

RICHEMONT

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COMPANY ANNOUNCEMENT

7 AUGUST 2020

RICHEMONT ANNOUNCES EQUITY-BASED SHAREHOLDER LOYALTY SCHEME, CONDITIONAL SHARE CAPITAL INCREASE, BOARD NOMINATION AND AGM ARRANGEMENTS

Shareholder loyalty scheme

On 15 May 2020, Richemont announced that its Board of Directors would propose a dividend of CHF 1.00 per A share / CHF 0.10 per B share at the upcoming Annual General Meeting and that it was considering an equity-based shareholder loyalty scheme.

Following a review of the practical, legal and fiscal considerations, Richemont is pleased to announce that it will issue tradable warrants to shareholders, allowing them either to trade the warrant or, subject to the terms and conditions of the warrants, acquire new Richemont A shares in three years at a potentially beneficial exercise price. The exercise price will be set on the basis of the volume-weighted average market price of the Richemont A shares before the 2020 Annual General Meeting, thereby allowing those shareholders who hold the warrants until maturity to benefit from any potential upside in the market price of the Richemont A shares during the lifetime of the warrants.

Conditional share capital increase

In connection with the issuance of the warrants, shareholders will be asked at the 2020 Annual General Meeting to approve the creation of conditional capital through the inclusion of a new provision in the articles of association and to authorise the issuance of a corresponding number of new shares upon exercise of the warrants.

Commenting on the shareholder loyalty scheme, Johann Rupert, Chairman of Richemont, said:

“We are currently facing an unprecedented global health crisis. Predicting the likely scope and timing of a recovery in demand remains difficult, if not impossible. A surge in Covid-19 cases has forced countries to reverse reopenings and to reimpose restrictions. Therefore, amid the

unprecedented effects of the Covid-19 pandemic and the uncertainty surrounding broader economic conditions, the Board of Directors has decided that it is appropriate to retain an extra liquidity buffer with a reduced dividend level while awarding shareholders a supplementary benefit that will allow them to capture any ultimate improvement in global conditions. Due to the prevailing uncertainty, we have decided to set the maturity of the warrants at three years, to capture the potential future upside in the market price of Richemont shares, once all the challenges of the Covid-19 pandemic will have hopefully been overcome.”

Information on the loyalty scheme, the rationale for the creation of the proposed conditional share capital and the proposed amendment of the articles of association can be found in the information memorandum dated 7 August 2020 which will be published on the Company’s website on 7 August 2020 and referenced in the invitation to the Annual General Meeting.

Board nomination

Richemont also announces the nomination of Wendy Luhabe for election to the Board of Directors. Her appointment is subject to the approval of shareholders at the 2020 Annual General Meeting. She will serve as a Non-Executive Director and become a member of the Board’s Nominations Committee.

Wendy has extensive experience in luxury goods and a long relationship with Richemont, chairing Vendôme South Africa (Richemont’s subsidiary in South Africa) from 2001 to 2011.

Ms Luhabe is a social entrepreneur and economic activist with multiple honours for her pioneering contribution to the economic empowerment of women in South Africa. She is the founding Chair of Women in Infrastructure Development and Energy (WINDE) which focuses on the economic empowerment of women. Ms Luhabe founded ‘Bridging the Gap’, an organisation which equips black graduates with corporate skills, as well as Women Private Equity Fund (WPEF), South Africa’s first private venture capital fund for women. She is also a founding member of Women Investment Portfolio Holdings (WIPHOLD) which empowers women to become investors in the South African economy.

Ms Luhabe has over 25 years of Board experience across diverse industries and companies, including Tiger Brands, Vodacom, the Johannesburg Stock Exchange, the International Marketing Council (IMC), Alliance Capital, and the IMD and ESSEC business schools. She is currently on the Boards of Pepkor, as a Non-Executive Director, and Libstar, which she chairs.

Ms Luhabe has worked tirelessly to contribute to the development of women and to educate and mentor younger generations. She created the Wendy Luhabe Foundation and established a scholarship at the University of Johannesburg. She holds a degree in commerce from the University of Lesotho and an Honorary Doctorate from the University of Fort Hare.

2020 Annual General Meeting

Richemont also announces that the Annual General Meeting of shareholders will be held at 10.00 a.m. at its registered office on Wednesday, 9 September 2020. Given the continued uncertainties linked to Covid-19 and related health and safety concerns, the Board of Directors has decided it prudent, pursuant to Article 27 of the Ordinance 3 of the Swiss Federal Council ‘on Measures to Combat the Coronavirus (COVID-19)’ of 19 June 2020, to hold the meeting behind closed doors.

Shareholders are invited to submit voting instructions through the Company’s registrar, Computershare Schweiz AG, or by sending them directly to the independent representative of the shareholders, Etude Gampert & Demierre, Notaires. Detailed instructions on how to vote can be found in the notice of meeting posted on Richemont’s website on 12 August 2020.

Important Notices

Legal and Regulatory Restrictions

This announcement and the information contained in it are being distributed and communicated for informational purposes only and are not to be construed as an offer to sell or a solicitation of an offer to buy Richemont shares (“**Shares**”), depositary receipts representing Shares (“**DRs**”), warrants or any other securities, or as a recommendation to the Company's Shareholders, or to any other person, to buy or sell Shares, DRs, warrants or any other securities, nor shall there be any sale of these securities in any jurisdiction in which an offer, solicitation or sale would be unlawful prior to registration or qualification under the applicable securities laws of such state or jurisdiction.

