

REVENUE	2024 (£k)	2023 (£k)	Change (£k)	Change (%)	Reasons/Trends/Significance/Further Analysis
UK	7,075	6,707	368	5.5%	Highly competitive; unable to raise profile
Rest of Europe	3,615	3,571	44	1.2%	Favourable influencer reviews Social media ads
US	7,002	4,967	2,035	41.0%	Increasing brand awareness Competitors raised prices Luxury sector growing Product placement in 'Finance' Marketing Huge market: scope for growth Economic and political uncertainties: risk of slowing
Rest of World	2,932	2,521	411	16.3%	Gulf: growth continued India: watch bloggers; more marketing; visits to develop strategy; expected growth in 2025 Highly competitive; unable to raise profile
Total	20,624	17,766	2,858	16.1%	Brand became better known Forecast global industry growth: 4.6% pa 2025: Savoir-Faire pre-orders exceeded expectations; optimistic; more expensive
Mix:					
UK	34.3%	37.8%			
Rest of Europe	17.5%	20.1%			
US	34.0%	28.0%			
Rest of World	14.2%	14.2%			
FX movement	Euro	US	RoW		
Change %					
2023 revenue					
Underlying change					
Alternative calculation:					
Change %					
2023 revenue					
Underlying change					
Numbers of watches	2024	2023	Change	%	
UK	7,240	7,258	-18	-0.2%	
Rest of Europe	3,304	3,451	-147	-4.3%	
US	5,024	3,781	1,243	32.9%	
Rest of World	2,904	2,612	292	11.2%	
Total	18,472	17,102	1,370	8.0%	
Average price (£)	2024	2023	Change	%	
UK	977	924	53	5.7%	
Rest of Europe	1,094	1,035	59	5.7%	
US					Price increases; introducing higher-priced models
Rest of World					Increased prices
Total	1,117	1,039	78	7.5%	Gradually moving upmarket

Exhibit 7: Product launch process (March 2025)

Use in exam: R2/3 proposal

Key Narrative Points	Key Numerical Points
Stage 1: Concept development <ul style="list-style-type: none"> Market research, trend analysis, customer forums, social media. 	Vantage Line Market research: <ul style="list-style-type: none"> Sales: 400 per year 3-year life cycle
Stage 2: Design development <ul style="list-style-type: none"> Technical specifications and designs. 	Production run: 400 watches <u>Unit costs</u>
Stage 3: Financial planning <ul style="list-style-type: none"> Cost card for preliminary cost structures. Pricing strategies. 	<ul style="list-style-type: none"> Materials (CHF): <ul style="list-style-type: none"> Case: 50 Crystal: 35 Movement: 232 Dial: 84 Strap: 18 Labour (CHF): <ul style="list-style-type: none"> Assembly: 180 Testing: 45 MHSA manufacturing charge: 644 (CHF) <ul style="list-style-type: none"> CHF/£ rate: 1.12 MHSA manufacturing charge: £575 <ul style="list-style-type: none"> Import duty: £26 Inward shipping: £2 Quality certification: £13 Packaging: £6 Shipping costs to customer: £75
Stage 4: Environmental impact assessment <ul style="list-style-type: none"> Seeking to increase focus on sustainability. Incorporated environmental data for first time. Benchmark for future reporting: <ul style="list-style-type: none"> % materials used in manufacturing recycled (by value) % materials recyclable or biodegradable at end of life (by weight) Total CO₂e emissions per watch (kg) % suppliers in the supply chain certified for ethical/sustainable practices (by value of purchases) 	Total unit cost: £697
Initial costs Price NPV Sensitivity	Initial costs Price NPV Sensitivity

Review of Financial Performance for Year Ended 30 September 2025

REVENUE (per requirement)

Overall revenue increased (decreased) impressively (disappointingly) by £k (x%) to £2025k which is above (below) the forecast industry growth of 4.6%. The challenging economy may have had a negative impact, so the fact that the rate of growth is increasing (decreasing) (24: 16.1%) is excellent (expected). The increase (decrease) is due to an increase (decrease) of x% in volume to X (24: 18,472) and/or an increase (decrease) of x% in average price to £x (24: £1,117). *Revenue from all geographies increased/decreased.*

UK revenue increased (decreased) impressively (disappointingly) by £k (x%) due to **reason** (reason from exam scenario / increase (decrease) in volume of x% and/or increase (decrease) in average price of x%). Trend/significance/further analysis (e.g. still has the lowest average price).

RoE revenue increased (decreased) impressively (disappointingly) by £k (x%) due to **reason** (reason from exam scenario / increase (decrease) in volume of x% and/or increase (decrease) in average price of x%). Adjusting for EUR depreciation (appreciation) of x%, [REDACTED]

US revenue [REDACTED]

RoW revenue [REDACTED]

UK accounts for x% (24: 34.3%) of revenue, [REDACTED]

Whitehull/Thimur/Celcis/other revenue [REDACTED]

Whitehull/Thimur/Celcis/Savoir-Faire/other has the highest average price/volume and accounts for x% of revenue.

Top three watches [REDACTED]

COS AND GROSS PROFIT (if required)

[REDACTED]