

REFINITIV

DELTA REPORT

10-Q

SIG - SIGNET JEWELERS LTD

10-Q - MAY 04, 2024 COMPARED TO 10-Q - OCTOBER 28, 2023

The following comparison report has been automatically generated

TOTAL DELTAS 1510

█ CHANGES 344

█ DELETIONS 633

█ ADDITIONS 533

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
for the quarterly period ended **October 28, 2023** **May 4, 2024** or

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
for the transition period from to
Commission file number 1-32349

SIGNET JEWELERS LIMITED

(Exact name of Registrant as specified in its charter)

Bermuda

Not Applicable

(State or other jurisdiction of incorporation) incorporation or organization

(I.R.S. Employer Identification No.)

Clarendon House
2 Church Street
Hamilton HM11
Bermuda
(441) 296 5872

(Address and telephone number including area code of principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on which Registered
Common Shares of \$0.18 each	SIG	The New York Stock Exchange

Indicate by check mark whether the **Registrant** registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the **Registrant** registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the **Registrant** registrant was required to submit such files). Yes No

Indicate by check mark whether the **Registrant** registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the **Registrant** registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of **Common Stock**, **common stock**, as of the latest practicable date.

Common Shares, \$0.18 par value, **44,317,262** **44,606,286** shares as of **December 1, 2023** **June 7, 2024**

SIGNET JEWELERS LIMITED
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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SIGNET JEWELERS LIMITED
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

		13 weeks ended		39 weeks ended							
		13 weeks ended									
		13 weeks ended									
		13 weeks ended									
<i>(in millions, except per share amounts)</i>											
<i>(in millions, except per share amounts)</i>											
(in millions, except per share amounts)	(in millions, except per share amounts)	October 28,	October 29,	October 28,	October 29,						
per share amounts	per share amounts	2023	2022	2023	2022	Notes					
Sales	Sales	\$1,391.9	\$1,582.7	\$4,673.5	\$5,175.9	3	Sales	\$ 1,510.8	\$	\$ 1,668.0	3
Cost of sales	Cost of sales	(890.6)	(1,030.1)	(2,929.4)	(3,234.9)						

Gross margin	Gross margin	501.3	552.6	1,744.1	1,941.0				
Gross margin	Gross margin								
Selling, general and administrative expenses	general and administrative expenses	(484.2)	(501.7)	(1,525.8)	(1,512.1)				
Other operating expense, net		(3.8)	(2.5)	(13.1)	(193.5)	19			
Selling, general and administrative expenses									
Selling, general and administrative expenses									
Other operating (expense) income, net									
Other operating (expense) income, net									
Other operating (expense) income, net									
Operating income	Operating income	13.3	48.4	205.2	235.4	5	Operating income	49.8	101.7
Interest income (expense), net		2.6	(3.6)	10.0	(11.4)				
Other non-operating expense, net		(2.3)	(2.7)	(2.4)	(139.6)	19			
Interest income, net									
Other non-operating income (expense), net									
Other non-operating income (expense), net									
Income before income taxes	Income before income taxes								
Income taxes	Income taxes								
Income taxes	Income taxes	(1.9)	(4.6)	(28.6)	15.0	10		(6.5)	
Net income	Net income	\$ 11.7	\$ 37.5	\$ 184.2	\$ 99.4			(9.5)	
Dividends on redeemable convertible preferred shares	Dividends on redeemable convertible preferred shares							(9.5)	9
Net income attributable to common shareholders		\$ 3.0	\$ 28.8	\$ 158.3	\$ 73.5				9
Dividends on redeemable convertible preferred shares									
Dividends on redeemable convertible preferred shares									
Net (loss) income attributable to common shareholders									9
Earnings per common share:									

The accompanying notes are an integral part of these condensed consolidated financial statements.

SIGNET JEWELERS LIMITED
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

		13 weeks ended												
		October 28, 2023			October 29, 2022						13 weeks ended			
		13 weeks ended												
		May 4, 2024						May 4, 2024			April 29, 2023			
(in millions)		(in millions)			Pre-tax	(expense)	After-tax	Pre-tax	(expense)	After-tax	(in millions)	Pre-tax	(expense)	After-tax
					amount	benefit	amount	amount	benefit	amount		amount	benefit	amount
Net income		Net income					\$ 11.7			\$ 37.5				
Other comprehensive loss:		Other comprehensive loss:												
Foreign currency translation adjustments		Foreign currency translation adjustments			(9.4)	—	(9.4)	(18.6)	—	(18.6)				
Available-for-sale securities:														
Unrealized loss					(0.1)	—	(0.1)	(0.3)	—	(0.3)				
Foreign currency translation adjustments														
Foreign currency translation adjustments														
Cash flow hedges:		Cash flow hedges:												
Unrealized gain					1.2	(0.2)	1.0	0.8	(0.2)	0.6				
Cash flow hedges:														
Cash flow hedges:														
Unrealized loss														
Unrealized loss														
Unrealized loss														
Reclassification adjustment for gains to earnings		Reclassification adjustment for gains to earnings			(0.1)	—	(0.1)	(0.4)	0.2	(0.2)				

Pension plan:		Pension plan:					
Reclassification adjustment for amortization of actuarial losses to earnings	—	—	—	1.0	(0.2)	0.8	
Reclassification adjustment for amortization of net prior service costs to earnings	—	—	—	0.1	—	0.1	
Reclassification adjustment for pension settlement loss to earnings	—	—	—	—	—	—	
Reclassification adjustment for pension settlement loss to earnings	—	—	—	—	—	—	
Reclassification adjustment for pension settlement loss to earnings	—	—	—	—	—	—	
Total other comprehensive loss	Total other comprehensive loss	\$ (8.4)	\$ (0.2)	\$ (8.6)	\$ (17.4)	\$ (0.2)	\$ (17.6)
Total comprehensive income	Total comprehensive income			\$ 3.1			\$ 19.9
		39 weeks ended					
		October 28, 2023			October 29, 2022		
(in millions)		Tax		Tax		Tax	
		Pre-tax amount	(expense) benefit	After-tax amount	Pre-tax amount	(expense) benefit	After-tax amount
Net income				\$ 184.2			\$ 99.4
Other comprehensive (loss) income:							
Foreign currency translation adjustments	(0.4)	—	(0.4)	(42.5)	—	(42.5)	
Available-for-sale securities:							
Unrealized loss	(0.2)	—	(0.2)	(0.6)	—	(0.6)	
Cash flow hedges:							
Unrealized gain	0.4	(0.1)	0.3	2.6	(0.4)	2.2	
Reclassification adjustment for gains to earnings	(0.9)	0.2	(0.7)	(0.7)	0.2	(0.5)	
Pension plan:							
Actuarial loss	—	—	—	(0.5)	0.1	(0.4)	
Reclassification adjustment for amortization of actuarial losses to earnings	—	—	—	3.0	(0.4)	2.6	
Reclassification adjustment for amortization of net prior service costs to earnings	—	—	—	0.3	—	0.3	
Reclassification adjustment for pension settlement loss to earnings	0.2	(4.1)	(3.9)	132.8	(25.2)	107.0	
Total other comprehensive (loss) income	\$ (0.9)	\$ (4.0)	\$ (4.9)	\$ 94.4	\$ (25.7)	\$ 68.7	
Total comprehensive income				\$ 179.3			\$ 168.1

The accompanying notes are an integral part of these condensed consolidated financial statements.

SIGNET JEWELERS LIMITED
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(in millions, except par value per share)		(in millions, except par value per share)					February 3, 2024		April 29, 2023	
value per share	value per share	October 28, 2023	January 28, 2023	October 29, 2022	Notes	amount)	May 4, 2024		2023	Notes
Assets	Assets									
Current assets:	Current assets:									
Current assets:	Current assets:									
Cash and cash equivalents	Cash and cash equivalents	\$ 643.8	\$ 1,166.8	\$ 327.3						
Accounts receivable		10.9	14.5	29.8						

Current portion of long-term debt	Current portion of long-term debt	\$ 147.6	\$ —	\$ —	17	\$ 147.8	\$ 147.7	\$ —	\$ —	15	15	
Accounts payable	Accounts payable	644.9	879.0	800.2								
Accrued expenses and other current liabilities	Accrued expenses and other current liabilities	412.1	638.7	623.2								
Accrued expenses and other current liabilities	Accrued expenses and other current liabilities											
Deferred revenue	Deferred revenue											
Deferred revenue	Deferred revenue	346.2	369.5	335.3	3	360.6	362.9	362.9	368.7	368.7	3	
Operating lease liabilities	Operating lease liabilities	267.7	288.2	266.1	13	Operating lease liabilities	253.0	260.3	260.3	273.9	273.9	
Income taxes	Income taxes	52.6	72.7	22.7								
Total current liabilities	Total current liabilities	1,871.1	2,248.1	2,047.5								
Total current liabilities	Total current liabilities											
Non-current liabilities:	Non-current liabilities:											
Non-current liabilities:	Non-current liabilities:											
Long-term debt	Long-term debt	—	147.4	147.3	17	—	—	—	147.5	147.5	15	
Operating lease liabilities	Operating lease liabilities	855.1	894.7	917.0	13	Operating lease liabilities	818.5	835.7	835.7	902.0	902.0	11
Other liabilities	Other liabilities	94.6	100.1	98.8								
Deferred revenue	Deferred revenue	856.5	880.1	878.1	3							
Deferred revenue	Deferred revenue					878.9	881.8	881.8	874.9	874.9	3	
Deferred tax liabilities	Deferred tax liabilities	160.3	117.6	245.8								
Total liabilities	Total liabilities	3,837.6	4,388.0	4,334.5								
Total liabilities	Total liabilities											
Commitments and contingencies	Commitments and contingencies				21							
Redeemable Series A Convertible Preference Shares \$0.01 par value: authorized 500 shares, 0.625 shares outstanding (January 28, 2023 and October 29, 2022: 0.625 shares outstanding, respectively)	Redeemable Series A Convertible Preference Shares \$0.01 par value: authorized 500 shares, 0.625 shares outstanding (January 28, 2023 and October 29, 2022: 0.625 shares outstanding, respectively)	655.1	653.8	653.4	6							
Commitments and contingencies	Commitments and contingencies											
Commitments and contingencies	Commitments and contingencies										20	
Redeemable Series A Convertible Preference Shares \$0.01 par value: authorized 500 shares, 0.313 shares outstanding (February 3, 2024 and April 29, 2023: 0.625 shares outstanding, respectively)	Redeemable Series A Convertible Preference Shares \$0.01 par value: authorized 500 shares, 0.313 shares outstanding (February 3, 2024 and April 29, 2023: 0.625 shares outstanding, respectively)											
Shareholders' equity:	Shareholders' equity:					328.0	655.5	655.5	654.3	654.3	5	

The accompanying notes are an integral part of these condensed consolidated financial statements.

SIGNET JEWELERS LIMITED

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

		39 weeks ended			
		13 weeks ended		13 weeks ended	
(in millions)	(in millions)	October 28, 2023	October 29, 2022	(in millions)	
Operating activities	Operating activities				
Net income	Net income	\$ 184.2	\$ 99.4		
Net income					
Net income					
Adjustments to reconcile net income to net cash used in operating activities:	Adjustments to reconcile net income to net cash used in operating activities:				
Depreciation and amortization	Depreciation and amortization	129.4	123.5		
Amortization of unfavorable contracts	Amortization of unfavorable contracts	(1.4)	(1.4)		
Share-based compensation	Share-based compensation	36.4	34.3		
Deferred taxation	Deferred taxation	40.2	63.2		
Pension settlement loss		0.2	132.8		
Other non-cash movements	Other non-cash movements	9.8	7.8		
Changes in operating assets and liabilities, net of acquisitions:					
Decrease (increase) in accounts receivable		3.5	(9.9)		
(Increase) decrease in other assets		(45.2)	0.6		
Decrease (increase) in inventories		14.8	(305.6)		
Decrease in accounts payable		(221.5)	(177.6)		
(Decrease) increase in accrued expenses and other liabilities		(253.2)	105.6		
Other non-cash movements					
Other non-cash movements					
Changes in operating assets and liabilities:					
Inventories					
Inventories					
Inventories					
Other assets					
Accounts payable					
Accrued expenses and other liabilities					

Change in operating lease assets and liabilities	Change in operating lease assets and liabilities	(34.5)	(5.9)
Decrease in deferred revenue		(48.0)	(7.0)
Change in income tax receivable and payable		(20.0)	(206.1)
Pension plan contributions		—	(9.2)
Deferred revenue			
Income tax receivable and payable			
Net cash used in operating activities			
Net cash used in operating activities			
Net cash used in operating activities	Net cash used in operating activities	(205.3)	(155.5)
Investing activities	Investing activities		
Purchase of property, plant and equipment	Purchase of property, plant and equipment	(89.4)	(94.3)
Purchase of property, plant and equipment			
Acquisitions		(6.0)	(397.8)
Other investing activities, net			
Other investing activities, net			
Other investing activities, net	Other investing activities, net	1.5	(16.3)
Net cash used in investing activities	Net cash used in investing activities	(93.9)	(508.4)
Financing activities	Financing activities		
Dividends paid on common shares	Dividends paid on common shares	(29.7)	(27.4)
Dividends paid on common shares			
Dividends paid on common shares			
Dividends paid on redeemable convertible preferred shares	Dividends paid on redeemable convertible preferred shares	(24.6)	(24.6)
Repurchase of common shares	Repurchase of common shares	(117.5)	(311.2)
Repurchase of redeemable convertible preferred shares			
Repurchase of redeemable convertible preferred shares			
Repurchase of redeemable convertible preferred shares			
Other financing activities, net			
Other financing activities, net			
Other financing activities, net	Other financing activities, net	(47.9)	(44.3)

Net cash used in financing activities	Net cash used in financing activities	(219.7)	(407.5)
Cash and cash equivalents at beginning of period	Cash and cash equivalents at beginning of period	1,166.8	1,418.3
Decrease in cash and cash equivalents	Decrease in cash and cash equivalents	(518.9)	(1,071.4)
Effect of exchange rate changes on cash and cash equivalents	Effect of exchange rate changes on cash and cash equivalents	(4.1)	(19.6)
Cash and cash equivalents at end of period	Cash and cash equivalents at end of period	\$ 643.8	\$ 327.3

The accompanying notes are an integral part of these condensed consolidated financial statements.

SIGNET JEWELERS LIMITED										
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY										
(Unaudited)										
(in millions)	(in millions)	Common shares at par value	Additional paid-in capital	Other reserves	Treasury shares	Retained earnings	other comprehensive loss	Total shareholders' equity	Common shares at par value	Additional paid-in capital
		(in millions)							(in millions)	
Balance at January 28, 2023		\$ 12.6	\$ 259.7	\$ 0.4	\$ (1,574.7)	\$ 3,144.8	\$ (264.2)	\$ 1,578.6		
Balance at February 3, 2024										
Net income	Net income	—	—	—	—	97.4	—	97.4		
Other comprehensive loss	Other comprehensive loss	—	—	—	—	—	(3.3)	(3.3)		
Dividends declared:	Dividends declared:									
Common shares, \$0.23/share	Common shares, \$0.23/share	—	—	—	—	(10.4)	—	(10.4)		
Common shares, \$0.29/share	Common shares, \$0.29/share									
Common shares, \$0.29/share	Common shares, \$0.29/share									
Preferred shares, \$13.14/share	Preferred shares, \$13.14/share	—	—	—	—	(8.6)	—	(8.6)		
Redemption of preferred shares										
Repurchase of common shares	Repurchase of common shares	—	—	—	(39.1)	—	—	(39.1)		
Net settlement of equity-based awards	Net settlement of equity-based awards	—	(60.5)	—	57.3	(41.2)	—	(44.4)		
Share-based compensation expense	Share-based compensation expense	—	11.3	—	—	—	—	11.3		
Balance at April 29, 2023		\$ 12.6	\$ 210.5	\$ 0.4	\$ (1,556.5)	\$ 3,182.0	\$ (267.5)	\$ 1,581.5		
Balance at May 4, 2024										
Net income	Net income	—	—	—	—	75.1	—	75.1		

Other comprehensive income	—	—	—	—	—	7.0	7.0
Dividends declared:							
Common shares, \$0.23/share	—	—	—	—	(10.3)	—	(10.3)
Preferred shares, \$13.14/share	—	—	—	—	(8.6)	—	(8.6)
Repurchase of common shares	—	—	—	(43.3)	—	—	(43.3)
Net settlement of equity-based awards	—	(4.4)	—	3.4	(0.2)	—	(1.2)
Share-based compensation expense	—	13.9	—	—	—	—	13.9
Balance at July 29, 2023	\$ 12.6	\$ 220.0	\$ 0.4	\$ (1,596.4)	\$ 3,238.0	\$ (260.5)	\$ 1,614.1

Net income	—	—	—	—	11.7	—	11.7
Other comprehensive loss							
Common shares, \$0.23/share	—	—	—	—	(10.2)	—	(10.2)
Preferred shares, \$13.14/share	—	—	—	—	(8.7)	—	(8.7)
Repurchase of common shares	—	—	—	(35.1)	—	—	(35.1)
Net settlement of equity-based awards	—	(4.1)	—	5.0	(3.1)	—	(2.2)
Share-based compensation expense	—	11.2	—	—	—	—	11.2
Balance at October 28, 2023	\$ 12.6	\$ 227.1	\$ 0.4	\$ (1,626.5)	\$ 3,227.7	\$ (269.1)	\$ 1,572.2

(in millions)	(in millions)	Accumulated						Common (in millions)	Additional shares at par value	Common shares at paid-in capital	Additional shares at par value	Common shares at paid-in capital	Accumulated other comprehensive loss	Accumulated other comprehensive loss	Total shareholders' equity	
		Common shares at par value	Additional paid-in capital	Other reserves	Treasury shares	Retained earnings	Total shareholders' equity									
		shares at par value	paid-in capital	Other reserves	Treasury shares	Retained earnings	equity									
Balance at January 29, 2022	\$ 12.6	\$ 231.2	\$ 0.4	\$ (1,206.7)	\$ 2,877.4	\$ (350.9)	\$ 1,564.0									
Balance at January 28, 2023																
Net loss	—	—	—	—	(83.5)	—	(83.5)									
Other comprehensive income	—	—	—	—	—	—	91.2	91.2								
Net income																
Net income																
Net income																
Other comprehensive loss																
Dividends declared:	Dividends declared:															
Common shares, \$0.20/share	Common shares, \$0.23/share	—	—	—	—	(9.3)	—	(9.3)								
Common shares, \$0.23/share	Common shares, \$0.23/share															
Preferred shares, \$13.14/share	Preferred shares, \$13.14/share	—	—	—	—	(8.6)	—	(8.6)								
Repurchase of common shares	Repurchase of common shares	—	50.0	—	(318.2)	—	—	(268.2)								
Net settlement of equity-based awards	Net settlement of equity-based awards	—	(54.9)	—	50.7	(35.1)	—	(39.3)								
Share-based compensation expense	Share-based compensation expense	—	10.5	—	—	—	—	10.5								
Balance at April 30, 2022	\$ 12.6	\$ 236.8	\$ 0.4	\$ (1,474.2)	\$ 2,740.9	\$ (259.7)	\$ 1,256.8									
Share-based compensation expense																
Share-based compensation expense																

Balance at April 29, 2023							
Net income	—	—	—	—	145.4	—	145.4
Other comprehensive loss	—	—	—	—	(4.9)	(4.9)	
Dividends declared:							
Common shares, \$0.20/share	—	—	—	—	(9.2)	—	(9.2)
Preferred shares, \$13.14/share	—	—	—	—	(8.6)	—	(8.6)
Repurchase of common shares	—	—	—	(22.8)	—	—	(22.8)
Net settlement of equity based awards	—	(3.6)	—	2.6	(0.2)	—	(1.2)
Share-based compensation expense	—	12.4	—	—	—	—	12.4
Balance at July 30, 2022	\$ 12.6	\$ 245.6	\$ 0.4	\$ (1,494.4)	\$ 2,868.3	\$ (264.6)	\$ 1,367.9
Net income	—	—	—	—	37.5	—	37.5
Other comprehensive loss	—	—	—	—	(17.6)	(17.6)	
Dividends declared:							
Common shares, \$0.20/share	—	—	—	—	(9.2)	—	(9.2)
Preferred shares, \$13.14/share	—	—	—	—	(8.7)	—	(8.7)
Repurchase of common shares	—	—	—	(20.2)	—	—	(20.2)
Net settlement of equity based awards	—	(4.7)	—	4.4	(2.7)	—	(3.0)
Share-based compensation expense	—	11.4	—	—	—	—	11.4
Balance at October 29, 2022	\$ 12.6	\$ 252.3	\$ 0.4	\$ (1,510.2)	\$ 2,885.2	\$ (282.2)	\$ 1,358.1

The accompanying notes are an integral part of these condensed consolidated financial statements.

SIGNET JEWELERS LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

1. Organization and principal accounting policies

Signet Jewelers Limited ("Signet" or the "Company"), a holding company incorporated in Bermuda, is the world's largest retailer of diamond jewelry. The Company operates through its 100% owned subsidiaries with sales primarily in the United States ("US"), United Kingdom ("UK") and Canada. Signet manages its business as three reportable segments: North America, International, and Other. The "Other" reportable segment **primarily** consists of subsidiaries involved in the purchasing and conversion of rough diamonds to polished stones. See Note **5.4** for additional discussion of information regarding the Company's reportable segments.

Signet's business is seasonal, with the fourth quarter historically accounting for approximately 35-40% of annual sales as well as for a substantial portion of the annual operating profit.

Basis of preparation

The condensed consolidated financial statements of **Signet** the Company are prepared, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with US generally accepted accounting principles ("US GAAP" or "GAAP") have been condensed or omitted from this report, as is permitted by such rules and regulations. Intercompany transactions and balances have been eliminated in consolidation. **Signet** The Company has reclassified certain prior year amounts to conform to the current year presentation. In the opinion of management, the accompanying condensed consolidated financial statements reflect all adjustments, which are of a normal recurring nature, necessary for a fair presentation of the results for the interim periods. The results for interim periods are not necessarily indicative of the results to be expected for the full fiscal year or for any other interim period. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes included in Signet's Annual Report on Form 10-K for the fiscal year ended **January 28, 2023** **February 3, 2024** filed with the SEC on **March 16, 2023** **March 21, 2024**.

Use of estimates

The preparation of these condensed consolidated financial statements, in conformity with US GAAP and SEC regulations for interim reporting, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and reported amounts of revenues and expenses during the reported periods. Actual results could differ from those estimates. Estimates and assumptions are primarily made in relation to the valuation of inventories, deferred revenue, employee compensation, income taxes, contingencies, leases, asset impairments for goodwill, indefinite-lived intangible and long-lived assets and the depreciation and amortization of long-lived assets.

Fiscal year

The Company's fiscal year ends on the Saturday nearest to January 31st. Fiscal 2024 2025 and Fiscal 2023 2024 refer to the 52-week period ending February 1, 2025 and the 53-week period ending February 3, 2024 and the 52-week period ended January 28, 2023, respectively. Within these condensed consolidated financial statements, the **third** first quarter and year to date periods of the relevant fiscal years 2024 2025 and 2023 2024 refer to the 13 and 39 weeks ended October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023, respectively.

Foreign currency translation

The financial position and operating results of certain foreign operations, including certain subsidiaries operating in the UK as part of the International reportable segment and Canada as part of the North America reportable segment, are consolidated using the local currency as the functional currency. Assets and liabilities are translated at the rates of exchange on the condensed consolidated balance sheet dates, and revenues and expenses are translated at the monthly average rates of exchange during the period. Resulting translation gains or losses are included in the accompanying condensed consolidated statements of shareholders' equity as a component of accumulated other comprehensive income (loss) ("AOCI"). Gains or losses resulting from foreign currency transactions are included within other operating (expense) income, (expense) net within the condensed consolidated statements of operations.

See Note 98 for additional information regarding the Company's foreign currency translation.

2. New accounting pronouncements

The following section provides a description of new accounting pronouncements ("Accounting Standard Update" or "ASU") issued by the Financial Accounting Standards Board ("FASB") that are applicable to the Company.

New accounting pronouncements recently adopted

In September 2022, There were no new accounting pronouncements adopted during Fiscal 2025 that have a material impact on the FASB issued ASU 2022-04, *Liabilities - Supplier Finance Programs*. This ASU was adopted by the Company as Company's financial position or results of January 29, 2023 and requires annual and interim disclosure of the key terms of outstanding supplier finance programs. In addition, this ASU requires disclosure of the related obligations outstanding at each interim reporting period and where those operations.

obligations are presented on the balance sheet. This ASU also includes a prospective annual requirement to disclose a rollforward of the amount of the obligations during the annual reporting period. This ASU does not affect the recognition, measurement or financial statement presentation of the supplier finance program obligations. This ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years, except for the amendment on rollforward information, which is effective for fiscal years beginning after December 15, 2023.

The Company entered into a supplier finance program during Fiscal 2024. Under this program, a financial intermediary acts as the Company's paying agent with respect to accounts payable due to certain suppliers. The Company agrees to pay the financial intermediary the stated amount of the confirmed invoices from the designated suppliers on the original maturity dates of the invoices. The supplier finance program enables Company suppliers to be paid by the financial intermediary earlier than the due date on the applicable invoice. The Company negotiates payment terms directly with its suppliers for the purchase of goods and services. No guarantees or collateral are provided by the Company under the supplier finance program. As of October 28, 2023, the Company had no confirmed invoices outstanding under the supplier finance program. All activity related to the supplier finance program will be presented within operating activities in the condensed consolidated statements of cash flows.