The terms of the warrants are complex and therefore the warrants will not be suitable to be bought or sold by all investors. Shareholders (or any other persons) who intend to purchase or sell the warrants are therefore recommended to first seek their own financial advice from their stockbroker, bank manager, fund manager, lawyer, accountant or other appropriately authorised independent financial adviser.

This announcement and the information contained in it are not for publication, release, transmission, distribution or forwarding, in whole or in part, directly or indirectly, in or into Australia / Hong Kong SAR, China / Japan or any other jurisdiction where it would be unlawful to provide such access, or to any persons who are not authorised under the laws and regulations of their relevant jurisdiction to have access to these materials. This announcement is neither directed at, nor intended for access or use by, any person or entity that is a citizen or resident or physically located in any locality, state or country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

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No Prospectus

Switzerland

This announcement is not a prospectus within the meaning of Articles 652a or 1156 of the Swiss Code of Obligations, or of Articles 35 et seq. of the Swiss Federal Act on Financial Services of 2018 (the "FSA"). No prospectus in accordance with the Code of Obligations or the FSA will be established in connection with the warrants.

South Africa

This announcement is not a prospectus within the meaning of Chapter 4 of the South African Companies Act, No. 71 of 2008.

European Union and United Kingdom

The issue of the warrants to Richemont Shareholders shall not constitute an "offer to the public" for the purposes of the Prospectus Regulation (Regulation (EU) 2017/1129) (the "**Prospectus Regulation**") requiring the publication of a prospectus and shall not constitute or form part of any

offer or invitation to purchase, acquire, subscribe for, sell, dispose of, or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire, or subscribe for, Shares or any other security for the purposes of the Prospectus Regulation.

Any person making or intending to make any offer within the EEA of any securities referred to in this announcement may only do so in circumstances in which no obligation arises for the Company, UBS AG or any successor organisation acting in a capacity as an agent of the Company with respect to the warrants to publish a prospectus pursuant to the Prospectus Regulation in relation to such offer.

Canada

This announcement (including the materials contained within) is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities referred to in this announcement (including the materials contained within) in Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon this announcement or the materials contained within or the merits of the securities described and any representation to the contrary is an offence.

Note to US Shareholders

This announcement, the warrants, the Shares, DRs and any depository receipts in respect of warrants (“**Warrant Receipts**”) have not been approved or disapproved by the US Securities and Exchange Commission (the “**SEC**”). Neither the SEC nor any US federal or state securities commission or regulatory authority has passed comment or opinion upon the accuracy or adequacy of this announcement or endorsed the merits of the loyalty scheme, the warrants, the Shares, DRs or Warrant Receipts. Any representation to the contrary is a criminal offence in the United States.

Shareholders who are citizens or residents of the United States are advised that the Warrants, any new Shares issued through the exercise of the warrants, Warrant Receipts and DRs have not been and will not be registered under the US Securities Act of 1933, as amended (the “**US Securities Act**”) or registered or qualified under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state and other securities laws of the United States. There will be no public offer of the warrants, any Shares issued through the exercise of the warrants, Warrant Receipts or DRs in the United States. This announcement does not constitute nor will it constitute an offer or an invitation to apply for, or an offer or an invitation to acquire, any warrants, Shares issued through the exercise of the warrants, Warrant Receipts or DRs in the United States.

Other restricted jurisdictions

Warrants and any Shares issued through the exercise of the warrants may not be exercised, offered, allocated, sold, resold, transferred, delivered or acquired, directly or indirectly, in Australia, Japan or Hong Kong SAR, China.

Forward-looking statements

This announcement may contain certain forward-looking statements relating to Richemont and its subsidiaries (the "**Group**") that are based on the current expectations, estimates, plans, strategic aims, vision statements, and projections of Richemont's management and information currently available to the Company. In this announcement, the terms "we", "our" and "us" refer to the Group.

These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause the actual results of operations, financial condition, performance or achievements of the Group to be materially different from any future results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Terms and phrases such as "will", "believe", "expect", "may" and "could", and variations of these words and similar expressions, are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements.

Neither Richemont nor any of its subsidiaries undertake an obligation to update any forward-looking statement, even if new information, future events or other circumstances have made it incorrect or misleading.

About Richemont

Richemont owns a portfolio of leading international Maisons recognised for their distinctive heritage, craftsmanship and creativity. The Group operates in four business areas: **Jewellery Maisons**, namely Buccellati, Cartier and Van Cleef & Arpels; **Specialist Watchmakers**, namely A. Lange & Söhne, Baume & Mercier, IWC Schaffhausen, Jaeger-LeCoultre, Panerai, Piaget, Roger Dubuis and Vacheron Constantin; **Online Distributors**, namely YOOX NET-A-PORTER GROUP (NET-A-PORTER, MR PORTER, YOOX, THE OUTNET) and Watchfinder & Co.; and **Other**, primarily Fashion & Accessories Maisons, including Alaïa, Chloé, dunhill, Montblanc and Peter Millar.

Richemont 'A' shares are listed on the SIX Swiss Exchange, Richemont's primary listing, and are included in the Swiss Market Index ('SMI') of leading stocks. Richemont South African Depository Receipts are listed in Johannesburg, Richemont's secondary listing.

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