

Compagnie Financière Richemont SA

EQUITY-BASED LOYALTY SCHEME 2020

Shareholder Information Memorandum

7 August 2020

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1. PROPOSAL OF AN EQUITY-BASED LOYALTY SCHEME

Wealth creation over time has always been one of the key elements of the investment proposition of Compagnie Financière Richemont SA ("**Richemont**" or the "**Company**") to shareholders (the "**Shareholders**"). Richemont has delivered a growing or stable dividend consecutively over the last 20 years. However, this year, amid the unprecedented effects of the Covid-19 pandemic and the uncertainty on the broader economic conditions, the Board of Directors has decided that it is appropriate to be prudent and retain as much flexibility as possible at this time of limited visibility as to the prevailing economic situation. The Board of Directors has therefore proposed to reduce the cash dividend to CHF 1.00 per registered "A" share having a par value of CHF 1.00 (each an "**A Share**") and CHF 0.10 per registered "B" share having a par value of CHF 0.10 (each a "**B Share**" and together with the A Shares the "**Shares**").

Subject to Shareholders having approved the creation of the necessary conditional capital (as further detailed in Section 5 below) at the Company's 2020 Annual General Meeting (the "**AGM**"), Richemont wishes to introduce a Shareholders' loyalty scheme, which will take the form of a distribution of tradable warrants (each a "**Warrant**") to Shareholders, allowing their holders to acquire new Shares in three years, at a price that reflects the market price of the A Shares before our AGM, thereby allowing those who will have held the Warrants until maturity to benefit from the upside in the market price of our A Shares during the lifetime of the Warrants.

Subject to Shareholder approval at the AGM, the Company will issue separate Warrants with respect to its A Shares and its B Shares. The Warrants relating to the A Shares are referred to herein as the "**A Warrants**" and the Warrants relating to the B Shares as the "**B Warrants**".

2. LEGAL AND REGULATORY RESTRICTIONS

This information memorandum has been prepared to inform Shareholders about Richemont's proposed loyalty scheme ahead of the Company's AGM, on the occasion of which such Shareholders will be asked to approve the introduction in the articles of association of the Company of a conditional capital making it possible for Richemont to create the new Shares that are to be issued upon any exercise of the Warrants.

This information memorandum is being distributed and communicated for informational purposes only to the Company's Shareholders and is not to be construed as an offer to sell or a solicitation of an offer to buy Shares, depositary receipts representing Shares, Warrants or any other securities, or as a recommendation to the Company's Shareholders, or to any other person, to buy or sell Shares, depositary receipts representing Shares, 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.

Please note that 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 authorized independent financial adviser.

THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN FINANCIAL ADVICE IMMEDIATELY FROM YOUR STOCKBROKER, BANK MANAGER, FUND MANAGER, LAWYER, ACCOUNTANT OR OTHER APPROPRIATELY AUTHORIZED INDEPENDENT FINANCIAL ADVISER.

2.1 No prospectus

Switzerland

This information memorandum 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").

The Issuer has applied for the listing and admission to trading of the A Warrants on SIX Swiss Exchange under the "Additional Rules for the Listing of Derivatives dated 25 August 2017" in effect as of the date hereof (the "ARD"), and more specifically of Article 26 para. 2 No. 2 of the ARD pursuant to which no prospectus is required for the listing of "shareholder options" issued by the issuer of the underlying security and allocated to all shareholders free of charge.

South Africa

This information memorandum is also not a prospectus within the meaning of Chapter 4 of the South African Companies Act, No. 71 of 2008 ("**Companies Act**"). Such a prospectus is not required to be registered or issued in respect of the issuance in South Africa of either the A Warrant Receipts (as defined in Section 7 of this information memorandum) or the subsequent depositary receipts for which the A Warrant Receipts may be exercisable, having regard to the relevant provisions of sections 95, 96 and 99 of the Companies Act.

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**") 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.

This document is not a prospectus for the purposes of the Prospectus Regulation or any implementing legislation or rules in any jurisdiction relating thereto and has not been prepared in accordance with the Prospectus Regulation. Accordingly, this document has not been and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom ("FCA"), the London Stock Exchange plc or any other authority or regulatory body within the United Kingdom, or by any authority or regulatory body within the European Union.

Any person making or intending to make any offer within the EEA of any securities referred to in this document 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 information memorandum is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities referred to in this document in Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon this information memorandum or the merits of the securities described and any representation to the contrary is an offence. **This offering is being made by a non-Canadian issuer using disclosure documents prepared in accordance with non-Canadian securities laws. Richemont Shareholders in Canada should be aware that these requirements may differ significantly from those in Canada.**

The requirement in Canadian securities legislation that prohibits a person or company from distributing a security unless a preliminary prospectus and prospectus for the security have been filed and the regulator has issued receipts for them (the "**Prospectus Requirement**") does not apply to the issue of the Warrants to Richemont Shareholders in Canada provided that the number of beneficial holders and the number of Shares held by them are below certain thresholds and other conditions are complied with by Richemont, including without limitation the provision to Richemont Shareholders in Canada of all materials sent to other Richemont Shareholders concurrently therewith, including this information memorandum. The Prospectus Requirement also does not apply to the distribution of the new Shares issued through the exercise of the Warrants by Richemont Shareholders in Canada effected in accordance with the terms and conditions of the Warrants.

Upon receipt of this information memorandum, each Richemont Shareholder in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the securities described herein be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit aux valeurs mobilières décrites aux présentes soient rédigés en anglais seulement.*

2.2 Note to US Shareholders

This information memorandum, the Warrants, Shares, DRs and A 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 information memorandum or endorsed the merits of the loyalty scheme, the Warrants, Shares, DRs or A Warrant Receipts. Any representation to the contrary is a criminal offence in the United States.

Shareholders who are located in or residents of the United States of America, its territories and possessions, any State of the United States or the District of Columbia (collectively, the "**United States**" or the "**US**") are advised that the Warrants, any new Shares issued through the exercise of the Warrants, A 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. Accordingly, new Shares and DRs will, upon the exercise of Warrants or A Warrant Receipts, be offered and sold only (i) outside the United States in "offshore transactions" pursuant to Regulation S under the US Securities Act and (ii) within the United States only to "qualified institutional buyers" as defined in Rule 144A under the US Securities Act ("**QIBs**") in transactions that do not involve a public offering in accordance with Section 4(a)(2) of the US Securities Act. There will be no public offer of the Warrants, any Shares issued through the exercise of the Warrants, A Warrant Receipts or DRs in the United States. In the United States, only persons that are QIBs may exercise Warrants and acquire Shares by way of a private placement under Section 4(a)(2) of the US Securities Act. This information memorandum 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, A Warrant Receipts or DRs in the United States.

Any person in the United States acquiring Shares through the exercise of Warrants must execute and deliver to the Company, with a copy to such person's financial intermediary, a letter satisfactory to the Company, a form of which may be obtained from the Company at secretariat@cfrinfo.net (a "**US Investor Letter**") to the effect that such person and any account for which it is acquiring such Shares is a QIB and satisfies certain other requirements.

Any person who acquires Shares through the exercise of Warrants will be deemed to have declared, warranted and agreed, by exercising the Warrants or accepting delivery of any Shares issued through the exercise of the Warrants that either (i) it is not, and that at the time of exercising Warrants and acquiring such Shares it will not be, in the United States or acting on behalf of, or for the account or benefit of, a person on a non-discretionary basis in the United States or any state of the United States, or (ii) it is a QIB and has duly completed, executed and delivered to the Company a US Investor Letter.

In addition, any person in the United States who acquires Shares through the exercise of Warrants will be deemed to have represented, warranted and agreed, by exercising the Warrants or accepting delivery of any Shares issued through the exercise of the Warrants, as follows:

1. it is, and at the time of any exercise by it of Warrants and the time of any acquisition by it of such Shares will be, a "qualified institutional buyer" within the meaning of Rule 144A;
2. it understands and acknowledges (and each other QIB, if any, for whose account it is exercising Warrants and acquiring Shares has been advised, understands and has acknowledged) that the Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and that they may not be offered, sold, resold, taken up, delivered, pledged, hypothecated or encumbered (collectively, "transferred") or exercised, directly or indirectly, in the United States, other than in accordance with paragraph 4 below and that such Shares will be acquired by it in a transaction that is exempt from the registration requirements of the US Securities Act and that such Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act;
3. as a purchaser in a private placement of securities that have not been registered under the US Securities Act, it may only exercise Warrants and acquire such Shares for its own account, or for the account of one or more other QIBs for which it is acting as duly authorized fiduciary or agent with sole investment discretion with respect to each such account and with full authority to make the acknowledgements, representations and agreements herein with respect to each such account, in each case for investment and not with a view to any resale or distribution of any such Shares;

4. it understands and agrees that, although offers and sales in the United States of such Shares will, upon the exercise of Warrants, be made only to QIBs, that the Warrants may be exercised only by QIBs in the United States, and that if in the future it or any such other QIB for which it is acting, as described in paragraph 3 above, or any other fiduciary or agent representing such investor decide to offer, sell, resell, take up, deliver, pledge, hypothecate, encumber or otherwise transfer any Shares (a "**Disposition**"), it and such other person will do so only outside the United States pursuant to Rule 904 under Regulation S under the US Securities Act in an "offshore transaction" executed in, on or through the facilities of SIX Swiss Exchange, and neither it, nor any person acting on its behalf, will pre-arrange such Disposition with any buyer located or resident in the United States;
5. it understands that such Shares may not be deposited into any American depository receipt facility established or maintained by a depository bank and that such Shares will not settle or trade through the facilities of The Depository Trust Company or any other US exchange or clearing system;
6. it represents that if, in the future, it offers, sells, resells, delivers, pledges, hypothecates, encumbers or otherwise transfers the Shares, it shall notify such subsequent transferee of the transfer restrictions set out herein;
7. it is not an affiliate (as defined in rule 501(b) under the US Securities Act) of the Company, and is not acting on behalf of an affiliate of the Company;
8. it understands and acknowledges that the Company and each of its affiliates and agents, including UBS, as agent to the Company, and others, will rely upon the truth and accuracy of the foregoing representation, warranties, acknowledgements and agreements.

Except for offers and sales by the Company to QIBs as set forth above, (a) the Company reserves the right to treat as invalid any exercise notice in respect of Warrants that (i) appears to the Company or its agents to have been executed in or dispatched from the United States, (ii) does not include a warranty to the effect that the person exercising its Warrant is neither resident nor located in the United States or (iii) where the Company believes acceptance of such exercise notice in respect of Warrants may infringe applicable legal or regulatory requirements, and (b) custodians may not accept exercise instructions in respect of Warrants from clients who have an address in the United States and such instructions shall be considered null and void by the relevant custodians.

The Exercise Price paid in respect of exercises that do not meet the foregoing criteria will be returned without interest.

Any person in the United States who obtains a copy of this information memorandum or an exercise notice in respect of Warrants and who is not a QIB is required to disregard them.

2.3 Australia, Hong Kong SAR, China, Japan and other Restricted Jurisdictions

Warrants, any Shares issued through the exercise of Warrants, A Warrant Receipts and DRs may not, following the distribution of the Warrants on the Issuance Date, be exercised, offered, and – except if otherwise permitted under applicable laws – sold, resold, transferred, delivered or acquired, directly or indirectly, in Australia, Hong Kong SAR, China, Japan and in other Restricted Jurisdictions.

2.4 Forward-looking statements

This information memorandum contains certain forward-looking statements and information 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 information memorandum, 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.

3. TERMS OF THE WARRANTS

The A Warrants and the B Warrants will have the terms summarized in this Section 3 and further detailed in Appendices A and B of this information memorandum. Capitalized terms not specifically defined in this Section 3 have the meaning ascribed to them in other parts of this information memorandum.

