

## **H&T Group plc**

("H&T" or "the Group" "the Company")

### **Acquisition of Swiss Time Services Limited**

H&T Group plc, the UK's largest pawnbroker and a leading retailer of high quality new and pre-owned jewellery and watches, is pleased to announce the acquisition (the "Acquisition") of Swiss Time Services Limited ("Swiss Time Services"), a leading independent watch servicing and repair centre.

H&T is paying a total consideration of £4.3 million for Swiss Time Services, inclusive of a net cash balance of £0.5m which is subject to an adjustment mechanism. The Acquisition will be funded from the Group's existing funding facilities, which amount to £35m.

#### **Information on Swiss Time Services**

Swiss Time Services is based in Essex and employs over 30 people. It serves a loyal, valued, nationwide customer base. It is an officially accredited service centre for a comprehensive range of prestige watch brands.

H&T has a long-standing trading relationship with Swiss Time Services over many years. A large proportion of watches sold by H&T undergo servicing and/or repair before being offered for sale, and Swiss Time Services has been one of a number of specialists which H&T has worked with in this regard. In 2022, the Group expects to send up to 4,000 watches for service or repair.

Tony Coe, the founder and Managing Director of Swiss Time Services, will remain within the business in a consultancy capacity for a period of 18 months. His presence will ensure continuity of leadership, whilst providing reassurance to both employees and customers of Swiss Time Services, who we wish to continue to serve in the future.

#### **Rationale for the Acquisition**

The Acquisition is expected to be immediately earnings enhancing. Watches represent a growing part of the H&T business and a further growth opportunity in respect of both our retailing and pawnbroking activities, where we have seen increasing watch related transaction volumes.

Furthermore, the Acquisition will bring watch repair and servicing expertise in-house, enabling H&T to enhance its service offering to customers whilst improving margins. Following the integration of Swiss Time Services and a planned future roll out of a watch "care and repair" service to customers, both revenue and sales margins are expected to increase.

#### **Chris Gillespie, CEO of H&T, said:**

"I am very excited about the opportunities created by this acquisition as it represents an important strategic step for H&T. It enables us to bring watch expertise in-house and consequently, improve margins and broaden the range of services we can offer to our customers. I look forward to working with Tony Coe and the outstanding team at Swiss Time Services. We intend to continue the excellent and highly respected service provided to the large number of existing clients of the business whilst increasing the volume of work currently placed with Swiss Time Services by H&T."

**For further information, please contact:**

**H&T Group PLC**

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