

Swatch Group Upbeat for 2023 Amid China Recovery



Swatch Group gave a positive outlook for this year following a jump in annual sales and a notable rebound in China in January.

Consumer demand quickly recovered at the beginning of 2023 after the cessation of Covid-19 measures and the lifting of travel restrictions on the mainland, the Swiss-based company said Tuesday. The move also positively affected sales in Hong Kong and Macau.

“The sales growth in January in China reinforces the group’s expectations to aim for a record year in 2023,” Swatch Group noted.

Revenue grew 2.5% to CHF 7.5 billion (\$8.15 billion) in 2022, the luxury group — which owns brands including Harry Winston, Omega and Tissot — reported. Sales of jewelry and watches, the company’s dominant category, rose 1.9% to CHF 7.15 billion (\$7.77 billion). Its electronics division accounted for most of the remainder. Net earnings

increased 6% to CHF 823 million (\$894.5 million).

Last year, all regions saw growth, with the exception of Asia, which was “severely dampened by a significant decline” brought on by lockdowns followed by a large coronavirus wave. Sales in China fell 30% in 2022 and 50% year on year in December alone. Meanwhile, Europe, America and the Middle East all saw consistent double-digit sales growth during the year, Swatch added.

Image: A Swatch store in Hong Kong. (Shutterstock)