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2 May 2019

Jewel UK Midco Limited

Announcement of Intention to Publish a Registration Document and Potential Intention to Float on the London Stock Exchange

Jewel UK Midco Limited, the parent company of The Watches of Switzerland Group Limited (the “**Company**”, and together with its subsidiaries and subsidiary undertakings, the “**Group**” or “**Watches of Switzerland Group**”), the leading multi-channel luxury watch retailer in the UK and a leading retailer of luxury watches in selected regions of the US, announces that it is considering to undertake an initial public offering (the “**IPO**” or the “**Offer**”) and that it intends to publish today a registration document (the “**Registration Document**”). The Company is considering applying for admission of its ordinary shares to the premium listing segment of the Official List of the Financial Conduct Authority (“**FCA**”) and to trading on the main market of the London Stock Exchange (the “**LSE**”) (“**Admission**”).

Watches of Switzerland Group Highlights

- Watches of Switzerland Group is the leading multi-channel luxury watch retailer in the UK and a leading retailer of luxury watches in selected regions of the US, a resilient luxury product category in two of the most important global markets for luxury watches
- Under the leadership of Brian Duffy, CEO, Watches of Switzerland Group has undergone significant transformation since 2014. It has achieved strong and sustained profitable growth, improved operating margins, delivered strong returns on capital invested and established a well-invested platform for growth. In 2018, Watches of Switzerland Group was recognised as the leading private mid-market growth company in The Sunday Times Grant Thornton Top Track 250 league table (based on sales)
- Watches of Switzerland Group is a technologically advanced multi-channel retailer with a modern approach to retailing. Watches of Switzerland Group offers luxury watches and jewellery through

its Watches of Switzerland, Goldsmiths, Mayors and Mappin & Webb stores, mono-brand stores, allied with a comprehensive e-commerce platform

- Watches of Switzerland Group has a 35% share of the UK luxury watch market by value of total luxury watch sales in 2018; and a 41% share of the UK luxury watch market by value of total luxury watch sales in 2018 excluding sales of mono-brand stores owned by luxury watch brands
- Watches of Switzerland Group has strong long-standing relationships with owners of leading luxury watch brands, including Rolex, Patek Philippe, Tag Heuer, Omega, Breitling, Cartier, Audemars Piguet, and other key suppliers. Watches of Switzerland Group is the largest retailer in the UK for several of these brands, including Rolex
- Rolex is the largest luxury watch brand in the UK by sales in 2018 with a 41% market share, growing at a 21% CAGR since 2014. Watches of Switzerland Group operates 39% of all Rolex agencies and accounted for 50% of Rolex's sales in the UK in 2018 (compared to 39% in 2014). Watches of Switzerland Group's sales of Rolex have grown at a CAGR of 28% between 2014 and 2018. Watches of Switzerland Group became the first authorised UK retailer of Rolex watches in 1919 and celebrates its 100th anniversary with the brand this year
- Watches of Switzerland Group has a well-invested nationwide store network of 125¹ stores across the UK and at Heathrow Airport. As of 27 January 2019, UK stores that accounted for 93.2% of Watches of Switzerland Group's revenues have been renovated or are newly opened since FY 2014². Watches of Switzerland Group's flagship is its 155 Regent Street Watches of Switzerland store, the largest luxury watch showroom in Europe
- Watches of Switzerland Group currently has 21 stores in the US in Florida, Atlanta, the Wynn Resort & Casino in Las Vegas and two stores in New York (Soho Greene Street and the newly opened Hudson Yards). Through the acquisition of Mayors and the successful deployment of its best practices from the UK, Watches of Switzerland Group is now the largest luxury watch retailer in the south-eastern region of the US
- Watches of Switzerland Group had Group revenues of £746.0 million in the last twelve months to 27 January 2019, growing at a CAGR of 18.0% since FY 2014. Watches of Switzerland Group had a global adjusted EBITDA of £67.7 million in the last twelve months to 27 January 2019, growing at a CAGR of 35.1% since FY2014, representing a margin of 9.1% (an improvement of 430 basis points since FY 2014). Watches of Switzerland Group has a strong track record of rapid cash payback on capital investments, which averaged 2.2 years between FY 2015³ and the 39-week period to 27 January 2019

Brian Duffy, CEO of Watches of Switzerland Group said:

"I am incredibly proud of the transformation Watches of Switzerland Group has undergone over the last five years to become the UK's leading luxury watch retailer and successfully enter the important US market. Today's announcement signals the next stage in that journey, leveraging our scale, retail and e-commerce expertise, and strong stakeholder relationships to continue our profitable growth strategy.