New accounting pronouncements issued but not yet adopted

Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures ("ASU 2023-07")

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting*. This ASU requires the following disclosures on an annual and interim basis:

- Significant segment expenses that are regularly provided to the chief operating decision maker ("CODM") and included with each reported measure of segment profit/loss.
- Other segment items by reportable segment, consisting of differences between segment revenue and segment profit/loss not already disclosed above.
- Other information by reportable segment, including total assets, depreciation and amortization, and capital expenditures.
- The title of the CODM and an explanation of how the CODM uses the reported measures of segment profit/loss in assessing segment performance and deciding how to allocate resources.

The amendments in this ASU are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted, and should be applied on a retrospective basis. This ASU will have no impact on the Company's financial condition or results of operations. The Company is evaluating the impact to the related of this ASU on its segment reporting disclosures.

Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09")

In December 2023, the FASB issued ASU 2023-09. This ASU modifies the annual disclosure requirements for income taxes in the following ways:

- The effective tax rate reconciliation must be disclosed using both percentages and dollars (currently only one is required). The reconciliation must contain several prescriptive categories, including disaggregating material impacts from foreign, state, and local taxes by jurisdiction. Qualitative information regarding material reconciling items is also required to be disclosed.
- The amount of income taxes paid must be disclosed and disaggregated by jurisdiction.

The amendments in this ASU are effective for fiscal years beginning after December 15, 2024, with early adoption permitted, and may be applied on a prospective or retrospective basis. This ASU will have no impact on the Company's financial condition or results of operations. The Company is evaluating the impact of this ASU on its income tax disclosures.

3. Revenue recognition

The following table provides the Company's total sales, disaggregated by banner, for the 13 and 39 weeks ended **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023**:

		13 weeks ended October 28, 2023				13 weeks ended October 29, 2022				13 weeks ended May 4, 2024				13 weeks ended October 29, 2022				
		13 weeks ended May 4, 2024				13 weeks ended October 29, 2022				2024				13 weeks ended October 29, 2022				
(in millions)	(in millions)	North				North				(in millions)	North	International	Other	Consolidated	North	International	Other	Consolidated
Sales by banner:	Sales by banner:	\$ 489.9	\$ —	\$ —	\$ 489.9	\$ 535.6	\$ —	\$ —	\$ 535.6	\$ 1,291.1	\$ 94.0	\$ 6.8	\$ 1,391.9	\$ 1,464.8	\$ 95.3	\$ 22.6	\$ 1,582.7	
Kay	Kay	224.1	—	—	224.1	263.2	—	—	263.2	798.9	—	—	798.9	929.0	—	—	929.0	
Kay	Kay	237.4	—	—	237.4	267.7	—	—	267.7	69.4	—	—	69.4	82.9	—	—	82.9	
Digital banners ^{(1) (2)}	Digital banners ⁽¹⁾	134.9	—	—	134.9	156.6	—	—	156.6	36.2	—	—	36.2	40.0	—	—	40.0	
Diamonds Direct	Diamonds Direct	93.3	—	—	93.3	106.4	—	—	106.4	94.0	—	—	94.0	106.4	—	—	106.4	
Banter by Piercing Pagoda	Banter by Piercing Pagoda	69.4	—	—	69.4	82.9	—	—	82.9	234.2	—	—	234.2	302.1	—	—	302.1	
Peoples	Peoples	36.2	—	—	36.2	40.0	—	—	40.0	117.9	—	—	117.9	133.2	—	—	133.2	
International segment banners	International segment banners	—	94.0	—	94.0	—	95.3	—	95.3	24.7	—	31.1	55.8	52.0	—	72.8	124.8	
Other ⁽³⁾	Other ⁽²⁾	5.9	—	6.8	12.7	12.4	—	22.6	35.0	4,353.4	\$ 289.0	\$ 31.1	\$ 4,673.5	\$ 4,786.2	\$ 316.9	\$ 72.8	\$ 5,175.9	
Total sales	Total sales	\$1,291.1	\$ 94.0	\$ 6.8	\$ 1,391.9	\$ 1,464.8	\$ 95.3	\$ 22.6	\$ 1,582.7	39 weeks ended October 28, 2023	39 weeks ended October 29, 2022				13 weeks ended May 4, 2024	2024	13 weeks ended October 29, 2022	
(in millions)		North				North				(in millions)	North	International	Other	Consolidated	North	International	Other	Consolidated
Sales by banner:		North	International	Other	Consolidated	North	International	Other	Consolidated	North	International	Other	Consolidated	North	International	Other	Consolidated	
Kay		\$ 1,659.2	\$ —	\$ —	\$ 1,659.2	\$ 1,820.4	\$ —	\$ —	\$ 1,820.4	776.6	—	—	776.6	885.3	—	—	885.3	
Zales		798.9	—	—	798.9	929.0	—	—	929.0	467.3	—	—	467.3	338.5	—	—	338.5	
Jared		274.6	—	—	274.6	325.7	—	—	325.7	117.9	—	—	117.9	133.2	—	—	133.2	
Digital banners ^{(1) (2)}		234.2	—	—	234.2	302.1	—	—	302.1	289.0	—	—	289.0	316.9	—	—	316.9	
Diamonds Direct		24.7	—	31.1	55.8	52.0	—	72.8	124.8	4,353.4	\$ 289.0	\$ 31.1	\$ 4,673.5	\$ 4,786.2	\$ 316.9	\$ 72.8	\$ 5,175.9	
Other ⁽³⁾		776.6	—	—	776.6	885.3	—	—	885.3	117.9	—	—	117.9	133.2	—	—	133.2	
Total sales		798.9	—	—	798.9	929.0	—	—	929.0	234.2	—	—	234.2	302.1	—	—	302.1	

⁽¹⁾ Includes sales from the Company's digital banners, James Allen and Blue Nile.

⁽²⁾ Includes Blue Nile sales since the date of acquisition on August 19, 2022. See Note 4 for further details.

⁽³⁾ Other primarily includes sales from Signet's the Company's diamond sourcing operation, loose diamonds and Rocksbox.

The following table provides the Company's total sales, disaggregated by major product, for the 13 and 39 weeks ended **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023**:

		13 weeks ended October 28, 2023				13 weeks ended October 29, 2022				13 weeks ended May 4, 2024				13 weeks ended October 29, 2022				
		13 weeks ended May 4, 2024				13 weeks ended October 29, 2022				2024				13 weeks ended October 29, 2022				
(in millions)	(in millions)	North				North				(in millions)	North	International	Other	Consolidated	North	International	Other	Consolidated
Sales by banner:	Sales by banner:	\$ 489.9	\$ —	\$ —	\$ 489.9	\$ 535.6	\$ —	\$ —	\$ 535.6	\$ 1,291.1	\$ 94.0	\$ 6.8	\$ 1,391.9	\$ 1,464.8	\$ 95.3	\$ 22.6	\$ 1,582.7	
Kay	Kay	224.1	—	—	224.1	263.2	—	—	263.2	798.9	—	—	798.9	929.0	—	—	929.0	
Kay	Kay	237.4	—	—	237.4	267.7	—	—	267.7	69.4	—	—	69.4	82.9	—	—	82.9	
Digital banners ^{(1) (2)}	Digital banners ⁽¹⁾	134.9	—	—	134.9	156.6	—	—	156.6	36.2	—	—	36.2	40.0	—	—	40.0	
Diamonds Direct	Diamonds Direct	93.3	—	—	93.3	106.4	—	—	106.4	94.0	—	—	94.0	106.4	—	—	106.4	
Banter by Piercing Pagoda	Banter by Piercing Pagoda	69.4	—	—	69.4	82.9	—	—	82.9	234.2	—	—	234.2	302.1	—	—	302.1	
Peoples	Peoples	36.2	—	—	36.2	40.0	—	—	40.0	117.9	—	—	117.9	133.2	—	—	133.2	
International segment banners	International segment banners	—	94.0	—	94.0	—	95.3	—	95.3	24.7	—	31.1	55.8	52.0	—	72.8	124.8	
Other ⁽³⁾	Other ⁽²⁾	5.9	—	6.8	12.7	12.4	—	22.6	35.0	4,353.4	\$ 289.0	\$ 31.1	\$ 4,673.5	\$ 4,786.2	\$ 316.9	\$ 72.8	\$ 5,175.9	
Total sales	Total sales	\$1,291.1	\$ 94.0	\$ 6.8	\$ 1,391.9	\$ 1,464.8	\$ 95.3	\$ 22.6	\$ 1,582.7	39 weeks ended October 28, 2023	39 weeks ended October 29, 2022				13 weeks ended May 4, 2024	2024	13 weeks ended October 29, 2022	
(in millions)		North				North				(in millions)	North	International	Other	Consolidated	North	International	Other	Consolidated
Sales by banner:		North	International	Other	Consolidated	North	International	Other	Consolidated	North	International	Other	Consolidated	North	International	Other	Consolidated	
Kay		\$ 1,659.2	\$ —	\$ —	\$ 1,659.2	\$ 1,820.4	\$ —	\$ —	\$ 1,820.4	776.6	—	—	776.6	885.3	—	—	885.3	
Zales		798.9	—	—	798.9	929.0	—	—	929.0	467.3	—	—	467.3	338.5	—	—	338.5	
Jared		274.6	—	—	274.6	325.7	—	—	325.7	117.9	—	—	117.9	133.2	—	—	133.2	
Digital banners ^{(1) (2)}		234.2	—	—	234.2	302.1	—	—	302.1	289.0	—	—	289.0	316.9	—	—	316.9	
Diamonds Direct		24.7	—	31.1	55.8	52.0	—	72.8	124.8	4,353.4	\$ 289.0	\$ 31.1	\$ 4,673.5	\$ 4,786.2	\$ 316.9	\$ 72.8	\$ 5,175.9	
Other ⁽³⁾		776.6	—	—	776.6	885.3	—	—	885.3	117.9	—	—	117.9	133.2	—	—	133.2	
Total sales		798.9	—	—	798.9	929.0	—	—	929.0	234.2	—	—	234.2	302.1	—	—	302.1	

(in millions)		North				North				(in millions)				North			
		North America	International	Other	Consolidated	North America (3)	International	Other	Consolidated	North America	International	Other	Consolidated	North America	International	Other	Consolidated
Sales by product:		Sales by product:															
Bridal	Bridal	Bridal	\$ 625.9	\$ 38.7	\$ —	\$ 664.6	\$ 740.8	\$ 39.9	\$ —	\$ 780.7							
Fashion	Fashion	Fashion	431.8	16.4	—	448.2	495.0	16.4	—	511.4							
Watches	Watches	Watches	39.5	32.5	—	72.0	45.1	33.0	—	78.1							
Services	Services	Services	(1)	6.4	—	169.9	155.3	6.0	—	161.3							
Other (2)	Other (2)	Other (2)	30.4	—	6.8	37.2	28.6	—	22.6	51.2							
Total sales	Total sales	Total sales	\$1,291.1	\$ 94.0	\$ 6.8	\$ 1,391.9	\$1,464.8	\$ 95.3	\$ 22.6	\$ 1,582.7							
39 weeks ended October 28, 2023								39 weeks ended October 29, 2022									
(in millions)		North				North											
		North America	International	Other	Consolidated	North America (3)	International	Other	Consolidated	North America	International	Other	Consolidated	North America	International	Other	Consolidated
Sales by product:																	
Bridal		\$2,044.6	\$ 124.2	\$ —	\$ 2,168.8	\$ 2,283.9	\$ 139.2	\$ —	\$ 2,423.1								
Fashion		1,555.5	49.4	—	1,604.9	1,758.5	52.0	—	1,810.5								
Watches		132.7	96.1	—	228.8	150.0	106.1	—	256.1								
Services (1)		509.9	19.3	—	529.2	484.8	19.6	—	504.4								
Other (2)		110.7	—	31.1	141.8	109.0	—	72.8	181.8								
Total sales	Total sales	\$4,353.4	\$ 289.0	\$ 31.1	\$ 4,673.5	\$4,786.2	\$ 316.9	\$ 72.8	\$ 5,175.9								

(1) Services primarily includes sales from service plans, repairs and subscriptions.

(2) Other primarily includes sales from **Signet's** the Company's diamond sourcing operation and other miscellaneous non-jewelry sales.

(3) Certain amounts have been reclassified between the bridal, fashion, and other categories to conform to the Company's current product categorizations.

The following table provides the Company's total sales, disaggregated by channel, for the 13 and 39 weeks ended **October 28, 2023** **May 4, 2024** and **October 29, 2022** **April 29, 2023**:

(in millions)		13 weeks ended October 28, 2023				13 weeks ended October 29, 2022				(in millions)				13 weeks ended May 4, 2024				13 weeks ended April 29, 2023			
		North America	International	Other	Consolidated	North America	International	Other	Consolidated					North America	International	Other	Consolidated	North America	International	Other	Consolidated
Sales by channel:		Sales by channel:																			
Store	Store	\$1,003.6	\$ 77.8	\$ —	\$ 1,081.4	\$1,140.6	\$ 79.8	\$ —	\$ 1,220.4												
E-commerce		284.7	16.2	—	300.9	315.6	15.5	—	331.1												
Store																					
Store																					
eCommerce																					
Other (1)	Other (1)	2.8	—	6.8	9.6	8.6	—	22.6	31.2												
Total sales	Total sales	\$1,291.1	\$ 94.0	\$ 6.8	\$ 1,391.9	\$1,464.8	\$ 95.3	\$ 22.6	\$ 1,582.7												
39 weeks ended October 28, 2023								39 weeks ended October 29, 2022													
(in millions)		North				North				(in millions)				North				North			
		North America	International	Other	Consolidated	North America	International	Other	Consolidated					North America	International	Other	Consolidated	North America	International	Other	Consolidated
Sales by channel:		Sales by channel:																			
Store		\$3,341.7	\$ 239.4	\$ —	\$ 3,581.1	\$3,851.7	\$ 261.6	\$ —	\$ 4,113.3												
E-commerce		997.4	49.6	—	1,047.0	894.1	55.3	—	949.4												
Other (1)		14.3	—	31.1	45.4	40.4	—	72.8	113.2												
Total sales	Total sales	\$4,353.4	\$ 289.0	\$ 31.1	\$ 4,673.5	\$4,786.2	\$ 316.9	\$ 72.8	\$ 5,175.9												

(1) Other primarily includes sales from **Signet's** the Company's diamond sourcing operation and loose diamonds.

Extended service plans ("ESP")

The Company recognizes revenue related to ESP sales in proportion to when the expected costs will be incurred. The deferral periods for ESP sales are determined from patterns of claims costs, including estimates of future claims costs expected to be incurred. Management reviews the trends in historical claims to assess whether changes are required to the revenue and cost recognition rates utilized. A significant change in either the overall claims pattern or the life over which the Company is expected to fulfill its obligations under the warranty, could result in a material change to revenues. All direct costs associated with the sale of the ESP are deferred and amortized in proportion to the revenue recognized and disclosed as either other current assets or other assets in the condensed consolidated balance sheets. These direct costs primarily include sales commissions and credit card fees.

Deferred ESP selling costs

Unamortized deferred ESP selling costs as of October 28, 2023 May 4, 2024, January 28, 2023 February 3, 2024 and October 29, 2022 April 29, 2023 were as follows:

(in millions)	October 28, 2023	January 28, 2023	October 29, 2022	(in millions)	May 4, 2024	February 3, 2024	April 29, 2023
Other current assets	Other current assets	\$ 27.4	\$ 29.2	\$ 27.7			
Other assets	Other assets	81.3	85.4	85.5			
Total deferred ESP selling costs	Total deferred ESP selling costs	\$108.7	\$114.6	\$113.2			

Amortization of deferred ESP selling costs is included within selling, general and administrative expenses in the condensed consolidated statements of operations. Amortization of deferred ESP selling costs was \$10.1 million \$11.2 million and \$31.8 million during the 13 and 39 weeks ended October 28, 2023, respectively, and \$9.9 million and \$31.0 million \$10.9 million during the 13 and 39 weeks ended October 29, 2022 May 4, 2024 and April 29, 2023, respectively.

Deferred revenue

Deferred revenue as of October 28, 2023 May 4, 2024, January 28, 2023 February 3, 2024 and October 29, 2022 April 29, 2023 was as follows:

(in millions)	October 28, 2023	January 28, 2023	October 29, 2022	(in millions)	May 4, 2024	February 3, 2024	April 29, 2023
ESP deferred revenue	ESP deferred revenue	\$1,120.2	\$1,159.5	\$1,124.9			
Other deferred revenue ⁽¹⁾	Other deferred revenue ⁽¹⁾	82.5	90.1	88.5			
Total deferred revenue	Total deferred revenue	\$1,202.7	\$1,249.6	\$1,213.4			
Disclosed as:	Disclosed as:						
Disclosed as:							
Disclosed as:							
Current liabilities							
Current liabilities							
Current liabilities	Current liabilities	\$ 346.2	\$ 369.5	\$ 335.3			
Non-current liabilities	Non-current liabilities	856.5	880.1	878.1			
Total deferred revenue	Total deferred revenue	\$1,202.7	\$1,249.6	\$1,213.4			

⁽¹⁾ Other deferred revenue primarily includes revenue collected from customers for custom orders and eCommerce orders, for which control has not yet transferred to the customer.

	13 weeks ended	39 weeks ended
	13 weeks ended	
	13 weeks ended	
	13 weeks ended	
(in millions)		

(in millions)		October 28, 2023		October 29, 2022		October 28, 2023		October 29, 2022	
(in millions)	(in millions)								
ESP deferred revenue, beginning of period	ESP deferred revenue, beginning of period	\$	1,138.9	\$	1,131.5	\$	1,159.5	\$	1,116.5
ESP deferred revenue, beginning of period									
ESP deferred revenue, beginning of period									
Plans sold ⁽¹⁾	Plans sold ⁽¹⁾								
Plans sold ⁽¹⁾	Plans sold ⁽¹⁾		95.7		101.1		318.8		345.2
Revenue recognized ⁽²⁾	Revenue recognized ⁽²⁾		(114.4)		(107.7)		(358.1)		(336.8)
Revenue recognized ⁽²⁾	Revenue recognized ⁽²⁾								
ESP deferred revenue, end of period	ESP deferred revenue, end of period	\$	1,120.2	\$	1,124.9	\$	1,120.2	\$	1,124.9
ESP deferred revenue, end of period									
ESP deferred revenue, end of period									

⁽¹⁾ Includes impact of foreign exchange translation.

⁽²⁾ The Company recognized sales of \$67.7 \$85.2 million and \$230.2 \$86.7 million during the 13 and 39 weeks ended October 28, 2023, respectively, May 4, 2024 and \$60.7 million and \$208.5 million during the 13 and 39 weeks ended October 29, 2022 April 29, 2023, respectively, related to deferred revenue that existed at the beginning of the period in respect to ESP.

4. Acquisitions and divestitures

UK Prestige Watch Business

On October 18, 2023, the Company entered into an agreement to sell the operations and certain assets of the Company's UK prestige watch business in the International reportable segment, including 21 retail locations. The closing of the sale was substantially completed on November 17, 2023, for initial proceeds of approximately \$53 million and resulted in a pre-tax gain of approximately \$12 million. The transaction is subject to certain customary post-closing conditions and adjustments which are expected to be completed by January 2024.

Based on the above sale, during the third quarter of Fiscal 2024, the Company determined the UK prestige watch business met the criteria to be classified as held for sale. The business did not meet the criteria to be classified as discontinued operations as the disposal does not represent a strategic shift that will have a major effect on the Company's operations. The related assets and liabilities expected to be disposed of have been presented as held for sale as of October 28, 2023, recorded within other current assets and other current liabilities in the condensed consolidated balance sheet and consist of the following:

(in millions)		
Inventories		\$ 33.4
Property, plant and equipment		9.6
Operating lease right-of-use assets		19.8
Assets held for sale		\$ 62.8
Operating lease liabilities		\$ 21.4
Liabilities held for sale		\$ 21.4

Service Jewelry & Repair

On July 11, 2023, the Company acquired certain assets of Service Jewelry & Repair, Inc. ("SJR"). SJR is a leader in jewelry and watch repair to both consumers and businesses. Total cash consideration was \$6.0 million. The SJR acquisition was driven by Signet's *Inspiring Brilliance* strategy and its initiatives to accelerate growth in its services offerings. Net assets acquired primarily consist of inventory and goodwill.

Blue Nile

On August 19, 2022, the Company acquired all of the outstanding shares of Blue Nile, Inc. ("Blue Nile"), subject to the terms of a stock purchase agreement entered into on August 5, 2022. The total cash consideration was \$389.9 million, net of cash acquired of \$16.6 million, including purchase price adjustments for working capital.

Blue Nile is a leading online retailer of engagement rings and fine jewelry. The strategic acquisition of Blue Nile accelerated Signet's initiative to expand its bridal offerings and grow its accessible luxury portfolio while enhancing its connected commerce capabilities as well as extending its digital leadership across the jewelry category – all while further achieving meaningful operating synergies to enhance shopping experiences for consumers and create value for shareholders.

The information included herein has been prepared based on the allocation of the purchase price using estimates of the fair value and useful lives of assets acquired and liabilities assumed which were determined by management using a combination of income and cost approaches, including the relief from royalty method and replacement cost method.

The following table presents the estimated fair value of the assets acquired and liabilities assumed from Blue Nile at the date of acquisition:

(in millions)

Inventories	\$ 85.8
Property, plant and equipment	33.1
Operating lease right-of-use assets	39.1
Intangible assets	96.0
Other assets	23.6
Identifiable assets acquired	277.6
Accounts payable	71.6
Deferred revenue	16.5
Operating lease liabilities	38.5
Other liabilities	17.9
Liabilities assumed	144.5
Identifiable net assets acquired	133.1
Goodwill	256.8
Net assets acquired	\$ 389.9

The Company recorded acquired intangible assets of \$96.0 million, consisting entirely of an indefinite-lived trade name. In addition, the Company acquired federal net operating loss and other carryforwards of approximately \$90 million and \$71 million, respectively. Such amounts are subject to certain limitations under Section 382 of the Internal Revenue Code, and generally do not expire.

Goodwill is calculated as the excess of the purchase price over the estimated fair values of the assets acquired and the liabilities assumed in the acquisition and represents the future economic benefits arising from other assets acquired that could not be individually identified and separately recognized. The amount allocated to goodwill associated with the Blue Nile acquisition is primarily the result of expected synergies resulting from combining the merchandising and sourcing activities of the Company's digital banners, as well as efficiencies in marketing and other aspects of the combined operations. The Company allocated goodwill to its North America reportable segment. None of the goodwill associated with this transaction is deductible for income tax purposes.

The results of Blue Nile subsequent to the acquisition date are reported as a component of the North America reportable segment. Pro forma results of operations have not been presented, as the impact on the Company's consolidated financial results was not material.

Sasmat

On June 16, 2022, the Company acquired a 25% interest in Sasmat Retail, S.L ("Sasmat") for \$17.1 million in cash. Sasmat is a Spanish jewelry retailer specializing in online selling, with eleven brick and mortar locations. Under the terms of the agreement, the Company has the option to acquire the remaining 75% of Sasmat exercisable at the earlier of three years or upon Sasmat reaching certain revenue targets as defined in the agreement. The Company is applying the equity method of accounting to the Sasmat investment. The Sasmat investment is recorded within other non-current assets in the condensed consolidated balance sheets. The Sasmat investment did not have a material impact on Signet's condensed consolidated statements of operations during the periods presented.

5. Segment information

Financial information for each of Signet's reportable segments is presented in the tables below. Signet's **chief operating decision maker** CODM utilizes segment sales and operating income, after the elimination of any inter-segment transactions, to determine resource allocations and performance assessment measures. Signet aggregates operating segments with similar economic and operating characteristics. Signet manages its business as three reportable segments: North America, International, and Other. Signet's sales are derived from the retailing of jewelry, watches, other products and services as generated through the management of its reportable segments. The Company allocates certain support center costs between operating segments, and the remainder of the unallocated costs are included with the corporate and unallocated expenses presented.

The North America reportable segment operates across the US and Canada. Its US stores operate nationally in malls and off-mall locations, as well as online, principally as Kay (Kay Jewelers and Kay Outlet), Zales (Zales Jewelers and Zales Outlet), Jared (Jared The Galleria Of Jewelry and Jared Vault), Diamonds Direct, Banter by Piercing Pagoda, Rocksbox, and digital banners, James Allen and Blue Nile. Its Canadian stores operate as Peoples Jewellers.

The International reportable segment operates stores in the UK, Republic of Ireland and Channel Islands, as well as online. Its stores operate in shopping malls and off-mall locations (i.e. high street) principally under the H. Samuel and Ernest Jones banners.

The Other reportable segment primarily consists of subsidiaries involved in the purchasing and conversion of rough diamonds to polished stones.

