

18 July 2024

**Watches of Switzerland Group PLC (the "Company")
Annual Report and Accounts 2024**

In compliance with Listing Rule 9.6.1, the Company announces that the following documents have today been submitted to the UK Financial Conduct Authority, and will shortly be available for inspection via the National Storage Mechanism at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>

1. Annual Report and Accounts 2024; and
2. Notice of Annual General Meeting of the Company, to be held at 36 North Row, London W1K 6DH at 2.30pm on 3 September 2024

In accordance with DTR 6.3.5(3) the Annual Report and Accounts 2024 and the Notice of Annual General Meeting are accessible on the Group's website: thewosgroupplc.com

A condensed set of Watches of Switzerland Group PLC financial statements and information on important events that have occurred during the year and their impact on the financial statements were included in the Company's FY24 results announcement on 27 June 2024. That information together with the information set out below which is extracted from the Annual Report and Accounts 2024 constitute the requirements of DTR 6.3.5 which is to be communicated via an RNS in unedited full text. This announcement is not a substitute for reading the full Annual Report and Accounts 2024. Page and note references in the text below refer to page numbers in the Annual Report and Accounts 2024. To view the FY24 results announcement visit the Company website: thewosgroupplc.com/investors

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Additional Information

Principal risks and uncertainties

Below are descriptions of our principal risks and uncertainties and explanations of how we manage or mitigate the risk. It is recognised that the Group is exposed to risks wider than those listed. However, we have disclosed those we believe are likely to have the greatest impact on our business at this moment in time.

Principal risk description	How we manage or mitigate the risk
Business Strategy Execution and Development 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. The acquisition of Roberto Coin Inc. in the US moves	 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

<p>the Group into the wholesale sector, a sector within which the Group has more limited existing internal expertise. There is strong reliance on incumbent management at Roberto Coin Inc. to deliver the Group's strategy.</p> <p>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.</p> <p>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.</p>	<p>Investment activity is monitored closely</p> <p>Key management information is provided to the Board on a regular basis to help inform strategic decision-making</p> <p>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</p> <p>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</p>
<p>Key Suppliers and Supply chain</p> <p>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.</p> <p>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.</p> <p>The Group's distribution agreements with suppliers do not guarantee a steady supply of merchandise.</p> <p>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 bypassing third-party retailers such as the Group.</p>	<p>The Group fosters strong relationships with brand partners and other suppliers, many of which have been held for a significant length of time</p> <p>Supplier distribution contracts are monitored to ensure continued compliance with contractual obligations</p> <p>The Group works collaboratively with brand partners to identify product trends and forward demand</p> <p>Continued focus on providing exceptional client experience, representing the brands in the best possible way</p> <p>Client experience is further elevated through new, larger showrooms that are supported by the brands</p> <p>In-depth training for showroom colleagues is provided, including specific training provided by the brand partners</p> <p>The Group's sales mix is becoming more broad-based, with less reliance on individual brands to drive success</p> <p>Review opportunities to extend our expertise into complementary business and service models</p>
<p>Client Experience and Market Risk</p> <p>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.</p> <p>The increased number of registration of interest (ROI) watches could adversely impact the perceived client experience.</p> <p>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.</p>	<p>The Group provides the ultimate luxury environment for its clients to feel welcome, appreciated and supported</p> <p>Our Xenia Client Experience Programme further elevates our client experience proposition (refer to page 40)</p> <p>Our brand partners audit and assess our client experience enabling us to independently benchmark and evaluate our performance</p> <p>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</p> <p>The CRM database allows the Group to engage with the client on their journey from a potential to a loyal client</p> <p>The Group continues to invest in and develop its product offering to improve the value offered to consumers, retailers, and manufacturers</p> <p>Competitor activity is monitored in detail, enabling strategic decision-making on key market positions</p> <p>Our Luxury Watch and Jewellery Virtual Boutique experience is a unique differentiator and recognised as a competitive advantage, as is the Group's scale</p>

	<p>and technological capabilities</p> <p>Consumer trends are monitored to ensure product ranges remain aligned to client demand</p>
<p>Colleague Talent and Capability</p> <p>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.</p> <p>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.</p>	<p>The Trading Board considers the development of senior management to ensure there are opportunities for career development, promotion, and appropriate succession</p> <p>The Nomination Committee considers the succession planning for the Board, and senior management</p> <p>The Company's recognition programmes are in place to incentivise and motivate colleagues</p> <p>A wide range of training and development programmes are available to colleagues</p> <p>The Colleague Engagement Survey provides an insight into what colleagues feel would make the Group an even better place to work</p> <p>The Group continually reviews the remuneration and benefits packages for all colleagues</p> <p>We utilise a two-way engaging communications platform, Workplace, globally. This social channel underpins Group communications to colleagues</p>
<p>Data Protection and Cyber Security</p> <p>The increasing sophistication and frequency of cyber-attacks, coupled with data protection laws, highlight the escalating information security risk facing all businesses.</p> <p>As the Group operates in the UK and US markets, the regulatory environment surrounding these areas is considered more complex.</p> <p>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.</p> <p>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.</p>	<p>Dedicated Group Data Protection Officer in place</p> <p>Significant investment in systems development and security programmes</p> <p>Systems vulnerability and penetration testing is carried out regularly</p> <p>The Group Data Protection Committee meets regularly to review related processes and emerging risks</p> <p>Information security and data protection policies, procedures, and training in place</p> <p>Enhanced multi-factor authentication (MFA) enforced across the Group</p> <p>Next Generation email security system implemented</p> <p>New 24/7 security operations centre (SOC) service onboarded</p> <p>Improved reporting capabilities allow all colleagues to promptly report any suspicious content or activity they encounter</p> <p>External maturity assessment conducted to validate continuous security improvement programme</p>
<p>Business Interruption</p> <p>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.</p> <p>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.</p> <p>The Group offers flexible delivery options (home delivery or click and 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.</p> <p>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</p>	<p>The Group has a framework of operational procedures and business continuity plans that are regularly reviewed, updated, and tested</p> <p>The multi-channel model allows clients to continue their relationship with us and to purchase in the event of disruption to any single channel</p> <p>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</p> <p>A comprehensive insurance programme is in place to offset the financial consequences of insured events</p> <p>A detailed IT development and security roadmap is in place aligned to our strategy</p> <p>Reliable and reputable third-party logistic partners have been engaged to ensure the secure transportation of goods</p>