There are significant growth opportunities ahead of us, both in the UK and the US, many of which are already being realised. We have a proven track record, an experienced management team and strong brand support for our plans. At Watches of Switzerland Group we have the best teams in the business and credit for our success goes to them. We love what we do and I am very excited for what lies ahead and the opportunity to take our growth strategy to the public markets."

¹ As at 28 April 2019

² Representing the 53-week period ended 4 May 2014

³ Representing the 52-week period ended 3 May 2015

Potential Offer Highlights

Should Watches of Switzerland Group proceed with an IPO, the current expectation is that:

- The Company's shares would be admitted to the premium listing segment of the Official List of the FCA and would be admitted to trading on the main market for listed securities of the LSE
- The Offer would comprise new shares to be issued by the Company and an offer of existing shares to be sold by certain existing shareholders
- Investment funds managed by an affiliate of Apollo Global Management would reduce its current ownership stake in the Company⁴ but would remain a controlling shareholder
- The Group believes that the Offer will further support the Group's growth plans by:
 - enabling the Group to reduce its current leverage
 - further enhancing the Group's profile and brand recognition with customers, suppliers and employees
 - providing the Company with a more permanent capital structure and access to a wider range of capital-raising options
 - further improving the ability of the Group to recruit, retain and incentivise key management and employees
 - creating a liquid market in the shares for existing and future shareholders
- Immediately following Admission, the Company intends to have a free float of at least 25% of the Company's issued share capital and expects that it would be eligible for inclusion in the FTSE UK indices. In addition, it is expected that up to a further 15% of the Offer will be made available pursuant to an over-allotment option
- The Company has engaged Barclays Bank PLC, acting through its Investment Bank ("**Barclays**") and Goldman Sachs International ("**Goldman Sachs**") to act as Joint Global Co-ordinators, Joint Bookrunners and Joint Sponsors, and BNP PARIBAS ("**BNP PARIBAS**") and Investec Bank plc ("**Investec**") to act as Joint Bookrunners in the event the Offer proceeds. N.M. Rothschild & Sons Limited ("**Rothschild & Co**") is acting as Financial Adviser to the Company

A copy of the Registration Document will be submitted to the National Storage Mechanism and will be available for inspection at www.morningstar.co.uk/uk/nsm once approved by the FCA. A copy of the Registration Document will also be available from the Company's registered office at Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT and online at <http://www.thewosgroupplc.com>, subject to certain access restrictions.

Access to supplemental information for bona-fide, unconnected research analysts: Unconnected sell side research analysts can obtain additional information, including details of a potential presentation, which may be held by Watches of Switzerland on Tuesday 7 May 2019 in London, by requesting access at the following website: <http://www.thewosgroupplc.com> by no later than 17:00 UK on Friday 3 May 2019. The Company reserves the right to not hold the in-person management presentation.

Investment Highlights

Watches of Switzerland Group Operates in Attractive, Growing Luxury Watch Markets

- The global luxury watch market is a structurally attractive market, underpinned by favourable, long-term growth in both price and volume. In 2018, the global Swiss watch exports market was worth CHF 21.1 billion, with the US being the second largest market and the UK the fifth

⁴ Held through Jewel Holdco S.à.r.l. (the "Principal Selling Shareholder")

