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Ad hoc announcement pursuant to Art. 53 of the Listing Rules

SWATCH GROUP: Key Figures 2024

- Net sales of CHF 6 735 million, -12.2% against the previous year at constant exchange rates (-14.6% at current rates). Negative currency impact of CHF 192 million.
 - Operating margin of 10.6% in the Watches & Jewelry segment (without Production). Improvement to 12.2% for the fourth quarter, or 14.1% for the month of December. Deliberately maintaining production capacities and jobs led to a strongly negative operating result in the Production segment.
 - Operating profit of CHF 304 million (previous year: CHF 1 191 million). Operating margin of 4.5% (previous year: 15.1%).
 - Net income of CHF 219 million (previous year: CHF 890 million). Net margin of 3.3% (previous year: 11.3%).
 - Operating cash flow of CHF 333 million (previous year: CHF 615 million). Net liquidity¹⁾ of CHF 1 376 million (previous year: CHF 1 988 million).
 - Equity of CHF 12.2 billion (previous year: CHF 12.3 billion). Equity ratio of 87.3% (previous year: 86.1%).
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- Record sales and market share gains in the USA, Japan, India and the Middle East, with the strongest growth for the Omega, Longines and Tissot brands. Persistently difficult market situation and weak demand for consumer goods overall in China (including Hong Kong SAR and Macau SAR).
 - Dividend proposed by the Board of Directors: CHF 0.90 per registered share (previous year: CHF 1.30) and CHF 4.50 per bearer share (previous year: CHF 6.50).
 - Positive sales development in local currencies expected in 2025, based on the good sales reported in December outside of China, as well as the planned new products across all price segments.

¹⁾ Cash and cash equivalents as well as financial assets, securities and derivative financial instruments minus current financial debts and derivative financial liabilities

KEY FIGURES 2024

Group Key Figures

[CHF million]	2024	2023	Change in %		Total
			at constant rates	currency effect	
Net sales	6 735	7 888	-12.2%	-2.4%	-14.6%
Operating result	304	1 191			
– In % of net sales	4.5%	15.1%			
Net result	219	890			
– In % of net sales	3.3%	11.3%			
Equity	12 217	12 258			
– As % of balance sheet total	87.3%	86.1%			

Unaudited figures

Highlights of the financial year 2024

At constant exchange rates, Group net sales were 12.2% below the previous year. The negative currency impact amounted to CHF 192 million or 2.4%.

Watches & Jewelry

The Watches & Jewelry segment (without Production) ended the 2024 reporting year with a considerable decline in sales and a correspondingly low operating margin of 10.6% (previous year: 17.2%), which was partly attributable to the deliberate maintenance of marketing investments, such as for the Olympic Games in Paris.

The huge drop in demand for consumer goods in China (including Hong Kong SAR and Macau SAR) and in the Southeast Asian markets, which are heavily dependent on Chinese tourists, persisted in the second half of 2024. Sales in these key regions for the Group's brands declined by around 30% overall. The share of total sales in China (including Hong Kong SAR and Macau SAR) amounted to 27%, in comparison with 33% in the previous year.

The key markets of the USA, Japan, India and the Middle East achieved record sales in their local currencies. In the USA, the largest market for watches before China, Omega, Longines and Swatch performed very well, and Tissot exceeded the USD 100 million in sales mark for the first time. In Japan, the third-largest export market for Swiss watches, high double-digit growth was achieved, with Harry Winston, Omega, Longines and Tissot in particular able to strengthen their positions. The Swatch brand is continuing on a high in Japan. The Rivoli Group achieved considerable sales growth, and the new distribution company in Saudi Arabia performed very well. The retail share of the Watches & Jewelry segment's total sales rose to 47%.

The prestige brands Breguet and Blancpain were particularly affected by the challenging market environment. Harry Winston and Omega, on the other hand, performed well, as did the brands in the medium price segments with Rado, Longines and Tissot. Demand for the *MoonSwatch* and *Scuba Fifty Fathoms* Swatch remained very high throughout the entire year, thanks to various market launches, and improved even further in the second half of the year thanks to the success of the new *Mission to the Super Blue Moonphase* and *Mission to Earthphase* models.

Sales in December were very positive, particularly for the Omega, Tissot and Hamilton brands with double-digit growth, while sales for brands in the prestige segment were still below those of the previous year. The USA, Canada, as well as certain European countries such as the UK, the Netherlands or Belgium, exceeded the previous year's sales by 20% or more.

KEY FIGURES 2024

Production

Significantly lower sales in the Production segment, resulting from a decline in orders, both from third parties and from the Group's own brands, led to a strongly negative operating result for the segment. The Group is sticking to its strategy of maintaining production capacities and avoiding redundancies. This will lead to a rapid improvement in the result for the segment in 2025, if sales improve. And all the more so since practically all markets worldwide are on course for growth, and issues with consumption are only being seen in the Greater China region.

