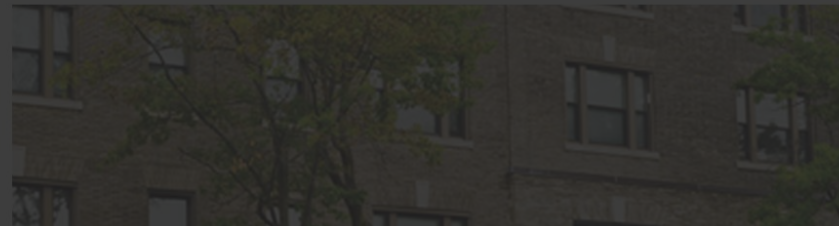




WATCHES OF SWITZERLAND GROUP PLC

H1 FY25 Results
December 2024
26 weeks ended 27 October 2024



WATCHES &
SWITZERLAND

Mappin & Webb

GOLDSMITHS

MAYORS

BETTERIDGE

Analog:Shift

MONO-BRAND
BOUTIQUES

ROBERTO COIN

HODINKEE

Disclaimer

Cautionary note regarding forward-looking statements

This presentation has been prepared by Watches of Switzerland Group PLC (the “Company”). It includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "plans", "goal", "target", "aim", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout this presentation and the information incorporated by reference into this presentation and may include statements regarding the intentions, beliefs or current expectations of the Company Directors or the Group concerning, amongst other things: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies, the expansion and growth of the Group's business operations; and (iii) the effects of government regulation and industry changes on the business of the Company or the Group.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Company's ability to control or predict. Forward-looking statements are not guarantees of future performance. The Group's actual results of operations, financial condition, liquidity, and the development of the industry in which it operates may differ materially from the impression created by the forward-looking statements contained in this presentation and/or the information incorporated by reference into this presentation.

Any forward-looking statements made by or on behalf of the Company or the Group speak only as of the date they are made and are based upon the knowledge and information available to the Directors on the date of this presentation, and are subject to risks relating to future events, other risks, uncertainties and assumptions relating to the Company's operations and growth strategy, and a number of factors that could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements. Undue reliance should not be placed on any forward-looking statements.

Before making any investment decision in relation to the Company you should specifically consider the factors identified in this document, in addition to the risk factors that may affect the Company's or the Group's operations which are described in the Annual Report and Accounts 2024.

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Agenda



CEO Update
Brian Duffy
Chief Executive Officer

Financial Review & Outlook
Anders Romberg
Chief Financial Officer

Q&A





WATCHES OF SWITZERLAND GROUP PLC

CEO Update

Brian Duffy, Chief Executive Officer



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Unique WOSG Model Delivers Financial and Operational Progress

- **H1 in line with expectations, Q2 return to growth in both markets**
- **Differentiated WOS Group model continues to succeed**
- **ROI list strong with good conversion**
- **Integration of Roberto Coin Inc. progressing very well and sales are strong**
- **Pre-Owned category both Rolex Certified Pre-Owned and other brands – in line with growth expectations**
- **Hodinkee integration underway and development of growth strategy and plans**
- **Strong pipeline of showroom development, underpinning H2 sales**
- **Holiday season has started well**
- **Full year guidance unchanged**