Issuer	Compagnie Financière Richemont SA	
Allocation	One A Share entitles its holder to two A Warrants.	One B Share entitles its holder to two B Warrants.
Issuance	The Warrants will be issued on Friday, 18 September 2020 (the " Issuance Date ").	
Expiry Date	The Warrants will lapse at midnight Central European Summer Time (" CEST ") on the Business Day falling on the 3 rd anniversary of the Issuance Date.	
Settlement Date	The new A Shares and B Shares issued pursuant to the exercise of A Warrants or B Warrants will be delivered on or about the Business Day following the Expiry Date.	
Purchase right	During the Exercise Period, Eligible Holders holding a Specified Number of A Warrants will have the right to purchase one A Share against payment of the Exercise Price on the Settlement Date and to take delivery of such A Share at the Settlement Date.	During the Exercise Period, Eligible Holders holding a Specified Number of B Warrants will have the right to purchase one B Share against payment of the Exercise Price on the Settlement Date and to take delivery of such B Share at the Settlement Date.
Eligible Holders	Holders of Warrants that (i) do not have a registered address in, are not resident or located in, and are not organized under or subject to the laws of, any Restricted Jurisdiction, or (ii) are Eligible Overseas Holders.	
Eligible Overseas Holders	Holders of Warrants that have a registered address in, are resident or located in, or are organized under or subject to the laws of, any Restricted Jurisdiction, and that (i) are QIBs or (ii) are located in and resident outside the United States and are otherwise permitted, under the laws of such Restricted Jurisdiction, to receive and exercise Warrants and acquire Shares upon the exercise of Warrants without requiring the Issuer to amend the terms of the Warrants, to submit any additional filing to, or to perform any additional action in relation to, any governmental, regulatory or legal authority.	
Restricted Jurisdictions	United States of America, Australia, Hong Kong SAR, China, Japan.	
Exercise Price	The Exercise Price of the A Warrants will be equal to the lower of: <ul style="list-style-type: none">– the volume-weighted average price of the A Shares on SIX Swiss Exchange between the date of this information memorandum (Friday, 7 August 2020) and the second Business Day that precedes the AGM (expected to be Monday, 7 September 2020), both included; and– the volume-weighted average price of the A Shares on SIX Swiss Exchange between Tuesday, 1 September 2020 and the second Business Day that precedes the AGM (expected to be Monday, 7 September 2020), both included. In each case, the volume-weighted average price of the A Shares will be rounded down to the nearest whole number.	The Exercise Price of the B Warrants will be one tenth of the Exercise Price of the A Warrants. The Exercise Price will be set to three digits after the decimal point.
Adjustments to the Exercise Price	The Exercise Price of the A Warrants will be adjusted in case of a split or reverse split	The Exercise Price of the B Warrants will be adjusted in case of split or reverse split of the B

	of the A Shares. It will also be adjusted in the event of a distribution of assets by the Issuer, in proportion of the difference between the closing prices of the A Shares before and after the record date of the relevant distribution, subject to the distribution having a negative impact on the price of the A Shares and to a materiality threshold of 5%.	Shares. It will also be adjusted in the event of a distribution of assets by the Issuer, in proportion of one tenth of the difference between closing prices of the A Shares before and after the record date of the relevant distribution, subject to the distribution having a negative impact on the price of the A Shares and to a materiality threshold of 5%.
	The Exercise Price of the A Warrants and of the B Warrants will otherwise not be adjusted for dividends, distributions or dilutive events.	
Specified Number	The Specified Number will equal the Exercise Price (each A Warrant representing one Swiss franc's worth of the Exercise Price). For example, if the Exercise Price is CHF 60, the Specified Number will be 60. Holders of A Warrants will be required to exercise the Specified Number of A Warrants to acquire one A Share.	The Specified Number will equal the Exercise Price (each B Warrant representing ten cents' worth of the Exercise Price). Holders of B Warrants will therefore be required to exercise the Specified Number of B Warrants to acquire one B Share.
Exercise Period	From 9 am CEST on 11 September 2023 until 12 pm (noon) CEST on 13 September 2023.	
Warrant exercise style	European style. All new A Shares will be delivered on the Settlement Date regardless of when within the Exercise Period the Exercise Notice is submitted.	
Form	The A Warrants will be issued as uncertificated securities (<i>droits-valeurs</i>) in accordance with Article 973c of the Swiss Code of Obligations. Shareholders will not have the right to request the printing and delivery of individually certificated securities (<i>papiers-valeurs</i>).	The Issuer will issue a certificate for the B Warrants.
Transferability	The A Warrants will be transferable without the need for the approval of Richemont's Board of Directors.	Transfer of the B Warrants will require the approval of Richemont's Board of Directors.
Listing and trading	Application has been made for the A Warrants to be listed on SIX Swiss Exchange. The last trading day will be Wednesday, 6 September 2023	No application will be made for the listing or admission to trading of the B Warrants on any stock exchange or trading platform.
Governing law and jurisdiction	The Warrants will be governed by and construed in accordance with Swiss substantive law. Place of jurisdiction for the Warrants and all related claims will be Geneva, Switzerland.	
Security Number/ISIN	A Warrants 55.960.154 / CH0559601544	B Warrants 55.960.155 / CH0559601551

Under the terms of Warrants, "**Business Day**" means any day on which SIX Swiss Exchange or any successor organization is open for trading.

The "**Exercise Price**" to be paid to acquire one Share and the "**Specified Number**" of Warrants required to be exercised to purchase one Share will be announced after the AGM alongside the results of the AGM.

4. DISTRIBUTION OF THE WARRANTS

4.1 Entitlement

Provided that the creation of the Conditional Capital contemplated in Section 5.1 below is approved at the AGM, the distribution of the Warrants to Richemont Shareholders will be automatic, without any element of individual choice or ability to repudiate the distribution.

Practical steps for Richemont Shareholders wishing to access their Warrants are set out below.

4.2 Distribution

The Warrants will be distributed to Shareholders on the same date as any cash dividend that may be approved at the AGM will be paid (the "**Dividend Payment Date**"), which is expected to take place on Friday, 18 September 2020. A Warrants will be distributed to all persons who are holders of A Shares on the record date (the "**Record Date**"), which is expected to be on Thursday, 17 September 2020, after close of markets, and B Warrants will be distributed to all persons who are holders of B Shares on the Record Date. Issuance and distribution of the Warrants is contingent upon Shareholders having approved the creation of the conditional capital in the articles of association of the Company allowing the issuance of the relevant number of Shares (as described in Section 5.1 below).

4.3 Information from custodians

Richemont Shareholders who hold A Shares on a securities account opened with a bank or another professional custodian in Switzerland will be informed of the distribution of the A Warrants by their custodian without such Richemont Shareholders having to take further action.

Richemont Shareholders who hold A Shares on a securities account opened with a bank or another professional custodian outside of Switzerland should contact their bank or custodian for information on how to access their A Warrants.

4.4 Costs and charges

No costs or charges will be imposed by the Company to the Richemont Shareholders on account of the Warrants.

The distribution of A Warrants will be free of costs and charges for those Richemont Shareholders who hold their A Shares on a securities account opened with a bank or another professional custodian in Switzerland.

Richemont Shareholders who hold A Shares on a securities account opened with a bank or another professional custodian outside of Switzerland should contact their bank or custodian for information on any applicable costs or charges.

5. **SOURCE OF THE SHARES TO BE DELIVERED UPON EXERCISE OF THE WARRANTS**

5.1 Proposed creation of Conditional Capital

In connection with the issuance of the Warrants, the Board of Directors of Richemont is proposing that, at the AGM of the Company, Shareholders approve the creation of conditional capital through the inclusion of a new provision – Article 5a – in the articles of association of the Company.

Under the proposed Article 5a, first paragraph (the "**Conditional Capital A**"), Richemont will be entitled to issue up to 22'000'000 new A Shares, to be fully paid in, upon exercise of rights to acquire A Shares to be issued by the Company or its subsidiaries and the payment of the acquisition price contemplated by such rights. Under the second paragraph of the proposed Article 5a (the "**Conditional Capital B**" and together with the Conditional Capital A, the "**Conditional Capital**"), Richemont will be entitled to issue up to 22'000'000 new B Shares, to be fully paid in, upon exercise of rights to acquire B Shares to be issued by the Company or its subsidiaries and the payment of the acquisition price contemplated in such rights. The text of the proposed new Article 5a of Richemont's articles of association will be available in the invitation to Richemont's AGM.

Because the Exercise Price and the Specified Number, and consequently the maximum number of Shares that can be issued under the Warrants, will only be known two days before the AGM (see Section 3 above), Shareholders are requested to approve the creation of Conditional Capital that makes it possible for Richemont to issue a maximum number of new Shares that may be higher than the actual number of Shares that can be purchased upon exercise of the Warrants. The Conditional Capital will however only be used to issue Shares upon exercise of the Warrants. The maximum number of Shares that can be issued under the proposed Conditional Capital takes into account potential changes in the market price of the A Shares during the period that will be used as a reference for the calculation of the Exercise Price of the A Warrants and of the B Warrants.

Richemont's issuance and distribution of the A Warrants and B Warrants is subject to Shareholders having approved the creation of the Conditional Capital at Richemont's AGM.

To be approved, the proposal relating to the creation of the Conditional Capital must be approved with a majority of two thirds of the votes attributed to the Shares represented at the AGM and the absolute majority of the par value attributed to the Shares represented at the AGM.

If the proposal regarding the Conditional Capital is rejected at the AGM, the Company will not proceed with the issuance and distribution of the Warrants. If the proposal regarding the creation of the Conditional Capital is approved but the relevant shareholder resolution is subsequently cancelled or otherwise declared invalid in whole or in part by a court before the Expiry Date, Richemont will be obliged to cancel all outstanding Warrants without incurring any liability and without the holders of such Warrants being entitled to any indemnity in connection with such cancellation, as Warrants issued without the issuance of the underlying shares having been validly authorized would be invalid.

UBS AG, a Swiss bank having its registered office in Zurich and Basel, Switzerland ("**UBS**") has applied on behalf of Richemont for the formal listing of the A Shares to be issued under the Conditional Capital A on SIX Swiss Exchange.

5.2 Delivery of new Shares upon exercise of Warrants

Under applicable Swiss law, new Shares to be issued out of Richemont's Conditional Capital will be validly issued upon submission of the relevant exercise notice and payment of the Exercise Price by an Eligible Holder to an account opened with a Swiss bank within the meaning of the Swiss Federal Act on Banks and Savings Institutions of 1934, as amended. Richemont has entered into an agency agreement with UBS in that context (the "**Agency Agreement**"). Under the terms of the Agency Agreement, UBS has undertaken to Richemont, for the duration of the Warrants, to act in a capacity as an exercise and paying agent for the Warrants and as designated Swiss bank for the issuance of the new Shares out of the Company's Conditional Capital.

5.3 Preservation of the relationship between the number of A Shares and B Shares

Under Article 9 of Richemont's articles of association, in the event of an increase of the share capital of the Company, the relation between the number of A Shares and the number of B Shares in issue must be preserved.

As of the date hereof, all Richemont's B Shares are held by Compagnie Financière Rupert, a partnership limited by shares having its registered office in Bellevue, Switzerland ("**CFRu**"). To give effect to Article 9 of its articles of association, CFRu has become a party to the Agency Agreement between Richemont and UBS. Under the terms of the Agency Agreement, CFRu has undertaken for the whole duration of the Warrants (i) in the event of an exercise of A Warrants, to exercise a number of B Warrants resulting in the issuance of a matching number of B Shares out of Conditional Capital B; and (ii) not to exercise any B Warrant unless a matching number of A Warrants has been exercised.

6. LISTING AND TRADING OF THE WARRANTS

UBS has applied on behalf of Richemont for the listing of the A Warrants on SIX Swiss Exchange under the rules for the listing of derivatives. Pursuant to the listing rules in effect as of the date hereof and which will remain effective until the end of the transition period contemplated in Article 95 of the FSA and Article 109 of the Ordinance of the Swiss Federal Council on Financial Services of 2019, *i.e.* until 30 November 2020, no listing prospectus is required for the listing of the A Warrants.

Richemont is engaging with parties with the aim to have a market maker appointed for the A Warrants on SIX Swiss Exchange.

7. IMPACT ON RICHEMONT'S SOUTH AFRICAN DEPOSITORY RECEIPT PROGRAM

Richemont's A Shares are listed and traded on the Johannesburg Stock Exchange in the form of depository receipts ("**DRs**") issued by Richemont Securities SA, Bellevue, Switzerland ("**Richemont Securities**"), a wholly-owned subsidiary of Richemont. Richemont Securities acts as depository for the issuance, transfer and cancellation of the DRs. DRs trade in the ratio of ten DRs to one A Share. The terms and conditions applicable to DRs are set out in a deposit agreement entered into between Richemont Securities and the Company (the

"**Deposit Agreement**"). In its capacity as depository under the Deposit Agreement, Richemont Securities holds one A Share in safe custody for every ten DRs in issue.

Under the terms of the Deposit Agreement, upon issuance and distribution of the A Warrants, Richemont Securities will be required to use its best efforts to issue back-to-back "warrant receipts" (each an "**A Warrant Receipt**") for each A Warrant received and to request the listing of such A Warrant Receipts on the Johannesburg Stock Exchange. Richemont Securities is engaging with parties with the aim to have a market maker appointed for the A Warrant Receipts (as defined below) on the Johannesburg Stock Exchange.

The terms of the A Warrant Receipts will be described in the Supplementary Information Memorandum that Richemont Securities will publish on that occasion. Each A Warrant Receipt shall give the holder a right, which shall reflect the terms of the right applicable to the A Warrant (with the necessary changes required by the context), to be issued further DRs by Richemont Securities, exercisable in accordance with the terms of the A Warrant Receipts. The new DRs issued pursuant to the exercise of the A Warrant Receipts shall also be listed on the Johannesburg Stock Exchange.

The A Warrant Receipts and the A Warrants will be capable of being transferred between the registers of the Johannesburg Stock Exchange and SIX Swiss Exchange. For example, A Warrants acquired on SIX Swiss Exchange will be capable of being sold as the number of A Warrant Receipts on the Johannesburg Stock Exchange and *vice versa*, as is currently the case with the DRs and A Shares, which trade in the ratio of ten DRs to one A Share.

The key dates for the distribution of the A Warrant Receipts are different from the key dates mentioned in Section 8 below.

