets	–	358.6	358.6
Investment in joint venture and associates	0.5	–	0.5
Inventories	447.4	–	447.4
Trade and other receivables	71.1	(10.6)	60.5
Trade and other payables	(305.5)	46.0	(259.5)
IFRS 16 lease liabilities	–	(454.6)	(454.6)
Net debt	(96.2)	–	(96.2)
Other	(47.0)	33.4	(13.6)
Net assets	566.3	(26.7)	539.6

FY24 Consolidated Income Statement

£million	Pre-IFRS 16 and exceptional items	IFRS 16 adjustments	Exceptional items	Statutory
Revenue	1,537.9	–	–	1,537.9
Net margin	562.2	–	1.7	563.9
Showroom costs	(289.1)	64.9	–	(224.2)
4-Wall EBITDA	273.1	64.9	1.7	339.7
Overheads	(85.3)	–	(6.2)	(91.5)
EBITDA	187.8	64.9	(4.5)	248.2
Showroom opening and closing costs	(8.9)	5.3	–	(3.6)
Adjusted EBITDA	178.9	70.2	(4.5)	244.6
Depreciation, amortisation, loss on disposal, impairment of fixed assets and lease modifications	(44.2)	(53.0)	(27.4)	(124.6)
Adjusted EBIT (Segment profit)	134.7	17.2	(31.9)	120.0
Net finance costs	(5.8)	(20.8)	(1.3)	(27.9)
Adjusted profit before tax	128.9	(3.6)	(33.2)	92.1
Adjusted Basic EPS	38.0p	(1.2)p	(11.8)p	25.0p

FY24 Balance Sheet

£million	Pre-IFRS 16	IFRS 16 adjustments	Post-IFRS 16
Goodwill and intangibles	215.7	–	215.7
Property, plant and equipment	193.1	(1.7)	191.4
IFRS 16 right-of-use assets	–	381.8	381.8
Inventories	393.3	–	393.3
Trade and other receivables	36.2	(11.6)	24.6
Trade and other payables	(263.3)	46.8	(216.5)
IFRS 16 lease liabilities	–	(460.4)	(460.4)
Net cash	0.7	–	0.7
Other	(29.2)	21.6	(7.6)
Net assets	546.5	(23.5)	523.0

SHAREHOLDER INFORMATION FOR WATCHES OF SWITZERLAND GROUP PLC

COMPANY

Watches of Switzerland Group PLC

Registered office address

Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT
Registered in England and Wales

Company Number: 11838443

VAT number: 834 8634 04

ADVISERS

Independent Auditor

Ernst & Young LLP, 1 More London Place, London, SE1 2AF

Corporate solicitors

Slaughter and May, One Bunhill Row, London, ECIY 8YY

Registrars

Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA

Joint brokers

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Jefferies International Limited, 100 Bishopsgate, London, EC2N 4JL

Financial PR

Headland PR Consultancy LLP, Cannon Green, 27 Bush Lane, London, EC4R 0AA

FINANCIAL CALENDAR

Trading Update:	3 September 2025
AGM:	3 September 2025
H1 FY26 results:	December 2025
Trading Update:	February 2026
Financial year-end:	April 2026

ANNUAL GENERAL MEETING

The AGM will be held at 2.30pm on Wednesday, 3 September 2025 at our offices at 36 North Row, London, W1K 6DH. The Notice of Meeting which accompanies this report and accounts sets out the business to be transacted.

SHAREHOLDING INFORMATION

Registrars

Please contact our Registrar Equiniti directly for all enquiries about your shareholding. Visit their website shareview.co.uk for online information about your shareholding. You will need your shareholder reference number which can be found on your share certificate or telephone the Registrar direct on +44 (0)371 384 2577. The overseas shareholder helpline number is +44 (0)371 384 2577. Lines are open 8.30am to 5.30pm Monday to Friday.

For more information see thewosgroupplc.com/investors/shareholder-contacts.

FORWARD LOOKING STATEMENTS

Cautionary statement: The Annual Report and Accounts contain certain forward looking statements with respect to the operations, performance and financial conditions of the Group. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward looking statements reflect knowledge and information available at the date of preparation of this Annual Report and Accounts and the Company undertakes no obligation to update these forward looking statements. Nothing in this Annual Report and Accounts should be construed as a profit forecast. Certain regulatory performance data contained in this Annual Report and Accounts is subject to regulatory audit.

TERMS USED IN THIS REPORT

The term 'Group' means Watches of Switzerland Group PLC (Company registration number 11838443) and its subsidiaries, associates and joint ventures.

ONLINE ANNUAL REPORT

Our Annual Report and Accounts is available online. View or download the full Annual Report and Accounts from: thewosgroupplc.com/investors/results-centre.

WARNING TO SHAREHOLDERS

Please be very wary of any unsolicited contact about your investments or offers of free company reports. It may be from an overseas 'broker' who could sell you worthless or high risk shares. If you deal with an unauthorised firm, you will not be eligible to receive payment under the Financial Services Compensation Scheme. Further information and a list of unauthorised firms that have targeted UK investors is available from the Financial Conduct Authority at: fca.org.uk.



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