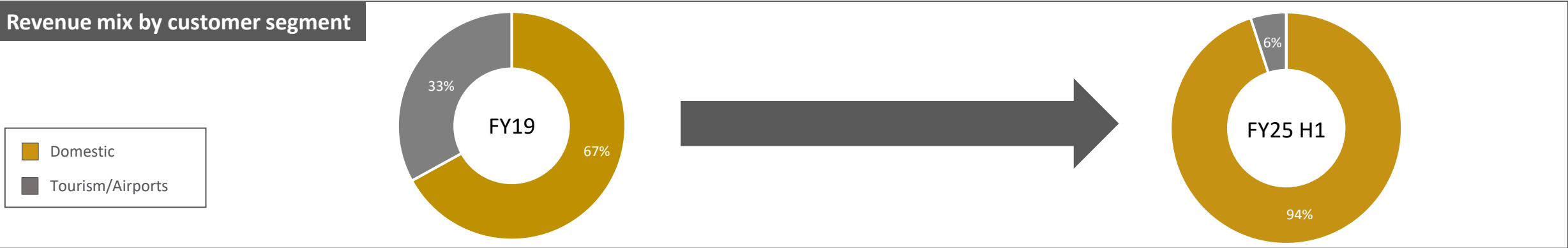


WOSG US Share of Sales Growing, and Performance Led by Domestic Clientele

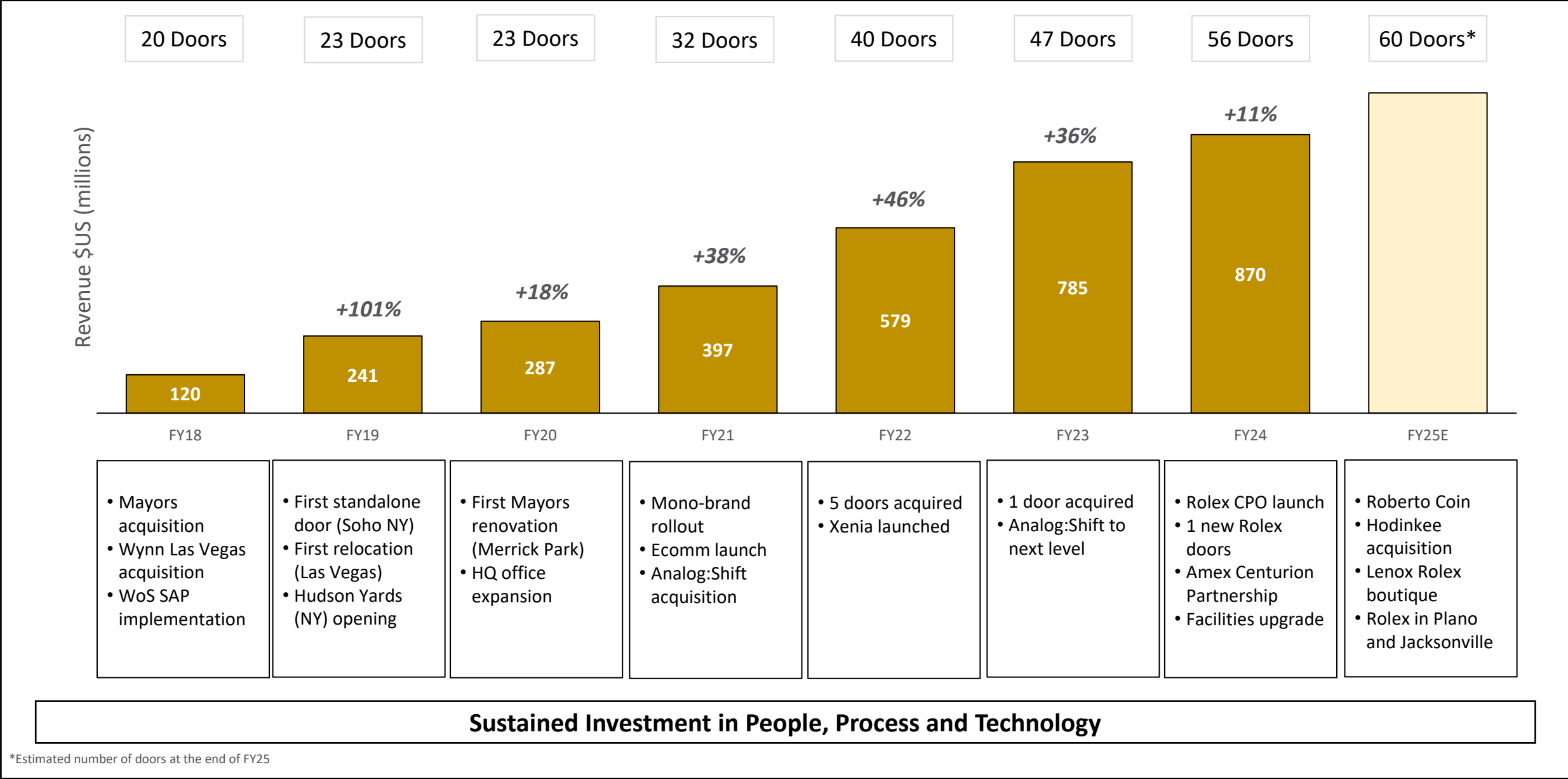
Revenue mix by market



Revenue mix by customer segment

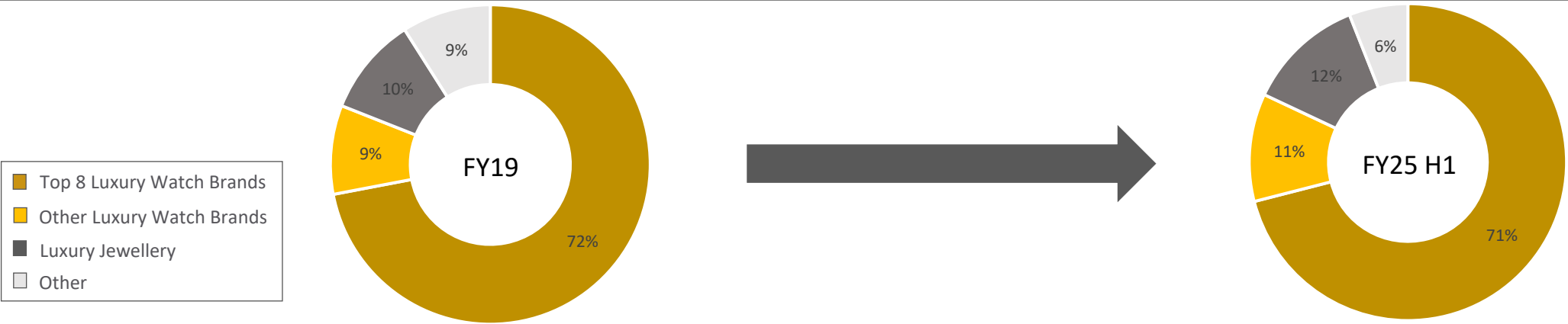


Exceptional US Growth Since Inception



Diversified, Robust and Flexible Business Model

Well diversified product and brand mix



Top 8 Luxury Watch Brands



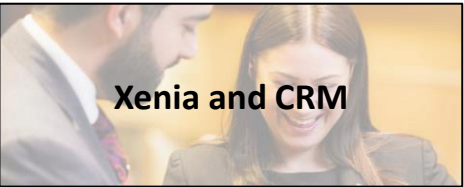
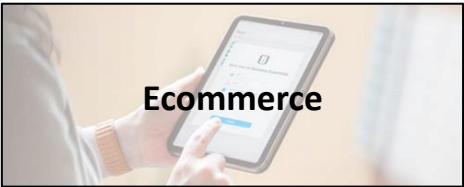
WOSG Continues to Have Broad Appeal