8. KEY DATES

End of period to calculate the Exercise Price	Monday, 7 September 2020
Richemont's AGM	Wednesday, 9 September 2020
Cut-off time – Last date to trade A Shares cum cash dividend and A Warrants on SIX	Tuesday, 15 September 2020 (by market close)
A Shares are trading ex cash dividend and ex A Warrants on SIX	Wednesday, 16 September 2020
Record Date	Thursday, 17 September 2020
Issuance Date / Dividend Payment Date	Friday, 18 September 2020
First trading day of the A Warrants on SIX	Friday, 18 September 2020
Last trading day of the A Warrants on SIX	Wednesday, 6 September 2023
Beginning of Exercise Period	Monday, 11 September 2023 (at 9 am CEST)
End of Exercise Period	Wednesday, 13 September 2023 (at 12 pm (noon) CEST)
Deadline to pay the Exercise Price and deliver the A Warrants to UBS	Friday, 15 September 2023
Expiry Date	Monday, 18 September 2023
Settlement Date – Delivery and first trading day of the new A Shares	Tuesday, 19 September 2023

The Issuer reserves the right to amend the key dates referred to above, and generally other dates relating to the distribution, trading and exercise of the A Warrants referred to in this document.

9. ILLUSTRATIVE CALCULATION

The table below provides an example of the potential financial returns of the A Warrants. The calculation is illustrative, based on theoretical values only (and is not to be construed as a forecast of the Richemont share price at the relevant time) and assumes Holders exercise their A Warrants in full and are able to sell any Residual A Warrant on SIX Swiss Exchange. The realizable value of any residual A Warrants will ultimately be determined by the market and may differ from their theoretical implied value.

Example: the Exercise Price is CHF 60 and the market price of the A Shares reaches CHF 90

Number of A Shares held on the Record Date	Number of A Warrants received	Specified Number	Number of A Shares acquired ⁽¹⁾	Market price per A Share (CHF)	Cost of exercise of A Warrants (CHF) ⁽²⁾	Number of Residual A Warrants held ⁽³⁾	Total value of Residual A Warrants held (CHF) ⁽⁴⁾	Total value received (CHF) ⁽⁵⁾
1'000	2'000	60	33	90	1'980	20	10	1'000

¹ Number of A Warrants received divided by the Specified Number, rounded down to the nearest whole number (= 2'000 / 60).

² Number of A Shares acquired, times the Exercise Price of the A Warrants (= 33 * 60).

³ "Residual A Warrants" means the total number of A Warrants received less the number of A Warrants exercised (= 2'000 - (60 * 33)).

⁴ Implied value of one A Warrant on the last trading day of the A Warrants on SIX Swiss Exchange, times the number of Residual A Warrants (= ([90 - 60] / 60) * 20).

⁵ Aggregate market price of the A Shares acquired less the cost of exercise, plus the total value of the Residual A Warrants (= (90 * 33) - 1'980 + 10).

10. TAX ASPECTS

The following is a general summary of certain tax consequences of the payment of the proposed cash dividend (the "**Cash Dividend**") on A Shares, the proposed allocation of A Warrants to holders of A Shares, the sale of such A Warrants, the receipt of A Shares upon exercise of the A Warrants and the sale of the A Shares acquired as a result of such exercise. Tax consequences are subject to changes in applicable law, including changes that could have a retroactive effect. This summary does not take into account and does not discuss the tax laws of any jurisdiction other than Switzerland, South Africa, the United Kingdom of England and Wales (the "**UK**") and the United States. This is not a complete summary of the potential Swiss, South African, US or UK tax effects relevant to the Cash Dividend, the A Warrants or the A Shares. It does not take into account investors' individual circumstances, such as whether their Shares are acquired in connection with any office or employment. This summary does not purport to be tax advice or to address all tax aspects that may be relevant to any particular holders of A Shares or of A Warrants. Holders of A Shares and of A Warrants are invited to consult with their legal, financial and/or tax advisors as to the tax consequences of the Cash Dividend, the receiving, purchasing, holding, exercising or selling of A Warrants or acquiring, owning or disposing of A Shares.

CFRu has become a party to the Agency Agreement between Richemont and UBS (see Section 5.3 above). The tax consequences of the loyalty scheme on the holders of B Shares or B Warrants are not addressed in this information memorandum.

10.1 Swiss taxation

A. Cash Dividend

The tax implications in respect of the Cash Dividend should be the same as what applied to cash dividends in previous years.

Swiss Withholding Tax

Swiss Withholding Tax on Cash Dividend

If approved by Shareholders at the AGM of the Company, the proposed Cash Dividend will be subject to a Swiss withholding tax (the "**Withholding Tax**"), currently at the rate of 35%. If Shareholders approve the proposed Cash Dividend of CHF 1.00 per A Share at the Company's AGM, the Company will be required to withhold the Withholding Tax from the gross distribution of CHF 1.00 per A Share and to pay CHF 0.35 to the Swiss Federal Tax Administration. Holders of A Shares will receive a payment of CHF 0.65 per A Share.

Refund of Withholding Tax

Refund to Swiss residents: The Withholding Tax is usually refundable in full to a Swiss resident, being an individual or an entity resident in Switzerland for tax purposes, if such recipient is, among other requirements, the beneficial owner of the relevant Shares at the time the distribution is due and, in case of an individual, duly reports the gross distribution received in his or her tax return, or in case of an entity, includes the taxable income in its income statement.

Refund to non-Swiss residents: If a Shareholder receives a Cash Dividend from Richemont and is not a Swiss resident for tax purposes and does not hold the A Shares in connection with the conduct of a trade or business in Switzerland through a permanent establishment or a fixed place of business, he or she may be entitled to a full or partial refund of the Withholding Tax described above if the country in which he or she resides has entered into a bilateral treaty for the avoidance of double taxation with Switzerland and the prerequisites of the treaty have been met. Such Shareholder should be aware that the procedures for claiming treaty refund (and the time frame required for obtaining a refund) may differ from country to country.

Swiss Income Tax

Swiss residents

Swiss resident individuals holding A Shares as part of their private assets: A Swiss resident individual holding A Shares as part of his or her private assets is required to include the Cash Dividend in his or her income tax return for federal, cantonal and municipal income tax purposes and owes income tax on any net taxable income.

Swiss residents holding A Shares as part of their business assets: In case of Swiss resident individual Shareholders holding A Shares as part of their business assets, or corporate Shareholders, the Cash Dividend is included in the income statement of the Shareholder, to which the income tax, in case of individual Shareholders, or the corporate income tax, in case of corporate Shareholders, applies. Corporations and cooperatives or Swiss

permanent establishments of foreign corporations or cooperatives may, if certain requirements are met, benefit from the Swiss participation relief of the dividends for corporate income tax purposes (*réduction pour participation*).

Non-Swiss residents

A Shareholder who is not resident in Switzerland for tax purposes will not be liable for any Swiss income or corporate income tax on the Cash Dividend, unless and to the extent the A Shares are attributable to a permanent establishment or a fixed place of business maintained in Switzerland by such non-Swiss resident.

B. Allocation of A Warrants

Swiss Withholding Tax

No Withholding Tax should become due on the allocation of the A Warrants.

Swiss Stamp Duties

The allocation of the A Warrants to Shareholders should not be subject to Swiss securities transfer tax (the "**Securities Transfer Tax**") and Swiss securities issuance tax (the "**Securities Issuance Tax**" and together with the Securities Transfer Tax the "**Stamp Duties**").

Swiss Income Tax

Swiss residents

Swiss resident individuals holding A Shares as part of their private assets: The allocation of the A Warrants should not trigger income tax consequences for Swiss resident individuals holding A Shares as part of their private assets.

Swiss residents holding A Shares as part of their business assets: In case of Swiss resident individual Shareholders holding A Shares as part of their business assets, or corporate Shareholders, the income tax or, respectively, corporate income tax consequences arising from the allocation of the A Warrants will be based on the accounting treatment of such allocation.

Non-Swiss Residents

A Shareholder who is not a Swiss resident for tax purposes will not be liable for any Swiss income or corporate income taxes on the allocation of A Warrants, unless and to the extent the A Shares are attributable to a permanent establishment or a fixed place of business maintained in Switzerland by such non-Swiss resident.

C. Sale of A Warrants

Swiss Stamp Duties

The sale of the A Warrants should not be subject to the Securities Transfer Tax.

Swiss Income Tax

Swiss residents

Swiss resident individuals holding A Warrants as part of their private assets: A Swiss resident individual who holds A Warrants as part of his or her private assets will generally not be subject to any Swiss income taxation on capital gains realised upon the sale or other disposal of the A Warrants. Capital losses realized upon the sale or other disposal of the A Warrants are not deductible for income tax purposes.

Swiss residents holding Shareholders A Warrants as part of their business assets: A capital gain or loss realized by Swiss resident individuals, who hold the A Warrants as part of their business assets, or by Swiss resident corporate Shareholders, will be includible in or deductible from gross income of the respective Shareholder in the relevant taxation period, in accordance with legislation and practice.

Non-Swiss residents

A Shareholder who is not a Swiss resident for tax purposes should not be liable for any Swiss income or corporate income taxes upon sale or other disposal of the A Warrants, unless and to the extent the A Warrants are attributable to a permanent establishment or a fixed place of business maintained in Switzerland by such non-Swiss resident.

D. Exercise of A Warrants; acquisition of A Shares

Stamp Duties

The delivery of A Shares as a result of the exercise of A Warrants and payment of the Exercise Price will not be subject to Securities Transfer Tax. The subsequent purchase or sale of A Shares by Swiss resident or non-resident

Shareholders may be subject to Securities Transfer Tax at the rate of up to 0.15% calculated on the purchase price or sale proceeds if it occurs through or with a Swiss bank or other Swiss securities dealer as defined in the Swiss Federal Stamp Tax Act and no exemption applies.

A Shares to be delivered upon exercise of the A Warrants and payment of the Exercise Price being new A Shares to be issued out of the Company's Conditional Capital, the relevant new A Shares will be subject to Securities Issuance Tax at the rate of 1% on the Exercise Price. Such tax will be borne by Richemont.

Swiss Withholding Tax

No Withholding Tax should become due on the acquisition of A Shares resulting from the exercise of A Warrants and the payment of the Exercise Price.

Swiss Income Tax

Swiss residents

Swiss resident individuals holding A Warrants as part of their private assets: An individual who is a Swiss resident holding A Warrants as part of his or her private assets and who acquires A Shares at the Exercise Price should not be subject to income taxation. If such individual allows his or her A Warrants to lapse unexercised, he or she is likely to incur a non-deductible capital loss.

Swiss residents holding A Warrants as part of their business assets: Swiss resident individuals, who hold A Warrants as part of their business assets, or corporate Shareholders may, depending on the accounting treatment of the transaction, realize a taxable gain or, as the case may be, a tax deductible loss on the exercise of the A Warrants and the acquisition of the A Shares at the Exercise Price. If such Shareholder allows his or her A Warrants to lapse unexercised, he or she is likely to incur a tax-deductible loss.

Non-Swiss residents

Shareholders who are not Swiss residents for Swiss tax purposes should not be liable for any Swiss income or corporate income taxes on A Shares acquired further to the exercise of the A Warrants and payment of the Exercise Price, unless and to the extent the A Shares are attributable to a permanent establishment or a fixed place of business maintained in Switzerland by the relevant non-Swiss resident.

E. Holding of A Shares

If any person holds A Shares further to the exercise of A Warrants, the usual Swiss tax consequences will apply.

10.2 South African tax aspects

A. Cash Dividend

The tax implications in respect of the Cash Dividend will be the same as what applied to cash dividends in previous years.

The Cash Dividend will be subject to Withholding Tax at the rate of 35%. In terms of the bilateral treaty for the avoidance of double taxation between South Africa and Switzerland, an application for a refund of 20% can be made, leaving net Withholding Tax of 15%. The South African dividends tax is 20% but a credit is allowed for the 15% Withholding Tax paid, which means that South African Shareholders, who are not exempt from the dividends tax, must pay an additional 5% in South Africa.

B. A Warrant Receipts

It is hereby referred to Section 10 "Taxation and regulatory considerations" of the Supplementary Information Memorandum addressed to DR Holders distributed together with this shareholder information memorandum.

10.3 UK tax aspects

A. Cash Dividend

The tax implications in respect of the Cash Dividend will be the same as what applied to cash dividends in previous years.

United Kingdom tax resident individuals will generally be subject to income tax on receipt of the Cash Dividend.

United Kingdom tax resident companies will, in principle, be subject to corporation tax on receipt of the Cash Dividend but will generally qualify for exemption under Part 9A of the Corporation Tax Act 2009.

Shareholders should seek advice on their eligibility for, and the process for claiming, credit for or refund of

Withholding Tax suffered on receipt of the Cash Dividend.

B. Allocation of A Warrants

United Kingdom tax resident Shareholders will likely be treated, for the purposes of UK taxation of chargeable gains, as making a part-disposal of their existing shareholding upon receipt of the A Warrants equal in amount to the market value of the A Warrants. A pro-rata amount of a Shareholder's base cost in their existing shareholding will, in principle, be available to reduce the amount of any chargeable gain.