- Luxury watches are durable assets with outsized demand compared to supply, limited discounting, limited seasonality and significant brand pricing control
- Watches of Switzerland Group primarily operates in the UK luxury watch market, which has grown strongly over time. Driven by both domestic and international demand, the market grew at an 18% CAGR between 2014 and 2018, to stand at an estimated £1,491 million in 2018
- Watches of Switzerland Group is the leading multi-channel luxury watch retailer in the UK with a 35% market share. Watches of Switzerland Group's market share has increased by three percentage points since 2015, largely at the expense of specialist and independent retailers
- Watches of Switzerland Group expects the UK luxury watch market to continue to grow due to its strong retail offering and significant marketing investment from the luxury watch brands and retailers. Watches of Switzerland Group's scale, national coverage, Heathrow Airport presence, multi-channel platform, long-standing relationships with Rolex and other core brands, and leading CRM and merchandising systems leave it well placed to stimulate demand and capture an outsized share of this growth
- The US luxury watch market is under-developed compared to the UK, due to a general lack of investment which has resulted in less developed distribution capabilities across the market. This has resulted in an under-penetration of luxury watches compared to other countries and other categories of luxury products within the US. Watches of Switzerland Group believes this indicates the growth potential of the US luxury watch market
- Watches of Switzerland Group, through its Mayors brand, is the largest luxury watch retailer in the south-eastern US and is the largest Rolex retailer in Florida and Georgia with 14 agencies in total. Watches of Switzerland Group has also launched two new stores in each of Las Vegas and New York in 2018 and 2019
- Watches of Switzerland Group believes that it has the advantage of being a newcomer to the US market relative to established competitors and of being more agile in targeting popular and newer locations that it views as attractive to target customers. This is without the burden of being saddled with locations that may not have retained their appeal to luxury retail over time. Watches of Switzerland Group believes that it is well positioned to gain US market share based on strong support from its suppliers and its solid track record in the UK

Strong long-term relationships with owners of leading luxury watch brands

- The manufacturing of key luxury watch brands is highly concentrated among a limited number of brand owners primarily based in Switzerland. They strictly control brand distribution, including product presentation and customer experience, with the aim of preserving exclusivity and the rarity value of luxury watches. This results in a structural imbalance of supply and demand meaning a significant proportion of customers are put on waiting lists for luxury watches from key brands. Watches of Switzerland Group's sales of waitlisted Rolex, Patek Philippe and Audemars Piguet luxury watches in the last twelve months to 27 January 2019 accounted for 33%, 22% and 21% of Watches of Switzerland Group's sales of luxury watches from such brands
- Relationships with owners of luxury watch brands typically take many years to develop and are difficult to replicate. Through its strong and longstanding relationships with the world's leading luxury watch makers, Watches of Switzerland Group is able to offer its customers the most popular luxury watch brands in the world, such as Rolex, Patek Philippe, Tag Heuer, Omega, Breitling, Cartier and Audemars Piguet
- These business partnerships have been ongoing for decades. Watches of Switzerland Group's relationship with Rolex dates back to 1919 and it has longstanding relationships with a number of other luxury watch brands including Cartier (68 years), Longines (62 years), Omega (65 years), Patek Philippe (52 years), Breitling (36 years), Hublot (35 years), Tag Heuer (35 years), Jaeger LeCoultre (29 years) and IWC (26 years)

- As of February 2019, Watches of Switzerland Group was the largest UK distributor for Rolex, with 44 agencies, which represented 39% of all Rolex agencies in the UK. Watches of Switzerland Group's superior multi-channel proposition meant that it represented 50% of all Rolex sales in the UK
- Watches of Switzerland Group's scale in the UK and the US, and its state-of-the-art CRM and merchandising systems enable it to provide unique insight into real-time trends in customer preferences
- Watches of Switzerland Group believes that the strength of its longstanding relationships with these brands has assisted, and will continue to assist it in growing its presence in the US

The leading distributor of luxury watches in the UK, with a competitively advantageous scale of operations leading to continuous market share gain

- Watches of Switzerland Group has a market-leading retail offering in the UK through a multi-channel platform comprised of its nationwide network of Watches of Switzerland, Goldsmiths, Mappin & Webb and mono-brand stores and integrated branded websites, with stores in prime locations in London, regional centres and at Heathrow Airport
- Watches of Switzerland Group is well placed relative to its competitors in terms of its scale, availability of luxury watch brands, brand assortment, inventory depth and availability, multi-channel retailing capabilities and its capacity to invest in its scalable platform and systems
- Watches of Switzerland Group's scale in the UK allows it to offer customers a wide range of product choices, enhance inventory management and Watches of Switzerland Group's productivity. This is supported by Watches of Switzerland Group's technologically-advanced systems and infrastructure, purpose-built distribution centre, well-located and well-invested stores, diversified product offering and access to exclusive jewellery product ranges
- As a result, Watches of Switzerland Group is able to respond swiftly to customer demand by sourcing out-of-stock items in-store from any other store across its entire store portfolio in a short period of time, which improves its operational efficiency. In the 39-week period to 27 January 2019, UK inter-branch transfer luxury watch gross revenue accounted for 25% of Watches of Switzerland Group's UK gross revenue
- Watches of Switzerland has drawn on its strengths as a leading UK distributor of luxury watches, with its strong relationships with owners of luxury watch brands, as well as its experience in applying best practices in merchandising (including product presentation), marketing, CRM and IT processes and systems throughout its UK business, in growing its US business