Definition	Category 1	Category 2	Category 3	Category 4
Type of client	Special Occasion	Enthusiast	Ultra Enthusiasts	Serious Collector
Number of watches owed across lifetime	1 - 2	3 - 4	5 - 6	7 +
UK				
% client / sales representation*	78% of clients 45% of sales	15% of clients 19% of sales	4% of clients 10% of sales	4% of clients 26% of sales
US				
% client / sales representation*	68% of clients 30% of sales	17% of clients 15% of sales	6% of clients 9% of sales	9% of clients 45% of sales

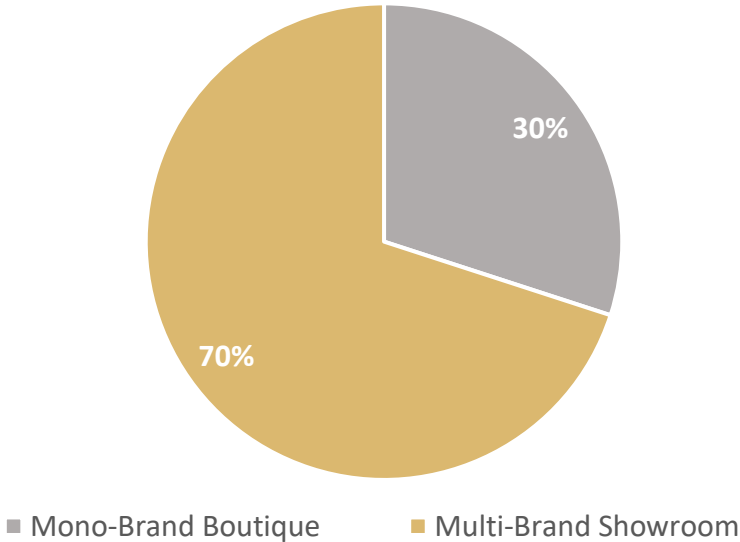
Outperform on special occasion and serious collectors

