NEWS RELEASE

Beyond the Numbers: An Earnings Call Reflecting the Year Past and an Earnest Look to the Year Ahead

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Last week, CEO Gina Drosos, and Chief Financial Strategy and Services Officer, Joan Hilson, hosted Signet's fourth quarter and full year fiscal 2023 earnings call with investors. The numbers told a story of team member agility and a tireless dedication to our customers in allowing them to Celebrate Life and Express Love.

While you can **read the full financial results here**, a few exciting themes emerged that provide additional context about the jewelry industry in the year ahead. In case you missed them, here's a recap:

- Bridal jewelry is a great business to be in. It is a steady business with roughly 2.8 million engagements and 2.2 million weddings every year, outside of COVID. Signet expects engagement ring sales to begin rebounding toward the end of this year and continue through 2025 and 2026. As Gina said, "(Bridal) is the financial and emotional point of market entry to our category and the opportunity to build relationships and trust that drive lifetime value. With our leadership position in this important segment, Signet is well-positioned to take full advantage of the engagement recovery as it happens to grow sales and gain market share."

- Personalization is an important theme for jewelry this year. When it comes to customizing jewelry, customers have a broad mindset. Some prefer simple engraving or a tailored size. For others, it's configuring a piece from a set of elaborate options either virtually or with a jewelry expert in store. "This year, KAY and Zales will have more than 25 different configurators, giving our jewelry consultants and customers the ability to mix and match, cut, quality and finish," said Gina. "We're seeing a fast-growing segment that wants to combine and modify pieces or design a custom piece entirely from scratch, even from a hand-drawn sketch." Signet's innovative jewelry design services are poised to play a big role this year, creating and reimagining thousands of beautiful, bespoke pieces of jewelry for our customers.

- Connected commerce is a driving force behind our growth. Fiscal '23 was the best Cyber Monday in Signet history with traffic up 18% and an 11% increase in demand revenue versus last year. In total, digital as a percent of overall sales is almost four times pre-transformation levels. Gina said, "We're seeing improvements across nearly all our digital touchpoints, with traffic up 18% and an 11% increase in demand revenue versus last year." She continued, "More customers are adding ESAs (extended service agreements) to their orders, up 12% versus year ago in Q4. Loyalty digital enrolment was up 2.9 times in Q4 compared to Q3, and two-way SMS now represents 20% of digital sales."

- Taking it to the Vault with our loyal customers. FY23 was the year Signet unveiled its Vault Rewards loyalty program, extending for the first time a member reward program across multiple Signet banners – Jared, KAY

and Zales. The program enables Signet to get to know its customers with increasing precision, from who they are and how they shop with us, to the styles they demand and how Signet can exceed their expectations. Joan Hilson said, “We launched Vault Rewards in our three biggest banners and already have roughly two million members. We expect to reach approximately four million members by the end of fiscal ’24 as we realize the full year effect of the programs.” Vault Rewards is just one of the ways Signet is building awareness of its services offerings. Others include mobilizing and training store teams, amplifying marketing and bringing even sharper insights through data analytics.

The key messages in last week’s call were clear: Signet delivered in fiscal ’23 and our CEO believes we’ll do it again this year. “We are a transformed company with sustainable and growing competitive advantages. And our financial strength allows us to continue smartly investing to widen those advantages to grow market share while consistently returning meaningful value to our shareholders,” Gina said.

For the full year, we delivered $7.8 billion in revenue, which is up slightly from a year ago and up 27.8% since fiscal year 2020 (pre-Covid). Our market share grew to 9.7%, gaining 40 basis points over the year. Plus, Signet continued maintaining a double-digit operating margin – 10.8% -- for the full FY23.

Financials aside, the last year also showcased Signet’s unique culture and true sense of purpose. For a third consecutive year, Signet was recognized as a Great Place to Work-Certified™ company. We landed #12 on the Fortune and Great Place to Work® Best Workplaces in Retail list and were included in the Bloomberg Gender-Equality Index for a fifth straight year.

Visit our website to review the full financial results.