

RICHEMONT

RICHEMONT INTERNATIONAL HOLDING S.A.

*(incorporated as a company with limited liability in Luxembourg)*

**EUR 500,000,000 0.750 per cent. Guaranteed Notes due 26 May 2028**  
**Issue Price: 99.884 per cent.**

**EUR 850,000,000 1.125 per cent. Guaranteed Notes due 26 May 2032**  
**Issue Price: 99.732 per cent.**

**and**

**EUR 650,000,000 1.625 per cent. Guaranteed Notes due 26 May 2040**  
**Issue Price: 98.387 per cent.**

**unconditionally and irrevocably guaranteed by**  
**COMPAGNIE FINANCIÈRE RICHEMONT SA**  
*(incorporated as a company with limited liability in Switzerland)*

The EUR 500,000,000 0.750 per cent. Guaranteed Notes due 26 May 2028 (the **2028 Notes**), the EUR 850,000,000 1.125 per cent. Guaranteed Notes due 26 May 2032 (the **2032 Notes**) and the EUR 650,000,000 1.625 per cent. Guaranteed Notes due 26 May 2040 (the **2040 Notes** and, together with the 2028 Notes and the 2032 Notes, the **Notes**) are issued by Richemont International Holding S.A. (the **Issuer**).

The payments of all amounts due in respect of the Notes will be unconditionally and irrevocably guaranteed by Compagnie Financière Richemont SA (the **Guarantor**) (the Guarantor and its subsidiaries together, the **Group**).

References herein to the **Conditions** shall be construed as references to the Terms and Conditions of the 2028 Notes, the 2032 Notes and/or the 2040 Notes, as the context admits, and references to a numbered “**Condition**” shall be construed accordingly.

**Prospective investors should have regard to the factors described in the section headed “Risk Factors” herein.**

**THE ISSUER MAY, AT ITS OPTION, REDEEM ALL (BUT NOT SOME ONLY) OF THE NOTES AT ANY TIME (I) AT THEIR PRINCIPAL AMOUNT PLUS ACCRUED INTEREST, IN THE EVENT OF CERTAIN TAX CHANGES AS DESCRIBED UNDER “CONDITIONS OF THE NOTES—REDEMPTION AND PURCHASE—REDEMPTION FOR TAXATION REASONS”; AND (II) AT THE RELEVANT EARLY REDEMPTION AMOUNT (AS DEFINED AND DESCRIBED FURTHER UNDER “CONDITIONS OF THE NOTES—REDEMPTION AND PURCHASE—REDEMPTION AT THE OPTION OF THE ISSUER”); UNLESS PREVIOUSLY REDEEMED OR PURCHASED AND CANCELLED, THE ISSUER WILL REDEEM THE 2028 NOTES ON 26 MAY 2028, THE 2032 NOTES ON 26 MAY 2032 AND THE 2040 NOTES ON 26 MAY 2040.**

This Prospectus has been approved as a prospectus by the *Commission de Surveillance du Secteur Financier* (the **CSSF**), as competent authority under Regulation (EU) 2017/1129 (the **Prospectus Regulation**). The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuer or the Guarantor or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes.

By approving a prospectus, in accordance with Article 20 of Regulation (EU) 2017/1129, the CSSF does not engage in respect of the economic or financial opportunity of the operation or the quality and solvency of the Issuer. Application has been made to the Luxembourg Stock

Exchange for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange.

This Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months after its approval. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply once the Notes are admitted to trading on the Luxembourg Stock Exchange's regulated market.

References in this Prospectus to the Notes being "**listed**" (and all related references) shall mean that such Notes have been admitted to trading on the Luxembourg Stock Exchange's regulated market and have been admitted to the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (**Directive 2014/65/EU**).

**The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the Securities Act) or with any securities regulatory authority of any state or other jurisdiction of the United States. The Notes are being offered and sold outside the United States in accordance with Regulation S under the Securities Act (Regulation S), and may not be offered and sold or delivered within the United States or to, for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.**

**PRIIPs Regulation / Prohibition of sales to EEA and UK retail investors** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**) or in the United Kingdom (the **UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**) where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

**MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

**Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore (the SFA)** – The Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

The Guarantor has been assigned a long-term issuer credit rating of A+ (negative) by S&P Global Ratings Europe Limited (**S&P**). The Notes have been rated A+ by S&P. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency. S&P is established in the European Union (**EU**) and is registered under Regulation (EC) No 1060/2009 as amended (the **CRA Regulation**) and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority.

The Notes will initially be represented by a temporary global note (the **Temporary Global Note**), without interest coupons, which will be deposited on or about 26 May 2020 (the **Closing Date**) with a common safekeeper for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**). Interests in the Temporary Global Note will be exchangeable for interests in a permanent global note (the **Permanent Global Note** and, together with the Temporary Global Note, the **Global Notes**), without interest coupons, on or after 5 July 2020 (the **Exchange Date**), upon certification as to non-U.S. beneficial ownership. Interests in the Permanent Global Note will be exchangeable for definitive Notes only in certain limited circumstances. See "*Summary of Provisions relating to the Notes while represented by the Global Notes*".