Greater proportion of collectors in US

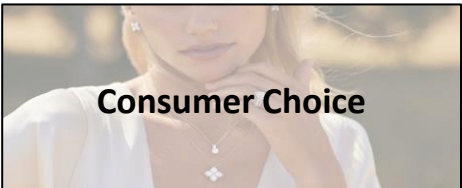
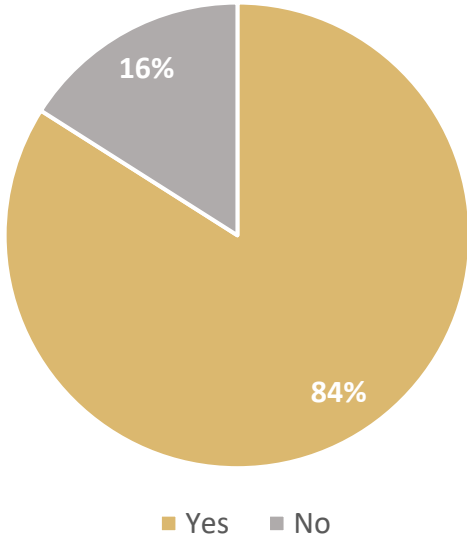
Choice and Independence of Advice Make Multi-Brand a Preferred Format Choice



When Purchasing a watch or jewellery item which retailer format do you prefer?



Is independent watch brand expertise and advice important to you?



Celebrating Our Watches of Switzerland Centenary with Exclusive Product





PATEK PHILIPPE
GENEVE



AUDEMARS PIGUET
Le Brassus



ROLEX



Patek Philippe: Betteridge Greenwich Expansion Opened August 2024



Additional 2,200 sq ft

**Significant expansion agreed for
both Rolex & Patek Philippe**

Further renovation in FY26

Audemars Piguet: Manchester Town House Opening April 2025



AUDEMARS PIGUET
Le Brassus
Opening April 2025

Rolex: Expanding Our Partnership with five Openings in H2 in the US



Continued strength of partnership

Significant pipeline of projects

Visibility on projects through Calendar 27



Mayors Tampa, Florida – Relocation Dec 24



Betteridge Vail, Colorado – Expansion Dec 24



St Johns, Jacksonville – Relocation and reintroduction of Rolex Jan 25



Plano (Dallas), Texas – Relocation and introduction of Rolex Feb 25

Lenox, Atlanta – Conversion of Mayors into Rolex Boutique: Opening February 2025



Conversion of Mayors Multi-brand to Rolex Boutique
3,000 sq ft



New Mayors showroom to open directly opposite

Rolex: Old Bond Street Opening in Spring 2025



Completes March 25

Four floors of retailing space

**Dedicated Rolex Certified Pre-Owned area and
aftersales service lounge**

Expansion and Conversion to Watches of Switzerland Fenchurch Street: Opened November 2024



Now across two floors

**Large branded areas for
Rolex, OMEGA, Breitling,
Tudor, TAG Heuer & Zenith
on the ground**

**Complemented by
extensive hospitality areas
across both floors**



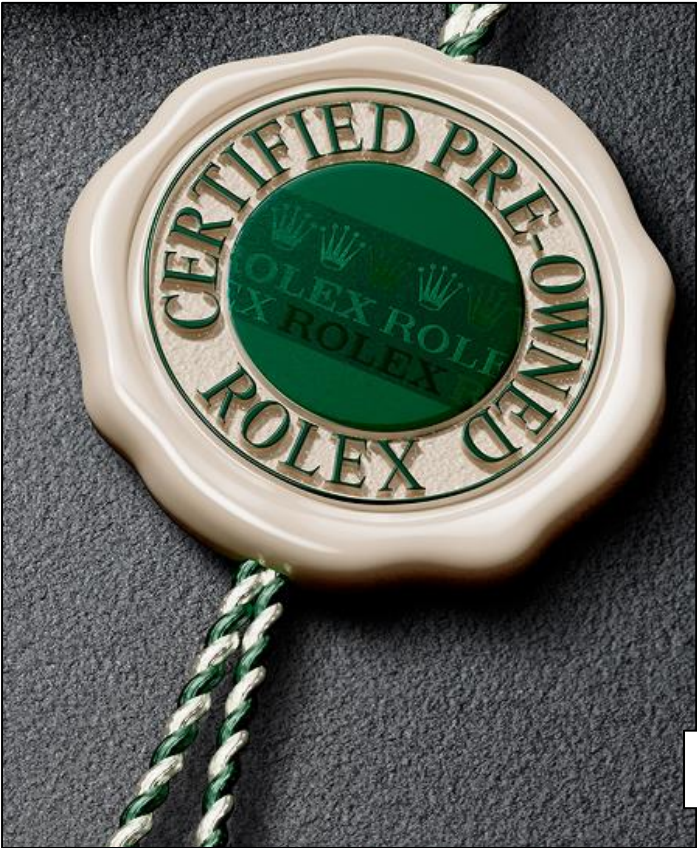
Strong Growth in Rolex Certified Pre-Owned Means it Has Become Our Second Largest Luxury Watch Brand