		13 weeks ended			39 weeks ended		
		13 weeks ended		13 weeks ended		13 weeks ended	
(in millions)		(in millions)		(in millions)		(in millions)	
(in millions)		October 28, 2023		October 29, 2022		October 28, 2023	
Sales:		Sales:		Sales:		Sales:	
Sales:		North America segment		North America segment		North America segment	
North America segment	North America segment	\$	1,291.1	\$	1,464.8	\$	4,353.4
International segment	International segment		94.0		95.3		289.0
International segment		International segment		International segment		International segment	
Other segment	Other segment		6.8		22.6		31.1
Other segment		Other segment		Other segment		Other segment	
Total sales		Total sales		\$ 1,391.9		\$ 4,673.5	
Operating (loss):	Operating (loss):						\$ 5,175.9
Operating income (loss):		Operating income (loss):		Operating income (loss):		Operating income (loss):	
North America segment (1)		North America segment (1)		\$ 39.2		\$ 281.0	
North America segment (1)	North America segment (1)	\$	39.2	\$	65.4	\$	300.3
International segment (2)	International segment (2)		(9.0)		(6.5)		(14.9)
International segment (2)		International segment (2)		International segment (2)		International segment (2)	
Other segment	Other segment		(3.1)		(0.3)		(4.8)
Other segment	Other segment						4.5
Corporate and unallocated expenses	Corporate and unallocated expenses		(13.8)		(10.2)		(48.1)
Corporate and unallocated expenses		Corporate and unallocated expenses		Corporate and unallocated expenses		Corporate and unallocated expenses	
Total operating income	Total operating income		13.3		48.4		205.2
Interest income (expense), net			2.6		(3.6)		10.0
Other non-operating expense, net			(2.3)		(2.7)		(2.4)
Total operating income		Interest income, net		(11.4)		(139.6)	

Interest income, net							
Interest income, net							
Other non-operating income (expense), net							
Other non-operating income (expense), net							
Other non-operating income (expense), net							
Income before income taxes	Income before income taxes	\$	13.6	\$	42.1	\$	212.8
Income before income taxes	Income before income taxes	\$	84.4	\$		\$	

(a) Operating income during the 13 and 39 weeks ended October 28, 2023 May 4, 2024 includes \$7.5 million \$0.6 million of restructuring charges and \$20.1 \$2.0 million respectively, of acquisition and asset impairment charges primarily related to planned store closures.

Operating income during the 13 weeks ended April 29, 2023 includes \$7.8 million of integration-related expenses, primarily severance and retention, and exit and disposal costs and system decommissioning costs incurred for the integration of Blue Nile. Nile and \$0.2 million and \$4.4 million, respectively, of restructuring charges. Operating income during the 39 weeks ended October 28, 2023 includes a \$3.0 million credit to income related to the adjustment of a prior litigation accrual and \$5.6 million of net asset impairment charges primarily related to restructuring and integration.

Operating income during the 13 and 39 weeks ended October 29, 2022 includes \$5.0 million and \$15.2 million, respectively, of cost of sales associated with the fair value step-up of inventory acquired in the Diamonds Direct and Blue Nile acquisitions; and \$4.7 million and \$7.3 million, respectively, of acquisition and integration-related expenses in connection with the Blue Nile acquisition. Operating income during the 39 weeks ended October 29, 2022 includes \$190.0 million related to pre-tax litigation charges, accrual.

See Note 20 18 and Note 21 20 for additional information.

(a) Operating loss during the 13 and 39 weeks ended October 28, 2023 May 4, 2024 includes \$4.0 million of restructuring charges; \$0.4 million of net asset impairment charges of \$1.4 million and costs primarily related to planned store closures; and \$1.3 million of net losses from the planned previously announced divestiture of the UK prestige watch business of \$1.3 million, respectively, business.

See Notes 4 and 20 Note 18 for additional information.

6.5. Redeemable preferred shares

On October 5, 2016, the Company issued 625,000 redeemable Series A Convertible Preference Shares ("Preferred Shares") to certain Green Equity Investors VI, L.P., Green Equity Investors Side VI, L.P., LGP Associates VI-A LLC and LGP Associates VI-B LLC, all affiliates of Leonard Green & Partners, L.P. (together, the "Preferred Holders"), for an aggregate purchase price of \$625.0 million, \$625.0 million, or \$1,000 per share (the "Stated Value") pursuant to the investment agreement dated August 24, 2016. The Preferred shareholders Shares are entitled classified as temporary equity within the condensed consolidated balance sheets.

On March 30, 2024, Signet's Board of Directors (the "Board") approved amendments to the Certificate of Designation to be effective as of April 1, 2024, including to provide for net share settlement upon conversion of the Preferred Shares. Under the terms of the net share settlement, in the event of a cumulative dividend mandatory conversion by the Company or a conversion at the rate option of 5% per annum, payable quarterly a Preferred Holder, in arrears either in exchange for each Preferred Share, Signet will deliver cash or by increasing for the stated value of the Preferred Shares. Share, and may elect to deliver any net settlement amount in excess of stated value in cash, shares or a combination of cash and shares. The current stated value of the Preferred Shares is \$1,050.94 per share. The amended Certificate of Designation also includes certain restrictions on the Preferred Holders' rights to convert the Preferred Shares, including: (a) prior to May 1, 2024, the Preferred Holders may not convert more than 50% of the Preferred Shares in the aggregate; and (b) after May 1, 2024, the Preferred Holders may not convert more than \$110.0 million of stated value of the Preferred Shares (in aggregate) in any 30-day period prior to November 15, 2024. No other modifications to the terms of the Certificate of Designation were made.

On April 1, 2024, following the effectiveness of the amended Certificate of Designation, the Preferred Holders delivered notice to the Company of a conversion of 312,500 Preferred Shares (in the aggregate). In accordance with the terms of the amended Certificate of Designation, the conversion was settled in cash by the Company for \$414.1 million on April 15, 2024, which included \$2.1 million of accrued and unpaid dividends as of the date of conversion. The excess of the settlement amount (excluding dividends) over the stated value of the Preferred Shares was \$83.6 million, which was recorded as a deemed dividend and a charge to net (loss) income attributable to common shareholders in the condensed consolidated statement of operations. The Company has declared all also incurred \$1.5 million of expenses directly related to the redemption and recorded this as an additional deemed dividend charged to net income (loss) attributable to common shareholders, which was included in accrued expenses and other current liabilities in the condensed consolidated balance sheet as of May 4, 2024.

On May 6, 2024, the Preferred Share dividends Holders elected to convert an additional 100,000 Preferred Shares. Upon notice of conversion, the Company elected to settle the full conversion amount totaling \$129.0 million in Fiscal 2024 cash, which was paid on May 20, 2024.

The following table presents certain conversion measures as of May 4, 2024, February 3, 2024 and Fiscal 2023 payable in cash. Refer to Note 7 for additional discussion of the Company's dividends on Preferred Shares. April 29, 2023:

(in millions, (in millions,	(in millions,						
except	except						
conversion rate	conversion rate						
and conversion and conversion	October 28, 2023	January 28, 2023	October 29, 2022				
price)	price)	2023	2023	2022	(in millions, except conversion rate and conversion price)		
Conversion	Conversion					May 4, 2024	February 3, 2024
rate	rate	12.5406	12.3939	12.3939			April 29, 2023
Conversion	Conversion						
price	price	\$79.7410	\$80.6849	\$80.6849			

Potential impact of preferred shares if-converted to common shares	8.2	8.1	8.1
Potential impact of Preferred Shares if-converted to common shares (2)			
Liquidation preference	Liquidation preference		
(1)	(1)	\$ 665.1	\$ 665.1 \$ 665.1

(1) Includes the Stated Value of the Preferred Shares plus any declared but unpaid dividends

(2) The potential impact of conversion of the outstanding Preferred Shares as of May 4, 2024 reflects the modified net share settlement provisions described above, based on the volume weighted average price per share as of the last trading date of the first quarter.

In connection with the issuance of the Preferred Shares, the Company incurred direct and incremental expenses of \$13.7 million. \$13.7 million, including financial advisory fees, closing costs, legal expenses and other offering-related expenses. These direct and incremental expenses originally reduced the carrying value of the Preferred Shares carrying value and will be accrued through retained earnings as a deemed dividend from the date of issuance through the then first possible known redemption date in November 2024. Accumulated accretion recorded in the condensed consolidated balance sheets was \$12.0 million \$13.3 million as of October 28, 2023 (January 28, 2023 May 4, 2024 (February 3, 2024 and October 29, 2022 April 29, 2023: \$10.7 \$12.4 million and \$10.2 \$11.1 million, respectively).

Accretion of \$0.5 million and \$1.3 \$0.9 million was recorded to Preferred Shares in the condensed consolidated balance sheets during the 13 and 39 weeks ended October 28, 2023, respectively (\$0.4 million May 4, 2024 and \$1.2 \$0.4 million for the 13 and 39 weeks ended October 29, 2022, respectively) April 29, 2023.

7.6. Shareholders' equity

Dividends on Common Shares

Dividends declared on the common shares during the 39 13 weeks ended October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023 were as follows:

(in millions, except per share amounts)	Fiscal 2024				Fiscal 2023			
	Dividends		Dividends		Dividends		Dividends	
	per share	Total dividends	per share	Total dividends	per share	Total dividends	per share	Total dividends
First quarter	\$ 0.23	\$ 10.4	\$ 0.20	\$ 9.3				
Second quarter	0.23	10.3	0.20	9.2				
Third quarter (1)	0.23	10.2	0.20	9.2				
Total	\$ 0.69	\$ 30.9	\$ 0.60	\$ 27.7				

(in millions, except per share amounts)	Fiscal 2025				Fiscal 2024			
	Dividends		Dividends		Dividends		Dividends	
	per share	Total dividends	per share	Total dividends	per share	Total dividends	per share	Total dividends
First quarter (1)	\$ 0.29	\$ 12.9	\$ 0.23	\$ 10.4				

(1) Signet's dividend policy results in the dividend payment date being a quarter in arrears from the declaration date. As of October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023, there was \$10.2 \$12.9 million and \$9.2 \$10.4 million recorded in accrued expenses and other current liabilities in the condensed consolidated balance sheets reflecting the cash dividends declared for the third first quarter of Fiscal 2024 2025 and Fiscal 2023, 2024, respectively.

Dividends on Preferred Shares

Dividends declared on the Preferred Shares during the 39 13 weeks ended October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023 were as follows:

(in millions, except per share amounts)	Fiscal 2024				Fiscal 2023			
	Dividends		Dividends		Dividends		Dividends	
	per share	Total dividends						
First quarter	\$ 13.14	\$ 8.2	\$ 13.14	\$ 8.2	\$ 13.14	\$ 8.2	\$ 13.14	\$ 8.2
Second quarter	13.14	8.2	13.14	8.2	13.14	8.2	13.14	8.2
Third quarter (1)	13.14	8.2	13.14	8.2	13.14	8.2	13.14	8.2
Total	\$ 39.42	\$ 24.6						

(in millions, except per share amounts)	Fiscal 2025				Fiscal 2024			
	Dividends per share		Total dividends ⁽²⁾		Dividends per share		Total dividends	
	\$	13.14	\$	6.2	\$	13.14	\$	8.2
First quarter ⁽¹⁾								

(1) Signet's dividend policy results in the dividend payment date being a quarter in arrears from the declaration date. As of **October 28, 2023** May 4, 2024 and **October 29, 2022** April 29, 2023, there was **\$8.2** **\$4.1** million and **\$8.2** million recorded in accrued expenses and other current liabilities in the condensed consolidated balance sheets reflecting the cash dividends on the Preferred Shares declared for the **third** first quarter of Fiscal **2024** **2025** and Fiscal **2023** **2024**, respectively.

(2) Dividends on the Preferred Shares during the first quarter of Fiscal 2025 includes \$2.1 million of dividends paid in April 2024 in connection with the redemption further described in Note 5.

There were no cumulative undeclared dividends on the Preferred Shares that reduced net (loss) income attributable to common shareholders during the 13 and 39 weeks ended **October 28, 2023** May 4, 2024 or **October 29, 2022** April 29, 2023. See Note 65 for additional discussion of the Company's Preferred Shares.

Share repurchases

Signet may from time to time repurchase common shares under various share repurchase programs authorized by Signet's **Board of Directors** (the "Board"). Board. Repurchases may be made in the open market, through block trades, through accelerated share repurchase agreements or otherwise. The timing, manner, price and amount of any repurchases will be determined by the Company at its discretion and will be subject to economic and market conditions, stock prices, applicable legal requirements and other factors. The repurchase programs are funded through Signet's existing cash reserves and liquidity sources. Repurchased shares are held as treasury shares and used by Signet primarily for issuance of share-based compensation awards, or for general corporate purposes.

The Board authorized repurchases to be made under the 2017 Share Repurchase Program (the "2017 Program"). Through the end of Fiscal **2023** **2024**, the total authorization under the 2017 Program had been increased to **\$1.7** approximately **\$1.9** billion, with **\$537.3** **\$661.0** million remaining as of **January 28, 2023** **February 3, 2024**. In March **2023**, **2024**, the Board approved a further **\$200.0** million increase to the multi-year authorization under the 2017 Program bringing the total remaining authorization to approximately **\$775** million. Program. Since inception of the 2017 Program, the Company has repurchased approximately \$1.2 billion of shares, with **\$682.8** **\$853.6** million of shares authorized for repurchase remaining as of **October 28, 2023** May 4, 2024.

The share repurchase activity during the 39 13 weeks ended **October 28, 2023** May 4, 2024 and **October 29, 2022** April 29, 2023 was as follows:

(in millions, except per share amounts)	39 weeks ended October 28, 2023				39 weeks ended October 29, 2022			
	13 weeks ended May 4, 2024				13 weeks ended May 4, 2024			
	13 weeks ended May 4, 2024				13 weeks ended April 29, 2023			
(in millions, except per share amounts)	Shares repurchased ⁽²⁾	Amount repurchased ⁽²⁾	Average price per share ⁽²⁾	Shares repurchased ⁽²⁾	Amount repurchased ⁽²⁾	Average price per share ⁽²⁾	Shares repurchased ⁽²⁾	Amount repurchased ⁽²⁾
2017 Program	1.7	\$ 117.5	\$ 70.76	5.1	\$ 361.2	\$ 70.98		

⁽¹⁾ The amount repurchased in Fiscal 2023 includes \$50 million related to the forward purchase contract as part of the previously disclosed accelerated share repurchase agreement.

⁽²⁾ Includes amounts paid for commissions.

8.7. Earnings (loss) per common share ("EPS")

Basic EPS is computed by dividing net (loss) income attributable to common shareholders by the weighted average number of common shares outstanding for the period. The computation of basic EPS is outlined in the table below:

(in millions, except per share amounts)	13 weeks ended			39 weeks ended		
	13 weeks ended			39 weeks ended		
	13 weeks ended			39 weeks ended		
	13 weeks ended			39 weeks ended		
(in millions, except per share amounts)	(in millions, except per share amounts)	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022	October 29, 2022
2023	\$ 13.14	\$ 6.2	\$ 13.14	\$ 8.2		

Numerator:	Numerator:						
Net income attributable to common shareholders		\$ 3.0	\$ 28.8	\$ 158.3	\$ 73.5		
Numerator:							
Numerator:							
Net (loss) income attributable to common shareholders							
Net (loss) income attributable to common shareholders							
Net (loss) income attributable to common shareholders							
Denominator:							
Denominator:							
Denominator:	Denominator:						
Weighted average common shares outstanding	Weighted average common shares outstanding	44.7	46.1	45.1	47.1		
Weighted average common shares outstanding							
Weighted average common shares outstanding							
EPS – basic	EPS – basic	\$ 0.07	\$ 0.62	\$ 3.51	\$ 1.56		
EPS – basic							
EPS – basic							
The dilutive effect of share awards represents the potential impact of outstanding awards issued under the Company's share-based compensation plans, including time-based restricted shares, time-based restricted stock units, performance-based stock units, and stock options issued under the Omnibus Plan and stock options issued under the Share Saving Plans. The dilutive effect of performance share units represents the number of contingently issuable shares that would be issuable if the end of the period was the end of the contingency period and is based on the actual achievement of performance metrics through the end of the current interim periods. The dilutive effect of Preferred Shares represents the potential impact for common shares that would be issued upon conversion. Potential common share dilution related to share awards and Preferred Shares is determined using the treasury stock and if-converted methods, respectively. Under Prior to modification under the if-converted method, the Preferred Shares are assumed to be converted at the beginning of the period, and the resulting common shares are included in the denominator of the diluted EPS calculation for the entire period being presented, only in the periods in which such effect is dilutive. Additionally, in periods in which Preferred Shares are dilutive, cumulative dividends and accretion for issuance costs associated with the Preferred Shares are added back to net income (loss) attributable to common shareholders. Following the modification and conversion of the Preferred Shares described in Note 5, a modified if-converted method is used to determine potential common share dilution related to the remaining outstanding Preferred Shares. Under this method, dividends and accretion of issuance costs are no longer added back to net income (loss) attributable to common shareholders. See Note 6 for additional discussion of the Company's Preferred Shares.							
The computation of diluted EPS is outlined in the table below:							
		13 weeks ended		39 weeks ended			
		13 weeks ended					
		13 weeks ended					
		13 weeks ended					
(in millions, except per share amounts)							
(in millions, except per share amounts)							
(in millions, except per share amounts)	(in millions, except per share amounts)	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022		
Numerator:	Numerator:						
Net income attributable to common shareholders		\$ 3.0	\$ 28.8	\$ 158.3	\$ 73.5		
Numerator:							
Numerator:							
Net (loss) income attributable to common shareholders							
Net (loss) income attributable to common shareholders							
Net (loss) income attributable to common shareholders							
Add: Dividends on Preferred Shares							

Add: Dividends on Preferred Shares									
Add: Dividends on Preferred Shares		Add: Dividends on Preferred Shares		—		—		25.9	
Numerator for diluted EPS		Numerator for diluted EPS		—		—		—	
EPS	EPS	\$	3.0	\$	28.8	\$	184.2	\$	73.5
Numerator for diluted EPS									
Numerator for diluted EPS									
Denominator:									
Denominator:									
Denominator:	Denominator:								
Basic weighted average common shares outstanding	Basic weighted average common shares outstanding		44.7		46.1		45.1		47.1
Basic weighted average common shares outstanding									
Basic weighted average common shares outstanding									
Plus: Dilutive effect of share awards									
Plus: Dilutive effect of share awards									
Plus: Dilutive effect of share awards	Plus: Dilutive effect of share awards		0.9		2.0		1.0		2.1
Plus: Dilutive effect of Preferred Shares	Plus: Dilutive effect of Preferred Shares		—		—		8.2		—
Plus: Dilutive effect of Preferred Shares									
Plus: Dilutive effect of Preferred Shares									
Diluted weighted average common shares outstanding									
Diluted weighted average common shares outstanding									
Diluted weighted average common shares outstanding	Diluted weighted average common shares outstanding		45.6		48.1		54.3		49.2
EPS – diluted	EPS – diluted	\$	0.07	\$	0.60	\$	3.39	\$	1.49
EPS – diluted									
EPS – diluted									

The calculation of diluted EPS excludes the following items for each respective period on the basis that their effect would be antidilutive:

(in millions)	13 weeks ended		39 weeks ended	
	October 28, 2023		October 28, 2023	
	8.2	8.1	—	8.1
Potential impact of Preferred Shares	8.2	8.1	—	8.1
Total antidilutive shares	8.2	8.1	—	8.1

(in millions)	13 weeks ended		
	May 4, 2024		April 29, 2023
	0.5	—	—
Share awards	0.5	—	—
Potential impact of Preferred Shares	2.9	—	—
Total antidilutive shares	3.4	—	—

9.8. Accumulated other comprehensive income (loss)

The following tables present the changes in AOCI by component and the reclassifications out of AOCI, net of tax:

Pension plan

		Gains (losses) on available- Foreign currency translation for-sale securities, on cash flow hedges						Accumulated Prior service costs		comprehensive income (loss)	
(in millions)	(in millions)	Foreign currency translation	for-sale securities, net	Gains (losses) on cash flow hedges	Actuarial gains (losses)	Prior service costs	other	Accumulated comprehensive income (loss)			
Balance at January 28, 2023		\$ (268.4)	\$ (0.2)	\$ 0.5	\$ 3.9	\$ —	\$ —	\$ (264.2)			
(in millions)											
(in millions)								Foreign currency translation	Losses on available-for-sale securities, net	Gains (losses) on cash flow hedges	Accumulated other comprehensive income (loss)
Balance at February 3, 2024											
Other comprehensive income (loss) ("OCI") before reclassifications	Other comprehensive income (loss) ("OCI") before reclassifications	(0.4)	(0.2)	0.3	—	—	(0.3)				
Amounts reclassified from AOCI to earnings	Amounts reclassified from AOCI to earnings	—	—	(0.7)	(3.9)	—	(4.6)				
Net current period OCI	Net current period OCI	(0.4)	(0.2)	(0.4)	(3.9)	—	(4.9)				
Balance at October 28, 2023		\$ (268.8)	\$ (0.4)	\$ 0.1	\$ —	\$ —	\$ —	\$ (269.1)			
Net current period OCI											
Net current period OCI											
Balance at May 4, 2024											
The amounts reclassified from AOCI to earnings were as follows:											
		Amounts reclassified from AOCI									
		13 weeks ended 39 weeks ended									
		Amounts reclassified from AOCI									
		Amounts reclassified from AOCI									
		Amounts reclassified from AOCI									
		13 weeks ended									
		13 weeks ended									
		13 weeks ended									
(in millions)											
(in millions)											
		October 28, 2023						Statement of operations caption			
		October 29, 2022						May 4, 2024			
		October 28, 2023						April 29, 2023			
Gains on cash flow hedges:		Gains on cash flow hedges:							Statement of operations caption		
Foreign currency contracts	Foreign currency contracts	Cost of sales (see Note 15)									
Foreign currency contracts											

Foreign currency contracts		\$ (0.2)	\$ (0.5)	Cost of sales (see Note 13)
Total before income tax				
Total before income tax				
Total before income tax	Total before income tax	(0.1)	(0.4)	(0.9)
Income taxes	Income taxes	—	0.2	0.2
Income taxes				
Income taxes				
Net of tax	Net of tax	(0.1)	(0.2)	(0.7)
Net of tax	Net of tax	(0.1)	(0.2)	(0.5)
Defined benefit pension plan items:	Defined benefit pension plan items:			
Amortization of unrecognized actuarial losses		—	1.0	—
				3.0
Amortization of unrecognized net prior service costs		—	0.1	—
				0.3
Defined benefit pension plan items:				
Defined benefit pension plan items:				
Pension settlement loss				
Pension settlement loss				
Pension settlement loss	Pension settlement loss	—	—	0.2
Total before income tax	Total before income tax	—	—	132.8
Income taxes	Income taxes	—	(0.2)	(4.1)
Income taxes				
Income taxes				
Net of tax	Net of tax	—	0.9	(3.9)
Net of tax	Net of tax	—	0.9	(3.9)
Total reclassifications, net of tax	Total reclassifications, net of tax	\$ (0.1)	\$ 0.7	\$ (4.6)
Total reclassifications, net of tax				\$ 110.0
Total reclassifications, net of tax				
Total reclassifications, net of tax				

10.9. Income taxes

39 weeks ended			
October	October		
28, 2023	29, 2022		
13 weeks ended			
May 4, 2024		May 4, 2024	April 29, 2023

Estimated annual effective tax rate before discrete items	Estimated annual effective tax rate before discrete items	19.1 %	19.7 %	Estimated annual effective tax rate before discrete items	17.4 %	18.6 %
Discrete items recognized	Discrete items recognized	(5.7)%	(37.5)%	Discrete items recognized	(6.3) %	(9.7) %
Effective tax rate recognized in statements of operations	Effective tax rate recognized in statements of operations	13.4 %	(17.8)%	Effective tax rate recognized in statements of operations	11.1 %	8.9 %

During the 39 weeks ended **October 28, 2023** **May 4, 2024**, the Company's effective tax rate was lower than the US federal income tax rate, primarily as a result of the favorable impact of foreign rate differences and benefits from global reinsurance arrangements, as well as the discrete tax benefits recognized in the 39 weeks ended **October 28, 2023** **May 4, 2024**. The discrete tax benefits to date during Fiscal 2024 primarily relate to the reclassification of remaining taxes on the pension settlement out of AOCI of \$4.1 million and the excess tax benefit for share-based compensation which vested during the year quarter of **\$9.4** **\$4.7** million.

The Company's effective tax rate for the same period during the prior year was lower than the US federal income tax rate, primarily as a result of the favorable impact of foreign rate differences and benefits from global reinsurance arrangements, as well as the discrete tax benefits related to litigation charges of \$47.7 million, the reclassification of the remaining pension settlement loss out of AOCI of **\$25.2** **\$4.1** million and the excess tax benefit for share-based compensation which vested during the year quarter of **\$14.7** **\$7.6** million.

As of **October 28, 2023** **May 4, 2024**, there has been no material change in the amounts of unrecognized tax benefits, or the related accrued interest and penalties (where appropriate), in respect of uncertain tax positions identified and recorded as of **January 28, 2023** **February 3, 2024**.