Electronic Systems

Sales rose in the second half of the year, reaching the previous year's level. For the year as a whole, the segment reported sales of CHF 330 million (-7.0% at constant exchange rates, -8.1% at current rates). Operating profit amounted to CHF 12 million (previous year: CHF 27 million). The order books at the end of the year was up 25% year on year.

Investments

The Group increased its investments in its own retail businesses and pursued major projects relating to production buildings, such as for EM Microelectronic-Marin or ETA. All in all, CHF 568 million was invested (previous year: CHF 803 million).

Inventories

In the second half of the year, inventories fell by roughly 1%, in comparison with the 5.5% rise seen in the first half of the year. Over the year as a whole, these rose by CHF 332 million.

Research and Development

Intensive research and development activities led to 196 new patent applications in 2024 (previous year: 188).

Personnel

The number of employees decreased by 2.1% due to natural fluctuations. Following the consolidation of the successful Rivoli Group's eyewear business with a partner in the Middle East, 428 employees were transferred to a new company in which Rivoli has a minority interest. The number of employees at the end of the year amounted to 32 477 people (previous year: 33 602).

KEY FIGURES 2024

Outlook 2025

2025 promises positive momentum worldwide. The Group's extensive industrial basis, as well as its strong brand presence, with many exciting new products across all price segments, mean that a positive performance in 2025 can be expected.

Demand in China will continue to be rather restrained. The expectation is that the habits and behaviour of Chinese consumers will continue to change, which will open up plenty of new opportunities for the strongly positioned brands.

For 2025, Swatch Group expects substantial improvements with respect to sales, operating result and cash flow.

Tentative next publications / events:

20.03.2025	Publication of the annual report and the sustainability report 2024 Press conference
21.05.2025	Annual General Meeting
31.07.2025	Publication of 2025 half-year results

Original:	German
Translations:	English, French and Italian

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KEY FIGURES 2024

Consolidated Income Statement

	2024		2023	
	CHF million	%	CHF million	%
Net sales	6 735	100.0	7 888	100.0
Other operating income	263	3.9	136	1.7
Changes in inventories	213	3.2	687	8.7
Material purchases	-1 345	-20.0	-1 864	-23.6
Personnel expense	-2 506	-37.2	-2 550	-32.3
Depreciation and impairment on property, plant and equipment	-368	-5.5	-346	-4.4
Amortization and impairment on intangible assets	-48	-0.7	-44	-0.6
Other operating expenses	-2 640	-39.2	-2 716	-34.4
Operating result	304	4.5	1 191	15.1
Other financial income and expense	44	0.6	-36	-0.5
Interest expense	-3	-0.0	-4	-0.0
Share of result from associates and joint ventures	-2	-0.0	-1	-0.0
Ordinary result	343	5.1	1 150	14.6
Non-operating result	2	0.0	2	0.0
Result before income taxes	345	5.1	1 152	14.6
Income taxes	-126	-1.8	-262	-3.3
Net result	219	3.3	890	11.3
Attributable to shareholders of The Swatch Group Ltd	193		869	
Attributable to non-controlling interests	26		21	
Earnings per share in CHF				
Registered shares				
Basic earnings per share	0.75		3.35	
Diluted earnings per share	0.75		3.35	
Bearer shares				
Basic earnings per share	3.74		16.76	
Diluted earnings per share	3.74		16.75	

Unaudited figures

KEY FIGURES 2024

Consolidated Balance Sheet

Assets	31.12.2024		31.12.2023	
	CHF million	%	CHF million	%
Current assets				
Cash and cash equivalents	1 103	7.9	1 683	11.8
Financial assets, securities and derivative financial instruments	293	2.1	380	2.7
Trade receivables	612	4.3	672	4.7
Other current assets	107	0.8	195	1.4
Inventories	7 641	54.6	7 309	51.4
Prepayments and accrued income	250	1.8	263	1.8
Total current assets	10 006	71.5	10 502	73.8
Non-current assets				
Property, plant and equipment	3 162	22.6	3 029	21.3
Intangible assets	151	1.1	153	1.1
Investments in associates and joint ventures	34	0.2	13	0.1
Other non-current assets	186	1.3	84	0.6
Deferred tax assets	453	3.3	448	3.1
Total non-current assets	3 986	28.5	3 727	26.2
Total assets	13 992	100.0	14 229	100.0