Rolex Certified Pre-Owned

US: Launched July 2023: Online and now in 19 showrooms
UK: Launched Sept 2023: Online and now in 24 showrooms

Certified Pre-Owned

US: Analog:Shift – 16 showrooms
UK: WOSG CPO – 30 showrooms



Performance in line with growth plan expectations

Multiple Growth Initiatives to Expand Luxury Branded Jewellery Offering



Roberto Coin Inc. acquisition and integration



Expanded jewellery space in existing/refurbished showrooms



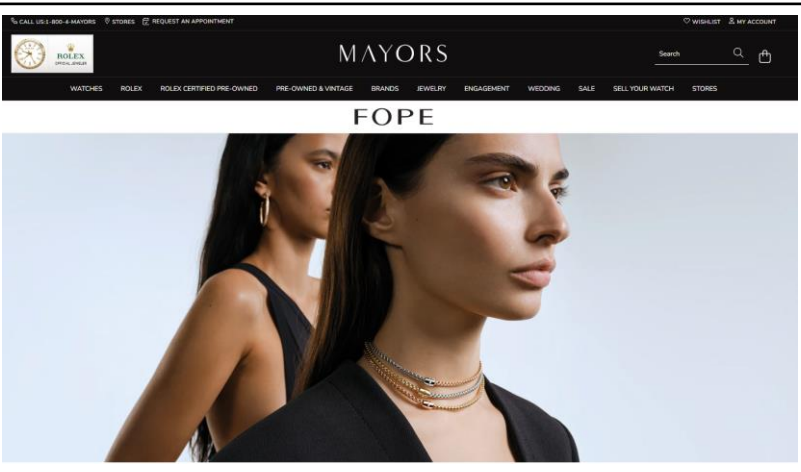
New/expanded portfolio of brand partnerships



Mappin & Webb Luxury Jewellery Boutique opens July 25



Online growth





Good reaction from wholesale partners

**Actively negotiating mono-brand boutiques –
expected to open first stores in FY26**

**Shop-in-shop design in Mayors showrooms –
resulted in significant sales uplift**

Pursuing department store concession models

Marketing campaign design

Roberto Coin – Case Study of In-store Presentation Elevation



From corner presentation
to elevated shop in shop

Sales per foot have
increased

Manchester Showroom a Significant Step Forward in Our Luxury Branded Jewellery Strategy

ROBERTO COIN

DE BEERS
A DIAMOND IS FOREVER

DAVID YURMAN

MESSIKA
PARIS

Pomellato

FOPE
VICENZA
DAL 1929

FRED

REPOSSI

Chopard

PASQUALE BRUNI

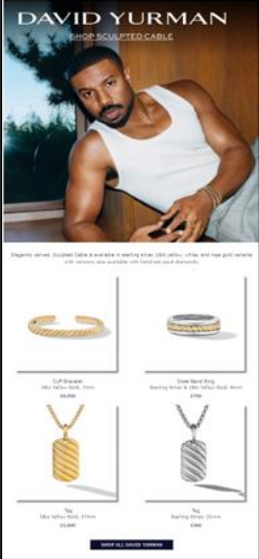
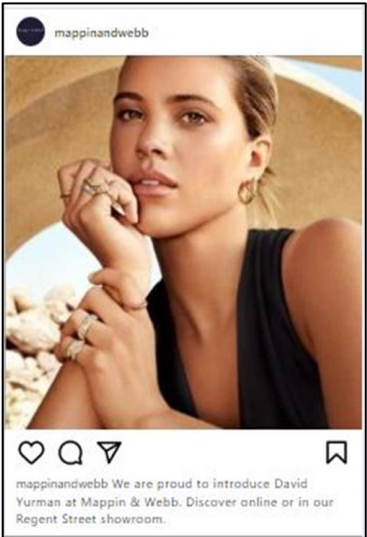
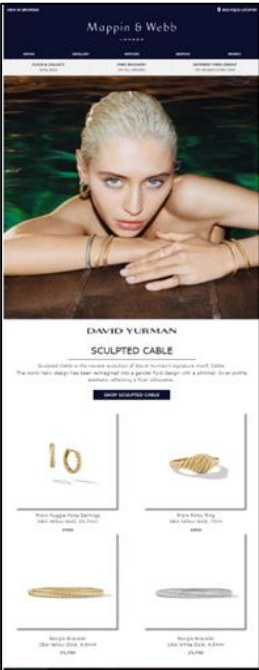
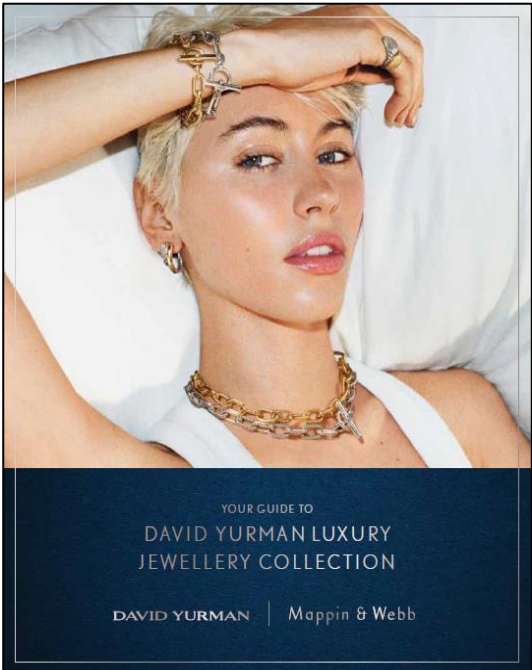
Mappin & Webb