C. Sale of A Warrants

United Kingdom tax resident Shareholders will be subject to UK taxation on any chargeable gain realised upon a sale of A Warrants, with a deduction allowed for the market value of the A Warrants upon their issuance against the proceeds of such disposal.

D. Exercise of A Warrants; acquisition of A Shares

United Kingdom tax resident Shareholders exercising their A Warrants will not generally be subject to UK taxation upon such exercise or the resulting acquisition of new A Shares. The market value of the A Warrants upon issuance, together with the strike price, will be added to the Shareholder's total base cost in their holding of Shares and therefore be available to reduce the amount of any chargeable gain arising upon a future disposal of such Shares.

If a Shareholder allows their A Warrants to lapse unexercised, they are likely to incur a capital loss equal to the market value of the A Warrants on issue.

E. Holding of A Shares

The usual UK tax consequences will apply in respect of the holding of new A Shares (with regard to cash dividend taxation see the treatment of the Cash Dividend above).

F. Stamp taxes

No United Kingdom stamp taxes or duties should be payable in respect of the allocation or sale of A Warrants, or the exercise thereof or the acquisition of new A Shares.

10.4 US tax aspects

The following is a summary of US federal income tax considerations that are generally applicable to the receipt of the Cash Dividend, the receipt, exercise, expiration and disposition of A Warrants and the disposition of any new A Shares, in each case, by a US Holder (as defined below). This summary deals only with US Holders that own A Shares or receive A Warrants pursuant to the issuance and distribution of A Warrants by Richemont (the "**Warrants Issue**"), in each case, as "capital assets" (generally, property held for investment) within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "**Code**"). The discussion does not cover all aspects of US federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the receipt, exercise, expiration or disposition of A Warrants by particular investors in light of their individual investment circumstances. This summary also does not address tax considerations applicable to investors that own (directly or indirectly) 10% or more of the stock of Richemont (by vote or value), nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under US federal income tax law (such as banks, financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, regulated investment companies or real estate investment trusts, tax-exempt organisations, brokers or dealers in securities or currencies or traders in securities that elect to use a mark-to-market method of accounting, investors that will hold A Shares or A Warrants as part of straddles, hedging transactions or conversion transactions for US federal income tax purposes, US expatriates, investors whose functional currency is not US dollars, S corporations and persons holding A Shares or A Warrants in connection with a permanent establishment or fixed base outside the United States). This summary does not address any tax consequences arising under any state, local or non-US tax laws, the Medicare tax on "net investment income", the alternative minimum tax or any other US federal tax laws.

This summary is based on the Code, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date of this document. These authorities are subject to differing interpretations and may change, possibly retroactively, resulting in US federal income tax consequences different from those discussed below. Richemont has not requested, and will not request, a ruling from the United States Internal Revenue Service ("**IRS**") with respect to any of the US federal income tax consequences described

below, and as a result there can be no assurance that the IRS will not disagree with or challenge any of the conclusions Richemont has reached and described herein, or that such contrary position would not be sustained by a court.

For purposes of this discussion, a "**US Holder**" is a beneficial owner of A Shares or A Warrants who is, for US federal income tax purposes: (1) an individual who is a citizen or resident of the United States; (2) a corporation or any other entity treated as a corporation that is organized in or under the laws of the United States, any state thereof or the District of Columbia; (3) a trust if all of the trust's substantial decisions are subject to the control of one or more US persons and the primary supervision of the trust is subject to a US court, or if a valid election is in effect with respect to the trust to be taxed as a US person; or (4) an estate the income of which is subject to US federal income taxation regardless of its source.

The US federal income tax treatment of a partner in a partnership (or an owner of an entity or arrangement treated as a partnership for US federal income tax purposes) that holds A Shares or A Warrants will depend on the status of the partner and the activities of the partnership.

Partnerships (and entities or arrangements that are treated as partnerships for US federal income tax purposes) and persons holding A Shares or A Warrants through such partnerships should consult their tax advisers concerning the US federal income tax consequences to them and their partners of the receipt, ownership, exercise, expiration and disposition of A Warrants by the partnership.

Richemont believes that it was not a passive foreign investment company ("**PFIC**") for US federal income tax purposes in its most recent completed taxable year and will not become a PFIC in its current taxable year or in the foreseeable future. The following discussion assumes that Richemont was not a PFIC for US federal income tax purposes in any previous taxable year and will not become a PFIC in its current taxable year.

THE SUMMARY OF US FEDERAL INCOME TAX CONSIDERATIONS SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL US HOLDERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE RECEIPT, OWNERSHIP, EXERCISE, EXPIRATION AND DISPOSITION OF THE A SHARES, A WARRANTS OR NEW A SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-US AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

A. Cash Dividend

Cash distributions paid by Richemont out of current or accumulated earnings and profits (as determined for US federal income tax purposes) will generally be taxable to a US Holder as dividend income, and will not be eligible for the dividends received deduction allowed to corporations. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the US Holder's basis in its A Shares and thereafter as capital gain. However, Richemont does not maintain and does not intend to maintain calculations of its earnings and profits in accordance with US federal income tax principles. US Holders should therefore assume that any distribution made by Richemont to such US Holder will be reported as a dividend. A dividend distribution will generally be treated as foreign source "passive" income for US foreign tax credit purposes. US Holders should consult their own tax advisers with respect to the appropriate US federal income tax treatment of any distribution received from Richemont.

With respect to individuals and certain other non-corporate US Holders, dividends will be taxed at the lower capital gains rate applicable to qualified dividend income, provided that: (1) Richemont is eligible for benefits of the income tax treaty between the United States and Switzerland (which Richemont believes to be the case); (2) Richemont is not a PFIC with respect to the US Holder for either the taxable year in which the dividend is paid or the preceding taxable year; (3) certain holding period requirements are met; and (4) the US Holder is not under an obligation to make a related payment with respect to positions in substantially similar or related property.

Dividends paid in CHF will be included in income in a US dollar amount calculated by reference to the exchange rate in effect on the day the dividends are received by the US Holder (determined in accordance with the US Holder's method of accounting), regardless of whether the CHF dividends are converted into US dollars at that time. If dividends received in CHF are converted into US dollars on the day they are received, the US Holder generally will not be required to recognize foreign currency gain or loss in respect of the dividend income. If instead the CHF is converted at a later date, any currency gains or losses resulting from the conversion of the foreign currency will be treated as US source ordinary income or loss.

B. Allocation of A Warrants

Based on the particular facts relating to the A Warrants, Richemont believes that the distribution of A Warrants

should not be treated as a taxable stock dividend to US Holders receiving such A Warrants under Section 305 of the Code. However, the application of Section 305 of the Code to the Warrants is not clear in several respects, and it is possible that the IRS will take a contrary view. If, as a result of the allocation of Warrants, a Shareholder's proportionate interest in the earnings and profits or assets of Richemont is increased while any other Shareholder (or deemed Shareholder) receives (or is deemed to receive) a distribution of cash or other property from Richemont, the distribution of A Warrants could be treated as a taxable distribution to a US Holder in an amount equal to the value, if any, of such A Warrant.

If some Shareholders are treated as receiving cash from Richemont in connection with the Warrants Issue, the receipt of A Warrants by others (to the extent it results in an increase in their proportionate interest in the assets or earnings and profits of Richemont) could be treated as a taxable stock dividend. US Holders are strongly urged to consult their tax advisers regarding the risk of having a taxable distribution as a result of the receipt of an A Warrant.

If receipt of A Warrants is treated as a taxable distribution

The tax consequences described in this section assume that the receipt of A Warrants is treated as a taxable distribution to a US Holder.

Distributions of A Warrants to the extent paid out of current or accumulated earnings and profits (as determined for US federal income tax purposes) will generally be taxable to a US Holder as a dividend in an amount equal to the fair market value of the A Warrants as of the date of distribution, and will not be eligible for the dividends received deduction allowed to corporations. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the US Holder's basis in its A Shares with respect to which the A Warrants are distributed, and thereafter as capital gain. Richemont does not maintain and does not intend to maintain calculations of its earnings and profits in accordance with US federal income tax principles. US Holders should therefore assume that any distributions of A Warrants made by Richemont to such US Holder will be reported as a dividend. A dividend distribution will generally be treated as foreign source "passive" income for US foreign tax credit purposes. US Holders should consult their own tax advisers with respect to the appropriate US federal income tax treatment of any distribution received from Richemont.

With respect to individuals and certain other non-corporate US Holders, dividends will be taxed at the lower capital gains rate applicable to qualified dividend income, subject to the conditions described above under Section 10.4.A.

A US Holder will have a basis in the A Warrants equal to the fair market value of the A Warrants as of the date of the distribution. A US Holder's holding period for the A Warrants will begin on the date of the distribution.

If receipt of A Warrants is not treated as a taxable distribution

The tax consequences described in this section assume that the receipt of A Warrants is not treated as a taxable distribution to US Holders.

If, on the date of distribution, the fair market value of the A Warrants is less than 15% of the fair market value of the A Shares with respect to which the A Warrants are distributed, the A Warrants will be allocated a zero tax basis unless the US Holder affirmatively elects to allocate a portion of such US Holder's adjusted tax basis in its A Shares to the A Warrants in proportion to the relative fair market values of the US Holder's A Shares and A Warrants received, determined on the date of distribution. This election must be made in the US Holder's timely filed US federal income tax return for the taxable year in which A Warrants are received and is irrevocable. The election will apply to all of the A Warrants received by the US Holder pursuant to the Warrants Issue. US Holders should consult their own tax advisers regarding the advisability of making such an election and the specific procedures for doing so.

If, on the date of distribution, the fair market value of the A Warrants is 15% or more of the fair market value of the A Shares with respect to which A Warrants are distributed, then, except as discussed below with respect to the expiration of A Warrants, the US Holder's adjusted tax basis in its A Shares must be allocated between the A Shares and A Warrants received, in proportion to their fair market values determined on the date of distribution.

A US Holder's holding period for A Warrants will include the US Holder's holding period in the A Shares with respect to which the A Warrants were distributed (whether or not basis is allocated to the A Warrants).

C. Sale or other taxable disposition of A Warrants

Upon a sale or other taxable disposition of A Warrants by a US Holder, a US Holder will generally recognize gain or loss equal to the difference, if any, between the amount of cash or other consideration received upon the

disposition and the US Holder's adjusted tax basis in the A Warrants, each as determined in US dollars. Any gain or loss generally will be US source capital gain or loss and will be a long-term capital gain or loss if the US Holder's holding period in the A Warrants exceeds one year. If the US Holder is not a corporation, long-term capital gains are generally eligible for reduced rates of taxation. The deductibility of capital losses may be subject to limitations.

The amount realised on a sale or other taxable disposition of the A Warrants for amounts paid in CHF (or any other currency other than US dollars) will be the US dollar value of the payment received (as determined on the date of the disposition, in accordance with the US Holder's method of accounting). On the settlement date, a US Holder that uses the accrual method of accounting generally will recognize foreign currency exchange gain or loss (taxable as ordinary income or loss) equal to the difference, if any, between the US dollar value of the amount received based on the exchange rates in effect on the date of disposition and the settlement date. However, in the case of a cash basis US Holders and, if the A Warrants were treated as traded on an established securities market in the case of an electing accrual basis US Holder, the amount realised will be based on the US dollar value of the foreign currency as determined by translating the amount paid at the spot rate of exchange on the settlement date of the sale. Such an election by an accrual basis US Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS. It is unclear if this election will be available with respect to the sale of the A Warrants because it is uncertain whether an active trading market on an established securities market will develop for the A Warrants. Any currency gain or loss realised on the settlement date or on a subsequent conversion of a currency other than US dollars into US dollars will generally be US source ordinary income or loss.

D. Exercise of A Warrants; acquisition of A Shares

A US Holder will generally not recognize income upon the receipt of new A Shares pursuant to the exercise of A Warrants.

A US Holder that exercises A Warrants received in the Warrants Issue within 30 days of disposing of any existing A Shares with respect to which the A Warrants were distributed at a loss is urged to consult a tax adviser regarding the potential application of the "wash sale" rules under Section 1091 of the Code.

A US Holder's basis in the new A Shares will equal the sum of the US dollar value of the Exercise Price determined at the spot rate on the date of exercise (or, in the case of cash basis and, if the new A Shares are treated as traded on an established securities market, electing accrual basis taxpayers, the settlement date) and the US Holder's basis, if any, in the A Warrants exercised to obtain the new A Shares. For a discussion of differing treatment of cash basis and electing accrual basis taxpayers, refer to the discussion above (Section 10.4.C).

A US Holder's holding period for new A Shares will begin with and include the date of exercise of the underlying A Warrants exercised to obtain the new A Shares.

If receipt of A Warrants was treated as a taxable distribution to a US Holder and the US Holder allows the A Warrants to expire without selling or exercising them, the US Holder should recognize a capital loss equal to its basis in the A Warrants. The loss generally will be US source capital loss and will be a short-term capital loss if the US Holder's holding period in the A Warrants is less than or equal to one year. The deductibility of capital losses may be subject to limitations.