***Global Coordinator and Joint Bookrunner***

**Goldman Sachs International**

***Joint Bookrunners***

**HSBC Bank plc**

**ING Bank N.V.**

**J.P. Morgan Securities plc**

## **IMPORTANT INFORMATION**

**This Prospectus constitutes a prospectus for the purposes of Article 6.3 of the Prospectus Regulation. When used in this Prospectus, “Prospectus Regulation” means Regulation (EU) 2017/1129.**

**The Issuer and the Guarantor accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer and the Guarantor (each having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.**

**Other than in relation to the documents which are deemed to be incorporated by reference, the information on the websites to which this Prospectus refers does not form part of this Prospectus.**

**The Issuer and the Guarantor, having made all reasonable enquiries, confirms that this Prospectus contains all material information with respect to the Issuer, the Guarantor, the Group, the Guarantee and the Notes (including all necessary information which, according to the nature of the Issuer and the Guarantor, the Notes and the circumstances of the Issuer and the Guarantor, is material to an investor for making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, the Guarantor, the Group, the rights attaching to the Notes, the Guarantee and the reasons for the issuance and its impact on the Issuer), that the information contained or incorporated in this Prospectus is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Prospectus are honestly held and that there are no other facts the omission of which would make this Prospectus or any of such information or the expression of any such opinions or intentions misleading.**

**No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Global Coordinator and Joint Bookrunner or the Joint Bookrunners (together, the “Managers”) as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer and/or the Guarantor. Save for the Issuer and the Guarantor, no other party has verified the information contained herein.**

**No person is or has been authorised by the Issuer or the Guarantor to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor or the Managers.**

**Neither this Prospectus nor any other information supplied in connection with the Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, the Guarantor or the Managers that any recipient of this Prospectus or any other information supplied in connection with the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Guarantor. Neither this Prospectus nor any other information supplied in connection with the Notes constitutes an offer or invitation by or on behalf of the Issuer or the Guarantor or the Managers to any person to subscribe for or to purchase any Notes.**

**Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer and/or the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the**

**document containing the same. The Managers expressly do not undertake to review the financial condition or affairs of the Issuer or the Guarantor during the life of the Notes. Investors should review, *inter alia*, the most recent financial statements, if any, of the Issuer and the Guarantor when deciding whether or not to purchase any Notes.**

## **IMPORTANT INFORMATION RELATING TO THE USE OF THIS PROSPECTUS AND OFFERS OF THE NOTES GENERALLY**

The distribution of this Prospectus and the offer or sale of the Notes may be restricted by law in certain jurisdictions. The Issuer, the Guarantor and the Managers do not represent that this Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor or the Managers which would permit a public offering of the Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Managers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Prospectus or any Notes come must inform themselves about, and observe any such restrictions. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of the Notes in the United States, the United Kingdom, the EEA and Switzerland (see “*Subscription and Sale*” below).

### **PRESENTATION OF INFORMATION**

References in this document to “euro”, “EUR” and “€” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

### **NO INCORPORATION OF WEBSITES**

Other than in relation to the documents which are deemed to be incorporated in this Prospectus by reference, the information on the websites to which this Prospectus refers does not form part of this Prospectus.

### **SUITABILITY OF INVESTMENT**

The Notes are complex financial instruments and may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;

- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Prospective investors should consult their tax advisers as to the tax consequences of the purchase, ownership and disposition of the Notes.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

## PRESENTATION OF FINANCIAL INFORMATION

### Historical financial information

The audited consolidated financial statements of the Guarantor as of and for the years ended 31 March 2020 and 2019, incorporated by reference into this Prospectus, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”). The audited non-consolidated financial statements of the Guarantor as of and for the years ended 31 March 2020 and 2019, incorporated by reference into this Prospectus, have been prepared in accordance with Swiss law and the Guarantor’s articles of incorporation.

The audited consolidated financial statements of the Issuer as of and for the years ended 31 March 2020 and 2019, incorporated by reference into this Prospectus, have been prepared in accordance with IFRS, as adopted by the EU.

### Alternative Performance Measures

In addition to the financial performance measures established by IFRS, this Prospectus contains certain financial measures that are presented for the purpose of assisting securities analysts, investors and other interested parties in understanding the Group’s financial performance. The relevant metrics are identified as alternative performance measures for the purposes of the “Guidelines on Alternative Performance Measures” issued by the European Securities and Markets Authority. The Group presents the following alternative performance measures in this Prospectus:

- **EBITDA:** the Group defines EBITDA as operating profit *plus* the sum of depreciation and amortisation charges and impairment charges.
- **EBITDA margin:** the Group defines EBITDA margin as EBITDA over revenue.
- **Net cash:** the Group defines net cash as the sum of current financial assets held at fair value through profit or loss, cash at bank and on hand, non-current borrowings, current borrowings and bank overdraft.
- **Net cash / EBITDA:** the Group defines net cash / EBITDA as net cash over EBITDA.