<p>reputation and our clients may become less inclined to visit our showrooms.</p> <p>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.</p> <p>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.</p>	<p>The Group has in place action plans to effectively deal with the impact of a pandemic on business operations</p> <p>Revised and enhanced the crisis response programme implemented Group-wide</p>
<p>Regulatory and Compliance</p> <p>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.</p> <p>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.</p>	<p>The Group actively monitors both regulatory developments in the UK, US and Europe and compliance with existing obligations</p> <p>Clear Group policies and procedures are in place, including, but not limited to, anti-bribery, corruption and fraud, whistleblowing, and data protection</p> <p>Mandatory induction briefings and training for all colleagues on regulation and compliance</p> <p>Experienced in-house legal team with external expertise sought as needed</p> <p>The established culture and values foster open, honest communication</p> <p>Operational activities have been amended, and continue to be updated, to comply with guidance provided by the Government to prioritise the safety of colleagues and clients</p> <p>Regulatory compliance reviews form part of the rolling Internal Audit plan</p>
<p>Economic and Political</p> <p>The Group's business is geographically concentrated in the UK and US, with a more limited European footprint. Any sustained stagnation or deterioration in the luxury watch or jewellery markets or decline in consumer spending in these territories could have a material adverse impact on the Group's business.</p> <p>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.</p> <p>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.</p>	<p>Regular monitoring of economic and political events</p> <p>Focus on client service to attract and retain clients</p> <p>The Group updates internal return on investment hurdles and criteria to reflect changing market environments</p> <p>Detailed sales and inventory data is analysed to anticipate future trends and demand, taking into consideration the current economic environment</p> <p>Through continued expansion in the US, the Group is not wholly dependent on the economic or political environment in one single market</p>
<p>Brand and Reputational Damage</p> <p>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</p>	<p>The Group has a clear and open culture with a focus on trust and transparency</p> <p>Excellent client experience is a key priority of the Group and subject to independent scrutiny by our major brand partners through mystery shopping programmes</p> <p>The Group undertakes regular client engagement to understand and adapt the product, offer, and showroom environment</p> <p>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</p> <p>Training and monitoring of adherence by colleagues to Group policies and procedures</p>

	<p>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</p>
<p>Financial and Treasury</p> <p>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.</p> <p>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.</p> <p>The Group is exposed to foreign exchange risk and profits may be adversely impacted by unforeseen movements in foreign exchange rates.</p> <p>Significantly reduced trading over an extended period, due to a pandemic, could impact the business's ability to operate within committed credit facilities.</p>	<p>The Group maintains a £225 million revolving credit facility with a term of four years remaining</p> <p>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</p> <p>Exchange and interest rates are regularly reviewed to determine if hedging should be put in place</p> <p>A three-year strategic cash flow is prepared and stress-tested, including the impact on covenant calculations</p> <p>Quarterly meeting with the lenders' agent to update on forecast and trading</p> <p>To support the financing of the Roberto Coin Inc. acquisition and provide additional headroom, a short-term loan facility of US\$115 million has been agreed, extendable up to February 2026</p>
<p>Climate Change</p> <p>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.</p> <p>In a changing climate, there is the potential for higher insurance premiums for business operations, especially ones located in specific geographies.</p> <p>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 more low-carbon business model.</p> <p>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 supply chain environment.</p> <p>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.</p>	<p>The Board 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>Climate related issues are addressed on a regular basis by the ESG Committee, which is chaired by an Independent Non-Executive Director</p> <p>The ESG Committee challenges our ESG Steering Group on progress against goals and targets</p> <p>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</p> <p>The ESG agenda continues to evolve rapidly and climate training has been introduced for Board members to ensure they have sufficient knowledge for effective decision-making</p> <p>The CEO has overall operational responsibility for climate strategy and the mitigation of related risks</p> <p>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</p> <p>The Group has a dedicated Head of Sustainability and ESG, who has significant experience in relation to climate change</p> <p>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 programmes (refer to pages 185)</p> <p>Each ESG pillar is supported by Working Groups, which include senior operational managers, with input from external consultants</p> <p>The Group undergoes numerous external assessments on climate and sustainability activities</p>

Further information on the financial risks we face and how they are managed is provided on pages 130 to 139 of the Annual Report and Accounts 2024.

Directors' Responsibility Statement

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 elected to prepare 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.

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 148 and 149 of the Annual Report and Accounts 2024 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 2024, including the Strategic Report, includes 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 2024, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

The Directors of Watches of Switzerland Group PLC are listed in the Group's Annual Report and Accounts 2024 and on the Group's website: thewogroupplc.com

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