Unaudited figures

KEY FIGURES 2024

Consolidated Balance Sheet

Equity and liabilities	31.12.2024		31.12.2023	
	CHF million	%	CHF million	%
Current liabilities				
Financial debts and derivative financial instruments	20	0.2	75	0.5
Trade payables	270	1.9	317	2.2
Other liabilities	213	1.5	164	1.2
Provisions	95	0.7	97	0.7
Accrued expenses	424	3.0	567	4.0
Total current liabilities	1 022	7.3	1 220	8.6
Non-current liabilities				
Financial debts	2	0.0	2	0.0
Deferred tax liabilities	507	3.7	516	3.6
Retirement benefit obligations	44	0.3	42	0.3
Provisions	71	0.5	64	0.5
Accrued expenses	129	0.9	127	0.9
Total non-current liabilities	753	5.4	751	5.3
Total liabilities	1 775	12.7	1 971	13.9
Equity				
Share capital	118		118	
Capital reserves	-978		-971	
Treasury shares	-132		-114	
Goodwill recognized	-1 416		-1 352	
Translation differences	-754		-900	
Retained earnings	15 274		15 416	
Equity of The Swatch Group Ltd shareholders	12 112	86.6	12 197	85.7
Non-controlling interests	105	0.7	61	0.4
Total equity	12 217	87.3	12 258	86.1
Total equity and liabilities	13 992	100.0	14 229	100.0

Unaudited figures

KEY FIGURES 2024

Consolidated Statement of Cash Flows

(CHF million)	2024	2023
Operating activities		
Net result	219	890
Share of result from associated companies and joint ventures	2	1
Income taxes	126	262
Depreciation and depreciation on non-current assets	416	390
Changes in provisions and retirement benefit obligations	4	16
Gains/losses on sale of non-current assets	1	-2
Fair value gains/losses on marketable securities	4	-12
Expenses for employee stock option plan	7	8
Other non-cash items	-39	81
Changes in net current assets:		
- Trade receivables	71	-72
- Inventories	-220	-698
- Other current assets, prepayments and accrued income	32	-73
- Trade payables	-30	25
- Other liabilities and accrued expenses	-60	26
Dividends received from associated companies and joint ventures	2	1
Income tax paid	-202	-228
Cash flow from operating activities	333	615
Investing activities		
Investments in property, plant and equipment	-503	-730
Proceeds from sale of property, plant and equipment	3	20
Government grants related to assets	1	0
Investments in intangible assets	-46	-55
Proceeds from sale of intangible assets	2	1
Investments in other non-current assets	-19	-18
Proceeds from other non-current assets	9	12
Acquisition of subsidiaries - net of cash	0	-2
Repurchase of non-controlling interests	-6	0
Investments in current financial assets and securities	-241	-439
Proceeds from current financial assets and securities	330	443
Cash flow from investing activities	-470	-768
Financing activities		
Dividends paid to shareholders	-335	-311
Dividends paid to non-controlling interests	-23	-17
Repurchase of treasury shares	-50	0
Sale of treasury shares	1	1
Change in non-current financial debts	0	0
Change in current financial debts	-3	0
Cash flow from financing activities	-410	-327
Net impact of foreign exchange rate differences on cash	28	-80
Change in cash and cash equivalents	-519	-560
Change in cash and cash equivalents		
- Balance at beginning of year	1 616	2 176
- Balance at end of year	1 097	1 616

Unaudited figures

KEY FIGURES 2024

Segment information

2024 (CHF million)	Watches & Jewelry	Electronic Systems	Corporate	Elimination	Total
– Third parties	6 415	316	4		6 735
– Group	3	14	4	–21	0
Net sales	6 418	330	8	–21	6 735
Operating result	410	12	–118	0	304
– In % of net sales	6.4%	3.6%			4.5%

2023 (CHF million)	Watches & Jewelry	Electronic Systems	Corporate	Elimination	Total
– Third parties	7 544	340	4		7 888
– Group	2	19	5	–26	0
Net sales	7 546	359	9	–26	7 888
Operating result	1 298	27	–134	0	1 191
– In % of net sales	17.2%	7.5%			15.1%

Unaudited figures

Statistical Information

	2024 Basic	2023 Basic
Average number of registered shares outstanding	115 027 319	114 847 344
Average number of bearer shares outstanding	28 681 447	28 886 000
Key data per registered share (nom. CHF 0.45) in CHF		
Consolidated net result attributable to shareholders	0.75	3.35
Cash flow from operating activities 1)	1.29	2.37
Consolidated equity 1)	47.27	47.28
Key data per bearer share (nom. CHF 2.25) in CHF		
Consolidated net result attributable to shareholders	3.74	16.76
Cash flow from operating activities 1)	6.44	11.86
Consolidated equity 1)	236.37	236.39
Share capital in CHF	117 719 775	117 719 775

1) Calculation based on average share capital per share category or average number of shares outstanding

Unaudited figures