11. Credit transactions

Credit card outsourcing programs

The Company has entered into various agreements with Comenity Bank ("Comenity") and Concora Credit Inc. (formerly known as Genesis Financial Solutions) ("Concora") through its subsidiaries Sterling Jewelers Inc. ("Sterling") and Zale Delaware, Inc. ("Zale"), to outsource its private label credit card programs. Under the original agreements, Comenity provided credit services to all prime credit customers for the Sterling banners and to all credit card customers for the Zale banners. In May 2021, both the Sterling and Zale agreements ("Program Agreements") with Comenity and Concora were amended and restated to provide credit services to prime and non-prime customers. In April 2023, the Program Agreements were further amended to, among other matters, extend the terms of the Program Agreements from December 31, 2025 to December 31, 2028.

12. Inventories

The following table summarizes the details of the Company's inventories as of May 4, 2024, February 3, 2024 and April 29, 2023:

(in millions)	(in millions)	October 28, January 28, October 29,			(in millions)	May 4, 2024	February 3, 2024	April 29, 2023
		2023	2023	2022				
Raw materials	Raw materials	\$ 60.1	\$ 89.2	\$ 130.9				
Merchandise inventories	Merchandise inventories	2,035.6	2,061.1	2,298.1				
Total inventories	Total inventories	\$2,095.7	\$2,150.3	\$2,429.0				

13. Leases

Total lease costs for the 13 weeks ended May 4, 2024 and April 29, 2023 consist of the following:

	13 weeks ended	39 weeks ended
	13 weeks ended	
	13 weeks ended	
	13 weeks ended	
(in millions)		

(in millions)		October 28, 2023		October 29, 2022		October 28, 2023		October 29, 2022	
(in millions)	(in millions)								
Operating lease cost	Operating lease cost	\$ 97.5		\$ 100.7		\$ 293.3		\$ 297.3	
Operating lease cost									
Operating lease cost									
Short-term lease cost									
Short-term lease cost									
Short-term lease cost	Short-term lease cost	12.7		11.1		37.4		35.1	
Variable lease cost	Variable lease cost	25.0		25.9		77.8		84.3	
Variable lease cost									
Variable lease cost									
Sublease income									
Sublease income									
Sublease income	Sublease income	(0.1)		(0.3)		(0.5)		(1.3)	
Total lease costs	Total lease costs	\$ 135.1		\$ 137.4		\$ 408.0		\$ 415.4	
Total lease costs									
Total lease costs									

14.12. Goodwill and intangibles

Goodwill and other indefinite-lived intangible assets, such as indefinite-lived trade names, are evaluated for impairment annually. Additionally, if events or conditions indicate the carrying value of a reporting unit or an indefinite-lived intangible asset may be greater than its fair value, the Company would evaluate the asset for impairment at that time. Impairment testing compares the carrying amount of the reporting unit or other indefinite-lived intangible assets with its fair value. When the carrying amount of the reporting unit or other indefinite-lived intangible assets exceeds its fair value, an impairment charge is recorded.

Fiscal2023

During the 13 weeks ended April 30, 2022, the Company completed its quarterly triggering event assessment and determined that no triggering events had occurred in the first quarter of Fiscal 2023 requiring interim impairment assessment for all reporting units with goodwill and indefinite-lived intangible assets.

During the 13 weeks ended July 30, 2022, the Company completed its annual evaluation of its indefinite-lived intangible assets, including goodwill and trade names, and through the qualitative assessment the Company did not identify any events or conditions that would indicate that it was more likely than not that the carrying values of the reporting units and indefinite-lived trade names exceeded their fair values. Additionally, the Company completed its quarterly triggering event assessment and determined that no triggering events had occurred in the second quarter of Fiscal 2023 requiring interim impairment assessments for all reporting units with goodwill and indefinite-lived intangible assets.

In connection with the acquisition of Blue Nile on August 19, 2022, the Company recognized \$96.0 million of indefinite-lived intangible assets and \$256.8 million of goodwill, which are reported in the North America reportable segment. Refer to Note 4 for additional information.

During the 13 weeks ended October 29, 2022, the Company completed its quarterly triggering event assessment and determined that no triggering events had occurred in the third quarter of Fiscal 2023 requiring interim impairment assessment for all reporting units with goodwill and indefinite-lived intangible assets.

Fiscal 2024

During the 13 weeks ended April 29, 2023, the Company completed its quarterly triggering event assessment and determined that no triggering events had occurred in the first quarter of Fiscal 2024 requiring an interim impairment assessment for all reporting units with goodwill and indefinite-lived intangible assets.

During the 13 weeks ended July 29, 2023, the Company completed its annual evaluation of its indefinite-lived intangible assets, including goodwill and trade names. The Company utilized the qualitative assessment for all reporting units and trade names, except the Digital Banners and Diamonds Direct reporting units and trade names, for which the quantitative assessment was utilized. Through the qualitative assessment, the Company did not identify any events or conditions that would indicate that it was more likely than not that the carrying values of the reporting units and indefinite-lived trade names exceeded their fair values. The Company noted no impairment through the quantitative assessments based on the estimated fair values of the reporting units and trade names exceeding their carrying values. Additionally, the Company completed its quarterly triggering event assessment and determined that no triggering events had occurred in the second quarter of Fiscal 2024 requiring interim impairment assessments for all reporting units with goodwill and indefinite-lived intangible assets.

During the 13 weeks ended October 28, 2023 May 4, 2024, the Company completed its quarterly triggering event assessment and determined that no triggering events had occurred in the third first quarter of Fiscal 2024 2025 requiring an interim impairment assessment for all reporting units with goodwill and indefinite-lived intangible assets.

The uncertainty related to the current macroeconomic environment, such as rising high interest rates and the heightened inflationary pressure on consumers' discretionary spending, could negatively affect the share price of the Company's common stock, as well as key assumptions used to estimate fair value, such as sales trends, margin trends, long-term

growth rates and discount rates. Thus, an adverse change in any of these factors could result in a risk of impairment in the Company's goodwill or indefinite-lived trade names in future periods.

Goodwill

The following table summarizes the Company's goodwill by reportable segment:

(in millions)	North America
Balance at January 28, 2023 February 3, 2024 ⁽¹⁾	\$ 751.7 754.5
Balance at October 28, 2023 May 4, 2024 ⁽¹⁾	\$ 754.5

⁽¹⁾ The carrying amount of goodwill is presented net of accumulated impairment losses of \$576.0 million as of October 28, 2023 May 4, 2024 and January 28, 2023 February 3, 2024.

⁽²⁾ The change in goodwill during the period primarily consists of the acquisition of SJR and the finalization of the purchase price allocation of Blue Nile.

Intangibles

Definite-lived intangible assets include trade names, technology and customer relationship assets. Indefinite-lived intangible assets consist of trade names. Both definite and indefinite-lived assets are recorded within intangible assets, net, on the condensed consolidated balance sheets. Intangible liabilities, net consists of unfavorable contracts and is recorded within accrued expenses and other current liabilities and other liabilities - non-current on the condensed consolidated balance sheets.

The following table provides additional detail regarding the composition of intangible assets and liabilities:

(in millions)	October 28, 2023			January 28, 2023			October 29, 2022		
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Net
	carrying amount	Accumulated amortization	carrying amount	carrying amount	Accumulated amortization	carrying amount	carrying amount	Accumulated amortization	carrying amount
Intangible assets, net:									
Definite-lived intangible assets	\$ 15.8	\$ (9.0)	\$ 6.8	\$ 15.8	\$ (7.6)	\$ 8.2	\$ 15.8	\$ (7.1)	\$ 8.7
Indefinite-lived intangible assets									
(1)	398.8	—	398.8	399.2	—	399.2	404.8	—	404.8
Total intangible assets, net	\$ 414.6	\$ (9.0)	\$ 405.6	\$ 415.0	\$ (7.6)	\$ 407.4	\$ 420.6	\$ (7.1)	\$ 413.5
Intangible liabilities, net	\$ (38.0)	\$ 34.0	\$ (4.0)	\$ (38.0)	\$ 32.6	\$ (5.4)	\$ (38.0)	\$ 32.2	\$ (5.8)

^(a)The changes in the indefinite-lived intangible asset balances during the periods presented were due to a measurement period adjustment of the Blue Nile trade name and the impact of foreign currency translation.

(in millions)	May 4, 2024			February 3, 2024			April 29, 2023		
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Net
	carrying amount	Accumulated amortization	carrying amount	carrying amount	Accumulated amortization	carrying amount	carrying amount	Accumulated amortization	carrying amount
Intangible assets, net:									
Definite-lived intangible assets	\$ 11.2	\$ (7.9)	\$ 3.3	\$ 11.2	\$ (7.5)	\$ 3.7	\$ 15.8	\$ (8.1)	\$ 7.7
Indefinite-lived intangible assets									
(1)	398.9	—	398.9	399.1	—	399.1	399.1	—	399.1
Total intangible assets, net	\$ 410.1	\$ (7.9)	\$ 402.2	\$ 410.3	\$ (7.5)	\$ 402.8	\$ 414.9	\$ (8.1)	\$ 406.8
Intangible liabilities, net	\$ (38.0)	\$ 34.9	\$ (3.1)	\$ (38.0)	\$ 34.4	\$ (3.6)	\$ (38.0)	\$ 33.1	\$ (4.9)

15.13. Derivatives

Derivative transactions are used by Signet for risk management purposes to address risks inherent in the Company's business operations and sources of financing. The only risk that the Company is currently utilizing financial derivatives to mitigate is foreign currency risk. Signet does not enter into derivative transactions for speculative purposes.

The following types of derivative financial instruments are utilized by the Company to mitigate certain risk exposures related to changes in foreign exchange rates:

Forward foreign currency exchange contracts (designated) — These contracts, which are principally in US dollars, are entered into to limit the impact of movements in foreign exchange rates on forecasted foreign currency purchases. The total notional amount of these foreign currency contracts outstanding as of October 28, 2023 May 4, 2024 was \$16.7 million (January 28, 2023 \$9.5 million (February 3, 2024 and October 29, 2022 April 29, 2023: \$25.9 \$5.1 million and \$14.1 million \$16.6 million, respectively). These contracts have been designated as cash flow hedges and will be settled over the next 9 months (January 28, 2023 and October 29, 2022; 12 months (February 3, 2024 and April 29, 2023: 6 months and 9 months, respectively). The fair value of outstanding contracts as well as related activity were not material for the periods presented.

There were no discontinued cash flow hedges during the 39 weeks ended October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023 as all forecasted transactions are expected to occur as originally planned. As of October 28, 2023 May 4, 2024, based on current valuations, the Company expects approximately \$0.1 million of immaterial net pre-tax derivative gains or losses to be reclassified out of AOCI into earnings within the next 12 months.

Forward foreign currency exchange contracts (undesignated)— Foreign currency contracts not designated as cash flow hedges are used to limit the impact of movements in foreign exchange rates on recognized foreign currency payables and to hedge currency flows through Signet's bank accounts to mitigate Signet's exposure to foreign currency exchange risk in its cash and borrowings. The total notional amount of these foreign currency contracts outstanding as of **October 28, 2023** **May 4, 2024** was **\$55.4 million** (**January 28, 2023** **\$69.4 million** (**February 3, 2024** and **October 29, 2022** **April 29, 2023**: **\$27.3 million** **\$57.2 million** and **\$80.6 million** **\$33.5 million**, respectively).

The Company recognizes activity related to these derivative instruments within other operating **expense**, **(expense)** **income**, net in the condensed consolidated statements of operations. Losses were **\$2.4 million** **\$1.5 million** and **\$1.9 million** **\$0.2 million** during the 13 and 39 weeks ended **October 28, 2023**, respectively, **May 4, 2024** and losses were **\$7.8 million** and **\$15.0 million** during the 13 and 39 weeks ended **October 29, 2022** **April 29, 2023**, respectively.

The bank counterparties to the derivative instruments expose **Signet the Company** to credit-related losses in the event of their non-performance. However, to mitigate that risk, **Signet the Company** only contracts with counterparties that meet certain minimum requirements under its counterparty risk assessment process. As of **October 28, 2023** **May 4, 2024**, **Signet the Company** believes that this credit risk did not materially change the fair value of the foreign currency contracts.

16.

14. Fair value measurement

The estimated fair value of Signet's financial instruments held or issued to finance Signet's operations is summarized below. Certain estimates and judgments were required to develop the fair value amounts. The fair value amounts shown below are not necessarily indicative of the amounts that Signet would realize upon disposition nor do they indicate Signet's intent or ability to dispose of the financial instrument. Assets and liabilities that are carried at fair value are required to be classified and disclosed in one of the following three categories:

Level 1—quoted market prices in active markets for identical assets and liabilities

Level 2—observable market based inputs or unobservable inputs that are corroborated by market data

Level 3—unobservable inputs that are not corroborated by market data

Signet determines fair value based upon quoted prices when available or through the use of alternative approaches, such as discounting the expected cash flows using market interest rates commensurate with the credit quality and duration of the investment. The methods Signet uses to determine fair value on an instrument-specific basis are detailed below:

		October 28, 2023			January 28, 2023			October 29, 2022											
		May 4, 2024									February 3, 2024			May 4, 2024			2024		
(in millions)	(in millions)	Carrying Value	Level 1	Level 2	Carrying Value	Level 1	Level 2	Carrying Value	Level 1	Level 2	Carrying Value	Level 1	Level 2	Carrying Value	Level 1	Level 2	Carrying Value	Level 1	Level 2
Assets:	Assets:																		
US Treasury securities	US Treasury securities	\$ 4.6	\$ 4.6	\$ —	\$ 5.7	\$ 5.7	\$ —	\$ 6.1	\$ 6.1	\$ —									
US Treasury securities	US Treasury securities																		
Foreign currency contracts	Foreign currency contracts	0.4	—	0.4	0.1	—	0.1	2.0	—	2.0									
Foreign currency contracts	Foreign currency contracts																		
US government agency securities	US government agency securities																		
US government agency securities	US government agency securities																		
US government agency securities	US government agency securities	0.5	—	0.5	0.5	—	0.5	1.5	—	1.5									
Corporate bonds and notes	Corporate bonds and notes	2.9	—	2.9	3.4	—	3.4	3.4	—	3.4									
Total assets	Total assets	\$ 8.4	\$ 4.6	\$ 3.8	\$ 9.7	\$ 5.7	\$ 4.0	\$ 13.0	\$ 6.1	\$ 6.9									
Liabilities:	Liabilities:																		

Liabilities:						
Liabilities:						
Foreign currency contracts						
Foreign currency contracts						
Foreign currency contracts	Foreign currency contracts	\$ (0.6)	\$ —	\$ (0.6)	\$ (0.7)	\$ —
Foreign currency contracts	Foreign currency contracts	\$ (0.6)	\$ —	\$ (0.6)	\$ (0.7)	\$ —
Total liabilities	Total liabilities	\$ (0.6)	\$ —	\$ (0.6)	\$ (0.7)	\$ —

Total liabilities

Total liabilities

Investments in US Treasury securities are based on quoted market prices for identical instruments in active markets, and therefore were classified as Level 1 measurements in the fair value hierarchy. Investments in US government agency securities and corporate bonds and notes are based on quoted prices for similar instruments in active markets, and therefore were classified as Level 2 measurements in the fair value hierarchy. The fair value of derivative financial instruments ~~have~~ has been determined based on market value equivalents on the ~~condensed consolidated~~ balance sheet ~~date~~, dates, taking into account the current interest rate environment, foreign currency forward rates, and therefore were classified as Level 2 measurements in the fair value hierarchy. See Note **15** **13** for additional information related to the Company's derivatives.

The carrying amounts of cash and cash equivalents, ~~accounts receivable~~, other current assets, accounts payable, accrued expenses and other current liabilities, and income taxes approximate fair value because of the short-term maturity of these amounts.

The fair value of ~~long-term~~ debt instruments were determined using quoted market prices in inactive markets based upon current observable market interest rates and therefore were classified as Level 2 measurements in the fair value hierarchy. The following table provides a summary of the carrying amount and fair value of outstanding debt:

(in millions)	October 28, 2023		January 28, 2023		October 29, 2022	
	Carrying		Carrying		Carrying	
	Value	Fair Value	Value	Fair Value	Value	Fair Value
Long-term debt:						
Senior notes (Level 2)	\$ 147.6	\$ 144.4	\$ 147.4	\$ 144.9	\$ 147.3	\$ 142.5
(in millions)	May 4, 2024		February 3, 2024		April 29, 2023	
	Carrying		Carrying		Carrying	
	Value	Fair Value	Value	Fair Value	Value	Fair Value
4.70% Senior unsecured notes due in June 2024 (Level 2)	\$ 147.8	\$ 147.4	\$ 147.7	\$ 146.3	\$ 147.5	\$ 144.3

17.15. Long-term debt

(in millions)	(in millions)	October	January	October	(in millions)	May 4, 2024	February 3, 2024	April 29, 2023
		28, 2023	28, 2023	29, 2022				
Debt:								
Debt:	Debt:							
Senior unsecured notes due 2024, net of unamortized discount								
		\$147.8	\$147.7	\$147.7				
4.70% Senior unsecured notes due in June 2024, net of unamortized discount								
4.70% Senior unsecured notes due in June 2024, net of unamortized discount								
4.70% Senior unsecured notes due in June 2024, net of unamortized discount								
Gross debt								
Gross debt								
Gross debt	Gross debt	147.8	147.7	147.7				

Less:	Less:
Current	Current
portion of	portion of
long-term	long-term
debt	debt (147.6) — —
Less:	Less:
Unamortized	Unamortized
debt	debt
issuance	issuance
costs	costs (0.2) (0.3) (0.4)
Total long-term debt	Total long-term debt \$ — \$147.4 \$147.3

Senior unsecured notes due 2024

On May 19, 2014, Signet UK Finance plc ("Signet UK Finance"), a wholly owned subsidiary of the Company, issued \$400 million aggregate principal amount of its 4.70% senior unsecured notes due in June 2024 (the "Senior Notes"). The Senior Notes were issued under an effective registration statement previously filed with the SEC. Interest on the Senior Notes is payable semi-annually on June 15 and December 15 of each year. The Senior Notes are jointly and severally guaranteed, on a full and unconditional basis, by the Company and by certain of the Company's wholly owned subsidiaries.

On September 5, 2019, Signet UK Finance announced the commencement of a tender offer to purchase any and all of its outstanding Senior Notes (the "Tender Offer"). Signet UK Finance tendered \$239.6 million of the Senior Notes, representing a purchase price of \$950.00 per \$1,000.00 in principal, leaving \$147.8 million of the Senior Notes outstanding after the Tender Offer.

Asset-based credit facility

On September 27, 2019, the Company entered into a senior secured asset-based credit facility consisting of (i) a revolving credit facility in an aggregate committed amount of \$1.5 billion (the "ABL Revolving Facility") and (ii) a first-in last-out term loan facility in an aggregate principal amount of \$100.0 million (the "FILO Term Loan Facility" and, together with the ABL Revolving Facility, the "ABL Facility"). During Fiscal 2021, the Company fully repaid the FILO Term Loan Facility.

On July 28, 2021, the Company entered into the Second Amendment to the Credit Agreement (the "Second Amendment") to amend the ABL Facility. The Second Amendment extended the maturity of the ABL Facility from September 27, 2024 to July 28, 2026 and allows the Company to increase the size of the ABL Facility by up to \$600 million.

The Company had no outstanding borrowings on the ABL Revolving Facility for the periods presented and its available borrowing capacity was **\$1.4 billion** **\$1.1 billion** as of **October 28, 2023** **May 4, 2024**.

18.16. Warranty reserve

Certain banners within the North America reportable segment provide a product lifetime diamond guarantee as long as six-month inspections are performed and certified by an authorized store representative. Provided the customer has complied with the six-month inspection policy, the Company will replace, at no cost to the customer, any stone that chips, breaks or is lost from its original setting during normal wear. Management estimates the warranty accrual based on the lag of actual claims experience and the costs of such claims, inclusive of labor and material. A similar product lifetime guarantee is also provided on color gemstones. The warranty reserve for diamond and gemstone guarantees, included in accrued expenses and other current liabilities and other liabilities - non-current, is as follows:

		13 weeks ended		39 weeks ended	
		13 weeks ended	13 weeks ended	13 weeks ended	13 weeks ended
(in millions)					
(in millions)	(in millions)	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Warranty reserve, beginning of period	Warranty reserve, beginning of period	\$ 42.9	\$ 38.5	\$ 40.8	\$ 36.0
Warranty reserve, beginning of period					
Warranty reserve, beginning of period					
Warranty expense					
Warranty expense					
Warranty expense	Warranty expense	3.5	4.1	11.6	12.2
Utilized ⁽¹⁾	Utilized ⁽¹⁾	(3.1)	(3.0)	(9.1)	(8.6)
Utilized ⁽¹⁾					
Utilized ⁽¹⁾					
Warranty reserve, end of period	Warranty reserve, end of period	\$ 43.3	\$ 39.6	\$ 43.3	\$ 39.6
Warranty reserve, end of period					

(1) Includes impact of foreign exchange translation.

	October 28, 2023	January 28, 2023	October 29, 2022	(in millions)	May 4, 2024	February 3, 2024	April 29, 2023
Disclosed as: Disclosed as:							
Accrued expenses and other current liabilities	Accrued expenses and other current liabilities						
Accrued expenses and other current liabilities	Accrued expenses and other current liabilities						
Other liabilities - non-current	Other liabilities - non-current						
Total warranty reserve	Total warranty reserve	\$43.3	\$40.8	\$39.6			

19.17. Other operating expense, net and non-operating expense, (expense) income, net

The following table provides the components of other operating expense, (expense) income, net for the 13 and 39 weeks ended October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023:

	13 weeks ended		39 weeks ended	
	13 weeks ended	13 weeks ended	13 weeks ended	13 weeks ended
(in millions)				
(in millions)				
(in millions)	(in millions)	October 28, 2023	October 29, 2022	October 28, 2023
Litigation charges (1)	Litigation charges (1)	\$ —	\$ —	\$ 3.0
Litigation charges (1)				\$ (190.0)
Litigation charges (1)				
Asset impairments, net				
Asset impairments, net				
Asset impairments, net	Asset impairments, net	(0.1)	(1.9)	(5.7)
Restructuring charges (2)	Restructuring charges (2)	(1.6)	—	(5.8)
Restructuring charges (2)				
Restructuring charges (2)				
Other	Other	(2.1)	(0.6)	(4.6)
Other operating expense, net	\$ (3.8)	\$ (2.5)	\$ (13.1)	\$ (193.5)
Other				
Other				
Other operating (expense) income, net				
Other operating (expense) income, net				

Other operating (expense) income, net

(a) Fiscal 2024 includes a credit to income related to the adjustment of a prior litigation accrual recognized in the first quarter of Fiscal 2023. See Note 21 20 for additional information.

(b) See Note 20 for additional information.

The following table provides the components of other non-operating expense, net for the 13 and 39 weeks ended October 28, 2023 and October 29, 2022:

(in millions)	13 weeks ended		39 weeks ended	
	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Pension settlement loss ⁽¹⁾	\$ —	\$ —	\$ (0.2)	\$ (132.8)
Other	(2.3)	(2.7)	(2.2)	(6.8)
Other non-operating expense, net	\$ (2.3)	\$ (2.7)	\$ (2.4)	\$ (139.6)

(a) See Note 22 18 for additional information.

20.18. Restructuring

During the second quarter of Fiscal 2024, the Company initiated a plan to rationalize its store footprint across the Company, as well as to reorganize certain centralized functions within its North America and UK support centers (collectively, the "Plan"). During the first quarter of Fiscal 2025, as a result of the continued strategic review of the UK business, the Company expanded the Plan in order to further redesign the operating model of the UK business aimed at improving profitability, with margins in line with the rest of the business within the next three years. The store footprint reduction is expected to include the closure of up to 150 underperforming stores across both the North America and International reportable segments through the end of Fiscal 2025 and will result in costs primarily for severance and asset disposals or impairment. The reorganization of the support centers includes the elimination of certain roles resulting in expenses primarily related to severance and other employee-related costs. Actions related to the reorganization Plan are expected to be substantially completed by the end of Fiscal 2024, 2025.

During the 13 weeks ended May 4, 2024, the Company recorded charges related to the Plan of \$6.5 million, consisting of the following: \$2.2 million for employee-related costs; \$2.4 million for store closure costs; and \$1.9 million related to asset impairments. Cumulative costs to date related to the Plan are \$17.8 million, consisting of the following: \$7.6 million for employee-related costs; \$4.0 million for store closure costs; and \$6.2 million related to asset impairments. Total estimated costs related to the Plan are expected to range from \$12 \$20 million to \$17 \$30 million, including \$6 \$10 million to \$8 \$15 million of estimated non-cash charges for asset disposals and impairments. During the 13 and 39 weeks ended October 28, 2023, the Company recorded charges related to the Plan of \$1.6 million and \$9.3 million, respectively, comprised of the following: \$1.5 million and \$5.1 million, respectively, for employee-related costs; \$0.1 million and \$0.7 million, respectively, for store closure costs related to asset disposals; during the 39 weeks ended October 28, 2023, \$3.5 million related to asset impairments. These costs are recorded within other operating expense, (expense) income, net in the condensed consolidated statements of operations.