Strategically located and well-invested store network with strong payback returns and attractive in-store experience

- Watches of Switzerland Group has a well-invested and strategically located network of 125⁵ stores in the UK with a leading brand name recognition, and 21 stores in the US across Florida, Georgia, New York and Las Vegas
- Watches of Switzerland Group has significantly invested since 2014 to optimise, relocate and refurbish its store network. This includes upgrading customers' in-store experience, enhancing product ranges, product presentation, merchandising standards and services in-store that are both relevant to Watches of Switzerland Group's customers and differentiated from its competitors
- Watches of Switzerland Group's five flagship Watches of Switzerland stores (three "Golden Triangle" stores in the UK and two existing "Golden Triangle" stores in the US) and six stores at

⁵ As at 27 April 2019

Heathrow Airport, in particular, are positioned in some of the busiest and most popular shopping locations to capture the affluent target customer base

- Since FY 2014, Watches of Switzerland Group has invested approximately £90 million to optimise, relocate and upgrade its store network. As of 27 January 2019, UK stores that accounted for 93.2% of Watches of Switzerland Group's UK revenue have been renovated or newly opened since FY 2014
- Historically, Watches of Switzerland Group's sales uplift from the first year to the second year post refurbishment of a UK store has tended to be around 25% to 30%, and the uplift from the second to the third year post refurbishment has tended to be around 5% to 10%
- Watches of Switzerland Group has a strong track record rapid cash payback on capital investments, which averaged 2.2 years between FY 2015 and the 39-week period to 27 January 2019

Complementary integrated multi-channel offering that is well-positioned for future growth

- Watches of Switzerland Group has a strong online presence, offering a wide range of luxury watch and luxury jewellery brands online in the UK and US. Rolex and Patek Philippe do not permit their watches to be sold online (across the whole global market with any retail partner), but Watches of Switzerland Group features information about them online as part of its marketing strategy
- Watches of Switzerland Group's websites are custom-built with content rich, high quality images and videos. Through an in-house team responsible for e-commerce and web design, Watches of Switzerland has created landing pages for each of its luxury brands, with distinctive brand imagery
- Watches of Switzerland Group's in-store channel allows customers to order products online within the store network. Watches of Switzerland Group's online channels (including its web-enabled channel in-store) offer customers the ability to (i) purchase online with home delivery in the UK and US, (ii) book a viewing in store and (iii) use Watches of Switzerland Group's "click and collect" service to collect the product in-store. This is supplemented by personalised online assistance. Watches of Switzerland Group is one of only a few luxury watch retailers with a nation-wide click and collect capability in the UK and the US
- Watches of Switzerland Group is the leading retailer of luxury watches online in the UK, with a 40% share of the online luxury watch market (excluding brands' own online sales) in 2018. Online sales accounted for 12.4% of Watches of Switzerland Group's UK revenue from brands sold online in the 39-week period to 27 January 2019 (excluding Rolex and Patek Philippe brands which are not sold online)

Growing branded jewellery offering

- Complementary to its luxury watches, Watches of Switzerland Group offers branded, differentiated and, for some pieces, exclusive jewellery both in-store and online
- Watches of Switzerland Group offers its own branded jewellery through Mappin & Webb, Mayors and Goldsmiths, as well as that of third-party brands
- Watches of Switzerland Group has exclusive rights to sell the Mappin & Webb and Goldsmiths jewellery brands and also has rights to sell third-party brands such as Fope and Messika. Mappin & Webb has held royal warrants to the British monarchs since 1897 and currently employs the current Crown Jeweller
- Since 2016, Watches of Switzerland Group has made significant investments in the elevation of jewellery brands, to offer more luxury jewellery as opposed to fashion and classic items. Watches

of Switzerland Group has focused on offering higher value luxury jewellery products, visual merchandising combined with advertising, store investment and allocating more retail space towards luxury products

