



WATCHES OF SWITZERLAND GROUP PLC

FAIR TAX MARK STATEMENT 2024

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The Watches of Switzerland Group (the 'Group') is the UK's largest luxury watch retailer, operating in the UK, US and Europe comprising five prestigious brands; Watches of Switzerland (UK and US), Mappin & Webb (UK), Goldsmiths (UK), Mayors (US) and Betteridge (US), with a complementary jewellery offering.

As at 28 January 2024, the Watches of Switzerland Group had 222 showrooms across the UK, US and Europe including 98 dedicated mono-brand boutiques in partnership with Rolex, OMEGA, TAG Heuer, Breitling, TUDOR, Audemars Piguet, Longines, Grand Seiko, BVLGARI and FOPE and has a leading presence in Heathrow Airport with representation in Terminals 2, 3, 4 and 5 as well as seven retail websites.

The Watches of Switzerland Group is proud to be the UK's largest retailer for Rolex, OMEGA, Cartier, TAG Heuer and Breitling watches.

Tax Strategy

As a global luxury retailer, the Group takes its corporate, social, and environmental responsibilities very seriously and is committed to acting with honesty and integrity in all business dealings. With respect to taxation, the Group acts in accordance with the separately published Annual Tax Strategy which includes the following fundamental principles:

1. The Group acts with integrity and transparency in all tax matters and complies fully with both the letter and spirit of all relevant tax laws. The Group will not use marketed or abusive tax avoidance schemes.
2. Any transactions undertaken by the Group have a legitimate commercial purpose and are not led by artificial tax planning considerations. The Group does not utilise tax havens for the purposes of tax avoidance or financial secrecy.

3. The Group complies with the OECD Transfer Pricing Guidelines, following the arm's length principle and seeks to ensure that profits are declared in the jurisdictions where the economic substance arises.
4. The Group does not accept the facilitation of tax evasion.
5. The Group pro-actively engages with Tax Authorities in a constructive, honest, timely and professional manner.

Responsibility for ensuring adherence to the Tax Strategy rests with the Chief Financial Officer, Anders Romberg, supported by the Head of Tax, Rebecca Hurford. The Group confirms in this Statement that it has complied with the published Tax Strategy during the financial years ended 30 April 2023 and 28 April 2024.

Reporting

The Annual Report and Financial Statements of the Watches of Switzerland Group PLC are freely available at UK Companies House, or on our corporate website.

All subsidiary companies are included in the consolidated financial statements of the Watches of Switzerland Group PLC and are tax resident in their country of incorporation.

An extract from the UK Country-By-Country Reporting (CbCR) for the year ended 30 April 2023 is included below showing the tax jurisdictions where revenues, profits and current tax arise, and employees and tangible assets are located:

TAX JURISDICTION	REVENUES (GBP)	PROFIT/(LOSS) BEFORE TAX (GBP)	CURRENT TAX (GBP)	NUMBER OF EMPLOYEES*	TANGIBLE ASSETS ** (GBP)
United Kingdom of Great Britain and Northern Ireland	890,018,855	91,391,783	12,643,123	2,219	309,713,000
United States of America	652,927,634	63,618,216	14,566,169	529	194,171,387
Guernsey***	3,833,981	2,680,250	0	0	0
Sweden	2,368,843	-1,440,320	0	14	6,216,428
Denmark	1,449,815	-1,170,848	0	11	3,010,160
Ireland	171,058	-252,172	0	4	880,791
Netherlands	0	-12,043	0	0	179,873
Germany	0	-76,798	0	1	406,081
Finland	0	0	0	0	0
Norway	0	0	0	0	0

* FTE average number of employees

** Tangible assets and stock excluding cash and cash equivalents

*** Current tax on Guernsey profits is included in the UK row above (as a CFC charge).

All amounts disclosed above are calculated using the CbCR definitions and therefore Revenues stated above include the sale of products, interest income and dividend income.

The subsidiary companies in the Netherlands, Germany and Finland did not include any Revenues in the year ended 30 April 2023 as they were pre-trading. All overseas entities (excluding the Guernsey entity) are incorporated for legitimate retail trading activities (with physical stores open or planned for opening at the point of incorporation). The Guernsey company is a captive insurance company which is subject to full taxation in the UK under the Controlled Foreign Company regime.

The Group has legal entities in Guernsey and Ireland which are considered 'Low Tax Jurisdictions' as their standard corporation tax rate is lower than 15%. As outlined above, these entities are incorporated for legitimate commercial purposes and not to take advantage of the low tax rate in the country.

The UK Current Tax charge is lower than the UK main rate of corporation tax due to the benefit of the 130% first year capital allowance (known as the 'Super-Deduction') available to all UK companies investing in qualifying new assets between 1 April 2021 and 31 March 2023.