19. Supplier finance program

The Company entered into a supplier finance program during Fiscal 2024. Under this program, a financial intermediary acts as the Company's paying agent with respect to accounts payable due to certain suppliers. The Company agrees to pay the financial intermediary the stated amount of the confirmed invoices from the designated suppliers on the original maturity dates of the invoices. The supplier finance program enables Company suppliers to be paid by the financial intermediary earlier than the due date on the applicable invoice. The Company negotiates payment terms directly with its suppliers for the purchase of goods and services. No guarantees or collateral are provided by the Company under the supplier finance program. As of May 4, 2024, the Company had \$17.9 million of confirmed invoices outstanding under the supplier finance program (February 3, 2024 and April 29, 2023: \$7.8 million and \$0.0 million, respectively). All activity related to the supplier finance program is included in accounts payable in the condensed consolidated balance sheets and within operating activities in the condensed consolidated statements of cash flows.

21.20. Commitments and contingencies

Legal proceedings

The Company is routinely a party to various legal proceedings arising in the ordinary course of business. These legal proceedings primarily include employment-related and commercial claims. The Company does not believe that the outcome of any such legal proceedings pending against the Company would have a material adverse effect on the Company's consolidated financial position, liquidity, or results of operations.

Previously settled matters

Employment practices

As previously disclosed, on June 8, 2022, the Company, through its subsidiary Sterling Jewelers Inc., reached a settlement agreement on a collective class arbitration proceeding associated with certain store-level employment practices. As a result of the settlement, the Company recorded a pre-tax charge of \$190 \$188 million within other operating expense, (expense), net in the condensed consolidated statement of operations during the first quarter ended April 30, 2022, Fiscal 2023. This settlement charge included the payments to the class of approximately \$175 million, as well as estimated employer payroll taxes, class administration fees and class counsel attorneys' fees and costs. Based on the final assessment of employer payroll taxes due, the total settlement charge was reduced to approximately \$185 million, which was fully funded by the Company in the first quarter of Fiscal 2024.

Other matters

As previously disclosed, in February 2023, the Company received an unfavorable ruling under a private arbitration involving a dispute with a vendor alleging breach of contract. As a result of this ruling, during the fourth quarter of Fiscal 2023, the Company recorded a pre-tax charge of \$15.9 million within other operating (expense) income, (expense) net in the consolidated statement of operations. This was paid in March 2023.

22. Retirement plans

Signet previously provided a defined benefit pension plan in the UK (the "Pension Scheme") to participating eligible employees, which was frozen effective in October 2019. All future benefit accruals under the plan ceased as of that date.

On July 29, 2021, Signet Group Limited ("SGL"), a wholly-owned subsidiary of the Company, entered into an agreement (the "Agreement") with Signet Pension Trustee Limited (the "Trustee"), as trustee of the Pension Scheme, to facilitate the Trustee entering into a bulk purchase annuity policy ("BPA") securing accrued liabilities under the Pension Scheme with Rothesay Life Plc ("Rothesay") and subsequently, to wind up the Pension Scheme. The BPA is held by the Trustee as an asset of the Pension Scheme (the "buy-in") in anticipation of Rothesay subsequently (and in accordance with the terms of the BPA) issuing individual annuity contracts to each of the 1,909 Pension Scheme members (or their eligible beneficiaries) ("Transferred Participants") covering their accrued benefits (a full "buy-out"), following which the BPA will terminate and the Trustee will wind up the Pension Scheme (collectively, the "Transactions").

Under the terms of the Agreement, SGL has contributed £15.0 million to date (approximately \$20.1 million) to the Pension Scheme to enable the Trustee to pay for any costs incurred by the Trustee as part of the Transactions. During the fourth quarter of Fiscal 2024, the Company contributed an additional £1.1 million (approximately \$1.4 million) to the Pension Scheme primarily for costs to be incurred by the Trustee to wind-up the Pension Scheme.

On April 22, 2022, the Trustee entered into a Deed Poll agreement with Rothesay and a Deed of Assignment with SGL to facilitate the assignment of individual policies for a significant portion of the Transferred Participants ("Assigned Participants"). The Deed Poll and Deed of Assignment, collectively, irrevocably relieve SGL and the Trustee of its obligations under the policies to the Assigned Participants. As a result of the Deed Poll and Deed of Assignment, the Company determined that a transfer of all remaining risks has occurred with respect to these groups of participants. Thus, management concluded that the Company triggered settlement accounting and performed a remeasurement of the Pension Scheme, which resulted in a non-cash, pre-tax settlement charge of \$131.9 million recorded within other non-operating expense, net within the condensed consolidated statement of operations during the first quarter of Fiscal 2023.

Additional settlement events occurred in the second quarter of Fiscal 2023 and the first quarter of Fiscal 2024, which resulted in non-cash, pre-tax settlement charges of \$0.9 million and \$0.2 million, respectively, which were recorded within other non-operating expense, net within the condensed consolidated statements of operations. The transfer in the first quarter of Fiscal 2024 represented the final group of participants to be transferred from the Pension Scheme.

The settlement charges recorded in Fiscal 2023 and Fiscal 2024 relate to the pro-rata recognition of previously unrecognized actuarial losses and prior service costs out of AOCI and into earnings associated with the buy-out of the benefit obligation. No further amounts remain unrecognized in AOCI as of October 28, 2023.

The components of net periodic benefit cost for the Pension Scheme are as follows:

(in millions)	13 weeks ended		39 weeks ended	
	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Components of net periodic benefit cost:				
Interest cost	\$ —	\$ —	\$ —	\$ (0.9)
Expected return on plan assets	—	(0.3)	(0.9)	—
Amortization of unrecognized actuarial losses	—	(1.0)	—	(3.0)
Amortization of unrecognized net prior service costs	—	(0.1)	—	(0.3)
Pension settlement loss	—	—	(0.2)	(132.8)
Total net periodic benefit cost	\$ —	\$ (1.4)	\$ (1.1)	\$ (137.0)

All components of net periodic benefit cost are charged to other non-operating expense, net in the condensed consolidated statements of operations, 2024.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The discussion and analysis in this Item 2 is intended to provide the reader with information that will assist in understanding the significant factors affecting the Company's condensed consolidated operating results, financial condition, liquidity and capital resources. This discussion should be read in conjunction with our condensed consolidated financial statements and the notes thereto to the condensed consolidated financial statements included in Item 1 of this Quarterly Report on Form 10-Q, as well as the financial and other information included in Signet's Fiscal 2023/2024 Annual Report on Form 10-K filed with the SEC on March 16, 2023/March 21, 2024.

This management's discussion and analysis provides comparisons of material changes in the condensed consolidated financial statements for the 13 and 39 weeks ended October 28, 2023/May 4, 2024 and October 29, 2022/April 29, 2023.

FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains statements which are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based upon management's beliefs and expectations as well as on assumptions made by and data currently available to management, appear in a number of places throughout this document and include statements regarding, among other things, results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate. The use of the words "expects," "intends," "anticipates," "estimates," "predicts," "believes," "should," "potential," "may," "preliminary," "forecast," "objective," "plan," or "target," and other similar expressions are intended to identify forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to a number of risks and uncertainties which could cause the actual results to not be realized, including, but not limited to: difficulty or delay in executing or integrating an acquisition, including Diamonds Direct and Blue Nile; executing other major business or strategic initiatives, such as expansion of the services business or realizing the benefits of our restructuring plan; plans; the impact of the Israel-Hamas conflict on our operations; the negative impacts that the COVID-19 public health crisis, disease outbreak, epidemic or pandemic has had, and could have in the future, on our business, financial condition, profitability and cash flows, including without limitation risks relating to shifts in consumer spending away from the jewelry category, trends toward more experiential purchases such as travel, disruptions in the dating cycle caused by the COVID-19 pandemic and the pace at which such impacts on engagements are expected to recover, and the impacts of the expiration of government stimulus on overall consumer spending (including the recent

expiration of student loan relief); general economic or market conditions, including impacts of inflation or other pricing environment factors on our commodity costs (including diamonds) or other operating costs; a prolonged slowdown in the growth of the jewelry market or a recession in the overall economy; financial market risks; a decline in consumer discretionary spending or deterioration in consumer financial position; disruptions in our supply chain; our ability to attract and retain labor; our ability to optimize our transformation strategies; changes to regulations relating to customer credit; disruption in the availability of credit for customers and customer inability to meet credit payment obligations, which has occurred and may continue to deteriorate; our ability to achieve the benefits related to the outsourcing of the credit portfolio, including due to technology disruptions and/or disruptions arising from changes to or termination of the relevant outsourcing agreements, as well as a potential increase in credit costs due to the current interest rate environment; deterioration in the performance of individual businesses or of our market value relative to its book value, resulting in impairments of long-lived assets or intangible assets or other adverse financial consequences; the volatility of our stock price; the impact of financial covenants, credit ratings or interest volatility on our ability to borrow; our ability to maintain adequate levels of liquidity for our cash needs, including debt obligations, payment of dividends, planned share repurchases (including future Preferred Share conversions, execution of accelerated share repurchases and the payment of related excise taxes) and capital expenditures as well as the ability of our customers, suppliers and lenders to access sources of liquidity to provide for their own cash needs; potential regulatory changes; future legislative and regulatory requirements in the US and globally relating to climate change, including any new climate related disclosure or compliance requirements, such as those recently issued in the state of California or proposed adopted by the SEC; exchange rate fluctuations; the cost, availability of and demand for diamonds, gold and other precious metals, including any impact on the global market supply of diamonds due to the ongoing Israel-Hamas conflict, the potential sale or divestiture of the De Beers Diamond Company and its diamond mining operations by parent company Anglo-American plc, and the ongoing Russia-Ukraine conflict or related sanctions; stakeholder reactions to disclosure regarding the source and use of certain minerals; scrutiny or detention of goods produced in certain territories resulting from trade restrictions; seasonality of our business; the merchandising, pricing and inventory policies followed by us and our ability to manage inventory levels; our relationships with suppliers including the ability to continue to utilize extended payment terms and the ability to obtain merchandise that customers wish to purchase; the failure to adequately address the impact of existing tariffs and/or the imposition of additional duties, tariffs, taxes and other charges or other barriers to trade or impacts from trade relations; the level of competition and promotional activity in the jewelry sector; our ability to optimize our multi-year strategy to gain market share, expand and improve existing services, innovate and achieve sustainable, long-term growth; the maintenance and continued innovation of our OmniChannel retailing and ability to increase digital sales, as well as management of digital marketing costs; changes in consumer attitudes regarding jewelry and failure to anticipate and keep pace with changing fashion trends; changes in the costs, retail prices, supply and consumer acceptance of, and demand for gem quality lab created lab-created diamonds and adequate identification of the use of substitute products in our jewelry; ability to execute successful marketing programs and manage social media; the ability to optimize our real estate footprint, including operating in attractive trade areas and accounting for changes in consumer traffic in mall locations; the performance of and ability to recruit, train, motivate and retain qualified team members - particularly in regions experiencing low unemployment rates; management of social, ethical and environmental risks; ability to deliver on our environmental, social and governance goals; the reputation of Signet and its banners; inadequacy in and disruptions to internal controls and systems, including related to the migration to new information technology systems which impact financial reporting; security breaches and other disruptions to our or our third-party providers' information technology infrastructure and databases; an adverse development in legal or regulatory proceedings or tax matters, including any new

claims or litigation brought by employees, suppliers, consumers or shareholders, regulatory initiatives or investigations, and ongoing compliance with regulations and any consent orders or other legal or regulatory decisions; failure to comply with labor regulations; collective bargaining activity; changes in corporate taxation rates, laws, rules or practices in the US and other jurisdictions in which our subsidiaries are incorporated, including developments related to the

tax treatment of companies engaged in Internet commerce or deductions associated with payments to foreign related parties that are subject to a low effective tax rate; risks related to international laws and Signet being a Bermuda corporation; risks relating to the outcome of pending litigation; our ability to protect our intellectual property or assets including cash which could be affected by failure of a financial institution or conditions affecting the banking system and financial markets as a whole; changes in assumptions used in making accounting estimates relating to items such as extended service plans; or the impact of weather-related incidents, natural disasters, organized crime or theft, increased security costs, strikes, protests, riots or terrorism, acts of war (including the ongoing Russia-Ukraine and Israel-Hamas conflicts), or another public health crisis or disease outbreak, epidemic or pandemic on our business.

For a discussion of these and other risks and uncertainties which could cause actual results to differ materially from those expressed in any forward looking statement, see the "Risk Factors" and "Forward-Looking Statements" sections of Signet's Fiscal 2023/2024 Annual Report on Form 10-K filed with the SEC on March 16, 2023/March 21, 2024, and quarterly reports on Form 10-Q and the "Safe Harbor Statements" in current reports on Form 8-K filed with the SEC. Signet undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances, except as required by law.

OVERVIEW

Signet Jewelers Limited ("Signet" or the "Company") is the world's largest retailer of diamond jewelry. Signet is incorporated in Bermuda. The Company operated 2,747/2,676 retail locations as of October 28, 2023/May 4, 2024, which when combined with the Company's digital capabilities under its Connected Commerce strategy, provides customers the opportunity to use both online and in-store experiences as part of their shopping journey. Signet manages its business by geography, a description of which follows:

- The North America reportable segment operates nine banners, with the majority operating through both online and brick and mortar retail operations. The segment had 2,348/2,314 locations in the US and 92/91 locations in Canada as of October 28, 2023/May 4, 2024.
 - In the US, the segment operates under the following banners: Kay (Kay Jewelers and Kay Outlet); Zales (Zales Jewelers and Zales Outlet); Jared (Jared The Galleria Of Jewelry and Jared Vault); Banter by Piercing Pagoda; Diamonds Direct; Rocksbox; and digital banners, James Allen and Blue Nile.
 - In Canada, the segment operates under the Peoples banner (Peoples Jewellers).
- The International reportable segment had 307/271 locations in the UK, Republic of Ireland and Channel Islands as of October 28, 2023/May 4, 2024, as well as and maintains an online retail presence for its principal banners, H. Samuel and Ernest Jones.

Certain Company activities are managed in the "Other" segment for financial reporting purposes, including primarily the Company's diamond sourcing operation and its diamond polishing factory in Botswana. See Note 54 of Item 1 for additional information regarding the Company's reportable segments, and see Item 1 of Signet's Fiscal 2023 2024 Annual Report on Form 10-K for further background and description of the Company's business.

Overall performance

Signet's total sales decreased by 12.1% during the third quarter of Fiscal 2024 compared to the same period in Fiscal 2023. Sales were down compared to the same period in the prior year due to the continued impact of heightened inflationary pressure on consumers' discretionary spending, as well as the decline in engagements during Fiscal 2024, which was anticipated, as further discussed below. During the third quarter of Fiscal 2024, the Company's average merchandise transaction values ("ATV") increased by 1.1% in the North America reportable segment and increased by 2.7% in the International reportable segment. The ATVs remained stable as a result of Signet's strategic product assortment combined with its consumer insight, digital marketing, and value engineered products at targeted price points.

Inspiring Brilliance strategy

The Company intends to continue continues to execute the initiatives under its *Inspiring Brilliance* strategy, which is focused on the achievement of sustainable industry-leading growth toward its previously announced mid-term goals of growing revenue to \$9 to \$10 billion, with an annual double digit non-GAAP adjusted operating margin (see Non-GAAP Measures section for further information). The *Inspiring Brilliance* strategy focuses on sustainable enhancements to the differentiation of Signet's banners, including the expansion of its accessible luxury portfolio, its connected commerce and digital capabilities and its initiatives to accelerate services and optimize its real estate footprint. As described in the Purpose and Strategy section within Item 1 of Signet's Fiscal 2023 2024 Annual Report on Form 10-K filed with the SEC on March 16, 2023 March 21, 2024, through its *Inspiring Brilliance* strategy, the Company is focused on leveraging the core strengths that it has developed since the beginning of its the transformation five six years ago ago. Signet aims to be the innovation and market share leader of the jewelry category with the goal of creating a broader mid-market opportunity for additional market share expansion and increasing Signet's share of that larger market profitable growth as the industry leader. Company leverages its flexible operating model, strong cash flows and core strengths while investing to widen its competitive advantages.

Overall performance - First quarter Fiscal 2025

Signet's sales decreased by 9.4% during the first quarter of Fiscal 2025 compared to the same period in Fiscal 2024. Sales were down compared to the same period in the prior year due to the impact of the challenging macroeconomic environment on consumer spending, the impact of heightened discount activity from the competition, as well as the overall decline in engagements compared to prior year, as anticipated. The first quarter was also unfavorably impacted by the continued integration challenges at the digital banners which began in the second half of Fiscal 2024. Despite these challenges, the Company saw positive factors driven by new fashion assortment, sequential improvements in engagement trends, and continued strong performance in services. During the first quarter of Fiscal 2025, the Company's average merchandise transaction values ("ATV") decreased by 1.6% in the North America reportable segment and decreased by 15.3% in the International reportable segment. The ATVs remained relatively stable in North

America as a result of Signet's strategic product assortment and the improvements noted above in engagement trends, particularly at core price points, which nearly offset continued softness in the highest price points, including at the digital banners due to challenges noted above. Sales and ATV in the International reportable segment were negatively impacted by the previously disclosed divestiture of the prestige watch business in the fourth quarter of Fiscal 2024 which carried product at the highest price points.

Refer to the "Results of Operations" section below for further information on performance during the third first quarter of Fiscal 2024, 2025.

Fiscal 2025 Outlook

Following a year of heightened growth in Fiscal 2022, jewelry Jewelry industry revenues softened over the past two years in Fiscal 2023, light of the challenging macroeconomic environment from interest rates and the Company continues to expect the industry to be down more than the initial expectations of mid-single digits for Fiscal 2024, driven by the impact of macroeconomic factors, inflation, headwinds in engagements and shifts in consumer discretionary spending. In addition, However, despite these challenges, beginning in Fiscal 2025, the Company expects some same store sales between -4.5% and +0.5% with sequential improvement throughout the year, led by the expected engagement recovery which is seeing traction as expected, including late in first quarter and into May. Management's data continues to point to multi-year engagement recovery, and Signet believes the US remains on track for engagements beginning to increase 5% to 10% for Fiscal 2025. We believe that the Company can leverage its data and strengths to execute targeted marketing at the right time to win the recovery, as well as leverage its competitive advantages such as scale, consumer insights, growing product newness, enhancing in-store and online customer experiences and the continued expansion of our service offerings. As previously disclosed, the Company also expects the integration issues at our digital banners to persist in the fourth quarter and continuing short term, with a negative impact of 1.5% to rebound over 2.0% on sales in Fiscal 2025. While overall inflation has moderated, the next three years. It is anticipated Company anticipates that discretionary spending in categories such as jewelry will continue to be adversely impacted by rising high prices on necessities such as gas and groceries and could further impact sales in Fiscal 2025 across all categories. The Company is also monitoring the impact of higher discounting on sales and gross margins for the remainder of the Company's product assortments at all price points. Consumer spending may also be impacted by customers' ability to obtain credit, as well year, as the expiration of student loan relief in the third quarter of Fiscal 2024. However, the magnitude heightened competitive environment and timing of both inflationary factors and the shift in spending consumer pressures on pricing are difficult expected to predict, as is whether these pressures will ultimately impact other product categories, continue.

Despite the current headwinds, the Company expects to continue strategic investments that differentiate Signet from its competitors, in particular investments in its banner value propositions, its services business, the newness of its product offerings, personalization of marketing, and its digital and data analytics capabilities. The Company believes that these strengths have positioned Signet to drive market share gains, particularly in bridal, in the remainder of Fiscal 2024 and continue building its competitive advantages. Furthermore, the Company will maintain its diligent and effective efforts to drive cost savings and leverage its flexible operating model, scale and fleet optimization. As part of its efforts to focus on growth, its strategic business in the third quarter UK, the Company entered into an agreement to sell completed the operations and certain assets divestiture of the Company's UK prestige watch business in the International reportable segment, including 21 retail locations. The Company believes the divestiture of this non-strategic business will enable the UK to accelerate key elements of its transformation. The sale is expected to be completed in during the fourth quarter of Fiscal 2024. See Note 4 for additional information. 2024 and closed 16 stores, primarily at the Ernest Jones banner, in the UK in the first quarter of Fiscal 2025. These actions, as well as further streamlining overhead in the UK support center, are aimed at improving profitability in this segment, with margins in line with the rest of the business within the next three years.

The Company continues to monitor the impacts of certain macroeconomic factors on its business, such as inflation and the Russia-Ukraine and Israel-Hamas conflicts. Signet operates quality control and technology centers in Israel, and to date, these operations have not been materially impacted by the geopolitical conflict in the Middle East. While the Company currently does not expect potential disruptions to its operations in Israel to have a material impact on the Company's results of operations, the Company will continue to closely monitor this conflict and any potential impacts on its business, as well as its team members in Israel. Uncertainties exist that could impact the Company's results of operations or cash flows in the future, such as further competitive pricing and pressure, including on lab-created diamonds, continued inflationary environment changes impacting impacts to the Company (including, but not limited to, materials, labor, fulfillment and advertising costs) or adverse shifts in consumer discretionary spending, deterioration of consumer credit, supply chain disruptions to the Company's business, the Company's ability to recruit and retain qualified team members, or organized retail crime and its impact to mall traffic. See "Forward-Looking Statements" above as well as the "Risk Factors" section herein and included in Item 1A of Signet's Fiscal 2023/2024 Annual Report on Form 10-K.

RESULTS OF OPERATIONS

Comparison of Third First Quarter Fiscal 2024/2025 to Third First Quarter Fiscal 2023/2024

- Same store sales: Down 11.8%.
 - Total sales: \$1.39 billion, down 12.1%.
 - Operating income: \$13.3 million compared to \$48.4 million in the prior year.
 - Diluted earnings per share: \$0.07 compared to \$0.60 in the prior year.

Comparison of Year to Date Fiscal 2024 to Prior Year

- Same store sales: Down 12.6%.
 - Total sales: \$4.67 billion, down 9.7%.
 - Operating income: \$205.2 million compared to \$235.4 million in the prior year.
 - Diluted earnings per share: \$3.39 compared to \$1.49 in the prior year.

	Third Quarter						Year to Date					
	Fiscal 2024			Fiscal 2023			Fiscal 2024			Fiscal 2023		
	First Quarter		First Quarter		First Quarter		First Quarter		First Quarter		First Quarter	
	Fiscal 2025		Fiscal 2025		Fiscal 2025		Fiscal 2025		Fiscal 2025		Fiscal 2025	
(in millions)	(in millions)											
(in millions)	(in millions)	\$	% of sales	\$	% of sales	\$	% of sales	\$	% of sales	\$	% of sales	
Sales	Sales	\$ 1,391.9	100.0 %	\$ 1,582.7	100.0 %	\$ 4,673.5	100.0 %	\$ 5,175.9	100.0 %			
Sales												
Sales												
Cost of sales												
Cost of sales	Cost of sales	(890.6)		(64.0)		(1,030.1)		(65.1)		(2,929.4)		(62.7)
Gross margin	Gross margin	501.3	36.0	552.6	34.9	1,744.1	37.3	1,941.0	37.5			
Gross margin												
Gross margin												
Selling, general and administrative expenses	Selling, general and administrative expenses	(484.2)	(34.8)	(501.7)	(31.7)	(1,525.8)	(32.6)	(1,512.1)	(29.2)			
Other operating expense, net		(3.8)	(0.3)	(2.5)	(0.2)	(13.1)	(0.3)	(193.5)	(3.7)			
Selling, general and administrative expenses												
Selling, general and administrative expenses												
Other operating (expense) income, net												

Other operating (expense) income, net									
Other operating (expense) income, net									
Operating income	Operating income	13.3	1.0	48.4	3.1	205.2	4.4	235.4	4.5
Interest income (expense), net		2.6	0.2	(3.6)	(0.2)	10.0	0.2	(11.4)	(0.2)
Other non-operating expense, net		(2.3)	(0.2)	(2.7)	(0.2)	(2.4)	(0.1)	(139.6)	(2.7)
Operating income									
Operating income									
Interest income, net									
Interest income, net									
Interest income, net									
Other non-operating income (expense), net									
Other non-operating income (expense), net									
Other non-operating income (expense), net									
Income before income taxes									
Income before income taxes									
Income before taxes	Income before taxes	13.6	1.0	42.1	2.7	212.8	4.6	84.4	1.6
Income taxes	Income taxes	(1.9)	(0.1)	(4.6)	(0.3)	(28.6)	(0.6)	15.0	0.3
Income taxes									
Income taxes									
Net income									
Net income									
Net income	Net income	\$ 11.7	0.8 %	\$ 37.5	2.4 %	\$ 184.2	3.9 %	\$ 99.4	1.9 %
Dividends on Preferred Shares	Dividends on Preferred Shares	(8.7)	nm	(8.7)	nm	(25.9)	nm	(25.9)	nm
Net income attributable to common shareholders	Net income attributable to common shareholders	\$ 3.0	0.2 %	\$ 28.8	1.8 %	\$ 158.3	3.4 %	\$ 73.5	1.4 %
Dividends on Preferred Shares									
Dividends on Preferred Shares									
Net (loss) income attributable to common shareholders									
Net (loss) income attributable to common shareholders									
Net (loss) income attributable to common shareholders									

nm Not meaningful.