Strong cash flow generation and low operating leverage

- Since FY 2016⁶, Watches of Switzerland Group has been successful in growing its operating profit as a percentage of its revenue and global adjusted EBITDA margin, as well as improving its cash flow generation, primarily due to its low maintenance capital expenditure requirements (£9.2 million of maintenance capital expenditure incurred between FY 2016 and the 39-week period to 27 January 2019), as well as a focus on cost control, leverage of overheads and improvement to financial systems and processes
- A high portion of Watches of Switzerland Group's cost structure is variable or semi-variable which Watches of Switzerland Group believes provides it with greater flexibility to reduce its cost base in a timely manner to match sales trends

Experienced and committed management team with a proven track record

- Watches of Switzerland Group has an experienced management team with deep industry know-how. The management team is led by Brian Duffy, the Group's CEO, with over 25 years of executive experience in the retail industry internationally and five years at Watches of Switzerland Group
- The CFO, Chief Operating Officer, Executive Director for Mappin & Webb and Goldsmiths and Executive Vice President USA, each have more than 30, 39, 20 and 16 years of experience in the retail industry, respectively, and four, 36, 14 and three years at Watches of Switzerland Group, respectively
- Watches of Switzerland Group has also retained most of the Mayors and Wynn employees who were transferred as part of both acquisitions, thus benefitting from their knowledge of the business and the US luxury watch and jewellery markets

Group Strategy and Financial Ambition

Watches of Switzerland Group is targeting approximately £1 billion in revenue by FY 2021, with targeted mid-single digit like-for-like revenue growth in both the UK and US in each of FY 2020, FY 2021 and FY 2022. Watches of Switzerland expects its global adjusted EBITDA margin to remain broadly stable across FY 2019 and FY 2022, subject to fluctuations in any given year.

Watches of Switzerland Group will seek to achieve the above targets through implementation of the following strategy:

- Leveraging Watches of Switzerland Group's market-leading position in the UK to grow market share and drive UK like-for-like revenue growth. This is focused on four key tenets:
 - successfully executing its pipeline of new projects, as well as identifying attractive locations for opening new Group-branded stores or mono-brand stores or relocating existing stores and continuing to upgrade its existing stores as and when necessary
 - further developing Watches of Switzerland Group's successful business and presence in travel retail
 - growing sales and improving margins in Watches of Switzerland Group's existing stores and via the online channel through product, merchandising, marketing, training, logistics

⁶ Representing the 52-week period ended 1 May 2016

and technological initiatives to stimulate demand and continue to grow the market in partnership with key brands

- proactively managing Watches of Switzerland Group's store portfolio to improve operating margins
- Become the market-leading luxury watch retailer in the US. Watches of Switzerland Group intends to achieve this vision by:
 - continuing to gain market share organically
 - completing the refurbishment of all Mayors stores
 - replicating best practices that have been successfully developed in Watches of Switzerland Group's UK business across its US business
 - leveraging strong relationships with key landlords and suppliers to support attractive pipeline of future projects
 - where attractive, gaining market share through further acquisitions

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Investec

FURTHER INFORMATION ON THE GROUP

In this announcement, unless otherwise indicated, all financial information, key performance indicators and other data relating to the Group's business and results of operations exclude the business and results of operations of Watch Shop and Watch Lab, which the Group disposed of on 3 December 2018 (and which will be presented as discontinued operations in the Registration Document). Terms used but not defined in this announcement have the meanings what will be ascribed to them in the Registration Document.

Preliminary Trading Update for the 52-Week Period Ended 28 April 2019

Trading Update – 13-Week Period Ended 28 April 2019 (Referred to as the Fourth Quarter of FY 2019 for These Purposes) (Unaudited)

On a reported basis, the Group generated revenue of £179.0 million in the fourth quarter of FY 2019, reflecting an increase of 17.8% compared to the same period in FY 2018. The Group achieved Global Like-for-Like Revenue Growth of 12.4% in the fourth quarter of FY 2019. This was principally due to 24.5% growth in revenue from sales of luxury watches in the period compared to the same period in FY 2018, which the Group believes was supported by a significant marketing campaign to promote its stores in Las Vegas and New York.

In the UK, revenue grew by 12.1% in the fourth quarter of FY 2019 (compared to the same period in FY 2018) and the Group achieved UK Like-for-Like Revenue Growth of 12.7% in the fourth quarter of FY 2019.