FABERGÉ

ANNOUSHKA



Successful Launch of David Yurman in the UK



Client Events Continue to be a Priority - Increase in Virtual Boutique Resources and Technology



Hodinkee Acquisition Enhances Opportunities to Engage with Luxury Watch Enthusiasts

HODINKEE

- Pre-eminent global digital editorial content provider for luxury watch enthusiasts
 - 22.2m annual unique website visitors
 - 1 million social media followers
 - Traffic directed to WOS online site
- Limited edition watch collaborations
- Insurance services
- Advertisement revenue



INTRODUCING The TAG Heuer Carrera Chronograph Tourbillon x Porsche Panamericana

Winning elements make for TAG Heuer's latest celebration of its partnership with Porsche.

By JONATHAN MCWHORTER

Hodinkee Joins Forces With Watches Of Switzerland
By BENJAMIN CLYMER

PHOTO REPORT UBS House Of Craft NYC
By HODINKEE

HAPPENINGS HSNY Unveils "The Evolution Of Seiko And Grand Seiko" Exhibit
By CAROLINA NAVARRO

People



Ranked #10 in the FTSE
250 Women Leaders
Review

Planet



Community

£7.5m donated from WoSG to the Foundation

KINGS TRUST UK & US



FOODBANKS UK



FUEL BANK FOUNDATION UK



CRISIS UK



HABITAT FOR HUMANITY US



FOODBANKS US



Over 2,500 hours of volunteering by WoSG Colleagues



As of November 2024, the Group holds ISS Prime Rating and the top QualityScore of '1' for Environment and Social. 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 WOSG 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.