- **Free cash flow:** the Group defines free cash flow as the sum of operating profit from continuing operations, operating profit/(loss) from discontinued operations, depreciation, amortisation and other non-cash items (sum of depreciation of property, plant and equipment and of investment property, amortisation of other intangible assets, impairment of property, plant and equipment and of goodwill, loss on disposal of property, plant and equipment and of other intangible assets, change in long term provisions, change in retirement benefits and other non-cash items), lease related payments, change in net working capital (sum of changes in inventories, trade receivables, other receivables and prepayments, current liabilities, long term liabilities and derivative financial instruments), other operating activities (sum of interest received and other investment income less interest paid), taxation paid and net acquisition of non-current assets (sum of capex (as defined below) and acquisitions of investment property, less proceeds from disposal of investment property).
- **Capital expenditure (“capex”):** the Group defines capex as the sum of acquisition of property, plant and equipment, proceeds from disposal of property, plant and equipment, acquisition of intangible assets, proceeds from disposal of intangible assets, acquisition of other non-current assets and proceeds from disposal of other non-current assets, while excluding capital expenditure on investment properties and payments capitalised as right of use assets.

For a reconciliation of these alternative performance measures, see the tables under the heading “*Alternative Performance Measures*” in the section entitled “*Description of the Guarantor and the Group*”.

Investors should review such alternative performance measures in conjunction with the Guarantor’s audited consolidated financial statements incorporated into this Prospectus by reference and note the matters referred to below with respect to the reliability, comprehensibility and comparability of alternative performance measures.

The Group presents alternative performance measures as additional information to financial measures presented in the audited consolidated financial statements prepared in accordance with IFRS. The Group presents alternative performance measures because it believes that these and similar measures better reflect, for prospective investors in the Notes, the operational business performance and facilitate comparisons between financial periods.

Alternative performance measures are not accounting measures defined or specified in IFRS and, therefore, they are considered non-IFRS measures that should not be considered in isolation or as a substitute to the IFRS measures. Alternative performance measures may differ from company to company and therefore may not be comparable to other similarly titled measures of other companies. Furthermore, alternative performance measures may not be indicative of the Group’s historical results of operations and are not meant to be predictive of potential future results. The alternative performance measures presented in this Prospectus are unaudited. Accordingly, undue reliance should not be placed on the alternative performance measures presented in this Prospectus.

#### **Non-financial information operating data**

The non-financial operating data included in this Prospectus has been extracted without material adjustment from the management records of the Guarantor and is unaudited.

#### **Market, economic and industry data**

Certain information in this Prospectus has been sourced from third parties. The Issuer confirms that all third party information contained in this Prospectus has been accurately reproduced and, so far as the Issuer is aware and able to ascertain from information published by that third party, no facts have been omitted that



would render the reproduced information inaccurate or misleading. Where third party information has been used in this Prospectus, the source of such information has been identified.

## TABLE OF CONTENTS

	Page
Risk Factors.....	1
Documents Incorporated by Reference .....	10
General Description of the Notes .....	14
Terms and Conditions of the 2028 Notes .....	18
Terms and Conditions of the 2032 Notes .....	31
Terms and Conditions of the 2040 Notes .....	44
Summary of provisions relating to the Notes while represented by the Global Notes .....	57
Use of Proceeds.....	60
Description of the Issuer .....	61
Description of the Guarantor and the Group .....	63
Selected Financial Information .....	78
Taxation .....	82
Subscription and Sale .....	85
General Information .....	88

## **Risk Factors**

*In purchasing Notes, investors assume the risk that the Issuer and the Guarantor may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer or the Guarantor becoming unable to make all payments due. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer or the Guarantor may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's and the Guarantor's control. The Issuer and the Guarantor have identified in this Prospectus a number of factors which could materially adversely affect their businesses and ability to make payments due.*

*Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to the Issuer's business, financial condition, results of operations and prospects.*

*In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below.*

*Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.*

### **Factors that may affect the Issuer's ability to fulfil its obligations under the Notes and the Guarantor's ability to fulfil its obligations under the Guarantee**

#### **1. Risks Related to the Group's Business Activities and Industry**

##### ***Business Interruption***

Severe business interruption arising from major events as well as the impacts of global warming are resulting in increased volatility, uncertainty, complexity and ambiguity, increasing the likelihood of unavailability of key sites, people, systems, or providers, which could disrupt the Group's business and have an adverse effect on the operating results of the Group.

Most recently the emergence of Covid-19 has seen governments impose quarantines and severe travel restrictions. In many countries there has been a complete ban on private and public events with bars, restaurants, sports and culture venues closed. The immediate impact on global economic activity is severe and the long term impact on economic growth is likely to be highly uncertain. Cyclical industries, including luxury, have been particularly negatively impacted.

To mitigate the impact of Covid-19 the Group implemented crisis management and business continuity strategies. Steps were taken to maintain the financial strength of the Group whilst ensuring the integrity of the Maisons so that they will rapidly respond to the recovery phase.

The structural drivers of the luxury industry remain intact but key trends in customer engagement and product distribution may accelerate.

In the context of its manufacturing, warehousing and distribution facilities, the Group is exposed to additional operational risks relating to the occurrence of losses as a result of fires, water damage, strikes, or natural catastrophes. Any resulting interruption of activity in manufacturing, warehousing or distribution facilities may disrupt the operation of the Group's businesses, lead to customers cancelling orders or refusing to accept deliveries or a reduction in sales. This may adversely affect the Group's financial position and operating

results. Exposures relating to certain properties, business interruption, transit and liability risks are partly transferred to the insurance market through the purchase of insurance policies.