In the US, on a local currency basis, revenue grew by 27.0% in the fourth quarter of FY 2019 (compared to the same period in FY 2018) and the Group achieved US Like-for-Like Revenue Growth of 11.9% in the fourth quarter of FY 2019.

Trading Update – FY 2019 Results (Unaudited)

On a reported basis, the Group generated revenue of £773.0 million in FY 2019, reflecting growth of 22.5% compared to FY 2018.

In FY 2019, the Group's revenue grew by 10.2% and the Group achieved Global Like-for-Like Revenue Growth of 9.2%, in each case, as adjusted for the Mayors Acquisition and the Wynn Acquisition as if they had taken place on 30 April 2017. This was principally due to 14.4% growth in revenue from sales of luxury watches in FY 2019 (as adjusted for the Mayors Acquisition and the Wynn Acquisition as if they had taken place on 30 April 2017) compared to the prior year.

In the UK, revenue grew by 8.6% in FY 2019 compared to FY 2018 and the Group achieved UK Like-for-Like Revenue Growth of 10.0% in FY 2019.

In the US, on a local currency basis, revenue grew by 12.3% in FY 2019 compared to FY 2018 and the Group achieved US Like-for-Like Revenue Growth of 7.1% in FY 2019, in each case, as adjusted for the Mayors Acquisition and the Wynn Acquisition as if they had taken place on 30 April 2017.

Key Performance Indicators and Financial Information

Key Performance Indicators

(£m, Except as Indicated)	As of and for					
	FY 2016	FY 2017	FY 2018	LTM 2019	9M 2018	9M 2019
UK Like-for-Like Revenue Growth (%)	6.6	18.7	4.0	8.6	4.5	9.3
London Like-for-Like Revenue Growth (%)	1.0	37.0	0.2	7.9	1.3	8.8
Regional Like-for-Like Revenue Growth (%)	9.4	10.4	6.2	8.8	6.5	8.9
Non-Core Stores Like-for-Like Revenue Growth (%)	1.3	(1.1)	(4.9)	(9.3)	(5.0)	(3.3)
UK Luxury Jewellery Like-for-Like Revenue Growth (%)	8.8	5.5	1.8	6.3	0.0	5.6
Global Adjusted EBITDA	26.2	42.1	58.5	67.7	50.8	60.0
Global Adjusted EBITDA Margin (%)	6.4	8.3	9.3	9.1	10.6	10.1
UK Adjusted EBITDA	26.2	42.1	49.7	55.9	44.6	50.8
US Adjusted EBITDA	-	-	8.8	11.9	6.2	9.2
Global Adjusted EBITDA Pre-exceptional Costs and Non-underlying Items	31.2	47.9	65.6	76.7	55.4	66.4
Global Adjusted EBITDA Pre-exceptional Costs and Non-underlying Items Margin (%)	7.6	9.4	10.4	10.3	11.6	11.2
UK Adjusted EBITDA Pre-exceptional Costs and Non-underlying Items	31.2	47.9	56.2	60.4	49.0	53.2
US Adjusted EBITDA Pre-exceptional Costs and Non-underlying Items	-	-	9.4	16.3	6.3	13.2
Average Selling Price of Luxury Watches (£)	2,820	3,226	3,842	4,371	3,732	4,409
Average Selling Price of Luxury Jewellery (£)	887	895	1,077	1,152	1,083	1,179
Average Selling Price of Fashion and Classic Watches and Jewellery (£)	91	82	84	84	85	85
Average UK Luxury Watch Selling Price (£)	2,820	3,226	3,509	3,780	3,486	3,827
Average US Luxury Watch Selling Price (£)	-	-	8,223	8,526	8,130	8,574
Average UK Luxury Jewellery Selling Price (£)	887	895	956	949	959	967
Average UK Fashion and Classic Watches and Jewellery Selling Price (£)	91	82	84	84	85	85
UK Store Contribution	53.5	74.1	81.3	88.4	67.8	74.9
London Store Contribution	7.4	18.6	17.7	19.3	15.2	16.9
Regional Store Contribution	32.6	36.9	39.8	43.8	33.7	37.7
Non-Core Stores Store Contribution	2.0	0.1	(0.4)	(0.5)	0	(0.2)
Net Margin	158.5	197.6	239.5	279.4	183.4	223.3
UK Net Margin	158.5	197.6	207.0	214.3	164.3	171.6
US Net Margin	-	-	32.5	65.1	19.1	51.7
Change in Net Working Capital for Continuing Operations	0.5	4.5	(4.7)	(0.2)	(3.3)	7.8