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Financial Results & Outlook

Anders Romberg, Chief Financial Officer



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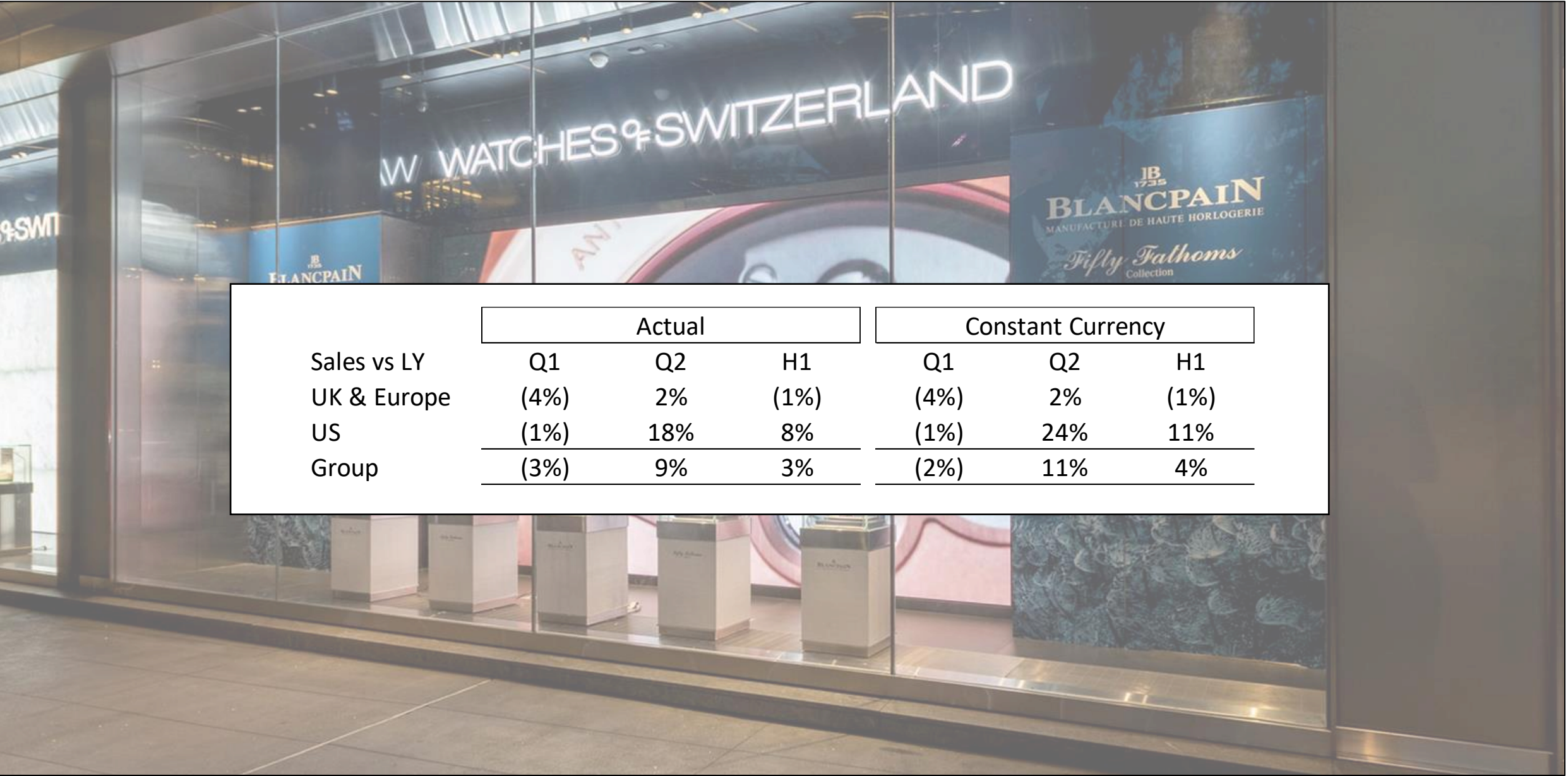
HODINKEE

Key Messages

- H1 performance in line with expectations
- H1 profitability impacted by Q1 stock build and deleverage of fixed costs
- Improvement in trading in Q2
- Holiday season has started well
- FY25 guidance unchanged



Sales on an Improving Trend in H1



	Actual			Constant Currency		
Sales vs LY	Q1	Q2	H1	Q1	Q2	H1
UK & Europe	(4%)	2%	(1%)	(4%)	2%	(1%)
US	(1%)	18%	8%	(1%)	24%	11%
Group	(3%)	9%	3%	(2%)	11%	4%

Income Statement Reflects Good Sequential Improvement in Q2

Income Statement (£million)	H1 FY25	H1 FY24	YoY %
Revenue	785	761	+3%
Net margin	284	280	+2%
Net margin %	36.2%	36.8%	(60bps)
Adjusted EBITDA	87	94	(7%)
Adjusted EBITDA %	11.1%	12.3%	(120bps)
Adjusted EBIT	66	73	(10%)
Adjusted EBIT %	8.4%	9.6%	(120bps)
Adjusted PBT	59	72	(18%)
Effective tax rate	28.4%	29.0%	(60bps)
Adjusted EPS	18.1p	21.5p	(16%)

Income Statement presented pre-IFRS 16 and pre-exceptional items

Revenue +3% vs LY, +4% in constant currency with sequential improvement from Q1 to Q2

- **H1 profitability impacted by Q1 inventory build, particularly in the US**
- **Net margin % adverse 60bps** - product mix due with higher pre-owned penetration, partially offset by savings on Interest Free Credit
- **Adjusted EBITDA -7% to £87m**, achieving margin of 11.1%, deleveraging of fixed cost base
- **Adjusted EBIT -10% to £66m**, achieving margin of 8.4%
- **Effective tax rate of 28.4%**
- **Adjusted EPS at 18.1p** – decrease of 3.4p

Refer to Glossary in Appendix for definitions

Ongoing Balance Sheet Strength

Balance Sheet (£million)	H1 FY25	H1 FY24	YoY %
Goodwill & intangibles	301	203	49%
PP&E	204	186	10%
Right-of-use assets	369	403	(8%)
Inventories	477	400	19%
Receivables	59	22	165%
Payables	(270)	(251)	(8%)
Lease liabilities	(454)	(460)	(1%)
Net (debt)/cash	(120)	16	
Other	(18)	(3)	
Net assets	548	516	