### ***International exposure of the Group***

The Group has an international footprint and as a result is exposed to a number of interdependent risks and uncertainties, which include changes in customer purchasing power, regional economic volatility, provisions of corporate or tax law, customs regulations or import restrictions imposed by some countries, which may restrict trade in the Maisons' products.

In addition, customers who are travelling abroad generate a substantial share of luxury sales. A significant proportion of the Group's sales is therefore directly linked to fluctuations in travel volumes. Events likely to shift travel patterns and reduce the number of tourists (geopolitical instability and insecurity, riots, weakening of the economic environment, financial crises, natural catastrophes, etc.) might have an adverse impact on the Group's sales.

Demand for the Group's products is influenced by a number of factors including macro-economic conditions, availability of consumer credit, taxation and consumer confidence. A significant downturn in macro-economic conditions, or a material reduction in consumers' disposable incomes, in a region in which the Group operates, could have an adverse effect on the Group's sales.

### ***New Retail strategy***

Over recent years, the Group has experienced a shift in consumer behaviour, with clients having higher expectations of interactivity with the Group's Maisons, not only through physical boutiques, but online. With the new retail strategy, the Group's objective is to provide as seamless an experience as possible to its clients globally, whether they shop online, over the telephone, or in boutiques, including in respect of after-sales services, and it intends to allocate resources towards digital marketing and online sales platforms to develop and implement this omni-channel approach.

Should the Group be less successful than its competitors in implementing its new retail strategy, it may be exposed to materially adverse effects in the form of decline in sales and erosion of Maison image.

### ***Product development***

Identifying new fashion trends, and consumer preferences is key for the Group's Maisons to offer tailored products and experiences that meet the target customers' expectations, which cannot be predicted and are subject to increasingly rapid change. Failing to identify these drivers of consumer demand would threaten the continued success of the Maisons' products and could have an adverse effect on the Group's sales. By cultivating strong ties and consumer loyalty, inspiring trends and stimulating consumers, the Group's various Maisons continuously aim to better anticipate and respond to their customers' changing needs, in line with each Maison's specific identity.

### ***Group's image and reputation***

The Group owns several of the world's leading companies in the field of luxury goods, with particular strengths in jewellery, luxury watches and premium accessories. The Group's luxury interests encompass prestigious Maisons such as Cartier, Van Cleef & Arpels, Piaget, Vacheron Constantin, Jaeger-LeCoultre, IWC Schaffhausen, Officine Panerai and Montblanc. The reputation of these Maisons relies on the product design, distinct character, quality and exclusiveness of their products, their distribution networks, the image of stores, public relations, as well as the promotional and marketing strategies applied. Products or marketing strategies (either traditional or through social media) not in line with Maison image objectives, Maison

ambassadors, distributors or suppliers failing to maintain the same standards of quality and exclusivity as the Group does, as well as negative publicity circulating in the media might damage the reputation and integrity of the Group's Maisons and as a result adversely affect sales.

The Group sells a portion of its products to third party distributors, which are thus responsible for sales to end customers. The reputation of the Group's products thus rests in part on compliance by all distributors with the Group's requirements in terms of their approach to Maison image, including the handling and presentation of products, marketing and communications policies.

### ***Protecting the Group's Maisons***

As the Group's Maisons enjoy worldwide consumer recognition, the Maisons, expertise and production methods are subject to counterfeiting, such as unauthorised imitation or replication of designs, trademarks or labelling by third parties from time to time. Its products may be distributed in parallel retail networks, including online sales networks, without the Group's consent. Accordingly, the Group devotes substantial resources to protecting the integrity of its Maisons through registrations/renewals of designs and trademarks, defence of its existing registrations and other legal protection in the jurisdictions in which it operates.

A significant presence of counterfeit products and parallel distribution in the market has an immediate adverse effect on revenue and profit. Activities in these illegitimate channels may negatively affect the value and image of the Group's Maisons over time, result in loss of consumer confidence, and, consequently, adversely affect its sales.

### ***Failure to retain key personnel***

The performance of the Group depends significantly on the efforts and abilities of some key personnel. Failure to address the risk of losing key personnel (including as a result of intense competition over talented designers, craftsmen and business leaders in all product categories and markets in which the Group operates) could disrupt the Group's business and have an adverse effect on operating results of the Group.

### ***Risks related to a Wholesale model***

The Group's Maisons may be exposed to changes in the structure of the wholesale market in which they operate, as fewer but larger multi-site retailers replace smaller and/or mono-site independently-owned retailers. Although the share of Group wholesale sales has been gradually reducing, ensuring continued positive commercial relationships with these partners remains important to the future success of the Group. Risks in this regard stem from a partial loss of control by the Group to retailers who may market products in a manner which is insensitive to Maison image. This may include marketing or promotion activities which may lead to disruption in Maison integrity. The Group attempts to manage these risks by negotiating minimum inventory requirements, minimum order quantities as well as online selling conditions with its authorised retailers. The Group has in the past executed ordinary course and exceptional inventory buy-backs and may from time to time rebalance wholesale inventories through such buy-backs and reallocations to other markets. However, this does not prevent some online and/or offline retailers, who do not have authorised dealer agreements with the Group's Maisons, purchasing from other retailers and selling directly to consumers without limitation, presenting a threat to Maison integrity.