Third First quarter sales

Signet's total sales decreased **12.1%** **9.4%** year over year to **\$1.39 billion** **\$1.51 billion** in the 13 weeks ended **October 28, 2023** **May 4, 2024**, while total sales at constant exchange rates decreased **12.4%** **9.6%**. Same store sales decreased **11.8%** **8.9%**, compared to a decrease of **7.6%** **13.9%** in the prior year quarter. These declines were driven by **Continued challenges in the impact of heightened inflationary pressure** **macroeconomic environment** on consumers' discretionary spending and resulted in a decreased number of transactions, primarily from the **anticipated decline in the bridal category**, driven by lower **engagements**. However, **engagements from the ATVs** remained stable as a result from Signet's **strategic product assortment** combined with its **consumer insight, digital marketing, and value engineered products** **COVID-19 disruption to dating**. **ATV's** were also down in the first quarter primarily due to **competitive pricing pressure**, particularly at **targeted higher price points**.

eCommerce sales in the **third** **first** quarter of **Fiscal 2024** **2025** were **\$300.9 million** **\$337.9 million**, down **\$30.2 million** **\$42.7 million** or **9.1%** **11.2%**, compared to **\$331.1** **\$380.6** million in the prior year **third** **first** quarter, primarily driven by the **impact of heightened inflationary pressure on consumers' discretionary spending** and the **decline in the bridal category**, driven by lower **engagements**, including the **unfavorable impact from continued operational issues in the digital banners**. eCommerce sales accounted for **21.6%** **22.4%** of **third** **first**

quarter sales, up down from 20.9% 22.8% of total sales in the prior year third first quarter. Brick and mortar same store sales decreased 11.5% 7.6% from the prior year third first quarter.

The breakdown of the third first quarter sales performance by reportable segment is set out in the table below:

Change from previous year						
Total sales						
Same store sales	Non-same store sales, net	at constant rate (2)	Exchange impact	Total sales as reported	Total sales (in millions)	
Third Quarter of Fiscal 2024						
Change from previous year						
First Quarter of Fiscal 2025						
First Quarter of Fiscal 2025						
Change from previous year						
First Quarter of Fiscal 2025						
North America reportable segment	North America reportable segment	(12.3)%	0.5 %	(11.8) %	(0.1) %	(11.9) % \$1,291.1
North America reportable segment	North America reportable segment	nm	nm	nm	nm	\$ 6.8
International reportable segment	International reportable segment	(4.6)%	(3.9) %	(8.5) %	7.1 %	(1.4) % \$ 94.0
Other reportable segment	Signet	(11.8)%	(0.6) %	(12.4) %	0.3 %	(12.1) % \$1,391.9

(1) Includes The 53rd week in Fiscal 2024 has resulted in a shift as the current fiscal year began a week later than the previous fiscal year. As such, same store sales from Signet's diamond sourcing operation, for Fiscal 2025 have been calculated by aligning the sales weeks of the current quarter to the equivalent sales weeks in the prior fiscal year quarter. Total reported sales continue to be calculated based on the reported fiscal periods.

(2) The Company provides the period-over-period change in total sales excluding the impact of foreign currency fluctuations, which is a non-GAAP measure, to provide transparency to performance and enhance investors' understanding of underlying business trends. The effect from foreign currency, calculated on a constant currency basis, is determined by applying current year average exchange rates to prior year sales in local currency.

(3) Includes sales from Signet's diamond sourcing operation.

nm Not meaningful.

ATV is an operating metric defined as net merchandise sales divided by the total number of customer transactions. The ATV is measured each period based on the reported sales for the corresponding period presented. Beginning in the second quarter of Fiscal 2024, the Company has changed its presentation of ATV to be calculated based on total reported net merchandise sales, compared to a same store sales base used in prior periods, as this metric is more representative of the comparison of reported sales period over period. The prior period amounts presented below, and throughout this discussion and analysis, have been restated to be presented comparatively.

Third Quarter	Average Merchandise Transaction Value ₍₁₎₍₂₎				Merchandise Transactions	
	Average Value		Change from previous year		Change from previous year	
	Fiscal 2024	Fiscal 2023	Fiscal 2024	Fiscal 2023	Fiscal 2024	Fiscal 2023
North America reportable segment	\$ 622	\$ 615	1.1 %	23.0 %	(15.1)%	(15.0)%
International reportable segment (3)	£ 187	£ 182	2.7 %	9.0 %	(11.5)%	(15.6)%

First Quarter	Average Merchandise Transaction Value ₍₁₎₍₂₎				Merchandise Transactions	
	Average Value		Change from previous year		Change from previous year	
	Fiscal 2025	Fiscal 2024	Fiscal 2025	Fiscal 2024	Fiscal 2025	Fiscal 2024

North America reportable segment	\$ 552	\$ 561	(1.6)%	5.1 %	(7.9)%	(15.0)%
International reportable segment (3)	£ 160	£ 189	(15.3)%	10.5 %	(5.9)%	(18.0)%

(1) Net merchandise sales within the North America reportable segment include all merchandise product sales, net of discounts and returns. In addition, excluded from net merchandise sales are sales tax in the US, repairs, extended service plans, insurance, employee and other miscellaneous sales. As a result, the sum of the changes will not agree to the change in reported sales.

(2) Net merchandise sales within the International reportable segment include all merchandise product sales, including value added tax ("VAT"), net of discounts and returns. In addition, excluded from net merchandise sales are repairs, warranty, employee and other miscellaneous sales. As a result, the sum of the changes will not agree to the change in reported sales.

(3) International reportable segment amounts are denominated in British pounds.

North America sales

The North America reportable segment's total sales were \$1.29 billion \$1.42 billion compared to \$1.46 billion \$1.56 billion in the prior year quarter, or a decrease of 11.9% 9.0%. This decrease was primarily driven by the decline in same store sales due to continued challenges in the impact of heightened inflationary pressure macroeconomic environment on consumers' discretionary spending, and the anticipated decline in the bridal category, driven by lower engagements. engagements and operational challenges at the digital banners. ATV's in North America were also down slightly in the first quarter primarily due to competitive pricing pressure, particularly at higher price points, partially offset by the Company's strategic product assortment and merchandise at core price points. Same store sales decreased 12.3% 9.2% compared to a decrease of 7.6% 14.2% in the prior year quarter which is reflective of primarily due to the factors discussed above and resulted from decline in the number of transactions decreasing by 15.1% 7.9% year over year. These declines were partially offset by a stabilization in ATV.

International sales

The International reportable segment's total sales decreased 1.4% 17.0% to \$94.0 million \$77.2 million compared to \$95.3 million \$93.0 million in the prior year, primarily due to the divestiture of the prestige watch business in the fourth quarter of Fiscal 2024, as well as the impact of heightened inflationary pressure on consumers' discretionary spending, especially on necessities such as gas store closures. Total sales at constant exchange rates decreased 19.5%. The number of transactions decreased 5.9% and groceries. This decrease was ATV decreased 15.3% year over year. These decreases were partially offset by a strengthening of the British Pound experienced during the quarter, offsetting 7.1% 2.5% of this decline. Total sales at constant exchange rates decreased 8.5%. The number of transactions decreased 11.5%, partially offset by a higher ATV, which increased 2.7% year over year.

Year to date sales

Signet's total sales decreased 9.7% to \$4.67 billion compared to \$5.18 billion in the prior year. Signet's same store sales decreased 12.6%, compared to a decrease of 4.4% in the prior year. These declines were driven by the impact of heightened inflationary pressure on consumers' discretionary spending and the decline in the bridal category, driven by lower engagements. The total sales decrease was partially offset by the addition of Blue Nile to Signet's portfolio.

eCommerce sales year to date were \$1.05 billion, up \$97.6 million or 10.3%, compared to \$949.4 million in the prior year. eCommerce sales accounted for 22.4% of year to date sales, up from 18.3% of total sales in the prior year. Brick and mortar same store sales decreased 12.6% from the prior period. The increase in eCommerce sales as of percentage of sales is primarily due to the addition of Blue Nile to Signet's portfolio.

The breakdown of the year to date sales performance by reportable segment is set out in the table below:

Year to date Fiscal 2024	Change from previous year						Total sales (in millions)
	Same store sales	Non-same store sales, net (2)	Total sales at constant exchange rate (3)	Exchange translation impact	Total sales as reported		
North America reportable segment	(13.0)%	4.1 %	(8.9)%	(0.1)%	(9.0)%	\$ 4,353.4	
International reportable segment	(7.3)%	(2.4)%	(9.7)%	0.9 %	(8.8)%	\$ 289.0	
Other reportable segment (1)	nm	nm	nm	nm	nm	\$ 31.1	
Signet	(12.6)%	2.9 %	(9.7)%	— %	(9.7)%	\$ 4,673.5	

(1) Includes sales from Signet's diamond sourcing operation.

(2) Includes sales from acquired businesses which were not included in the results for the full comparable periods presented. Blue Nile is included in same store sales beginning in the third quarter of Fiscal 2024.

(3) The Company also provides the period-over-period change in total sales excluding the impact of foreign currency fluctuations, which is a non-GAAP measure, to provide transparency to performance and enhance investors' understanding of underlying business trends. The effect from foreign currency, calculated on a constant currency basis, is determined by applying current year average exchange rates to prior year sales in local currency.

nm Not meaningful.

Year to date Fiscal 2024	Average Merchandise Transaction Value (1)(2)					Merchandise Transactions	
	Average Value		Change from previous year			Change from previous year	
	Fiscal 2024	Fiscal 2023	Fiscal 2024	Fiscal 2023	Fiscal 2024	Fiscal 2023	
North America reportable segment	\$ 587	\$ 561	4.8 %	24.4 %	(14.3)%	(17.7)%	
International reportable segment (3)	£ 187	£ 178	5.1 %	6.6 %	(15.0)%	8.3 %	

(1) Net merchandise sales within the North America segment include all merchandise product sales, net of discounts and returns. In addition, excluded from net merchandise sales are sales tax in the US, repair, extended service plan, insurance, employee and other miscellaneous sales. As a result, the sum of the changes will not agree to the change in reported sales.

(2) Net merchandise sales within the International segment include all merchandise product sales, including VAT, net of discounts and returns. In addition, excluded from net merchandise sales are repairs, warranty, insurance, employee and other miscellaneous sales. As a result, the sum of the changes will not agree to the change in reported sales.

(a) International segment amounts are denominated in British pounds.

North America sales

The North America reportable segment's total sales were \$4.35 billion compared to \$4.79 billion in the prior year, down 9.0%. This decrease was primarily driven by the decline in the organic banners due to the impact of heightened inflationary pressure on consumers' discretionary spending and the decline in the bridal category, driven by lower engagements. This decrease was partially offset by the addition of Blue Nile to Signet's North America portfolio. Same store sales decreased 13.0% compared to a decrease of 5.7% in the prior year. North America's ATV increased 4.8%, driven by Blue Nile, while the number of transactions decreased 14.3%.

International sales

The International reportable segment's total sales decreased 8.8% to \$289.0 million compared to \$316.9 million in the prior year, primarily due to the impact of heightened inflationary pressure on consumers' discretionary spending, especially on necessities such as gas and groceries. Total sales at constant exchange rates decreased 9.7%. The number of transactions decreased 15.0%, partially offset by higher ATV, which increased 5.1% over prior year. these declines.

Gross margin

In the third first quarter of Fiscal 2024, 2025, gross margin was \$501.3 million \$572.4 million or 36.0% 37.9% of sales compared to \$552.6 million \$632.0 million or 34.9% 37.9% of sales in the prior year comparable period. For the 39 weeks ended October 28, 2023, gross Gross margin was \$1.7 billion or 37.3% as a percentage of sales remained overall flat compared to \$1.9 billion or 37.5% of sales in the prior year comparable period. first quarter. The increase in gross margin for the 13 weeks ended October 28, 2023 reflects the continued growth of services, favorable impacts of cost savings and the strength of our merchandise strategies, partially offset by the deleveraging of fixed costs on lower sales volume. The slight decrease in gross margin for the 39 weeks ended October 28, 2023 reflects the deleveraging of fixed costs on the lower volume as described above, primarily in store occupancy costs. This impact was partially offset by higher merchandise margins, which continue to reflect margin, including at the digital banners, led by growth in services, product newness and expansion within the Company's organic banners and higher mix of services, as well as the favorable impacts of cost savings.

lab created diamonds.

Selling, general and administrative expenses ("SG&A")

In the third first quarter of Fiscal 2024, 2025, SG&A was \$484.2 million \$515.4 million or 34.8% 34.1% of sales compared to \$501.7 million \$530.4 million or 31.7% 31.8% of sales in the prior year quarter. For the 39 weeks ended October 28, 2023, SG&A was \$1.53 billion or 32.6% of sales compared to \$1.51 billion or 29.2% in the prior year comparable period. The increase in SG&A as a percentage of sales for both compared to the 13 and 39 weeks ended October 28, 2023 prior year quarter was primarily due driven by higher advertising expense related to the impact of lower sales in the organic banners Mother's Day timing and higher credit deleverage on fixed costs, which were partially offset by overall cost savings initiatives.

Other operating expense, (expense) income, net

In the third first quarter of Fiscal 2024, 2025, other operating expense was \$3.8 \$7.2 million compared to \$2.5 million other operating income of \$0.1 million in the prior year quarter. For the 39 weeks ended October 28, 2023, other operating expense was \$13.1 million compared to \$193.5 million in the prior year comparable period. The first quarter of Fiscal 2024 year to date period 2025 primarily includes included restructuring and impairment charges of \$11.5 million \$7.0 million. For the 39 weeks ended October 29, 2022, other operating expense was primarily driven by the pre-tax litigation charges of \$190.0 million. See Note 19, Note 20, 17 and Note 21 18 for additional information.

Operating income

For the third first quarter of Fiscal 2024, 2025, operating income was \$13.3 million \$49.8 million or 1.0% 3.3% of sales, compared to \$48.4 million \$101.7 million or 3.1% 6.1% of sales in the prior year quarter. For the 39 weeks ended October 28, 2023, operating income was \$205.2 million or 4.4% of sales compared to \$235.4 million or 4.5% in the prior year comparable period. The decrease in operating income for both the 13 and 39 weeks ended October 28, 2023 was primarily driven by the impact of lower sales volume and continued investments, higher advertising expense noted above, partially offset by the favorable impacts of improved merchandise margins and cost savings. The prior year to date period also included pre-tax litigation charges of \$190.0 million as noted above, savings initiatives.

Signet's operating income (loss) by reportable segment for the third first quarter is as follows:

		Fiscal 2024		Fiscal 2023				Fiscal 2025		Fiscal 2024	
		Fiscal 2025						Fiscal 2025			
		% of segment sales		% of segment sales				% of segment sales		% of segment sales	
(in millions)	(in millions)	\$	sales	\$	sales	(in millions)		\$	% of segment sales	\$	% of segment sales
North America reportable segment ⁽¹⁾	North America reportable segment ⁽¹⁾	\$ 39.2	3.0 %	\$ 65.4	4.5 %	North America reportable segment ⁽¹⁾		\$ 83.2	5.9 %	\$ 124.7	8.0 %
International reportable segment ⁽²⁾	International reportable segment ⁽²⁾	(9.0)	(9.6) %	(6.5)	(6.8) %	International reportable segment ⁽²⁾		(13.0)	(16.8) %	(6.9)	(7.4) %
Other reportable segment	Other reportable segment	(3.1)	nm	(0.3)	nm	Other reportable segment		(3.1)	nm	(0.7)	nm

Corporate and unallocated expenses	Corporate and unallocated expenses	(13.8)	nm	(10.2)	nm	Corporate and unallocated expenses	(17.3)	nm	nm	nm	(15.4)	nm	nm
Operating income	Operating income	\$ 13.3	1.0 %	\$ 48.4	3.1 %	Operating income	\$ 49.8	3.3	3.3 %	\$ 101.7	6.1	6.1	%

Signet's operating income (loss) by reportable segment for the year to date period is as follows:

(in millions)	Fiscal 2024		Fiscal 2023	
	% of segment		% of segment	
	\$	sales	\$	sales
North America reportable segment ⁽¹⁾	\$281.0	6.5 %	\$300.3	6.3 %
International reportable segment ⁽²⁾	(22.9)	(7.9) %	(14.9)	(4.7) %
Other reportable segment	(4.8)	nm	4.5	nm
Corporate and unallocated expenses	(48.1)	nm	(54.5)	nm
Operating income	\$205.2	4.4 %	\$235.4	4.5 %

(1) Operating income during the 13 and 39 weeks ended October 28, 2023 May 4, 2024 includes \$7.5 million \$0.6 million of restructuring charges and \$20.1 \$2.0 million respectively, of acquisition and asset impairment charges primarily related to planned store closures.

Operating income during the 13 weeks ended April 29, 2023 includes \$7.8 million of integration-related expenses, primarily severance and retention, and exit and disposal costs and system decommissioning costs incurred for the integration of Blue Nile. Nile and \$0.2 million and \$4.4 million, respectively, of restructuring charges. Operating income during the 39 weeks ended October 28, 2023 includes a \$3.0 million credit to income related to the adjustment of a prior litigation and \$5.6 million of net asset impairment charges primarily related to restructuring and integration.

Operating income during the 13 and 39 weeks ended October 29, 2022 includes \$5.0 million and \$15.2 million, respectively, of cost of sales associated with the fair value step-up of inventory acquired in the Diamonds Direct and Blue Nile acquisitions; and \$4.7 million and \$7.3 million, respectively, of acquisition and integration-related expenses in connection with the Blue Nile acquisition. Operating income during the 39 weeks ended October 29, 2022 includes \$19.0 million related to pre-tax litigation charges: accrual.

See Note 20 18 and Note 21 20 for additional information.

(2) Operating loss during the 13 and 39 weeks ended October 28, 2023 May 4, 2024 includes \$4.0 million of restructuring charges; \$0.4 million of net asset impairment charges of \$1.4 million and costs primarily related to planned store closures; and \$1.3 million of net losses from the planned previously announced divestiture of the UK prestige watch business of \$-1.3 million business.

See Notes 4 and 20 Note 18 for additional information.

nm Not meaningful.

Interest income, (expense), net

For the 13 and 39 weeks ended October 28, 2023 May 4, 2024, net interest income was \$2.6 million and \$10.0 million, respectively, \$8.6 million compared to net interest expense income of \$3.6 million and \$11.4 \$5.6 million in the 13 and 39 weeks ended October 29, 2022, respectively, April 29, 2023. The increase in interest income recognized in the 13 and 39 weeks ended October 28, 2023 May 4, 2024 is the result of interest earned on higher excess cash balances and higher interest rates on these accounts compared to the prior year comparable periods quarter.

Income taxes

Other non-operating expense, net

In the third first quarter of Fiscal 2024, other non-operating expense was \$2.3 million compared to non-operating expense of \$2.7 million in the prior year comparable period. For the 39 weeks ended October 28, 2023, other non-operating expense was \$2.4 million compared to \$139.6 million in the prior year comparable period. The other non-operating expenses in Fiscal 2023 primarily consisted of non-cash, pre-tax settlement charges of \$132.8 million related to the partial buy-out of the Pension Scheme. Refer to Note 22 for additional information.

Income taxes

In the third quarter of Fiscal 2024, 2025, income tax expense was \$1.9 million \$6.5 million, with an effective tax rate ("ETR") of 14.0% 11.1%, compared to income tax expense of \$4.6 million \$9.5 million, with an ETR of 10.9% 8.9%, in the prior year comparable period. The ETRs for the third quarter of Fiscal 2024 and Fiscal 2023 were lower than the US federal income tax rate, primarily due to the favorable impacts of foreign rate differences and benefits from global reinsurance arrangements.

In the year to date period of Fiscal 2024, income tax expense was \$28.6 million, with an ETR of 13.4%, compared to an income tax benefit of \$15.0 million, with an ETR of (17.8%) in the prior year comparable period. The ETR for the 39 weeks ended October 28, 2023 first quarter of Fiscal 2025 was lower than the US federal income tax rate, primarily due to the favorable impact of foreign rate differences and benefits from global reinsurance arrangements as well as the discrete tax benefits recognized through in the third 13 weeks ended May 4, 2024. The discrete tax benefits to date during Fiscal 2025 primarily relate to the excess tax benefit for share-based compensation which vested during the quarter of \$4.7 million.

The ETR for the first quarter of Fiscal 2024. The Fiscal 2024 was lower than the US federal income tax rate primarily as a result of the favorable impact of foreign rate differences and benefits from global reinsurance arrangements, as well as the discrete tax benefits relate related to the reclassification of the remaining taxes on the pension settlement loss out of AOCI of \$4.1 million and the excess tax benefit for share-based compensation which vested during the year quarter of \$9.4 \$7.6 million. The year to date ETR in the prior year comparable period was lower than the US federal income tax rate primarily due to the discrete tax benefits related to litigation charges of \$47.7 million, the reclassification of the pension settlement loss out of AOCI of \$25.2 million and the excess tax benefit for share-based compensation which vested during the year of \$14.7 million.

Refer to Note 109 for additional information.

NON-GAAP MEASURES

The discussion and analysis of Signet's results of operations, financial condition and liquidity contained in this Quarterly Report on Form 10-Q are based upon the condensed consolidated financial statements of Signet which are prepared in accordance with GAAP and should be read in conjunction with Signet's condensed consolidated financial statements and the related notes included in Item 1. Signet provides certain non-GAAP information in reporting its financial results to give investors additional data to evaluate its operations. The Company believes that non-GAAP financial measures, when reviewed in conjunction with GAAP financial measures, can provide more information to assist investors in evaluating historical trends and current period performance, performance and liquidity. For these reasons, internal management reporting also includes these non-GAAP measures. Items may be excluded from GAAP financial measures when the Company believes this provides greater clarity to management and investors.

These non-GAAP financial measures should be considered in addition to, and not superior to or as a substitute for, the GAAP financial measures presented in the Company's condensed consolidated financial statements and other publicly filed reports. In addition, our non-GAAP financial measures may not be the same as or comparable to similar non-GAAP measures presented by other companies.

The Company previously referred to certain non-GAAP measures as *non-GAAP operating income*, *non-GAAP operating margin* and *non-GAAP diluted EPS*. Beginning in Fiscal 2025, these non-GAAP measures are now referred to as *adjusted operating income*, *adjusted operating margin* and *adjusted diluted EPS*, respectively. There have been no changes to how these non-GAAP measures are defined or reconciled to the most directly comparable GAAP measures.

1. Net cash

Net cash is a non-GAAP measure defined as the total of cash and cash equivalents less debt. Management considers this metric to be helpful in understanding the total indebtedness of the Company after consideration of cash balances on-hand.

	October (in millions)	January 28, 2023	October (in millions)	May 4, 2024	February 3, 2024	April 29, 2023
		28, 2023	2023	29, 2022		
Cash and cash equivalents	Cash and cash equivalents	\$643.8	\$1,166.8	\$327.3		
Less: Current portion of long-term debt	Less: Current portion of long-term debt	(147.6)	—	—		
Less: Long-term debt	Less: Long-term debt	—	(147.4)	(147.3)		
Net cash	Net cash	\$496.2	\$1,019.4	\$180.0		

2. Free cash flow

Free cash flow is a non-GAAP measure defined as the net cash provided by (used in) used in operating activities less purchases of property, plant and equipment. Management considers this metric to be helpful in understanding how the business is generating cash from its operating and investing activities that can be used to meet the financing needs of the business. Free cash flow is an indicator frequently used by management in evaluating its overall liquidity needs and determining appropriate capital allocation strategies. Free cash flow does not represent the residual cash flow available for discretionary purposes.

	13 weeks ended		39 weeks ended	
	13 weeks ended	13 weeks ended	13 weeks ended	13 weeks ended
(in millions)	(in millions)	October 28, 2023	October 29, 2022	October 28, 2023
Net cash provided by (used in) operating activities	\$	48.0	\$ (40.6)	\$ (205.3)
(in millions)				\$ (155.5)
Net cash used in operating activities				
Net cash used in operating activities				
Net cash used in operating activities				
Purchase of property, plant and equipment	Purchase of property, plant and equipment	(34.0)	(36.1)	(89.4)
Purchase of property, plant and equipment				(94.3)

Purchase of property, plant and equipment

Free cash flow

Free cash flow

Free cash flow	Free cash flow	\$ 14.0	\$ (76.7)	\$ (294.7)	\$ (249.8)
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3. Earnings before interest, income taxes, depreciation and amortization ("EBITDA") and adjusted EBITDA

EBITDA is a non-GAAP measure defined as earnings before interest, income taxes, depreciation and amortization. EBITDA is an important indicator of operating performance as it excludes the effects of financing and investing activities by eliminating the effects of interest, income taxes, depreciation and amortization costs. Adjusted EBITDA is a non-GAAP measure, defined as earnings before interest, income taxes, depreciation and amortization, share-based compensation expense, non-operating expense, net and certain non-GAAP accounting adjustments. Reviewed in conjunction with net income and operating income, management believes that EBITDA and adjusted EBITDA help in enhancing investors' ability to evaluate and analyze trends regarding Signet's business and performance based on its current operations. **Adjusted EBITDA is and adjusted EBITDA are also an input into the Company's leverage ratio, which is a non-GAAP measure disclosed periodically in investor materials and other Company filings with the SEC, including annually in the Company's Form 10-K on an annual basis.** 10-K.