Income Statement

	FY 2016		FY 2017		For FY 2018		9M FP 2018		9M FP 2019	
	(£ in millions)	% of revenue	(£ in millions)	% of revenue	(£ in millions)	% of revenue	(£ in millions)	% of revenue	(£ in millions)	% of revenue
Revenue	410.2	100.0	509.4	100.0	631.2	100.0	479.2	100.0	594.1	100.0
Cost of sales before exceptional items	(382.9)	93.3	(465.4)	91.4	(573.8)	90.9	(432.0)	90.2	(539.1)	90.7
Exceptional cost of sales	-	-	(5.2)	1.0	-	-	-	-	-	-
Cost of sales	(382.9)	93.3	(470.5)	92.4	(573.8)	90.9	(432.0)	90.2	(539.1)	90.7
Gross profit before exceptional items	27.4	6.7	44.0	8.6	57.4	9.1	47.3	9.9	55.0	9.3
Gross profit	27.4	6.7	38.8	7.6	57.4	9.1	47.3	9.9	55.0	9.3
Administrative expenses before exceptional items	(11.2)	2.7	(14.6)	2.9	(17.1)	2.7	(10.1)	2.1	(7.5)	1.3
Exceptional administrative expenses	(1.3)	0.3	(0.6)	0.1	(1.5)	0.2	(2.1)	0.4	(5.1)	0.9
Administrative expenses	(12.5)	3.0	(15.2)	3.0	(18.6)	2.9	(12.2)	2.5	(12.5)	2.1
Loss on disposal of property, plant and equipment	(1.8)	0.4	(1.0)	0.2	(1.3)	0.2	(0.7)	0.2	(1.1)	0.2
Operating profit	13.1	3.2	22.6	4.4	37.4	5.9	34.3	7.2	41.3	7.0
Finance costs	(25.4)	6.2	(21.9)	4.3	(30.6)	4.8	(22.1)	4.6	(19.2)	3.2
Finance income	0.3	0.1	0.1	-	0.4	0.1	0.2	-	0.5	0.1
Net finance cost	(25.1)	6.1	(21.8)	4.3	(30.2)	4.8	(21.8)	4.5	(18.7)	3.1
(Loss)/Profit before taxation	(11.9)	2.9	0.8	0.2	7.2	1.1	12.5	2.6	22.6	3.8
Taxation	(2.6)	0.6	1.3	0.3	(6.9)	1.1	(8.7)	1.8	(6.4)	1.1
(Loss)/Profit for the financial period	(14.6)	3.6	2.1	0.4	0.3	-	3.8	0.8	16.3	2.7

Board of Directors

If the Group were to proceed with an IPO, it is intended that the following individuals would be appointed as directors to the board of the listed company:

Dennis Millard – Non Executive Chairman

Mr Millard was appointed as Chairman of the Group in October 2018. He has over 25 years' experience in finance and CFO roles, and is currently Senior Independent Director at Superdry PLC, and Deputy Chairman and Senior Independent Director at Pets at Home PLC. He has over 13 years' experience as non-executive director, senior independent director and chairman of publicly listed and privately owned retail and service businesses (including Halfords Group PLC and Debenhams PLC). He is a member of the South African Institute of Chartered Accountants and holds an MBA from the University of Cape Town.

Brian Duffy – Chief Executive Officer

Mr Duffy has served on several boards of across the fashion, retail and sports sectors. He has been the CEO of the Group since 2014, and has previously served on the boards of several subsidiaries of Ralph Lauren, as well as the boards of Celtic PLC, and Sara Lee Corporation. Mr Duffy is a Chartered Accountant and holds a DBA from Glasgow Caledonian University.

Anders Romberg – Chief Financial Officer

Mr Romberg joined the Group in 2014 as CFO. He has over 25 years' senior management experience; most recently at Ralph Lauren he served as CFO and COO for EMEA, and COO for Asia Pacific. He previously held senior finance roles at Gillette.