## **2. Risks Related to the Group's Financial Situation**

### ***Liquidity risk***

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate level of committed credit facilities and the ability to close out

market positions. Due to the dynamic nature of the underlying businesses, Group Treasury aims to maintain flexibility in funding by keeping committed credit lines available. Local liquidity is ensured by maintaining local bank credit facilities and by funding the excess funding requirements using the Group overlay cash pool.

***Market risk: foreign exchange risk***

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Swiss franc, US dollar, HK dollar, British pound, Chinese yuan, Japanese yen, UAE dirham, Singapore dollar, Taiwan dollar and Korean Won. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Foreign exchange risk arises when recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. This arises principally from the retranslation impact of euro and US dollar-denominated investments in money market and managed bond funds held in an entity with a Swiss franc functional currency. Changes in foreign exchange rates also impact the repricing of derivative contracts.

The Group's financial risk management policy is to hedge up to 70% of forecast net cash flow exposure arising in currencies including US dollars, HK dollars, British pounds, Chinese yuan, Japanese yen, UAE dirham, Singapore dollar, Taiwan dollar and Korean won for the subsequent twelve months. Group Treasury undertakes the management of the net position in each foreign currency by using external currency derivatives.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from these net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

***Market risk: price risk***

The Group is exposed to commodity price risk, marketable securities' price risk and other price risk.

The Group is exposed to price risk related to anticipated purchases of certain commodities, namely precious metals and stones for use in its manufacturing processes. There is no financial risk as the commodities are for use as raw materials by the Group's businesses. A change in those prices may alter the gross margin of specific businesses.

The Group is exposed to marketable securities' price risk in respect of investments in CHF, euro- and US dollar-denominated money market and externally managed funds with a minimum credit rating of AA. These are classified in the consolidated statement of financial position as financial assets and liabilities held at fair value through profit or loss.

The price risk associated with the investments in AAA rated money market funds held by the Group at 31 March 2020 and 31 March 2019 is considered to be minimal, due to the high credit quality of the underlying investments.

***Market risk: interest rate risk***

The Group is exposed to fair value interest rate risk linked to its fixed-rate loans. The risk is considered to be the difference between current levels of interest rates and the committed rates. The Group records its fixed rate borrowings at amortised cost using the effective interest method. The Group does not designate any interest rate swaps as hedging instruments for fair value hedge accounting. The Group occasionally uses forward-starting interest rate swaps to help manage its fair value interest rate risk exposure. The Group is also

exposed to the impact of changes in interest rates on its investments in externally managed funds, which are made up of listed bonds.

The Group is also exposed to future cash flow fluctuation risk due to changes in variable market interest rates.

### ***Credit risk***

The Group has no significant concentrations of credit risk. It has policies in place to ensure that sales of products are made to customers with an appropriate credit history. A short-term credit rating of minimum A1/P1 is applied to cash deposits with financial counterparties. A minimum money market fund rating of AAA is applied to euro-denominated money market funds. A weighted average rating of AA is applied to CHF, euro and US dollar- denominated externally managed funds.

## **3. Legal and regulatory risks**

### ***General Data Protection Regulation (GDPR)***

The Group is undertaking a major transformation program and allocates resources towards digital marketing and online sales platforms to develop and implement its omni-channel approach. As a consequence, the Group is handling an increasing amount of customer data. It is therefore important that the Group ensures that it at all times complies with international data protection and privacy regulations. One of these regulations is the European General Data Protection Regulation (GDPR), which aims to safeguard personal data of individuals in the EU. Violations of the GDPR may result in a fine of up to €20 million, or 4% of total worldwide annual turnover of the preceding financial year for the most serious infringements and may also harm the Group's reputation and its commercial activities.

### ***Regulatory compliance***

Compliance with all foreign laws and regulations that apply to the Group's international business increases the costs of its operations. Such costs may rise in the future as a result of changes in these laws and regulations or in their enforcement. While the Group maintains and implements policies and procedures to ensure regulatory compliance, there is a risk that the Group's employees, contractors or agents will breach such laws and regulations or the Group's policies. Any such compliance breaches could have a material adverse effect on the Group's financial condition and reputation. In addition, the Group may become subject to audits, reviews and investigations of its regulatory compliance.

### ***Consumer safety***

In the European Union and all other countries in which the Group operates, as it manufactures and sells consumer products, the Group's businesses and operations are subject to laws and regulations on general consumer protection and product safety. Some of the Group's products are subject to specific regulations, which apply to production and manufacturing conditions, as well as to sales, consumer safety, product labelling, import and export. Any compliance breaches in respect of such regulations could have a material adverse effect on the Group's financial condition and reputation.

## **4. Internal Control Risk**

### ***Information technology and data security***

Failure of information systems, as a result of a malfunction or malicious intent, poses a risk to the Group's business, which may lead to loss or corruption of sensitive data, including information relating to products,

suppliers, customers or financial data. Such an event may also suspend the operation of some information systems, impeding the proper functioning of the business processes affected.