(in millions)	13 weeks ended		39 weeks ended	
	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Net income	\$ 11.7	\$ 37.5	\$ 184.2	\$ 99.4
Income taxes	1.9	4.6	28.6	(15.0)
Interest (income) expense, net	(2.6)	3.6	(10.0)	11.4
Depreciation and amortization	42.7	43.7	129.4	123.5
Amortization of unfavorable contracts	(0.5)	(0.5)	(1.4)	(1.4)
EBITDA	\$ 53.2	\$ 88.9	\$ 330.8	\$ 217.9
Other non-operating expense, net ⁽¹⁾	2.3	2.7	2.4	139.6
Share-based compensation	11.2	11.4	36.4	34.3
Other accounting adjustments				
Litigation charges ⁽²⁾	—	—	(3.0)	190.0
Acquisition and integration-related expenses ⁽³⁾	7.5	9.5	20.1	20.3
Restructuring charges ⁽⁴⁾	1.6	—	5.8	—
Asset impairments ⁽⁴⁾	0.2	—	3.7	—
Divestiture-related costs ⁽⁵⁾	1.3	—	1.3	—
Adjusted EBITDA	\$ 77.3	\$ 112.5	\$ 397.5	\$ 602.1

(in millions)	13 weeks ended	
	May 4, 2024	April 29, 2023
Net income	\$ 52.1	\$ 97.4
Income taxes	6.5	9.5
Interest income, net	(8.6)	(5.6)
Depreciation and amortization	36.6	43.1
Amortization of unfavorable contracts	(0.5)	(0.5)
EBITDA	\$ 86.1	\$ 143.9
Other non-operating (income) expense, net	(0.2)	0.4
Share-based compensation	7.6	11.3
Other accounting adjustments		
Restructuring charges ⁽¹⁾	4.6	—
Asset impairments ⁽¹⁾	1.9	—
Loss on divestitures, net ⁽²⁾	1.3	—
Integration-related expenses ⁽³⁾	0.2	7.8
Litigation charges ⁽⁴⁾	—	(3.0)
Adjusted EBITDA	\$ 101.5	\$ 160.4

⁽¹⁾ Includes pension settlement charges. Refer to Note 22 for further information.

(a) Fiscal 2024 includes a credit to income related to the adjustment of a prior litigation accrual recognized in the first quarter of Fiscal 2023. Refer to Note 21 for further information.

(b) Fiscal 2024 includes expenses related to the integration of Blue Nile, primarily severance and retention, exit and disposal costs and system decommissioning costs; Fiscal 2023 includes the impact of the fair value step-up for inventory acquired in the Diamonds Direct and Blue Nile acquisitions, as well as direct transaction-related and integration costs, primarily professional fees and severance, incurred for the acquisition of Blue Nile.

(c) Restructuring and asset impairment charges were incurred primarily as a result of the Company's rationalization of store footprint and reorganization of certain centralized functions. Refer to Note 20 for further additional information.

(d) (e) Includes costs incurred for net losses from the planned previously announced divestiture of the UK prestige watch business.

(f) Fiscal 2025 includes severance and retention expenses related to the integration of Blue Nile; Fiscal 2024 includes expenses related to the integration of Blue Nile, primarily severance and retention, and exit and disposal costs.

(g) Includes a credit to income related to the adjustment of a prior litigation accrual recognized in Fiscal 2023. Refer to Note 20 for further additional information.

4. Non-GAAP Adjusted operating income and non-GAAP adjusted operating margin

Non-GAAP Adjusted operating income is a non-GAAP measure defined as operating income excluding the impact of certain items which management believes are not necessarily reflective of normal operational performance during a period. Management finds the information useful when analyzing operating results in order to appropriately evaluate the performance of the business without the impact of these certain items. In particular, management believes the consideration of measures that exclude such items can assist in the comparison of operational performance in different periods which may or may not include such items. Management also utilizes non-GAAP adjusted operating margin, defined as non-GAAP adjusted operating income as a percentage of total sales, to further evaluate the effectiveness and efficiency of the Company's flexible operating model.

(in millions)	13 weeks ended		39 weeks ended	
	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
	\$ 13.3	\$ 48.4	\$ 205.2	\$ 235.4
Operating income	\$ 13.3	\$ 48.4	\$ 205.2	\$ 235.4
Litigation charges (1)	—	—	(3.0)	190.0
Acquisition and integration-related expenses (2)	7.5	9.5	20.1	20.3
Restructuring charges (3)	1.6	—	5.8	—
Asset impairments (3)	0.2	—	3.7	—
Divestiture-related costs (4)	1.3	—	1.3	—
Non-GAAP operating income	\$ 23.9	\$ 57.9	\$ 233.1	\$ 445.7
Operating margin	1.0 %	3.1 %	4.4 %	4.5 %
Non-GAAP operating margin	1.7 %	3.7 %	5.0 %	8.6 %

(in millions)	13 weeks ended	
	May 4, 2024	April 29, 2023
	\$ 49.8	\$ 101.7
Operating income	\$ 49.8	\$ 101.7
Restructuring charges (1)	4.6	—
Asset impairments (1)	1.9	—
Loss on divestitures, net (2)	1.3	—
Integration-related expenses (3)	0.2	7.8
Litigation charges (4)	—	(3.0)
Adjusted operating income	\$ 57.8	\$ 106.5
Operating margin	3.3 %	6.1 %
Adjusted operating margin	3.8 %	6.4 %

(1) Fiscal 2024 includes a credit to income related to the adjustment of a prior litigation accrual recognized in the first quarter of Fiscal 2023. Refer to Note 21 for further information.

(2) Fiscal 2024 includes expenses related to the integration of Blue Nile, primarily severance and retention, exit and disposal costs and system decommissioning costs; Fiscal 2023 includes the impact of the fair value step-up for inventory acquired in the Diamonds Direct and Blue Nile acquisitions, as well as direct transaction-related and integration costs, primarily professional fees and severance, incurred for the acquisition of Blue Nile.

(3) Restructuring and asset impairment charges were incurred primarily as a result of the Company's rationalization of store footprint and reorganization of certain centralized functions. Refer to Note 20 for further additional information.

(4) Includes costs incurred for net losses from the planned previously announced divestiture of the UK prestige watch business.

(5) Fiscal 2025 includes severance and retention expenses related to the integration of Blue Nile; Fiscal 2024 includes expenses related to the integration of Blue Nile, primarily severance and retention, and exit and disposal costs.

(6) Includes a credit to income related to the adjustment of a prior litigation accrual recognized in Fiscal 2023. Refer to Note 20 for further additional information.

5. Non-GAAP Adjusted diluted EPS

Non-GAAP Adjusted diluted EPS is a non-GAAP measure defined as diluted EPS excluding the impact of certain items which management believes are not necessarily reflective of normal operational performance during a period. Management finds the information useful when analyzing financial results in order to appropriately evaluate the performance of the business without the impact of these certain items. In particular, management believes the consideration of measures that exclude such items can assist in the comparison of performance in different periods which may or may not include such items. The Company estimates the tax effect of all non-GAAP adjustments by applying a statutory tax rate to each item. The income tax items represent the discrete amount that affected the diluted EPS during the period.

	13 weeks ended		39 weeks ended	
	October 28, 2023	October 29, 2022	October 28, 2023	October 29, 2022
Diluted EPS	\$ 0.07	\$ 0.60	\$ 3.39	\$ 1.49
Litigation charges ⁽¹⁾	—	—	(0.06)	3.86
Pension settlement loss ⁽²⁾	—	—	—	2.70
Acquisition and integration-related expenses ⁽³⁾	0.16	0.19	0.38	0.41
Restructuring charges ⁽⁴⁾	0.04	—	0.11	—
Asset impairments ⁽⁴⁾	—	—	0.07	—
Divestiture-related costs ⁽⁵⁾	0.03	—	0.02	—
Dilution effect ⁽⁶⁾	—	—	—	(0.51)
Tax impact of items above	(0.06)	(0.05)	(0.20)	(1.59)
Non-GAAP diluted EPS	\$ 0.24	\$ 0.74	\$ 3.71	\$ 6.36

	13 weeks ended	
	May 4, 2024	April 29, 2023
Diluted EPS	\$ (0.90)	\$ 1.79
Restructuring charges ⁽¹⁾	0.10	—
Asset impairments ⁽¹⁾	0.04	—
Loss on divestitures, net ⁽²⁾	0.03	—
Integration-related expenses ⁽³⁾	—	0.14
Litigation charges ⁽⁴⁾	—	(0.06)
Tax impact of items above	(0.04)	(0.09)
Deemed dividend on redemption of Preferred Shares ⁽⁵⁾	1.91	—
Dilution effect ⁽⁶⁾	(0.03)	—
Adjusted diluted EPS	\$ 1.11	\$ 1.78

⁽¹⁾ Restructuring and asset impairment charges were incurred primarily as a result of the Company's rationalization of store footprint and reorganization of certain centralized functions. Refer to Note 18 for additional information.

⁽²⁾ Includes net losses from the previously announced divestiture of the UK prestige watch business.

⁽³⁾ Fiscal 2025 includes severance and retention expenses related to the integration of Blue Nile; Fiscal 2024 includes expenses related to the integration of Blue Nile, primarily severance and retention, and exit and disposal costs.

⁽⁴⁾ Includes a credit to income related to the adjustment of a prior litigation accrual recognized in the first quarter of Fiscal 2023. Refer to Note 21 for further information.

⁽⁵⁾ Includes pension settlement charges. Refer to Note 22 for further information.

⁽⁶⁾ Fiscal 2024 includes expenses related to the integration of Blue Nile, primarily severance and retention, exit and disposal costs and system decommissioning costs; Fiscal 2023 includes the impact of the fair value step-up for inventory acquired in the Diamonds Direct and Blue Nile acquisitions, as well as direct transaction-related and integration costs, primarily professional fees and severance, incurred for the acquisition of Blue Nile.

⁽¹⁾ Restructuring and asset impairment charges incurred as a result of the Company's rationalization of store footprint and reorganization of certain centralized functions in the second quarter of Fiscal 2024. Refer to Note 20 for further additional information.

⁽⁵⁾ Includes costs incurred for As described in Note 5, the planned divestiture Company recorded a deemed dividend to net income attributable to common shareholders of \$85.1 million, which represents the excess of the UK prestige watch business. Refer to Note 4 for further information. conversion value of the Preferred Shares over their carrying value, and includes \$1.5 million of related expenses.

⁽⁶⁾ Non-GAAP First quarter of Fiscal 2025 adjusted diluted EPS for the 39 weeks ended October 29, 2022 includes the was calculated using 48.0 million diluted weighted average common shares outstanding. The additional dilutive effect of the 8.1 million preferred shares which were excluded from the calculation of GAAP diluted EPS for the same period, as their effect was antidilutive. Refer to Note 7 for further information on GAAP diluted EPS. additional information.

LIQUIDITY AND CAPITAL RESOURCES

Overview

The Company's primary sources of liquidity are cash on hand, cash provided by operations and availability under its senior secured asset-based revolving credit facility (the "ABL Revolving Facility"). As of **October 28, 2023** **May 4, 2024**, the Company had **\$643.8 million** **\$729.3 million** of cash and cash equivalents, \$147.8 million of outstanding debt related to the Senior Notes due in June 2024, and no outstanding borrowings on the ABL Revolving Facility. The available borrowing capacity on the ABL Revolving Facility was **\$1.4 billion** **\$1.1 billion** as of **October 28, 2023** **May 4, 2024**.

The Company has a disciplined approach to capital allocation, utilizing the following capital priorities: 1) invest in its business to drive growth through both organic investments and acquisitions; 2) optimize its capital structure and maintain an adjusted leverage ratio (a non-GAAP measure as defined in Item 7 of the Signet's Fiscal 2023 2024 Annual Report on Form 10-K) of less than 2.75x; at or below 2.5x; and 3) return cash to shareholders through share repurchases and dividends.

Investing in growth

Since the Company's transformation strategies began in Fiscal 2019, the Company has delivered substantially against its strategic priorities to establish the Company as the OmniChannel jewelry category leader and position its business for sustainable long-term growth. The investments and new capabilities built during the past few years laid the foundation for the Company's accelerated growth, including prioritizing investments in digital technology and data analytics, enhancing the Company's new and modernized eCommerce platform enhancing and optimizing a connected commerce shopping journey for its customers. In addition, these investments have been fueled by cost reductions and structural improvements since the Company's transformation strategy began that have generated annual cost savings of over \$700 million, which has fueled these investments described above, more than \$800 million since the Company's transformation began, with additional savings of up to \$180 million in new cost savings initiatives for Fiscal 2025. The Company's cash discipline has led to more efficient working capital, through both the extension of payment days with the Company's vendor base, as well as through improvement in productivity, and overall health and newness of the Company's inventory, utilizing a disciplined approach to drive continued reductions in sell down and clearance inventory.

As During Fiscal 2024, the Company continues to execute on its *Inspiring Brilliance* strategy, it intends to continue to focus on working capital efficiency, optimizing its real estate footprint, and prioritizing transformational productivity to drive future cost savings opportunities, all of which are expected to be used to fuel strategic investments, grow the business, and enhance liquidity. The Company invested \$210.5 million for capital investments in Fiscal 2023, which included \$138.9 million for capital expenditures. Capital expenditures and \$71.6 million related to investments in digital and cloud IT. Capital investments of up to \$200 million are planned for Fiscal 2024 2025, reflecting investments in 20 to 30 new stores, up to 300 renovations, and additional digital and technology advancements.

The Company has also made various strategic acquisitions in line with its *Inspiring Brilliance* growth strategy over the past two three years, investing nearly \$900 million for the acquisitions of Diamonds Direct in Fiscal 2022, Blue Nile in Fiscal 2023 and SJR in Fiscal 2024. The acquisition acquisitions of Diamonds Direct and Blue Nile have accelerated the Company's growth in accessible luxury and bridal and the Company is focused on doubling the pace of store openings, extending its by allowing Signet to reach into even more key markets. The addition new markets and new customers, through Diamonds Direct's continued store expansion and through Blue Nile's broadening of Blue Nile accelerated Signet's efforts to enhance its connected commerce capabilities and broaden its digital leadership across the jewelry category – all while further achieving meaningful operating synergies for category. In addition, the consumers and creating value for shareholders. The acquisition of certain assets of SJR in the second quarter of Fiscal 2024, as well as the transition of the former Blue Nile Seattle fulfillment center to a new enterprise-wide repair facility, will be expected to expand the Company's services capacity and capabilities.

In addition to the acquisitions, the Company has entered into an agreement to divest the operations and certain assets related to the prestige watch business in the UK during the fourth quarter of Fiscal 2024 for approximately \$54 million. The Company believes the divestiture of this non-strategic business will enable the UK to accelerate key elements of its transformation. The proceeds of the sale will be used for general corporate purposes. The sale is subject to certain customary post-closing conditions and adjustments which are expected to be completed by January 2024. See Note 4 for additional information.

Optimized capital structure

The Company has made significant progress over the past few years in line with its strategic priority to ensure a strong cash and overall liquidity position, including fully outsourcing credit, significantly reducing its outstanding debt, and eliminating the UK Pension Scheme. In addition, in Fiscal 2022, the Company renegotiated its \$1.5 billion ABL Facility, as further described in Note 17, 15, to extend the maturity until 2026 and allow overall greater financial flexibility to grow the business and provide an additional option to address the calendar year 2024 maturities for its Senior Notes debt and Preferred Shares maturities, if necessary, necessary (see further below).

On April 1, 2024, in accordance with the terms of the amended Certificate of Designation for the Preferred Shares and upon notice from the Preferred Holders, the Company redeemed half of the Preferred Shares in cash for \$414.1 million, including accrued and unpaid dividends. This early redemption of the Preferred Shares highlighted the ability and effectiveness of the Company's flexible operating model to generate significant free cash flow, which has driven the Company's strong liquidity over the past few years. In addition, subsequent to quarter-end, the Preferred Holders provided notice to the Company of their intent to convert an additional 100,000 Preferred Shares, which were settled in cash by the Company in May 2024 for \$129.0 million. Refer to Note 5 for additional information.

The Company uses leverage ratios to assess the effectiveness of its capital allocation strategy. As a result of the progress and strength of Signet's financial position, at the end of Fiscal 2024 the Company reduced the stated goal for the adjusted leverage ratio (a non-GAAP measure as defined in Item 7 of the Signet's Fiscal 2024 Annual Report on Form 10-K) by 0.25 turns to be at or below 2.5x. The Company maintained a 2.0x 2.3x adjusted leverage ratio through the end of Fiscal 2023, 2024, well below within the Company's stated goal of less than 2.75x. new goal. The Company continues to be confident in its ability to generate free cash flow while maintaining this leverage ratio target.

Returning cash to shareholders

The Company remains committed to its goal to return cash to shareholders. This shareholders, which includes our goal to be being a dividend growth company, and company. For the third year in a row, Signet has increased its quarterly common dividend for the second consecutive year from \$0.20 \$0.23 per share in Fiscal 2023 2024 to \$0.23 \$0.29 per share beginning in Fiscal 2024, 2025. The Company also remains focused on share repurchases under its 2017 Program. In March 2023, 2024, the Board approved a further \$263 million \$200 million increase to the multi-year authorization under the 2017 Program, bringing the remaining share repurchase authorization to approximately \$775 Program. The Company repurchased \$7.4 million at the time. Since the reinstatement of share repurchases in Fiscal 2022, the Company has repurchased approximately 11.0 million common shares for \$805.4 million under the 2017 Program, including \$117.5 million during the 39 13 weeks ended October 28, 2023 May 4, 2024 with \$853.6 million of shares authorized for repurchase remaining as of May 4, 2024. See Note 7, 6 for further additional information related to the common share repurchases.

The Company believes that cash on hand, cash flows from operations and available borrowings under the ABL Revolving Facility will be sufficient to meet its ongoing business requirements for at least the 12 months following the date of this report, including funding working capital needs, projected investments in the business (including capital expenditures), debt service and maturities, including the remaining outstanding Preferred Shares, and returns to shareholders through either dividends or and common share repurchases.

Primary sources and uses of operating cash flows

Operating activities provide the primary source of cash for the Company and are influenced by a number of factors, the most significant of which are operating income and changes in working capital items, such as:

- changes in the level of inventory as a result of sales and other strategic initiatives;
- changes and timing of accounts payable and accrued expenses, including variable compensation; and
- changes in deferred revenue, reflective of the revenue from performance of extended service plans.

Signet derives most of its operating cash flows through the sale of merchandise and extended service plans. As a retail business, Signet receives cash when it makes a sale to a customer or when the payment has been processed by Signet or the relevant bank if the payment is made by third-party credit or debit card. As further discussed in Note 11, the Company has outsourced its entire credit card portfolio, and it receives cash from its outsourced financing partners (net of applicable fees) generally within two days of the customer sale. Offsetting these receipts, the Company's largest operating expenses are the purchase of inventory, payroll and payroll-related benefits, store occupancy costs (including rent), and payroll and payroll-related benefits.advertising.

Summary cash flow

The following table provides a summary of Signet's cash flow activity for Fiscal 2024 2025 and Fiscal 2023:2024:

		39 weeks ended			
		13 weeks ended			
(in millions)	(in millions)	October 28, 2023	October 29, 2022	(in millions)	
Net cash used in operating activities	Net cash used in operating activities	\$ (205.3)	\$ (155.5)		
Net cash used in investing activities	Net cash used in investing activities	(93.9)	(508.4)		
Net cash used in financing activities	Net cash used in financing activities	(219.7)	(407.5)		
Decrease in cash and cash equivalents	Decrease in cash and cash equivalents	\$ (518.9)	\$ (1,071.4)		
Cash and cash equivalents at beginning of period	Cash and cash equivalents at beginning of period	\$1,166.8	\$ 1,418.3		
Cash and cash equivalents at beginning of period					
Cash and cash equivalents at beginning of period					
Decrease in cash and cash equivalents	Decrease in cash and cash equivalents	(518.9)	(1,071.4)		
Effect of exchange rate changes on cash and cash equivalents	Effect of exchange rate changes on cash and cash equivalents	(4.1)	(19.6)		
Cash and cash equivalents at end of period	Cash and cash equivalents at end of period	\$ 643.8	\$ 327.3		

Operating activities

Net cash used in operating activities was \$205.3 million \$158.2 million during the 39 13 weeks ended October 28, 2023 May 4, 2024 compared to \$155.5 million \$381.8 million in the prior year comparable period. This overall decrease The change in operating cash flows compared to prior year was primarily driven by the payment of litigation settlements noted below, offset by higher cash inflows for working capital compared to in the prior period and net tax payments and refunds year noted below. The significant movements in operating cash flows are further described below:

- Net income was \$184.2 million \$52.1 million compared to net income of \$99.4 million \$97.4 million in the prior year period, an increase a decrease of \$84.8 \$45.3 million. This increase decrease was primarily related to non-cash, pre-tax pension settlement charges lower sales and gross profit compared to prior year. This decrease was driven by the continued macroeconomic challenges on consumers' discretionary spending resulting in a decreased number of \$132.8 million and pre-tax accrued litigation charges of \$190.0 million during Fiscal 2023, partially offset transactions, particularly in the bridal category, driven by lower overall profitability in Fiscal 2024. See Note 19 for details. engagements.
- The change in current income taxes was a use of \$20.0 million \$38.6 million in the current period compared to a use of \$206.1 million \$55.4 million in the prior year. The current year over year change use was primarily the result of net income tax payments of \$11.7 million in the current year due primarily to lower forecasted taxable income, compared to cash payments of \$127.2 million in the prior year period. \$45.3 million. Refer to Note 10 for more information.
- Cash provided used by inventory was \$14.8 million \$48.9 million compared to cash used of \$305.6 million \$29.8 million in the prior year period. The inventory reduction in Inventory balances during the current year was driven by the Company's inventory management initiatives in the third quarter, remain relatively flat compared to prior year which was driven by the replenishment of inventories to healthier in-stock levels. year-end balances.
- Cash used by accounts payable was \$221.5 million \$136.7 million compared to a use of \$177.6 million \$170.3 million in the prior year period. Accounts The accounts payable decreased decrease in the current year quarter is relatively consistent with the decrease in prior year quarter, as a result of lower the Company pays down invoices due from Holiday Season merchandise purchases and payment timing. has less order volume during the first quarter.
- Cash used by accrued expenses and other liabilities was \$253.2 million \$40.8 million, compared to a source use of \$105.6 million \$264.9 million in the prior year period. This difference is driven primarily by accrued litigation charges settlements which were accrued in the prior year period Fiscal 2023 and paid during the first quarter of Fiscal 2024. See Note 21 for details. additional information.

Investing activities

Net cash used in investing activities for the 39 13 weeks ended October 28, 2023 May 4, 2024 was \$93.9 \$21.5 million compared to a use of \$508.4 \$27.1 million in the prior period. Cash used in Fiscal 2024 2025 was primarily related to capital expenditures of \$89.4 \$23.3 million. Capital expenditures are associated with new stores, remodels of existing stores, and strategic capital investments in digital and IT. Signet has planned Fiscal 2024 2025 capital investments expenditures of up to \$200 million, of which approximately \$150 million relates to capital expenditures for technology and banner differentiation, and approximately \$50 million relates to digital and cloud innovation. \$180 million. In Fiscal 2023, 2024, net cash used in investing activities was primarily related to \$397.8 million for the acquisition of Blue Nile and capital expenditures of \$94.3 \$27.1 million.

Stores opened and closed in the 39 13 weeks ended October 28, 2023 May 4, 2024:

Store count by segment	Store count by segment	January			October			Store count by segment	February 3, 2024	Openings	Closures	May 4, 2024
		28, 2023	Openings	Closures	28, 2023	Openings	Closures					
North America	North America	2,475	9	(44)	2,440	North America segment (1)		2,411	1		(7)	2,405
International	International	333	8	(34)	307	International segment (1)		287	—		(16)	271
Signet	Signet	2,808	17	(78)	2,747	Signet		2,698	1		(23)	2,676

(1) The net change in selling square footage for Fiscal 2024 year to date 2025 for the North America and International segments was (0.7% (0.3%) and (7.0% (4.6%), respectively.

Financing activities

Net cash used in financing activities for the 39 13 weeks ended October 28, 2023 May 4, 2024 was \$219.7 million \$467.5 million, consisting of the repurchase of \$117.5 Preferred Shares of \$412.0 million, the repurchase of \$7.4 million of common shares, payments for withholding taxes related to the settlement of the Company's share-based compensation awards of \$47.9 \$27.6 million, and preferred and common share dividends paid of \$54.3 million. \$20.5 million.

Net cash used in financing activities for the 39 13 weeks ended October 29, 2022 April 29, 2023 was \$407.5 million \$100.7 million, consisting of the repurchase of \$311.2 \$39.1 million of common shares, payments for withholding taxes related to the settlement of the Company's share-based compensation awards of \$44.3 million \$44.4 million and preferred and common share dividends paid of \$52.0 \$17.2 million.

Movement in cash and indebtedness

Cash and cash equivalents at October 28, 2023 May 4, 2024 were \$643.8 million \$729.3 million compared to \$327.3 million \$655.9 million as of October 29, 2022 April 29, 2023. The increase year over year was primarily driven by cash flow from operations partially offset by the payment repurchase of litigation charges Preferred Shares and common share repurchases, as described above. Signet has cash and cash equivalents invested in various 'AAA' rated government money market funds and at a number of large, highly-rated

financial institutions. The amount invested in each liquidity fund or at each financial institution takes into account the credit rating and size of the liquidity fund or financial institution and is invested for short-term durations.

As further described in Note 17, on July 28, 2021, 15, the Company entered into an agreement to amend the ABL Revolving Facility on July 28, 2021. The amendment extends the maturity of the ABL Revolving Facility to July 28, 2026 and allows the Company to increase the size of the ABL Revolving Facility by up to \$600 million.