If receipt of A Warrants was not treated as a taxable distribution to a US Holder and the US Holder allows the A Warrants to expire without selling or exercising them, the US Holder will not recognize any loss upon the expiration of the A Warrants. Upon expiration, if the US Holder had previously allocated to the A Warrants a portion of the basis in the A Shares held by the US Holder, that basis will be reallocated to such A Shares.

E. Holding of A Shares

The usual US federal income tax consequences will apply to a US Holder that holds A Shares upon the exercise of A Warrants (with respect to the taxation of cash dividend, see Section 10.4.A. above).

F. Constructive Distributions upon Adjustment of A Warrants Exercise Price

US Holders of the A Warrants may, in certain circumstances, be deemed to have received constructive distributions where an adjustment is made to the Exercise Price of the A Warrants, as described under Section 3. Certain adjustments to the Exercise Price made pursuant to a bona fide reasonable adjustment formula that have the effect of preventing the dilution of the interest of the holders of the A Warrants generally will not be considered to result in a taxable deemed distribution. However, it is possible that certain adjustments will not qualify as being pursuant to a bona fide reasonable adjustment formula. If such adjustments are made, the holders

of the A Warrants may be deemed to have received a taxable distribution. Accordingly, US Holders could be considered to have received distributions taxable as dividends even though they did not receive any cash or property as a result of such adjustments. It is unclear whether a deemed distribution would be eligible for the lower rates applicable to qualifying dividend income.

G. Information reporting and backup withholding

Distributions of dividends (including any A Warrants treated as a taxable dividend) and proceeds with respect to the sale or other taxable disposition of A Warrants paid by a US paying agent or other US intermediary will be reported to the IRS and to the US Holder as may be required under applicable regulations unless the holder establishes a basis for exemption. Backup withholding may apply to these payments if the US Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to comply with applicable certification requirements. Certain US Holders are not subject to backup withholding. Any amount withheld may be credited against the holder's US federal income tax liability subject to certain rules and limitations. US Holders should consult their tax advisors about these rules and any other reporting obligations that may apply to the ownership or disposition of A Warrants, including requirements related to the holding of certain "specified foreign financial assets".

11. RISKS

Holding, exercising or selling Warrants involves risks, the most significant of which are described in the terms of the Warrants. You should consider these risks before making any investment decision regarding the Warrants.

12. FAQ

Below questions and answers regarding Richemont's loyalty scheme:

Why is Richemont granting Warrants and not offering a scrip dividend, as other companies have done?	Granting Warrants makes it possible for Richemont to reward loyal Shareholders by providing them with instruments which, subject to their terms and conditions, will be capable of being sold in the market or exercised upon maturity to acquire further Shares at potentially advantageous terms.
What are the main benefits of this scheme?	Richemont's loyalty scheme provides Shareholders with a tradable instrument that can be sold in the market or exercised upon maturity (and subject to its terms and conditions) to capture the future upside in the market price of Richemont's A Shares, once all the challenges of the Covid-19 pandemic will have hopefully been overcome.
I am in a Restricted Jurisdiction. How can I still benefit from this scheme?	Shareholders will be automatically allocated Warrants regardless of the jurisdiction in which they reside. Shareholders located in Restricted Jurisdictions may not be allowed to exercise their Warrants, but they will generally (subject to such shareholders confirming the position under applicable law with their own advisors) be in a position to sell these in the market.
Is this scheme going to be a one-off or provided in future years?	The Warrant scheme is designed to address the unprecedented effects of the Covid-19 pandemic and the uncertainty on the broader economic conditions that it has generated. Unless these effects and uncertainties persist in the next years, Richemont is not considering implementing similar schemes in the future.
How has the Exercise Price been determined?	<p>The Exercise Price of the A Warrants will be determined by reference to the market price of the A Shares. Specifically, it will be equal to the lower of:</p> <ul style="list-style-type: none"> – the volume-weighted average price of the A Shares on SIX Swiss Exchange between the date of this information memorandum (7 August 2020) and the second Business Day

	<p>that precedes the AGM (expected to be 7 September 2020), both included; and</p> <ul style="list-style-type: none"> – the volume-weighted average price of the A Shares on SIX Swiss Exchange between 1 September 2020 and the second Business Day that precedes the AGM (expected to be 7 September 2020), both included. <p>In each case, the volume-weighted average price of the A Shares will be rounded down to the nearest whole number.</p> <p>The Exercise Price of the B Warrants will be one tenth of the Exercise Price of the A Warrants (set at three digits after the decimal point).</p>
What happens if I hold a number of Warrants insufficient to purchase a whole number of A Shares?	A Warrants can only be exercised if the Specified Number of A Warrants (or a multiple thereof) is exercised. Holders may purchase additional A Warrants or sell A Warrants in the market to hold a number of A Warrants equal to the Specified Number of A Warrants or a multiple thereof.
Do I receive any dividend distribution on my Warrants?	No. No cash or other distributions will be made on the Warrants. Also, the Exercise Price of the Warrants will not be adjusted for future dividends or dilutive events affecting the value of the Shares.
What is the security number of the Warrants and how can I sell them?	The Swiss security number of the A Warrants is 55.960.154. The ISIN is CH0559601544. The A Warrants are expected to be listed and traded on SIX Swiss Exchange from 18 September 2020 until 6 September 2023.
Can I also exercise my Warrants before maturity?	No, an exercise notice needs to be submitted during the Exercise Period, i.e. from 9 am CEST on 11 September to 12 pm (noon) CEST on 13 September 2023. The payment of the Exercise Price and delivery of the A Warrants to UBS is then due by 15 September 2023. As these are European-style warrants, all new Shares will be delivered at once on 19 September 2023.
Can I change my exercise decision?	No. An exercise notice, once delivered, will be irrevocable.
Will the ratio between the number of A Shares and B Shares change upon exercise of the Warrants?	No. Richemont, CFRu (as of the date hereof the sole holder of all B Shares) and UBS have entered into an Agency Agreement under the terms of which CFRu has undertaken for the whole duration of the Warrants to exercise a matching number of B Warrants for each exercise of A Warrants and not to exercise any B Warrant unless a matching number of A Warrants has been exercised (see Section 5.3 above). This mechanism will guarantee that the number of A Shares and B Shares in issue remains identical at all times.
Will Richemont deliver new or existing Shares upon exercise of the Warrants?	Upon valid exercise of a Warrant and payment of the Exercise Price, Richemont will deliver new Shares to be issued out of the Company's Conditional Capital.
If I do not do anything and hold on to the Warrants without exercising, what happens?	Unexercised Warrants will lapse on the Expiry Date.
When will the final terms of the Warrants and potential capital increase be determined and where	The terms of the Warrants are provided as annexes to this document. The Exercise Price of the Warrants and the Specified Number of Warrants giving Eligible Holders the right to purchase one A Share or B Share, as applicable, will be set on the date of the AGM and will be

can I find them?	announced on that occasion.
Will the Richemont Shares to be issued upon exercise of the Warrants be equivalent to Richemont's existing Shares with regards to security number, rights, par value, or other?	Yes. The A Shares that will be delivered upon exercise of the A Warrants will be of the same class and rank <i>pari passu</i> with all other A Shares then in issue. These A Shares will in particular have the same security number, par value or dividend entitlements as other existing A Shares. The same will apply to the B Shares that will be delivered upon exercise of the B Warrants.
What happens if the AGM does not approve the creation of the Conditional Capital?	The Warrants will not be issued and the loyalty scheme will not be implemented.
Is there any market risk for holders of the Warrants and the Shares that will be delivered upon exercise?	Holding, exercising or selling Warrants involves risks, the most significant of which are summarized in the terms of the Warrants.
Do I need to declare the grant of the Warrants as a taxable receipt?	This will depend on the jurisdiction where the relevant Shareholders will be residing for tax purposes. Information about the tax treatment of the grant of the Warrants in Switzerland, the United Kingdom and the United States of America can be found in Section 10 above.
How will the acquisition of Richemont Shares upon exercise of the Warrants be treated from a tax perspective?	This will also depend on the jurisdiction where the relevant Shareholders will be residing for tax purposes. Information about the tax consequences of the exercise of the warrants in Switzerland, the United Kingdom and the United States of America can be found in Section 10 above.

ANNEX A: TERMS OF THE A WARRANTS

These terms and conditions (each a "**Condition**", and together the "**Terms**") of the A warrants (the "**A Warrants**" and each an "**A Warrant**") govern the rights and obligations of the Issuer and of each holder of A Warrants (each a "**Holder**" and collectively the "**Holders**") in relation to the A Warrants. Defined terms used herein have the meaning ascribed to them in Condition 14.

The A Warrants are subject to certain risk factors, which are described in Condition 13.

1. Issuer, Issuance Date and Expiry Date

a) Issuer

The A Warrants are issued by Compagnie Financière Richemont SA, 50, Chemin de la Chênaie, 1293 Bellevue, Geneva, Switzerland (registration number CHE-106.325.524) (the "**Issuer**").

b) Issuance

The A Warrants are issued upon (i) the Agent confirming to the Issuer that it irrevocably and unconditionally agrees to acquire the A Warrants in its own name but for the account of the Holders and (ii) the entry of the Agent as initial acquirer of the A Warrants in the register of uncertificated securities (*registre des droits-valeurs*) created pursuant to Article 973c para. 2 of the Swiss Code of Obligations for the issuance of the A Warrants. The register of uncertificated securities relating to the A Warrants shall be deemed conclusive evidence of the issuance of the A Warrants.

The date on which the A Warrants are issued pursuant to this Condition 1 b), expected to be 18 September 2020, shall be deemed the "**Issuance Date**". The Issuer shall announce the Issuance Date by notice in accordance with Condition 8.

c) Expiry Date

The A Warrants shall exist, and shall remain in full force and effect until the date falling on the 3rd anniversary of the Issuance Date (and, if this date is not a Business Day, until the last preceding Business Day), expected to be 18 September 2023 (the "**Expiry Date**").

Notwithstanding the foregoing sentence, if all the A Warrants were surrendered for cancellation to the Agent before the Expiry Date in accordance with Condition 6 b) below, the A Warrants shall cease to exist as of the date the last A Warrant was surrendered for cancellation.

2. Number and Allocation

a) Number of A Warrants

The number of A Warrants shall be 1'044'000'000 (one billion and forty-four million).

b) Allocation

The A Warrants shall be allocated free of charge to holders of A Shares, whereby for each A Share held, two A Warrants shall be allocated.

The A Warrants shall be allocated based on the records of SIX SIS Ltd ("**SIS**") as of the Record Date. The Agent shall distribute the A Warrants on the Issuance Date through the facilities of SIS, whereby each participant to SIS shall receive a number of A Warrants equal to double the number of A Shares held through such participant as of the Record Date.

3. Form and Transfer

a) Form

The A Warrants and all rights in connection therewith shall be issued in accordance with Article 973c of the Swiss Code of Obligations as uncertificated securities (*droits-valeurs*) that will be created by the Issuer by means of a registration in a register of uncertificated securities (*registre des droits-valeurs*) maintained by the Issuer. Such uncertificated securities will then be entered into the main register (*registre principal*) of SIS or any other Swiss or foreign central securities depository recognized for such purposes by the Relevant Exchange (SIS or any such other central securities depository, the "**CSD**") within the meaning of Article 6 of the Swiss Federal Intermediated Securities Act of 2008, as amended (the "**ISA**") (the "**Main Register**"). Once the uncertificated securities shall have been registered in the Main Register of the CSD and entered into the accounts of one or more of the CSD's participants, the A Warrants will constitute intermediated securities (*titres intermédies*) (the "**Intermediated Securities**") in accordance with the provisions of the ISA.

b) Transfer

As long as the A Warrants shall be in the form of Intermediated Securities, such A Warrants shall only be transferred or otherwise disposed of by the debit and credit, as applicable, of the transferred A Warrants from or on a securities account (*compte de titres*) maintained with a depository (as defined in the ISA) (a "**Depository**") in the name of the transferor and transferee, as applicable.

c) Records of ownership

In respect of A Warrants held in the form of Intermediated Securities, the Holders will be the persons holding the A Warrants in a securities account maintained in their name with a Depository. The records of the CSD will determine the number of A Warrants held through each Depository that is a participant to the CSD.

d) No conversion into certificated A Warrants

The conversion of uncertificated A Warrants into certificated warrants (*papiers-valeurs*) or a permanent global certificate (*certificat global*) is excluded. Neither the Issuer nor the Holders, the Agent or any third party shall at any time have the right to effect or demand the conversion of uncertificated A Warrants into certificated warrants or the delivery of a permanent global certificate.

