

China Haidian acquired The Dreyfuss Group

China Haidian continuous to invest in Swiss watch brand, acquiring 100% of shares in The Dreyfuss Group at consideration of CHF40.8 Mio, to complete the group portfolio by a mid-price Swiss product.

The Dreyfuss Group, the fourth generation, family run, international Swiss watch business, comprising the Rotary, Dreyfuss & Co and J&T Windmills brands, announces today that with effect from 11 April 2014, it will become part of China Haidian Holdings Limited (“China Haidian”), the Hong Kong-listed investment company, with a leading watch production and distribution business in PRC, following the acquisition of 100 percent of the share capital from the Dreyfuss family, which has owned the business since its formation in 1895.

In addition to its leading position in the UK mid-price watch market, in recent years T The Dreyfuss Group has successfully implemented a strategy of international growth as it has expanded its brand presence into over 45 countries. The Group’s international business encompasses the Far East, including Hong Kong and China, as well as the Middle East, through a mix of regional retailers and third party distributors, and the group was recently recognized for its exceptional international sales growth, with a listing in the 2013 Sunday Times International Fast Track awards of the UK’s 200 fastest growing privately owned companies.

Asia is a strategic region for growth for, given the extensive market potential in the region for brands positioned in the mid-market ‘sweet spot’. There is huge untapped demand among Asian mid-market consumers for the Group’s affordable Swiss-made range of timepieces, backed up by 118 years of Swiss watch-making heritage. This strategy lies behind Rotary’s recent signing of a four-year-sponsorship deal with Chelsea Football Club, which has a huge highly engaged and fast-growing Asian fan base, which will by association, fuel high levels of brand awareness for Rotary in this all important region.

This acquisition by China Haidian, which already owns Corum and Eterna in Switzerland, as well as two of the top four watch brands in China, provides a first-class strategic fit with The Dreyfuss Group. China Haidian’s Board has acquired The Dreyfuss Group as they were seeking a profitable, Swiss-made, mid market brand group to add to their existing portfolio and to leverage their impressive distribution network in PRC.

Following the acquisition, The Dreyfuss Group management team, including Executive Chairman Robert Dreyfuss, will remain with the business to oversee the next stage of growth and to build on the strong results recently achieved.

The business has experienced strong sales growth driven by international sales

especially in Asia, where the group has grown its presence from zero to four hundred retail outlets in eighteen months.

Robert Dreyfuss, Executive Chairman of The Dreyfuss Group, commented on today's announcement: "This is excellent news for the future of The Dreyfuss Group. The management team is excited at the opportunities to continue to aggressively pursue our plans for further national and international expansion supported by the resources and sizeable distribution network of China Haidian Holdings Limited, which in tandem with the Chelsea FC sponsorship, will elevate Rotary into a global brand leader, whilst preserving and respecting our unique Swiss heritage, our family values and our existing long term customer relationships.

"This transaction marks the beginning of an exciting new chapter in the group's long history. Our new owners recognize, respect and share the same family values that have underpinned our success to date and together we will ensure that my great-grandfather's legacy lives on."