Fabrice Nottin – Non-Executive Director

Mr Nottin is a Partner at Apollo Management International LLP and is a Non-Executive Director of the Group. He has over 14 years' private equity experience, having been Senior Principal at Lion Capital prior to joining Apollo Management International in 2011. His experience covers the consumer and retail sectors, and he led Apollo investment funds' acquisition of the Group in March 2013.

Teresa Colaianni – Independent Non-Executive Director

Ms Colaianni was appointed as Non-Executive Director of the Group in 2018. Her previous experience includes serving as Vice President - Human Resources at Hilton Hotels Corp., and as Independent Non-Executive Director at Poundland Group PLC and Mothercare PLC. She is currently an Independent Non-Executive director at DWF Group PLC.

Rosa Monckton – Independent Non-Executive Director

The Honourable Rosa Monckton has over 20 years' experience in the luxury jewellery and watch sectors, and was appointed as Non-Executive Director of the Group in 2014. Her experience includes setting up Tiffany & Co in the United Kingdom, and serving as CEO and then chairman of Asprey & Garrard. She also has experience in the charity sector, and campaigns on behalf of disabled children and adults.

Robert Moorhead – Independent Non-Executive Director

Mr Moorhead has significant experience in the retail sector. He was appointed as Non-Executive Director of the Group in 2018. He currently serves as CFO and COO of WH Smith PLC, and is a Director of funkypigeon.com Limited. He was previously Finance Director at Specsavers Optical Group and Finance and IT Director at World Duty Free Europe Limited.

Important Legal Information

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This announcement may include statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These statements reflect beliefs of the Directors (including based on their expectations arising from pursuit of the Group’s strategy) as well as assumptions made by the Directors and information currently available to the Group.

Although the Directors consider that these beliefs and assumptions are reasonable, by their nature, forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the Group’s actual financial condition, results of operations or prospects to be materially different from any future financial condition, results of operations or prospects expressed or implied by such statements. Past performance cannot be relied upon as a guide to future performance and should not be taken as a representation that trends or activities underlying past performance will continue in the future. No representation is made or will be made that any forward-looking statements will be achieved or will prove to be correct.

In addition, this announcement contains information concerning the Group’s industry and its market and business segments generally, which is forward-looking in nature and is based on a variety of assumptions regarding the ways in which the industry, and the Group’s market and business segments, will develop. These assumptions are based on information currently available to the Group. If any one or more of these assumptions turn out to be incorrect, actual market results may differ from those predicted. While the Group does not know what effect any such differences may have on the Group’s business, if there are such differences, they could have a material adverse effect on the Group’s future results of operations and financial condition.

Each of the Company, Barclays Bank PLC, Goldman Sachs International, BNP PARIBAS and Investec Bank plc, and their respective affiliates as defined under Rule 501(b) of Regulation D of the Securities Act (“**affiliates**”), expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statements contained in this announcement and disclaims any obligation to update its view of any risks or uncertainties described herein or to publicly announce the results of any revisions to the forward-looking statements made in this announcement, whether as a result of new information, future developments or otherwise, except as required by law.

Certain figures contained in this announcement, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this announcement may not conform exactly with the total figure given.

The Registration Document mentioned in this announcement may be combined with a securities note and summary to form a prospectus in accordance with the Prospectus Rules. A prospectus is required before an issuer can offer transferable securities to the public or request the admission of transferable securities to trading on a regulated market. However, the Registration Document referred to in this announcement, where not combined with the securities note and summary to form a prospectus, does not constitute an offer or invitation to sell or issue, or a solicitation of an offer or invitation to purchase or subscribe for, any securities in the Company in any jurisdiction, nor shall the Registration Document alone (or any part of it), or the fact of its distribution, form the basis of, or be relied upon in connection with, or act as any inducement to enter into, any contract or commitment whatsoever with respect to any offer or otherwise. Any subscription or purchase of shares in the possible Offer should be made solely on the basis of information contained in the Prospectus which may be issued by the Company in connection with the possible Offer.

The information in this announcement is subject to change. Before subscribing for or purchasing any shares, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus if published. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. This announcement shall not, form the basis of or constitute any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any shares or any other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefor.

The Company may decide not to go ahead with the IPO and there is therefore no guarantee that Admission will occur. You should not base your financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested.

Persons considering making investments should consult an authorised person specialising in advising on such investments. Neither this announcement, nor the Registration Document referred to herein, constitutes a recommendation concerning a possible offer. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of a possible offer for the person concerned.

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