4. Exercise

a) Right to exercise

Subject to the terms of this Condition 4, each Holder shall have the right (but not the obligation) to purchase one A Shares against payment of the Exercise Price and delivery of the Specified Number of A Warrants, and to take delivery of such A Share at the Settlement Date. For the avoidance of doubt, each Holder shall be entitled to purchase more than one A Share, provided that, for each A Share so purchased, the relevant Holder pays the Exercise Price and delivers the Specified Number of A Warrants.

b) Conditional Capital

For the whole duration of the A Warrants, the Issuer shall maintain a sufficient number of its A Shares as conditional capital (*capital conditionnel*) to allow the exercise of the rights to purchase A Shares as provided for in these Terms.

c) Restricted Jurisdictions and Restricted Holders

Restricted Holders shall have no right to exercise A Warrants or receive delivery of A Shares under these Terms. The Issuer or its representatives shall have the right to request from any Holder exercising A Warrants the delivery of reasonable evidence or confirmation that such Holder is not a Restricted Holder. In the event of a failure of a Holder to provide such reasonable evidence or confirmation upon request, the Issuer and its representatives shall have the right to reject any Exercise Notice submitted by such Holder.

The Restricted Jurisdictions include: the United States of America; Japan; Hong Kong SAR, China; and Australia. The Issuer may identify additional Restricted Jurisdiction in documents issued to the Issuer's shareholders in connection with the issuance of the A Warrants, or otherwise from time to time during the lifetime of the A Warrants in notices published in accordance with Condition 8 below.

A Holder who is a US Person shall be an Eligible US Holder and shall have the right to exercise A Warrants and receive delivery of A Shares, provided that such Holder is a "qualified institutional buyer" as defined in Rule 144A under the US Securities Act of 1933, as amended (a "QIB") and, before the end of the Exercise Period, delivers or causes to be delivered to the Issuer Contact Person, at the email address specified in the definition thereof, with a copy to such Holder's financial intermediary, at the Holder's own costs, a duly completed and executed US Investor Letter.

d) Exercise modalities

To exercise the right to purchase A Shares under the A Warrants, Holders who are not Restricted Holders must:

- (i) during the Exercise Period, deliver or cause to be delivered at the Specified Office of the Agent, at their own costs, a duly completed notice of exercise (an "**Exercise Notice**"), substantially in the form set forth in the Appendix or in a form otherwise satisfactory to the Agent, including clearing instructions for the transfer of the relevant number of A Shares on a securities account maintained with a Depository in the name of the relevant

Holder. No ink-original Exercise Notice or notarization of any Exercise Notice will be required; and

- (ii) no later than on the Payment Date, transfer or cause to be transferred (a) by wire transfer of immediately available funds to the Specified Account of the Agent, a cash amount in Swiss francs corresponding to the aggregate Exercise Price of the exercised A Warrants, and (b) the corresponding number of A Warrants to the Specified Account of the Agent.

e) Applicable cut-off times

An Exercise Notice shall be deemed to have been delivered before the end of the Exercise Period if it has been received at the Specified Office of the Agent before 12.00 p.m. (noon) CEST on the last day of the Exercise Period.

A US Investor Letter shall be deemed to have been delivered before the end of the Exercise Period if it has been received by the Issuer Contact Person before 12.00 p.m. (noon) CEST on the last day of the Exercise Period.

An Exercise Price shall be deemed to have been paid, and A Warrants shall be deemed to have been validly delivered to the Agent, no later than the Payment Date if the Exercise Price and the corresponding number of A Warrants have been received on the Specified Account of the Agent before 4.00 p.m. CEST on the Payment Date.

f) Exercise Notice irrevocable and rescission right

An Exercise Notice, once duly completed and delivered in accordance with these Terms, shall be irrevocable. Upon delivery of the relevant number of A Shares to the Holder having submitted the Exercise Notice and validly exercised its right to purchase A Shares, the relevant A Warrants shall be deemed redeemed without residual obligation for the Issuer.

If the Issuer fails to cause the Agent to transmit to the Holder the number of A Shares to which the relevant Holder is entitled pursuant to Condition 4 a) above, then the Holder shall have the right to rescind such exercise, in which case the Holder shall have no rights to such A Shares.

g) Failure to complete exercise modalities

If, after having delivered an Exercise Notice, the Holder fails to (i) transfer a cash amount in Swiss francs corresponding to the Exercise Price of the exercised A Warrants and the corresponding number of A Warrants pursuant to Condition 4 a) above by the Payment Date, or (ii) deliver any US Investor Letter or other evidence or confirmation reasonably required to establish that such Holder is not a Restricted Holder, in each case before the end of the Exercise Period, the relevant Exercise Notice shall be invalidated and shall be deemed not to have been submitted.

Notwithstanding the above, if the Issuer determines that the Exercise Price was paid, or the corresponding number of A Warrants credited, after the Payment Date for reasons beyond the control of the relevant Holder, the Issuer may in its discretion nonetheless consider that the Exercise Price was validly paid or that the A Warrants were validly delivered, and the corresponding Exercise Notice shall therefore not be invalidated.

h) No delivery of fractional A Shares

A Warrants can only be exercised in respect of the whole Specified Number of A Warrants or a multiple thereof. Unexercised A Warrants that represent less than a Specified Number of A Warrants or a multiple thereof will lapse on the Expiry Date.

i) Delivery of A Shares upon exercise of A Warrants

The A Shares to be delivered upon exercise of A Warrants in accordance with this Condition 4 will be A Shares with the same entitlements as the other outstanding A Shares at such time, except that the A Shares so delivered will not give any right to any dividend or other distribution declared, paid or otherwise made by reference to a record date that is prior to the end of the Settlement Date and except that the voting rights may not be exercised unless the person designated in the Exercise Notice as recipient of the A Shares is registered as the holder of such A Shares in the Issuer's share register.

j) Settlement disruption

If a Settlement Disruption Event occurs as a consequence of which the delivery of A Shares required under these Terms cannot be effected on the Settlement Date, then the relevant delivery may, at the election of the Issuer, be postponed until the first succeeding Business Day on which delivery can take place through a national or international settlement system or in any other commercially reasonable manner.

k) Taxes and other costs

Any Swiss Issuance Tax and any fee of the Relevant Exchange, if any, payable upon the issuance and delivery of A Shares in Switzerland further to the exercise of A Warrants will be paid or reimbursed by the Issuer. The Issuer will, however, not pay or reimburse (i) any tax payable in connection with any subsequent sale or transfer of the A Shares delivered further to the exercise of A Warrants or (ii) any tax or other cost payable in connection with the sale, transfer or delivery of A Shares in or to a jurisdiction other than Switzerland.

5. Holders not deemed shareholders

Except as otherwise specifically provided herein, Holders, solely in such persons' capacity as holders of A Warrants, shall not be entitled to vote or receive dividends or be deemed the holder of share capital of the Issuer for any purpose, nor shall anything contained in these Terms be construed to confer upon Holders, solely in such persons' capacity as holders of A Warrants, any of the rights of a shareholder of the Issuer or any right to vote, receive notice of meetings, receive dividends or subscription rights, or otherwise. Holders shall become shareholders of the Issuer only upon delivery to such Holders of the A Shares to which Holders are entitled to receive under these Terms upon the due exercise of the A Warrants and payment of the Exercise Price in accordance with these Terms.

6. Purchase and cancellation

a) Purchases

The Issuer and any of its Subsidiaries may at any time purchase A Warrants at any price in the open market or otherwise. Such A Warrants, once repurchased by the Issuer, may be held,

exercised by the Issuer or one of its Subsidiaries, resold or, at the option of the Issuer, surrendered for cancellation to the Agent.

b) Cancellation

A Warrants that (i) lapse unexercised at the Expiry Date, (ii) are exercised and with respect to which A Shares are delivered to the relevant Holders at the Settlement Date in accordance with Condition 4 or (iii) are surrendered for cancellation to the Agent, shall be cancelled and cease to exist.

7. Adjustments to the Exercise Price

a) No adjustments

Other than contemplated in this Condition 7, no adjustment shall be made to the Exercise Price of the A Warrants as a result of any distribution of the Issuer to its shareholders (be it in cash or in kind) or other potentially depreciating or dilutive events such as a capital increase, repayment of capital, sale of Shares, the issuance or exercise of acquisition or conversion rights relating to Shares (be it under the terms of equity plans intended to compensate the directors, officers or employees of the Issuer or its Subsidiaries, in connection with the issuance of convertible or exchangeable debt instruments by the Issuer or its Subsidiaries or otherwise) or the acquisition or disposal of assets.

b) Share splits and reverse share splits

Notwithstanding Condition 7 a) above:

- A. if the Issuer at any time on or after the Issuance Date subdivides its A Shares into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of A Shares to be delivered upon exercise of A Warrants will be proportionately increased; and
- B. if the Issuer at any time on or after the Issuance Date combines its A Shares into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of A Shares to be delivered upon exercise of A Warrants will be proportionately decreased.

Any adjustment under this Condition 7 b) shall become effective on the Business Day that follows the date upon which the relevant subdivision or combination becomes effective.

c) Distribution of assets

Notwithstanding Condition 7 a) above, if the Issuer makes any distribution of its assets (or distributes rights to acquire its assets) to holders of A Shares by way of return of capital or otherwise (including, without limitation, any distribution of shares or other securities or other properties by way of a dividend in kind, spin off, division or other similar transaction) (a "**Distribution**") at any time after the Issuance Date, then, in each such case, any Exercise Price in effect immediately prior to the record date set for the determination of holders of A Shares entitled to receive such Distribution shall be reduced, effective as of the day that follows such

record date, to a price determined by multiplying such Exercise Price by a fraction (the "**Fraction**") of which:

- (i) the numerator shall be the Closing Price of the A Shares on the Relevant Exchange on the Business Day immediately preceding such record date minus the value of the Distribution (as determined in good faith by the Issuer's Board of Directors) applicable to one A Share, and
- (ii) the denominator shall be the Closing Price of the A Shares on the Business Day immediately preceding such record date.

No reduction of the Exercise Price shall be effected if the Fraction represents less than 5%, or if the Closing Price of the A Shares on the record date was higher than on the Business Day immediately preceding the record date.

8. Notices

All notices to Holders regarding the A Warrants shall, subject to certain restrictions relating to Restricted Jurisdictions, be published by the Agent on behalf of, and in accordance with directions by and at the expense of the Issuer (i) by delivery to the clearing system with which the Intermediated Securities are registered for communication to the entitled Holders and/or (ii) by publication through the electronic communication system of Bloomberg.

Notwithstanding the above, from the first trading day of the A Warrants on SIX Swiss Exchange and for as long as the A Warrants are listed or admitted to trading on SIX Swiss Exchange, all notices in accordance with this Condition 8 shall be deemed to have been validly given upon publication in accordance with the rules applicable to issuers having derivatives listed or admitted to trading on SIX Swiss Exchange.

9. Listing

The Issuer has applied for the listing of the A Warrants on SIX Swiss Exchange and will provide best efforts to secure and maintain such listing until the Last Trading Day. The Issuer shall further provide best efforts to maintain a listing for all the issued A Shares on SIX Swiss Exchange and a formal listing for all A Shares capable of being issued under the Issuer's conditional capital relating to A Shares until the Expiry Date.

10. Governing law and jurisdiction

a) Governing law

The A Warrants and these Terms shall be governed by, and construed and enforced in accordance with, the laws of Switzerland, excluding conflict of laws principles that would cause the application of laws of any other jurisdiction.

b) Jurisdiction

Any dispute that may arise between the Issuer and the Holders regarding the A Warrants or these Terms shall be subject to the exclusive jurisdiction of the courts of the Swiss canton of Geneva, subject to an appeal to the Swiss Federal Supreme Court in the cases contemplated by law.

11. Amendment to these Terms

These Terms may be amended from time to time by agreement between the Issuer and the Agent, acting on behalf of present and future Holders, if in the sole opinion of the Agent the relevant amendment is of a formal, minor or technical nature, is made to correct a manifest error or to adjust the timetable, or is not materially prejudicial to the interests of the Holders. Any such amendment shall be binding on the Issuer and the Holders in accordance with its terms.

Notice of any such amendment shall be published in accordance with Condition 8.

12. Severability

If at any time any one or more of the provisions of these Terms is or becomes unlawful, invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions of these Terms shall not be in any way affected or impaired thereby.

13. Risk factors

Holding, acquiring, selling and exercising the A Warrants is subject to certain risks. You should review and consider the following risk factors before making any investment decision relating to the A Warrants.

a) Impact of share price movements

The price of the A Warrants may not correlate with the price of the A Shares. The A Warrants are not shares and their value is expected to depend on a number of factors that are not relevant, or have a different relevance, for the A Shares. In particular, the time value of the A Warrants, volatility and dividend yield of the A Shares may result in price fluctuations of the A Warrants that do not correspond to price fluctuations of the A Shares.

b) Limited protection in case of corporate actions

The exercise price of the A Warrants will not be adjusted in case of distributions from the Issuer to its shareholders, or in the event of capital increases, repayment of capital and, generally, for other corporate actions, except for splits and reverse splits and certain distributions. Because the A Warrants can only be exercised towards the very end of their lifecycle, Holders of A Warrants may not have the possibility to exercise their A Warrants before a corporate action to benefit from it.

c) Limitations on exercise

The A Warrants can only be exercised during a short period preceding their expiration. The only possibility to dispose of A Warrants before that period is to sell them in the secondary market.