## **5. Environmental, Social and Governance (ESG) Risks**

The Group is exposed to risks that its global operations and activities generate adverse publicity regarding its ESG impact resulting in reputational damage and an adverse impact on the Group's performance.

### ***Raw Material Sourcing***

Over 95% of gold and diamonds used by the Group come from sources which are Responsible Jewellery Council-certified (RJC) and a large part of the gold is recycled gold. The Group is committed to source in a responsible way and to maintain and improve the current standards. The Group seeks to influence the behaviour of its suppliers that are outside of its direct control by maintaining a Supplier Code of Conduct and collaborating with jewellery and watchmaking peers via the RJC. A failure to maintain such standards could result in reputational damage and an adverse impact on the Group's performance.

### ***Employees***

The quality and longevity of the Group's Maisons rely on highly skilled craftsmen and a diverse workforce. A failure to retain the highly specific skills and expertise within the Group could result in a reduction in the quality and longevity of the Group's products and reputational damage and an adverse impact on the Group's performance

### ***Environment***

The Group's Environmental Code of Conduct is built on internationally recognised standards for environmental management and includes industry-specific issues. A failure to maintain such standards could result in reputational damage and an adverse impact on the Group's performance.

## **Factors which are material for the purpose of assessing the market risks associated with the Notes**

### **1. Risks related to the Notes generally**

Set out below is a brief description of certain risks relating to the Notes generally:

#### ***The Conditions contain provisions which may permit their modification without the consent of all investors***

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

#### ***Investors who purchase Notes in denominations that are not an integral multiple in excess of €100,000 may be adversely affected if definitive Notes are subsequently required to be issued***

The Notes have denominations consisting of a minimum of €100,000 and integral multiples of €1,000 in excess thereof up to and including denominations of €199,000. It is possible that the Notes may be traded in amounts that are not integral multiples of €100,000. In such a case a Holder who, as a result of trading such amounts, holds an amount which is less than €100,000 in their account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be



printed) and would need to purchase a principal amount of Notes such that its holding amounts to the €100,000 (as applicable).

If definitive Notes are issued, Noteholders should be aware that definitive Notes which have a denomination that is not an integral multiple of €100,000 may be illiquid and difficult to trade.

## **2. Risks related to the market generally**

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk and legal risk:

### ***Credit ratings may not reflect all risks***

The Issuer's and Guarantor's credit ratings are an assessment by the relevant rating agencies of its ability to pay its debts when due. Consequently, real or anticipated changes in its credit ratings will generally affect the market value of the Notes. The Notes have been rated A+ by S&P. One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to the structure and marketing of the Notes and additional factors discussed in this Prospectus or any other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European (including United Kingdom) regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU or the United Kingdom and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by non-EU and non-UK credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered or UK-registered credit rating agency or the relevant non-EU and non-UK rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). If the status of the rating agency rating the Notes changes, European (including United Kingdom) regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European (including United Kingdom) regulated investors selling the Notes which may impact the value of the Notes and any secondary market.

The list of registered and certified rating agencies published by the European Securities and Markets Authority (ESMA) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

### ***An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell its Notes***

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes in the secondary market (in which case the market or trading price and liquidity may be adversely affected) or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

### ***The value of the Notes depends on a number of economic, financial and political factors***

The value of the Notes depends on a number of interrelated factors, including economic, financial and political events in Luxembourg, Switzerland or elsewhere, including factors affecting capital markets

generally and the stock exchanges on which the Notes are traded. The price at which a Holder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such Holder.

***If an investor holds Notes which are not denominated in the investor's home currency, they will be exposed to movements in exchange rates adversely affecting the value of their holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes***

The Issuer will pay principal and interest on the Notes and the Guarantor will make any payments under the Guarantee in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the euro would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer or the Guarantor to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***Laws and practices applicable to the Notes may change***

The Notes are issued under the laws of England in force on the issue date. Any new statutes, ordinances and regulations, amendments to the legislation or changes in application of the law (including any amendments to or changes in application of tax laws or regulations) after the issue date may affect the Notes and/or have a material adverse effect on the Issuer's and/or the Guarantor's business, financial condition, results of operations and future prospects, and, thereby, on the Issuer's and/or the Guarantor's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

***The Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, meaning investors will have to rely on their procedures for transfer, payment and communication with the Issuer***

The Notes will be represented by the Global Notes except in certain limited circumstances described in each Permanent Global Note. The Global Notes will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in certain limited circumstances described in each Permanent Global Note, investors will not be entitled to receive Definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by the Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by the Global Notes, the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common depositary for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes. Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the Notes. Instead, such Noteholders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg.

### **3. Risks related to the structure of the Notes**

#### ***Redemption prior to maturity***

In the event that the Issuer would be obliged to increase the amounts payable in respect of the Notes as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 8 (*Taxation*) of the 2028 Notes, the 2032 Notes and the 2040 Notes), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 20 May 2020 (as more fully set out in Condition 7.2 (*Redemption for Taxation Reasons*) of the 2028 Notes, the 2032 Notes and the 2040 Notes), or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, the Issuer may redeem all outstanding Notes in accordance with the Terms and Conditions.