Balance Sheet is presented on a post IFRS-16 basis

- **£107m spent on acquisitions**
- Continued investment with **£44m of expansionary capex**
- **Inventory levels +£77m (+19%)** – reflects inventory on acquisitions of £76m. Underlying inventory levels and turns healthy
- **Net debt position of £120m**, reflecting acquisitions
- Net debt/Adjusted EBITDA leverage of 0.7x

Refer to Glossary in Appendix for definitions

Cash Flow Reflects Strong Organic and Inorganic Investment

Cash flow (£million)	H1 FY25	H1 FY24	YoY %
Adjusted EBITDA	87	94	(7%)
Working capital	(42)	(8)	
Tax	(12)	(23)	
Other	3	1	
Cash generated from operating activities	36	64	(45%)
Maintenance capex	(2)	(2)	
Interest	(6)	(6)	
Other	-	1	
Free cash flow	28	57	(50%)
Expansionary capex	(44)	(48)	
Acquisitions, including exceptional costs	(107)	-	
Purchase of own shares	-	(7)	
Refinancing	118	(52)	
Other	-	(1)	
Cash flow	(5)	(51)	

Refer to Glossary in Appendix for definitions

Free cash flow of £28m

- Adjusted EBITDA decreased by 7%
- Working capital seasonal build, unwinds in H2
- Full year expected c.70% free cash flow conversion
- £44m of expansionary capex
- £107m spent on acquisitions

FY25 Guidance Unchanged

FY25 guidance (pre-IFRS 16)	
Revenue	£1.67 - £1.73 billion
Revenue growth at constant currency	9 - 12%
Adjusted EBIT margin %	+0.2 to +0.6 percentage points expansion from FY24
Total finance costs	c.£13 million, reflecting additional financing for Roberto Coin Inc. acquisition
Underlying tax rate	28% - 30%
Capital expenditure	£60 - £70 million
Cash conversion	c.70%

FY25 guidance assumes:

- **Visibility of supply of key brands**
- Reflects **confirmed showrooms refurbishments, openings** and closures
- Includes Ernest Jones showroom and Roberto Coin Inc. acquisitions
- **Excludes uncommitted capital projects and acquisitions**
- **US/UK FX rate of 1.26**

The equivalent guidance on an IFRS 16 basis is:

- EBIT margin % +0.2% to +0.6% expansion from FY24
- Finance costs £37 - £41 million

Summary

- Markets have settled. Watches of Switzerland model working; gaining market share
- Roberto Coin brand performing very well with exciting future growth opportunities
- Pre-owned performing well and growing as planned
- Q2 and November momentum; intake visibility; and impact of projects underpin H2 expectations
- Guidance unchanged





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Q&A



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ANNOUNCEMENT	TIMING
Half Year Results	5 December 24
Holiday Trading Update	6 February 25
Full Year Results	3 July 25
AGM Trading Update	September 25

Glossary

Adjusted EBIT: Adjusted Earnings Before Interest and Tax is operating profit before exceptional items and IFRS-16 impact

Adjusted EBIT margin: Adjusted EBIT divided by revenue

Adjusted EBITDA: Adjusted Earnings Before Interest, Tax, Depreciation and Amortisation is shown before exceptional items and IFRS-16 impact

Adjusted EBITDA margin: Adjusted EBITDA divided by revenue

Adjusted EPS: Basic Earnings Per Share before exceptional items and IFRS-16 impact

Adjusted PBT: Adjusted Profit Before Tax before exceptional items and IFRS-16 impact

Constant currency: Results for the period had exchange rates remained constant from the comparative period

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

Expansionary capex: Relates to new showrooms, offices, relocations or refurbishments greater than £250,000

Free cash flow: Cash flow shown on a pre-IFRS 16 basis (including any lease cash payments) excluding expansionary capex, acquisitions of subsidiaries and financing activities

Free cash flow conversion: Free cash flow divided by Adjusted EBITDA

Net (debt)/cash: Total borrowings (excluding capitalised transaction costs) less cash and cash equivalents and excludes IFRS-16 leases

Net margin: Revenue less inventory recognised as an expense, commissions paid to the providers of Interest Free Credit and inventory provision movements

Net margin %: Net margin divided by revenue

Refer to Half Year Interim Announcement for reconciliations to statutory measures