Swiss Private Equity Firm Acquiring Majority Breitling Stake
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Zug-based Partners Group is acquiring a majority stake in Swiss luxury watch brand Breitling, as finews.ch can reveal. An IPO is planned for 2027.

Having built up a minority stake in Breitling through its private market funds in the fall of 2021, Partners Group plans to acquire a 50.3 percent majority stake in the luxury watchmaker. Financial investor CVC, which has held a stake in Breitling since 2017, would still hold 23.6 percent of the watchmaker after the change.

Third Parties Invited to Invest

According to documents on the transaction obtained by finews.ch, a first closing is expected to take place as early as mid-December. Partners Group declined to comment, and Breitling has yet to respond to finews.ch requests seeking comment.
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An additional 23.6 percent is open to third parties, with shares being marketed via banks to wealthy private and professional investors. Finally, 2.8 percent of the shares are held by the watchmaker's management led by Georges Kern, who joined the company in 2017 from luxury products manufacturer Richemont to reposition the brand. Breitling will be controlled by the same parties as before.

IPO in 2027?

The goal of the newly assembled ownership is to double Breitling's sales and operating profit over the next five years. Since Kern's arrival, this has already been achieved in terms of sales. An initial public offering (IPO) on the SIX Swiss Exchange is planned for 2027, at which point investors could make their exit.

According to the documents, Breitling is currently valued at around the industry average. The market potential of Swiss luxury watches makes the entry attractive to investors. Not only are they highly desirable among the growing class of wealthy people worldwide as a status symbol, but they are also increasingly popular as a means of storing value. Expensive watches have been able to defy the rapid rise in inflation.

8 Percent Growth

The Swiss luxury watch market is forecast to grow at an annual rate of up to 8 percent until 2026.

The transaction will certainly attract some attention and help put a sheen back on private market investments. As central banks have been hiking rates to combat inflation, there has been a lull in deals, which has left its mark not least on Partners Group's business performance.