The Notes are also redeemable at the Issuer's option (as more fully set out in Condition 7.3 (*Redemption at the Option of the Issuer*) of the 2028 Notes, the 2032 Notes and the 2040 Notes), and the Issuer may choose to redeem the Notes at a time when the prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes.

#### ***Since the Notes bear interest at a fixed interest rate, movements in market interest rates can adversely affect the value of the Notes***

The Notes bear interest on their outstanding principal amount at a fixed interest rate. A holder of a security with a fixed interest rate is exposed to the risk that the value of such security could fall as a result of changes in the market interest rate. While the nominal compensation rate of a security with a fixed interest rate is fixed during the life of such security or during a certain period of time, the current interest rate on the capital market (market interest rate) typically changes on a daily basis. If the market interest rate increases, the value of such a security typically falls, until the yield of such security is approximately equal to the market interest rate. If the market interest rate falls, the value of a security with a fixed interest rate typically increases, until the yield of such a security is approximately equal to the market interest rate. Consequently, the Noteholders should be aware that movements of the market interest rate can adversely affect the value of the Notes and can lead to losses for the Noteholders if they sell their Notes.

## Documents Incorporated by Reference

This Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Prospectus and shall be incorporated by reference in, and form part of, this Prospectus:

- the audited consolidated financial statements of the Issuer as of and for the financial year ended 31 March 2019 (which appear on pages 9-68 of the annual report and accounts of the Issuer for the financial year ended 31 March 2019), together with the audit report thereon, available at <http://dl.bourse.lu/dlp/1059a5b2b693f6462e811ad04efbfa0fb9>;
- the audited consolidated financial statements of the Issuer as of and for the financial year ended 31 March 2020 (which appear on pages 10-67 of the annual report and accounts of the Issuer for the financial year ended 31 March 2020), together with the audit report thereon, available at <http://dl.bourse.lu/dlp/107fb37cb8d2ab411c970251f0204ac0d3>;
- the articles of incorporation (*statuts cordonnés*) of the Issuer, available at <https://dl.bourse.lu/dl?v=tp0fGIS2gzFxt10Ai1g82WwyW1a4+GsKQfsHF8fuQhcb79jkkPDwlBrjB8I8REKXyay9Ax41fdUasQD9A+2yube5LGgcXVYHZhyHYUbp83kFm2x4JHY202we4HpZFidgqcxp0wX1m2is11Q+76vZi6UQrapZFBpLXC2j2RCE4mxMV8edwCSpse9Yp9FIpu0kbqPbD6HjyNcoaTMgoSZEgkMJ88CyyDth4NaT0m0JgA=>;
- the audited consolidated and non-consolidated financial statements of the Guarantor as of and for the financial year ended 31 March 2019 (which appear on pages 68-146 of the annual report and accounts of the Guarantor for the financial year ended 31 March 2019), together with the audit report thereon, available at <https://dl.bourse.lu/dlp/10d63b6d65023549b0ba503ab4e7b2ab00> ; and
- the audited annual consolidated and non-consolidated financial statements of the Guarantor for the financial year ended 31 March 2020, together with the audit report thereon, available at <http://dl.bourse.lu/dlp/109c22ba75910c4969b6dfd262d1a27b19>.

Such documents shall be available on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

Such documents shall be deemed to be incorporated by reference in, and form part of this Prospectus, save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus. Any information not included in the page numbers referenced in the tables below, but included in the documents incorporated by reference, is either not relevant to prospective investors or is covered elsewhere in this Prospectus.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

The cross-reference tables below set out the page number references for certain sections of the documents incorporated by reference into this Prospectus.

### Annual report and accounts of the Issuer as of and for the year ended 31 March 2019

Information incorporated by reference into this Prospectus	Page reference in annual report and accounts of the Issuer as of and for the year ended 31 March 2019
--	---

Consolidated balance sheet	Page 10
Consolidated statement of comprehensive income	Page 11
Consolidated statement of changes in equity	Page 12
Consolidated statement of cash flows	Page 13
Notes to the consolidated financial statements	Pages 14-62
Report of the statutory auditor	Page 63

**Articles of incorporation (*statuts cordonnés*) of the Issuer**

<b>Information incorporated by reference into this Prospectus</b>	<b>Page reference in articles of incorporation (<i>statuts cordonnés</i>) of the Issuer</b>
Articles of incorporation ( <i>statuts cordonnés</i> )	Pages 3-10

**Annual report and accounts of the Issuer as of and for the year ended 31 March 2020**

<b>Information incorporated by reference into this Prospectus</b>	<b>Page reference in annual report and accounts of the Issuer as of and for the year ended 31 March 2020</b>
Consolidated balance sheet	Page 11
Consolidated statement of comprehensive income	Page 12
Consolidated statement of changes in equity	Page 13
Consolidated statement of cash flows	Page 14
Notes to the consolidated financial statements	Pages 15-60
Report of the statutory auditor	Pages 61-67

**Annual report and accounts of the Guarantor as of and for the year ended 31 March 2019**

<b>Information incorporated by reference into this Prospectus</b>	<b>Page reference in annual report and accounts of the Guarantor as of and for the year ended 31 March 2019</b>
Consolidated balance sheet	Page 68
Consolidated statement of comprehensive income	Page 69