The A Warrants are not automatically exercised. If A Warrants are not exercised at the time of their expiration, they will be worthless and the corresponding Holders of A Warrants will not be compensated. Further, the A Warrants can be exercised only if the Specified Number of A Warrants are exercised simultaneously. Holders of A Warrants who do not hold as many A Warrants, or hold a number of A Warrants that is not a multiple of such number, will either have to sell their A Warrants or purchase additional A Warrants. There is no assurance that Holders of A Warrants will be able to sell their A Warrants or purchase additional A Warrants.

d) Possible illiquidity of the secondary market

The Issuer has applied for the listing of the A Warrants on SIX Swiss Exchange and appointed UBS to act as market maker for the A Warrants for an initial three-month period that may be renewed. There is however no assurance that a liquid market will develop for the A Warrants, or – if a market develops for the A Warrants – that it will be as liquid as the market for the A Shares. There is also no assurance that the market making arrangement between the Issuer and UBS will be renewed beyond its initial term, nor that it will be sufficient to ensure that the market for the A Warrant is liquid.

14. Definitions

In these Terms, the following terms have the following meanings.

"**Agent**" means UBS, any successor organization acting in a capacity as a distribution, listing, exercise, paying and transfer agent under the terms of an agency agreement entered into with the Issuer in connection with the A Warrants.

"**Applicable Accounting Standard**" means the International Financial Reporting Standards, as adopted and as may be amended from time to time by the International Accounting Standards Board and interpreted in accordance with the IFRS Interpretations Committee interpretations.

"**A Shares**" means registered share of the Issuer having a par value of CHF 1.00 each.

"**A Warrant**" and "**A Warrants**" has the meaning given to these terms in the preamble.

"**B Shares**" means registered share of the Issuer having a par value of CHF 0.10 each.

"**Business Day**" means any day on which SIX Swiss Exchange is open for trading.

"**CEST**" means Central European Summer Time.

"**Closing Price**" means on any day on which the Relevant Exchange is open for trading, the closing price of the A Shares on the Relevant Exchange on that day as published by such Relevant Exchange.

"**Condition**" has the meaning given to this term in the preamble.

"**CSD**" has the meaning given to this term in Condition 3 a).

"**Depository**" has the meaning given to this term in Condition 3 b).

"**Distribution**" has the meaning given to this term in Condition 7 c).

"**Eligible US Holder**" means any Holder that is a US Person, provided that such Holder is a QIB and, before the end of the Exercise Period, such Holder delivers or causes to be delivered to the Issuer Contact Person, at the email address specified in the definition thereof, with a copy to such Holder's financial intermediary, at the Holder's own costs, a duly completed and executed US Investor Letter.

"**Exercise Notice**" has the meaning given to this term in Condition 4 d).

"**Exercise Period**" means the period from 9.00 a.m. CEST on 11 September 2023 until 12.00 p.m. (noon) CEST on 13 September 2023.

"**Exercise Price**" means the price at which one A Share may be acquired upon exercise of the Specified Number of A Warrants, as announced by the Issuer on or prior to the Issuance Date. The Exercise Price corresponds to the lower of (a) the volume-weighted average price of the A Shares on SIX Swiss Exchange between 7 August 2020 and the second Business Day that precedes the Issuer's 2020 annual general meeting (expected to be 7 September 2020), both included; and (b) the volume-weighted average price of the A Shares on SIX Swiss Exchange between 1 September 2020 and the second Business Day that precedes the Issuer's 2020 annual general meeting of the Issuer (expected to be 7 September 2020), both included. In each case, the volume-weighted average price of the A Shares will be rounded down to the nearest whole number.

"**Expiry Date**" has the meaning given to this term in Condition 1 c).

"**Fraction**" has the meaning given to this term in Condition 7 c).

"**Holder**" and " **Holders**" has the meaning given to these terms in the preamble.

"**Intermediated Securities**" has the meaning given to this term in Condition 3 a).

"**ISA**" has the meaning given to this term in Condition 3 a).

"**Issuance Date**" has the meaning given to this term in Condition 1 b).

"**Issuer**" has the meaning given to this term in Condition 1 a).

"**Issuer Contact Person**" means the Issuer's Investor Relations department, which can be reached out to by email sent to secretariat@cfrinfo.net.

"**Last Trading Day**" means 6 September 2023.

"**Main Register**" has the meaning given to this term in Condition 3 a).

"**Payment Date**" means 15 September 2023.

"**QIB**" has the meaning given to this term in Condition 4 d)c).

"Record Date" means 17 September 2020.

"Relevant Exchange" means SIX Swiss Exchange or any other securities exchange or trading platform on which the A Warrants may be admitted to trading at the request of the Issuer in the future. In case there are several of such securities exchanges or trading platforms, the Relevant Exchange shall be the securities exchange or trading platform identified by the Issuer.

"Restricted Holder" means a Holder that is a US Person or resides in or is otherwise located in or subject to the rules of any Restricted Jurisdiction, with the exception of Holders who are Eligible US Holders.

"Restricted Jurisdiction" means the United States and any other country or jurisdiction in which the exercise or delivery of A Warrants would be illegal or would otherwise violate any applicable law or regulations, or which would require the Issuer to amend these Terms in any way, to submit any additional filing to, or to perform any additional action in relation to, any governmental, regulatory or legal authority.

"Settlement Date" means 19 September 2023.

"Settlement Disruption Event" means an event beyond the control of the Issuer as a result of which SIS cannot settle the book-entry transfer of A Shares on a particular day.

"Shares" means both A Shares and B Shares of the Issuer.

"SIS" has the meaning given to this term in Condition 2 a).

"SIX Swiss Exchange" means the securities exchange operated by SIX Swiss Exchange Ltd or any successor organisation.

"Specified Account" means the account of the Agent or any other cash account that may be communicated to Holders pursuant to Condition 8 or otherwise as being the Specified Account for the purpose of these Terms.

"Specified Number of A Warrants" means the number of A Warrants required to purchase one (or more, if the context dictates) A Shares, as announced by the Issuer on or prior to the Issuance Date.

"Specified Office" means the office of the Agent at UBS Business Solutions AG, OP8E – Corporate Action Instructions, P.O. Box, 8098 Zurich, Switzerland, Fax: +41 44 236 90 60, e-mail: sh-op8e-gc@ubs.com, or any other office of the Agent that may be communicated to Holders pursuant to Condition 8 or otherwise as being the Specified Office for the purpose of these Terms.

"Subsidiary" and **"Subsidiaries"** means any entity that the Issuer is required to include in the scope of its consolidated financial statements pursuant to Article 963 of the Swiss Code of Obligations or the Issuer's Applicable Accounting Standard.

"Swiss Issuance Tax" means the capital issuance stamp duty (*droit de timbre d'émission*) contemplated in the Federal Act on Stamp Duties of 1973, as amended, becoming due upon the issuance of any new Shares by the Issuer.

"**Terms**" has the meaning given to this term in the preamble.

"**UBS**" means UBS AG, a Swiss bank having its registered office in Zurich and Basel, Switzerland, or any successor organization.

"**US**" or "**United States**" means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

"**US Investor Letter**" means a letter, substantially in the form available from the Issuer Contact Person, certifying, among other representations, warranties and undertakings, that the Holder and any account for which it is acquiring A Shares upon exercise of the A Warrants is a QIB.

"**US Person**" means any person with a registered address in, who is resident or located in, or who is organized under the laws of, the United States.

Appendix to the Terms of the A Warrants

Specimen of Exercise Notice

Compagnie Financière Richemont SA
Warrants for the acquisition of "A" shares of Compagnie Financière Richemont SA
having a par value of CHF 1.00 each

Swiss security number ISIN
55.960.154 CH00559601544

Exercise Notice

Please complete and return a duly executed copy of this form via
ordinary or electronic mail at the following address:

UBS Business Solutions AG, OP8E –
Corporate Action Instructions, P.O. Box
8098 Zurich, Switzerland
Fax: +41-44-236-90-60, e-mail: sh-op8e-
gc@ubs.com

Unless specified otherwise in this notice, capitalized terms have the mean ascribed to them in the terms of the warrants
(the "**Terms**").

The undersigned (the "**Holder**"):

Name of the Holder: _____
Address: _____

hereby irrevocably exercises the right contemplated in the Terms to purchase one or more "A" shares of Compagnie
Financière Richemont SA, Bellevue, Geneva, Switzerland (the "**Issuer**") having a par value of CHF 1.00 (the "**A Shares**")
against payment of the Exercise Price with respect to the Specified Number of A Warrants set forth below (the "**Exercised
Warrants**").

Number of Exercised Warrants: _____ (must be equal to the Specified Number of A Warrants or a whole
multiple of such Specified Number of A Warrants).

The Holder hereby confirms that (i) it holds the Exercised Warrants on a securities account opened in its name with the
custodian outlined below (the "**Custodian for the Warrants**"); (ii) it has given instruction to transfer a cash amount
corresponding to the aggregate Exercise Prices of the Exercised Warrants on the Specified Account (as defined in the Terms);
and (iii) the A Shares that the Holder is entitled to receive as a result of the exercise of the Exercised Warrants must be
transferred on the securities account opened with the custodian outlined below (the "**Custodian for the A Shares**").

Custodian for the Warrants:

Custodian for the A Shares:

Name of the Custodian: _____ Name of the Custodian: _____
Address: _____ Address: _____
Account number: _____ Account number: _____

The Holder represents and warrants to the Issuer and UBS as Agent that it is not a Restricted Holder as defined in the Terms,
and more specifically that (i) it is not, and at the time of exercising the A Warrants and receiving A Shares it will not be, a
US Person or acting on a non-discretionary basis on behalf of, or for the account or benefit of, a US Person, or (ii) it is a QIB
and has duly completed, executed and delivered to the Issuer, with a copy to its financial intermediary, a US Investor Letter,
in accordance with the Terms,

[Name of the Holder]

Name: Name:
Title: Title:

ANNEX B: TERMS OF THE B WARRANTS

These terms and conditions (each a "**Condition**", and together the "**Terms**") of the B warrants (the "**B Warrants**" and each an "**B Warrant**") govern the rights and obligations of the Issuer and of Compagnie Financière Rupert, Bellevue, Geneva, Switzerland (registration number CHE-101.498.608, "**CFRu**") as initial holder and each subsequent holder to which B Warrants are transferred in accordance with Condition 3 b) (each a "**Holder**" and collectively the "**Holders**") in relation to the B Warrants. Defined terms used herein have the meaning ascribed to them in Condition 13.

1. Issuer, Issuance Date and Expiry Date

a) Issuer

The B Warrants are issued by Compagnie Financière Richemont SA, 50, Chemin de la Chênaie, 1293 Bellevue, Geneva, Switzerland (registration number CHE-106.325.524) (the "**Issuer**").

b) Issuance

The B Warrants are issued concurrently with the issuance of the A Warrants and shall be deemed to have been issued at the latest upon execution of the Agency Agreement and issuance of the B Warrants Certificate.

The date on which the B Warrants Certificate is issued pursuant to this Condition 1 b), expected to be 18 September 2020, shall be deemed the "**Issuance Date**".

c) Expiry Date

The B Warrants shall exist, and shall remain in full force and effect until the date falling on the 3rd anniversary of the Issuance Date (and, if this date is not a Business Day, until the last preceding Business Day), expected to be 18 September 2023 (the "**Expiry Date**").

Notwithstanding the foregoing sentence, if all A Warrants were surrendered for cancellation to the Issuer before the Expiry Date, the B Warrants shall cease to exist as of the date the last A Warrant was surrendered for cancellation.

2. Number and Allocation

a) Number of B Warrants

The number of B Warrants shall be 1'044'000'000 (one billion and forty-four million).

b) Allocation

The B Warrants shall be allocated free of charge to CFRu, whereby for each B Share, two B Warrants shall be allocated. Such allocation is subject to CFRu holding all B Shares on the Issuance Date, as evidenced by the share register of the Issuer.

3. Form and Transfer

a) Form

The B Warrants shall be represented by the B Warrants Certificate and shall not constitute intermediated securities (*titres intermédies*) pursuant to the Swiss Federal Intermediated Securities Act of 2008.

b) Transfer

The transfer of the B Warrants shall require a written deed of assignment substantially in the form provided on the B Warrants Certificate, as well as the physical transfer of the B Warrants Certificate and adhesion of the new Holder to the Agency Agreement.

B Warrants may be transferred only if the Specified Number of B Warrants or a multiple thereof is transferred. Transfers of B Warrants also require the prior written approval of the Issuer. The Issuer shall be entitled to refuse to grant its approval for any reason, including if the transferee has not given representations and/or provided evidence satisfactory to the Issuer that such transferee is not a Restricted Holder and in case, in the sole judgment of the Issuer, any such transfer would cause a potential violation of applicable securities laws.

The Restricted Jurisdictions include: the United States of America; Japan; Hong Kong SAR, China; and Australia. The Issuer may identify additional Restricted Jurisdictions in documents issued to the Issuer's shareholders in connection with the issuance of the B Warrants, or otherwise from time to time during the lifetime of the B Warrants in notices sent to the Holders in accordance with Condition 8 below.

c) Records of ownership

In respect of B Warrants, a person or entity shall be deemed a Holder if such person (i) is the initial acquirer of B Warrants as provided in Condition 2 b) or has been assigned the B Warrants in writing with the written approval of the Issuer, and (ii) holds the B Warrants Certificate.