There were no borrowings under the ABL Revolving Facility during the 13 weeks ended May 4, 2024 and April 29, 2023. Available borrowing capacity under the ABL Revolving Facility was \$1.1 billion as of May 4, 2024.

At October 28, 2023 May 4, 2024 and October 29, 2022 April 29, 2023, Signet had \$147.8 million and \$147.7 million, respectively, of outstanding debt, consisting entirely of the Senior Notes. The Senior Notes are due in June 2024.

Available borrowing capacity under 2024 and the ABL Revolving Facility was \$1.4 billion as of October 28, 2023, redemption is expected to be funded with cash on hand.

Net cash was \$496.2 million \$581.5 million as of October 28, 2023 May 4, 2024 compared to net cash of \$180.0 million \$508.4 million as of October 29, 2022 April 29, 2023. Refer to the non-GAAP measures discussed above for the definition of net cash and reconciliation to its most comparable financial measure presented in accordance with GAAP.

As of October 28, 2023 May 4, 2024, January 28, 2023 February 3, 2024 and October 29, 2022 April 29, 2023, the Company was in compliance with all debt covenants.

SEASONALITY

Signet's business is seasonal, with the fourth quarter historically accounting for approximately 35-40% of annual sales as well as for a substantial portion of the annual operating profit. The "Holiday Season" consists of results for the months of November and December, with December being the highest volume month of the year.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of these condensed consolidated financial statements, in conformity with US GAAP and SEC regulations for interim reporting, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and reported amounts of revenues and expenses during the reported periods. On an ongoing basis, management evaluates its accounting policies, estimates and judgments. Estimates and assumptions are primarily made in relation to the valuation of inventories, deferred revenue, employee compensation, income taxes, contingencies, leases, asset impairments for goodwill, indefinite-lived intangible and long-lived assets and the depreciation and amortization of long-lived assets. Management bases the estimates and judgments on historical experience and various other factors believed to be reasonable under the circumstances. Actual results may differ from these estimates. There

While there have been no material changes to the critical accounting policies and estimates except for goodwill and intangible assets noted below, disclosed in Signet's Annual Report on Form 10-K for the fiscal year ended January 28, 2023 February 3, 2024 filed with the SEC on March 16, 2023.

Goodwill and intangibles

In a business combination, March 21, 2024, the Company estimates continues to monitor the risk of impairment related to the Blue Nile trade name and records the fair value of all assets acquired and liabilities assumed, including identifiable intangible assets and liabilities. The fair value of these intangible assets and liabilities is estimated based on management's assessment, including selection of appropriate valuation techniques, inputs and assumptions in the determination of fair value. Significant estimates in valuing intangible assets and liabilities acquired include, but are not limited to, future expected cash flows associated with the acquired asset or liability, expected life and discount rates. The excess purchase price over the estimated fair values of the assets acquired and liabilities assumed is recognized as goodwill. Goodwill is recorded by the Company's reporting units based on the acquisitions made by each.

Goodwill and other indefinite-lived intangible assets, such as indefinite-lived trade names, are evaluated for impairment annually as of the end of the fourth reporting period. Additionally, if events or conditions were to indicate the carrying value of a reporting unit or an indefinite-lived intangible asset may be greater than its fair value, the Company would evaluate the reporting unit or asset for impairment at that time. Impairment testing compares the carrying amount of the reporting unit or other intangible assets with its fair value. When the carrying amount of the reporting unit or other intangible assets exceeds its fair value, an impairment charge is recorded.

The impairment test for goodwill involves estimating the fair value of the reporting unit through either estimated discounted future cash flows, market-based methodologies, or a combination of both. The impairment test for other indefinite-lived intangible assets involves estimating the fair value of the asset, which is typically performed using the relief from royalty method for indefinite-lived trade names.

Due to various impacts of the current market conditions on key inputs and assumptions, such as rising interest rates and the sustained inflationary pressure on consumers' discretionary spending, the Company determined that quantitative impairment assessments were required for the Diamonds Direct reporting unit and Digital Banners reporting units as well as the indefinite-lived intangible assets assigned to those reporting units as of the annual impairment testing date during the second quarter of Fiscal 2024. As part of the assessments, it was determined that an increase in the discount rates was required to reflect the rising interest rates due to current market conditions. This higher discount rate, in conjunction with revised long-term projections associated with the impact of the decline in consumer trends relative to engagement related purchases expected in Fiscal 2024, resulted in lower than previously projected discounted long-term future cash flows for the reporting units and indefinite-lived intangible assets which negatively affected the valuation compared to previous valuations.

trade name. Based on the results of the most recent quantitative impairment assessments, the Company determined that no impairment was required as the estimated fair carrying value of the Digital Banners reporting unit as well as the James Allen trade name substantially exceeded their respective carrying values. Due to the recent acquisition of Blue Nile trade name the carrying value of \$96 million approximates approximated its estimated fair value, as of the annual impairment testing date and no impairment was required. For the Diamonds Direct reporting unit, as well as its related trade name, the estimated fair values exceeded their carrying values by approximately 13% and 6%, respectively. No impairment of these intangible assets was thus noted in Fiscal 2024. During the 13 weeks ended May 4, 2024, the Company completed its quarterly triggering event assessment and determined that no triggering events had occurred in the first quarter of Fiscal 2025 requiring an interim impairment assessment for all reporting units with goodwill and indefinite-lived intangible assets.

The Company noted that an increase in the discount rate and/or a further softening of sales and operating income trends for these the Diamonds Direct reporting units unit and related trade names, particularly during name, as well as the Holiday Season, Blue Nile trade name, could result in a decline in the estimated fair values of the indefinite-lived intangible assets, including goodwill, which could result in future material impairment charges. For instance, an increase in the discount rate of 0.5%, assuming no other changes to assumptions, would result in an impairment charge of approximately \$5 million on the Blue Nile trade name.

The Company will continue to monitor events or circumstances that could trigger the need for an interim impairment test. The Company believes that the estimates and assumptions related to sales and operating income trends, discount rates, royalty rates and other assumptions are reasonable, but they are subject to change from period to period. Future economic conditions or operating performance, such as declines in sales or increases in discount rates, could differ from those projected by management in its most recent impairment tests for indefinite-lived intangible assets, including goodwill. This could impact our estimates of fair values and may result in future material impairment charges. See Note 14 of Item 1 for further details.

SUPPLEMENTAL GUARANTOR FINANCIAL INFORMATION

The Company and certain of its subsidiaries, which are listed on Exhibit 22.1 to this Quarterly Report on Form 10-Q, have guaranteed obligations under the Senior Notes.

The Senior Notes were issued by Signet UK Finance plc (the "Issuer"). The Senior Notes rank senior to the Preferred Shares and common shares. The Senior Notes are effectively subordinated to our existing and future secured indebtedness to the extent of the assets securing that indebtedness. The Senior Notes are fully and unconditionally guaranteed on a joint and several basis by the Company, as the parent entity (the "Parent") of the Issuer, and certain of its subsidiary guarantors (each, a "Guarantor" and collectively, the "Guarantors").

The Senior Notes are structurally subordinated to all existing and future debt and other liabilities, including trade payables, of our subsidiaries that do not guarantee the Senior Notes (the "Non-Guarantors"). The Non-Guarantors will have no obligation, contingent or otherwise, to pay amounts due under the Senior Notes or to make funds available to pay those amounts. Certain Non-Guarantors may be limited in their ability to remit funds to us by means of dividends, advances or loans due to required foreign government and/or currency exchange board approvals or limitations in credit agreements or other debt instruments of those subsidiaries.

The Guarantors jointly and severally, irrevocably and unconditionally guarantee on a senior unsecured basis the performance and full and punctual payment when due of all obligations of Issuer, as defined in the Indenture, in accordance with the Senior Notes and the related Indentures, as supplemented, whether for payment of principal of or interest on the Senior Notes when due and any and all costs and expenses incurred by the trustee or any holder of the Senior Notes in enforcing any rights under the guarantees (collectively, the "Guarantees"). The Guarantees and Guarantors are subject to release in limited circumstances only upon the occurrence of certain customary conditions.

Although the Guarantees provide the holders of Senior Notes with a direct unsecured claim against the assets of the Guarantors, under US federal bankruptcy law and comparable provisions of US state fraudulent transfer laws, in certain circumstances a court could cancel a Guarantee and order the return of any payments made thereunder to the Guarantors or to a fund for the benefit of its creditors.

A court might take these actions if it found, among other things, that when the Guarantors incurred the debt evidenced by their Guarantee (i) they received less than reasonably equivalent value or fair consideration for the incurrence of the debt and (ii) any one of the following conditions was satisfied:

- the Guarantor entity was insolvent or rendered insolvent by reason of the incurrence;
- the Guarantor entity was engaged in a business or transaction for which its remaining assets constituted unreasonably small capital; or
- the Guarantor entity intended to incur or believed (or reasonably should have believed) that it would incur, debts beyond its ability to pay as those debts matured.

In applying the above factors, a court would likely find that a Guarantor did not receive fair consideration or reasonably equivalent value for its Guarantee, except to the extent that it benefited directly or indirectly from the issuance of the Senior Notes. The determination of whether a Guarantor was or was not rendered insolvent when it entered into its Guarantee will vary depending on the law of the jurisdiction being applied. Generally, an entity would be considered insolvent if the sum of its debts (including contingent or unliquidated debts) is greater than all of its assets at a fair valuation or if the present fair salable value of its assets is less than the amount that will be required to pay its probable liability on its existing debts, including contingent or unliquidated debts, as they mature.

If a court canceled a Guarantee, the holders of the Senior Notes would no longer have a claim against that Guarantor or its assets.

Each Guarantee is limited, by its terms, to an amount not to exceed the maximum amount that can be guaranteed by the applicable Guarantor without rendering the Guarantee, as it relates to that Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally.

Each Guarantor is a consolidated subsidiary of Parent at the date of each balance sheet presented. The following tables present summarized financial information for Parent, Issuer, and the Guarantors on a combined basis after elimination of (i) intercompany transactions and balances among Parent, Issuer, and the Guarantors and (ii) equity in earnings from and investments in any Non-Guarantor.

		Summarized Balance Sheets	
		Summarized Balance Sheets	
		Summarized Balance Sheets	
(in millions)	(in millions)	October 28, 2023	January 28, 2023
Total current assets	Total current assets	\$2,967.9	\$3,225.3
Total non-current assets	Total non-current assets	1,990.0	2,056.3
Total current liabilities	Total current liabilities	2,306.6	2,555.5
		May 4, 2024	February 3, 2024

Total non-current liabilities	Total non-current liabilities	3,008.5	3,192.3
Redeemable preferred shares	Redeemable preferred shares	655.1	653.8
Total due from Non-Guarantors	Total due from Non-Guarantors		
(1)	(1)	544.9	425.1
Total due to Non-Guarantors	Total due to Non-Guarantors		
(1)	(1)	1,876.8	1,798.3

(1) Amounts included in asset and liability subtotals above.

Summarized Statements of Operations			
39 weeks ended		Year Ended	
Summarized Statements of Operations			
13 weeks ended		13 weeks ended	Year Ended
(in millions)	(in millions)	October 28, 2023	January 28, 2023
Sales	Sales	\$ 3,889.0	\$ 6,705.7
Gross margin	Gross margin	1,548.1	2,786.0
Income before taxes	Income before taxes		
(2)	(2)	444.0	546.0
Net income	Net income	425.1	490.1

(2) Includes net income expense from intercompany transactions with Non-Guarantors of \$189.8 million \$25.9 million for the 39 13 weeks ended October 28, 2023 May 4, 2024 and net income of \$128.3 million \$311.6 million for the year ended January 28, 2023 February 3, 2024. Intercompany transactions primarily include intercompany dividends and interest.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Signet is exposed to market risk arising from fluctuations in foreign currency exchange rates, interest rates and precious metal prices, which could affect its consolidated financial position, earnings and cash flows. Signet monitors and manages these market exposures as a fundamental part of its overall risk management program, which recognizes the volatility of financial markets and seeks to reduce the potentially adverse effects of this volatility on Signet's operating results. Signet manages its exposure to market risk through its regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. Signet uses derivative financial instruments as risk management tools and not for trading purposes.

As a portion of the International reportable segment's purchases are denominated in US dollars and its net cash flows are in British pounds, Signet's policy is to enter into forward foreign currency exchange contracts and foreign currency swaps to manage the exposure to the US dollar. Signet may enter into derivative transactions to hedge a significant portion of forecasted merchandise purchases using commodity forward purchase contracts, options, net zero premium collar arrangements, or some combination thereof. Additionally, the North America reportable segment enters into forward foreign currency exchange contracts to manage the currency fluctuations associated with the Company's Canadian operations. These contracts are entered into with large, reputable financial institutions, thereby minimizing the credit exposure from the Company's counterparties.

Signet has significant amounts of cash and cash equivalents invested at several financial institutions. The amount invested in each financial institution takes into account the long-term credit rating and size of the financial institution. The interest rates earned on cash and cash equivalents will fluctuate in line with short-term interest rates.

Signet's market risk profile as of **October 28, 2023** **May 4, 2024** has not materially changed since **January 28, 2023** **February 3, 2024**. The market risk profile as of **January 28, 2023** **February 3, 2024** is disclosed in Signet's Annual Report on Form 10-K, filed with the SEC on **March 16, 2023** **March 21, 2024**.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures (as defined in Rule 13a-15(e)) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act") that are designed to ensure that information required to be disclosed in Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. The procedures are also designed to ensure that information is accumulated and communicated to management, including the Chief Executive Officer (principal executive officer) and Chief Financial, Strategy & Services Officer (principal financial officer), as appropriate to allow timely decisions regarding required disclosure.

Management, including the Chief Executive Officer and Chief Financial, Strategy & Services Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act, as amended. Based on this review, the Chief Executive Officer and Chief Financial, Strategy & Services Officer concluded that the disclosure controls and procedures were effective as of **October 28, 2023** **May 4, 2024**.

Changes in Internal Control over Financial Reporting

The Company is in the process of integrating Blue Nile, as described in Note 4 of Item 1 within this Quarterly Report on Form 10-Q, into the Company's overall internal control over financial reporting framework.

Except as described above, there **There** were no changes into the Company's internal control over financial reporting during the **third** **first** quarter of Fiscal **2024** **2025** that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Information regarding legal proceedings is incorporated by reference from Note **21** **20** of the Condensed Consolidated Financial Statements set forth in Part I of this Quarterly Report on Form 10-Q.

ITEM 1A. RISK FACTORS

The Company is supplementing **There have been no material changes to** the risk factors previously disclosed in Part I, Item 1A, of the Company's Annual Report on Form 10-K for the fiscal year ended **January 28, 2023** with the following modified risk factor, which should be read in conjunction with the other risk factors presented in the Company's Annual Report on Form 10-K for the fiscal year ended **January 28, 2023** **February 3, 2024** that was filed with the SEC on **March 16, 2023** **March 21, 2024**.

Signet's business could be adversely affected by extreme weather conditions, natural disasters, or terrorism and acts of war.

Extreme weather conditions in the areas in which the Company's stores are located negatively impacted sales in the fourth quarter of Fiscal 2023 and could negatively affect the Company's business and results of operations in the future. For example, frequent or unusually heavy snowfall, ice storms, or other extreme weather conditions, whether as a result of climate change or otherwise, over a prolonged period could make it difficult for the Company's salesforce or customers to travel to its stores and thereby reduce the Company's sales and profitability, particularly if such events occur during the Company's Holiday Season. In addition, natural disasters such as hurricanes, tornadoes, earthquakes, or wildfires, or a combination of these or other factors, could damage or destroy the Company's facilities or make it difficult for the salesforce or customers to travel to its stores, thereby negatively affecting the Company's business and results of operations.

Terrorism, armed conflict, and acts of war (or the expectation of such events), both in the US and abroad, could also have a significant impact on Signet's business and the worldwide economy. At times throughout the past several years, volatile geopolitical conditions have impacted the financial markets. Significant market volatility, and government actions taken in response, may exacerbate some of the risks we face. Conflicts abroad could cause decreased demand for the Company's products as consumers' attention and interests are diverted from jewelry and become focused on issues relating to these events. For instance, the Russia-Ukraine conflict has adversely impacted and could continue to adversely impact, among other things, certain of the Company's local markets and suppliers, global and local macroeconomic conditions, foreign exchange rates and financial markets, raw material, energy and transportation costs, and cause further supply chain disruptions. In addition, Signet operates quality control and technology centers in Israel. The recent Israel-Hamas conflict could cause a disruption to Signet's operations including, but not limited to, delays in product quality certification, failure to maintain or timely update the eCommerce platform for its digital banners or impact its supply chain with vendors located in the Middle East. An inability to receive products after quality control, shortages of products or difficulties in procuring Signet's products, or a disruption or shutdown of its digital banner websites, among others, may adversely impact its ability to commercialize, manufacture or market its products in a timely manner, any of which could have an adverse effect on Signet's results of operations. Furthermore, there have been travel advisories imposed related to travel to Israel, and restriction on travel, or delays and disruptions as related to imports and exports may be imposed in the future. Volatile geopolitical conditions give rise to regional instability and may result in heightened economic sanctions from the US and the international community in a manner that adversely affects Signet's business and may impact its ability to manufacture and ship its merchandise for sale to customers. Given that Signet's control over such issues, including both weather disasters and large-scale violence, is extremely limited, the Company may not have the ability to mitigate the impacts of such occurrences on its business and operations.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Repurchases of equity securities

The following table contains the Company's repurchases of equity securities common shares in the **third** **first** quarter of Fiscal **2024**; **2025**:

<u>Period</u>	Total number of shares purchased	Average price paid per share ⁽¹⁾	Total number of shares purchased as part of publicly announced plans or programs	Maximum number (or approximate dollar value) of shares that may yet be purchased under the plans or programs
July 30, 2023 to August 26, 2023	—	\$ —	—	\$ 717,859,422
August 27, 2023 to September 23, 2023	172,524	\$ 75.51	172,524	\$ 704,832,877
September 24, 2023 to October 28, 2023	307,883	\$ 71.43	307,883	\$ 682,841,934
Total	480,407	\$ 72.89	480,407	\$ 682,841,934

<u>Period</u>	Total number of shares purchased	Average price paid per share ⁽¹⁾	Total number of shares purchased as part of publicly announced plans or programs	Maximum number (or approximate dollar value) of shares that may yet be purchased under the plans or programs
February 4, 2024 to March 2, 2024	41,536	\$ 102.91	41,536	\$ 856,746,795
March 3, 2024 to March 30, 2024	31,904	\$ 98.74	31,904	\$ 853,597,313
March 31, 2024 to May 4, 2024	—	\$ —	—	\$ 853,597,313
Total	73,440	\$ 101.09	73,440	\$ 853,597,313

⁽¹⁾ The average price paid per share excludes commissions paid of **\$8,647** **\$1,322** in connection with the repurchases made under the 2017 Share Repurchase Program.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 Trading Arrangements

During the **third** **first** quarter of Fiscal **2024**; **2025**, each of the following **directors** or **officers** of the Company, as defined in Rule 16-1(f), adopted a Rule 10b5-1 Trading Arrangement (as defined in Item 408(a) of Regulation S-K) to sell common shares:

Name	Title	Adoption Date	Expiration Date ⁽¹⁾	Maximum aggregate number of shares to be sold	
William R. Brace Howard Melnick	President, KAY Jewelers Chief Information Officer and Enterprise Analytics	September 1, 2023 2024	March 22, 2024 or upon the earlier completion of all transactions contemplated under the arrangement March 21, 2025	14,360 15,000	
Mary Elizabeth Finn Rebecca Wooters	Chief People Digital Officer	September 21, 2023 2024	March 22, 2024 or upon the earlier completion of all transactions contemplated under the arrangement March 10, 2025	16,294 25,151	
Joan M. Hilson Eugenia Ulasewicz	Chief Financial, Strategy & Services Officer Director	October 18, 2023 2024	April 4, 2024 or upon the earlier completion of all transactions contemplated under the arrangement February 28, 2025	40,000	
Virginia C. Drosos	Chief Executive Officer	October 19, 2023	December 31, 2024 or upon the earlier completion of all transactions contemplated under the arrangement	180,000 10,000	
Oded Edelman	Chief Digital Innovation Officer and President, Digital Banners	October 19, 2023	April 20, 2024 or upon the earlier completion of all transactions contemplated under the arrangement	December 31, 2024	15,823 55,398
Steve Lovejoy	Chief Supply Chain Officer	April 17, 2024	April 17, 2025	5,000	
Mary Elizabeth Finn	Chief People Officer	April 18, 2024	January 6, 2025	24,000	
Jamie L. Singleton	Group President and Chief Consumer Officer	April 18, 2024	January 6, 2025	54,314	
Stash Ptak	General Counsel and SVP Legal Compliance and Risk	April 19, 2024	March 25, 2025	4,050	
William R. Brace	President, KAY Jewelers	April 23, 2024	April 23, 2025	9,533	

⁽¹⁾ Each plan will expire on the date represented in the table or upon the earlier completion of all transactions contemplated under the arrangement.

Each trading arrangement noted above is intended to satisfy the affirmative defense in Rule 10b5-1(c). No other directors or officers of the Company have adopted, modified, or terminated a Rule 10b5-1 Trading Arrangement or Non-Rule 10b5-1 Trading Arrangement (as each term is defined in Item 408 of Regulation S-K) during the **third** **first** quarter of Fiscal **2024**, **2025**.

ITEM 6. EXHIBITS

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

Number	Description of Exhibits
4.1	Amended Certificate of Designation of Series A Convertible Preference Shares, Par Value \$0.01 Per Share, of Signet Jewelers Limited (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K Filed April 3, 2024).
22.1*	List of Subsidiary Guarantors
31.1*	Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Signet Jewelers Limited

Date:	December 5, 2023	June 13, 2024	By: _____	/s/ Joan M. Hilson
			Name: _____	Joan M. Hilson
			Title: _____	Chief Financial, Strategy & Services Officer (Principal Financial Officer)

44.39

Exhibit 22.1

LIST OF SUBSIDIARY GUARANTORS

Signet UK Finance plc (the "Issuer"), a 100% owned subsidiary of Signet Jewelers Limited (the "Parent"), has \$147.8 million principal amount outstanding of 4.700% Senior Notes due in June 2024 (the "Senior Notes"). As of [October 28, 2023](#) [May 4, 2024](#), Parent, along with the following 100% owned subsidiaries, are guarantors of the outstanding Senior Notes:

Name of Entity	Place of Incorporation or Organization
SIGNET US FINANCE LIMITED	England & Wales
SIGNET GROUP LIMITED	England & Wales
SIGNET TRADING LIMITED	England & Wales
SIGNET US HOLDINGS, INC.	Delaware
SIGNET U.S. SERVICES INC.	Delaware
SIGNET GROUP TREASURY SERVICES INC.	Delaware
STERLING JEWELERS INC.	Delaware
STERLING ECOMM LLC	Delaware
SIGNET GROUP SERVICES US INC.	Delaware
STERLING INC.	Ohio
ZALE CORPORATION	Delaware
ZALE DELAWARE, INC	Delaware
ZALE INTERNATIONAL, INC.	Delaware
ZAP, INC.	Delaware
ZGCO, LLC	Virginia
TXDC, L.P.	Texas
ZALE CANADA CO.	Canada
ZCSC, LLC	Delaware
ZALE PUERTO RICO, INC.	Puerto Rico
SIGNET SERVICE PLANS, INC.	Ohio

Exhibit 31.1

CERTIFICATION

I, Virginia C. Drosos, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Signet Jewelers Limited (the "Report");
2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this Report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
 - (d) Disclosed in this Report any change in the company's internal control over financial reporting that occurred during the company's most recent fiscal quarter (the company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: December 5, 2023 June 13, 2024

By: /s/ Virginia C. Drosos
Name: Virginia C. Drosos
Title: Chief Executive Officer
(Principal Executive Officer)

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Exhibit 31.2

CERTIFICATION

I, Joan M. Hilson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Signet Jewelers Limited (the "Report");
2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this Report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
 - (d) Disclosed in this Report any change in the company's internal control over financial reporting that occurred during the company's most recent fiscal quarter (the company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: December 5, 2023 June 13, 2024

By: /s/ Joan M. Hilson
Name: Joan M. Hilson
Title: Chief Financial, Strategy & Services Officer (Principal Financial Officer)

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Exhibit 32.1

CERTIFICATION

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REFINITIV 

PURSUANT TO 18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Virginia C. Drosos, as Chief Executive Officer of Signet Jewelers Limited (the "Company"), hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) the accompanying Quarterly Report on Form 10-Q for the period ended **October 28, 2023** **May 4, 2024**, as filed with the US Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: **December 5, 2023** **June 13, 2024**

By: /s/ Virginia C. Drosos

Name: Virginia C. Drosos

Title: Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION

PURSUANT TO 18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Joan M. Hilson, as Chief Financial, Strategy & Services Officer of Signet Jewelers Limited (the "Company"), hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) the accompanying Quarterly Report on Form 10-Q for the period ended **October 28, 2023** **May 4, 2024**, as filed with the US Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: **December 5, 2023** **June 13, 2024**

By: /s/ Joan M. Hilson

Name: Joan M. Hilson

Title: Chief Financial, Strategy & Services
Officer (Principal Financial Officer)

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