In the event that the Holder is transferring some but not all B Warrants, the Issuer shall issue new B Warrants Certificates to the respective Holders.

4. Exercise

a) Right to purchase

Subject to the terms of this Condition 4, each Holder shall have the right (but not the obligation) to purchase one B Share against payment of the Exercise Price and to take delivery of such B Share at the Settlement Date. For the avoidance of doubt, each Holder shall be entitled to purchase more than one B Share, provided that, for each B Share so purchased, the relevant Holder pays the Exercise Price and delivers the Specified Number of B Warrants.

b) Deemed exercise

Subject to the terms of this Condition 4, on the Deemed Exercise Date, the Holders shall collectively be deemed to have automatically exercised a number of B Warrants that is equal to the number of A Warrants duly exercised (as reported by the Agent under the Agency

Agreement). Upon exercise of the B Warrants, the respective Holder shall be entitled to take delivery of the Relevant Number of B Shares against payment of the Exercise Price multiplied by the Relevant Number of B Shares.

For purposes of this Condition 4, "**Relevant Number of B Shares**" shall mean the result of (x) the number of B Warrants deemed exercised *divided by* (y) the Specified Number of B Warrants, such result to be rounded downwards to the nearest full number.

If a single Holder does not hold all of the B Warrants on the Deemed Exercise Date, each Holder shall be deemed to have automatically exercised the B Warrants held by it in the same proportion as A Warrants were duly exercised and the above paragraphs shall apply *mutatis mutandis* to each such portion of B Warrants.

The Issuer or the Agent will inform each Holder of the number of B Warrants deemed exercised by it and of the Relevant Number of B Shares. No Holder shall have any right to exercise additional B Warrants.

c) Conditional Capital

For the whole duration of the B Warrants, the Issuer will maintain a sufficient number of its B Shares as conditional capital (*capital conditionnel*) to allow the exercise of the rights to purchase B Shares as provided for in these Terms.

d) Exercise and payment modalities, issuance of B Shares

On or as soon as practicable after the Deemed Exercise Date, but no later than on the Payment Date, each Holder shall:

- (i) transfer or cause to be transferred by wire transfer of immediately available funds to an account designated by the Issuer held in the name of the Issuer with the Agent, a cash amount in Swiss francs corresponding to the Exercise Price of the B Warrants deemed exercised by it; and
- (ii) redeem the B Warrants Certificate it holds to the Issuer for destruction.

Upon receipt of the funds in accordance with the Terms, the Issuer shall, for each Holder, prepare a physical share certificate evidencing the B Shares issued to such Holder and hand over such certificate to the relevant Holder on the Settlement Date.

e) Exercise irrevocable

Each deemed exercise of B Warrants shall be automatic and irrevocable. Upon delivery of the share certificate evidencing the B Shares issued to any Holder that is deemed to have exercised B Warrants, the relevant B Warrants shall be deemed redeemed without residual obligation for the Issuer.

f) Failure to pay the Exercise Price

The Holder shall remedy as soon as possible any failure to transfer a cash amount in Swiss francs corresponding to the Exercise Price of the B Warrants deemed exercised by the Holder by the Payment Date.

g) Delivery of B Shares upon exercise of B Warrants

The B Shares to be delivered upon exercise of B Warrants in accordance with this Condition 4 will be B Shares with the same entitlements as the other outstanding B Shares at such time, except that the B Shares so delivered will not give any right to any dividend or other distribution declared, paid or otherwise made by reference to a record date that is prior to the Settlement Date and except that the voting rights may not be exercised unless the person receiving the B Shares is registered as the holder of such B Shares in the Issuer's share register.

h) Taxes and other costs

Any Swiss Issuance Tax payable upon the issuance and delivery of B Shares in Switzerland further to the exercise of B Warrants will be paid or reimbursed by the Issuer. The Issuer will, however, not pay or reimburse (i) any tax payable in connection with any subsequent sale or transfer of the B Shares delivered further to the exercise of B Warrants or (ii) any tax or other cost payable in connection with the sale, transfer or delivery of B Shares in or to a jurisdiction other than Switzerland.

5. Holders not deemed shareholders

Except as otherwise specifically provided herein, Holders, solely in such persons' capacity as holders of B Warrants, shall not be entitled to vote or receive dividends or be deemed the holder of share capital of the Issuer for any purpose, nor shall anything contained in these Terms be construed to confer upon Holders, solely in such persons' capacity as holders of B Warrants, any of the rights of a shareholder of the Issuer or any right to vote, receive notice of meetings, receive dividends or subscription rights, or otherwise. Holders shall become shareholders of the Issuer only upon delivery to such Holders of the B Shares to which Holders are entitled to receive under these Terms upon the due deemed exercise of the B Warrants and payment of the Exercise Price in accordance with these Terms.

6. Cancellation

B Warrants that (i) lapse unexercised at the Deemed Exercise Date, (ii) are deemed exercised and with respect to which B Shares are delivered to the relevant Holders in accordance with Condition 4 or (iii) are cancelled following the redemption of all A Warrants, shall be cancelled and cease to exist.

7. Adjustments to the Exercise Price

a) No adjustments

Other than contemplated in this Condition 7, no adjustment shall be made to the Exercise Price of the B Warrants as a result of any distribution of the Issuer to its shareholders (be it in cash or in kind) or other potentially depreciating or dilutive events such as a capital increase, repayment of capital, sale of Shares, the issuance or exercise of acquisition or conversion rights relating to Shares (be it under the terms of equity plans intended to compensate the directors, officers or employees of the Issuer or its Subsidiaries, in connection with the issuance of convertible or exchangeable debt instruments by the Issuer or its Subsidiaries or otherwise) or the acquisition or disposal of assets.

b) Share splits and reverse share splits

Notwithstanding Condition 7 a) above:

- A. if the Issuer at any time on or after the Issuance Date subdivides its B Shares into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of B Shares to be delivered upon exercise of B Warrants will be proportionately increased; and
- B. if the Issuer at any time on or after the Issuance Date combines its B Shares into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of B Shares to be delivered upon exercise of B Warrants will be proportionately decreased.

Any adjustment under this Condition 7 b) shall become effective on the Business Day that follows the date upon which the relevant subdivision or combination becomes effective.

c) Distribution of assets

Notwithstanding Condition 7 a) above, if the Issuer makes any distribution of its assets (or distributes rights to acquire its assets) to holders of B Shares by way of return of capital or otherwise (including, without limitation, any distribution of shares or other securities or other properties by way of a dividend in kind, spin off, division or other similar transaction) (a "**Distribution**") at any time after the Issuance Date, then, in each such case, any Exercise Price in effect immediately prior to the record date set for the determination of holders of B Shares entitled to receive such Distribution shall be reduced, effective as of the day that follows such record date, to a price determined by multiplying such Exercise Price by a fraction (the "**Fraction**") of which:

- (i) the numerator shall be one tenth of the Closing Price of the A Shares on the Business Day immediately preceding such record date minus the value of the Distribution applicable to one B Share, and
- (ii) the denominator shall be one tenth of the Closing Price of the A Shares on the Business Day immediately preceding such record date,

No reduction of the Exercise Price shall be effected if the Fraction represents less than 5%, or if the Closing Price of the A Shares on the record date was higher than on the Business Day immediately preceding the record date.

8. Notices

All notices to be dispatched to Holders regarding the B Warrants shall be sent by the Issuer by e-mail or mail to the last known address of the Holders, as communicated to the Issuer as of the date hereof or when seeking the Issuer's approval of a transfer of B Warrants.

Notwithstanding the above, the Issuer shall be deemed to have validly notified the Holders of the Exercise Price and Specified Number of B Warrants upon publication in accordance with the rules applicable to issuers having derivatives listed or admitted to trading on SIX Swiss Exchange of the

exercise price of the A Warrants and of the number of A Warrants required to purchase one A Share, respectively.

9. No Listing

The B Warrants will not be listed, nor traded on any securities exchange or trading facility.

10. Governing law and jurisdiction

a) Governing law

The B Warrants and these Terms shall be governed by, and construed and enforced in accordance with, the laws of Switzerland, excluding conflict of laws principles that would cause the application of laws of any other jurisdiction.

b) Jurisdiction

Any dispute that may arise between the Issuer and the Holders regarding the B Warrants or these Terms shall be subject to the exclusive jurisdiction of the courts of the Swiss canton of Geneva, subject to an appeal to the Swiss Federal Supreme Court in the cases contemplated by law.

11. Amendment to these Terms

These Terms may be amended from time to time by agreement between the Issuer and the Holders, unless the relevant amendment is of a formal, minor or technical nature, is made to correct a manifest error or to adjust the timetable, or is not materially prejudicial to the interests of the Holders, in which case these Terms may be unilaterally amended by the Issuer. Any such amendment shall be binding on the Holders in accordance with its terms.

Notice of any such amendment shall be sent in accordance with Condition 8.

12. Severability

If at any time any one or more of the provisions of these Terms is or becomes unlawful, invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions of these Terms shall not be in any way affected or impaired thereby.

13. Definitions

In these Terms, the following terms have the following meanings.

"**Agency Agreement**" means the Exercise, Paying, and Transfer Agency Agreement between the Issuer, CFRu and UBS AG relating to the Warrants.

"**Agent**" means the Agent under and as defined in the Agency Agreement.

"**Applicable Accounting Standard**" means the International Financial Reporting Standards, as adopted and as may be amended from time to time by the International Accounting Standards Board and interpreted in accordance with the IFRS Interpretations Committee interpretations.

"**A Shares**" means registered share of the Issuer having a par value of CHF 1.00 each.

"**A Warrants**" means the warrants in relation to the A Shares issued concurrently with the B Warrants.

"**B Shares**" means registered share of the Issuer having a par value of CHF 0.10 each.

"**B Warrant**" and "**B Warrants**" has the meaning given to these terms in the preamble.

"**B Warrants Certificate**" means a certificate evidencing the B Warrants.

"**Business Day**" means any day on which SIX Swiss Exchange is open for trading.

"**CFRu**" has the meaning given to this term in the preamble.

"**Closing Price**" means on any day on which the Relevant Exchange is open for trading, the closing price of the A Shares on the Relevant Exchange on that day as published by such Relevant Exchange.

"**Condition**" has the meaning given to this term in the preamble.

"**Deemed Exercise Date**" means the date on which the Issuer reports to the Holders the number of A Warrants duly exercised, based on the Agent's reporting pursuant to the Agency Agreement.

"**Distribution**" has the meaning given to this term in Condition 7 c).

"**Exercise Price**" means one tenth of the exercise price of the A Warrants, as announced by the Issuer.

"**Expiry Date**" has the meaning given to this term in Condition 1 c).

"**Fraction**" has the meaning given to this term in Condition 7 c).

"**Holder**" and "**Holders**" has the meaning given to these terms in the preamble.

"**Issuance Date**" has the meaning given to this term in Condition 1 b).

"**Issuer**" has the meaning given to this term in Condition 1 a).

"**Payment Date**" means 18 September 2023.

"**Relevant Exchange**" means SIX Swiss Exchange or any other securities exchange or trading platform on which the A Warrants may be admitted to trading at the request of the Issuer in the future. In case there are several of such securities exchange or trading platform, the Relevant Exchange shall be the securities exchange or trading platform identified by the Issuer.

"**Relevant Number of B Shares**" has the meaning given to this term in Condition 4 b).

"Restricted Holder" means a Holder that is a US Person or resides or is otherwise located or subject to the rules of any Restricted Jurisdiction.

"Restricted Jurisdiction" means the United States and any other country or jurisdiction in which the exercise or delivery of B Warrants would be illegal or would otherwise violate any applicable law or regulations, or which would require the Issuer to amend these Terms in any way, to submit any additional filing to, or to perform any additional action in relation to, any governmental, regulatory or legal authority.

"Settlement Date" means 19 September 2023.

"Shares" means both A Shares and B Shares of the Issuer.

"SIX Swiss Exchange" means the securities exchange operated by SIX Swiss Exchange Ltd or any successor organisation.

"Specified Number of B Warrants" means the number of B Warrants required to purchase one (or more, if the context dictates) B Shares. The Specified Number of B Warrants shall be equal to the number of A Warrants required to purchase one (or more, if the context dictates) A Share, as notified by the Issuer on or prior to the Issuance Date.

"Subsidiary" and **"Subsidiaries"** means any entity that the Issuer is required to include in the scope of its consolidated financial statements pursuant to Article 963 of the Swiss Code of Obligations or the Issuer's Applicable Accounting Standard.

"Swiss Issuance Tax" means the capital issuance stamp duty (*droit de timbre d'émission*) contemplated in the Federal Act on Stamp Duties of 1973, as amended, becoming due upon the issuance of any new Shares by the Issuer.

"Terms" has the meaning given to this term in the preamble.

"US" or **"United States"** means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

"US Person" means any person with a registered address in, who is resident or located in, or who is organized under the laws of, the United States.

"Warrants" means the A Warrants and the B Warrants.