Consolidated statement of changes in equity	Page 70
Consolidated statement of cash flows	Page 71
Notes to the consolidated financial statements	Pages 72-129
Report of the statutory auditor on the audit of the consolidated financial statements	Pages 130-137
Company income statement	Page 138
Company balance sheet	Page 139
Notes to the Company financial statements	Pages 140-142
Report of the statutory auditor on the audit of the financial statements	Pages 143-146

**Audited consolidated and non-consolidated financial statements of the Guarantor as of and for the year ended 31 March 2020**

<b>Information incorporated by reference into this Prospectus</b>	<b>Page reference in audited consolidated and non-consolidated financial statements of the Guarantor as of and for the year ended 31 March 2020</b>
Consolidated balance sheet	Page 3
Consolidated statement of comprehensive income	Page 4
Consolidated statement of changes in equity	Page 5
Consolidated statement of cash flows	Page 6
Notes to the consolidated financial statements	Pages 7-63
Report of the statutory auditor on the audit of the consolidated financial statements	Pages 64-71
Company income statement	Page 72
Company balance sheet	Page 73
Notes to the Company financial statements	Pages 74-76
Report of the statutory auditor on the audit of the financial statements	Pages 77-80
Five-year record	Pages 81-82



## General Description of the Notes

*This overview is a general description of the Notes and does not purport to be complete. It is taken from, and is qualified in its entirety by, the remainder of this Prospectus. For a more complete description of the Notes, including definitions of capitalised terms used but not defined in this section, please see the relevant Conditions.*

*Capitalised terms used and not defined in this section shall have the meaning given in the Terms and Conditions of the 2028 Notes, the 2032 Notes or the 2040 Notes, as the context admits, and references to a numbered Condition shall be construed accordingly.*

Issuer:	Richemont International Holding S.A.	
Issuer Legal Entity Identifier (LEI):	549300V9893NUQX6X069	
Guarantor:	Compagnie Financière Richemont SA	
Guarantor Legal Entity Identifier (LEI):	549300YIPGJ6UX2QPS51	
Global Coordinator and Joint Bookrunner:	Goldman Sachs International	
Joint Bookrunners:	HSBC Bank plc ING Bank N.V. J.P. Morgan Securities plc	
Notes:	The EUR 500,000,000 0.750 per cent. Guaranteed Notes due 26 May 2028 (the <b>2028 Notes</b> ), the EUR 850,000,000 1.125 per cent. Guaranteed Notes due 26 May 2032 (the <b>2032 Notes</b> ) and the EUR 650,000,000 1.625 per cent. Guaranteed Notes due 26 May 2040 (the <b>2040 Notes</b> and, together with the 2028 Notes and 2032 Notes, the <b>Notes</b> ).	
Issue Price:	2028 Notes:	99.884 per cent.
	2032 Notes:	99.732 per cent.
	2040 Notes:	98.387 per cent.
Form of Notes:	Bearer	
Issue Date:	26 May 2020	
Maturity Dates:	2028 Notes:	26 May 2028
	2032 Notes:	26 May 2032
	2040 Notes:	26 May 2040
Use of Proceeds:	The net proceeds from the issue of the Notes will be used by the Issuer for general corporate purposes.	
Interest on the 2028 Notes:	The 2028 Notes bear interest on their outstanding principal amount from and including the Issue Date at the rate of 0.750 per cent. per annum.	
	Interest shall be payable annually in arrear on 26 May of each year, commencing on 26 May 2021.	



Interest on the 2032 Notes:	<p>The 2032 Notes bear interest on their outstanding principal amount from and including the Issue Date at the rate of 1.125 per cent. per annum.</p> <p>Interest shall be payable annually in arrear on 26 May of each year, commencing on 26 May 2021.</p>
Interest on the 2040 Notes:	<p>The 2040 Notes bear interest on their outstanding principal amount from and including the Issue Date at the rate of 1.625 per cent. per annum.</p> <p>Interest shall be payable annually in arrear on 26 May of each year, commencing on 26 May 2021.</p>
Status/Ranking:	<p>The Notes are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4 (<i>Negative Pledges</i>)) unsecured obligations of the Issuer and rank and will rank <i>pari passu</i>, without any preference among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations and unsubordinated obligations of the Issuer.</p>
Guarantee:	<p>The Notes are unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under the Guarantee are direct, unconditional and (subject to the provisions of Condition 4 (<i>Negative Pledges</i>)) unsecured obligations of the Guarantor and rank <i>pari passu</i> and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Guarantor.</p>
Form and Denomination:	<p>The Notes will be issued in bearer form in the denomination of €100,000 and integral multiples of €1,000 in excess thereof up to and including denominations of €199,000.</p>
Final Redemption:	<p>Unless previously redeemed or purchased and cancelled, the Issuer will redeem the Notes at their principal amount on their respective Maturity Dates.</p>
Early Redemption at the option of the Issuer:	<p>The Issuer may, subject to and in accordance with Condition 7.3 (<i>Redemption at the option of the Issuer</i>), on giving notice to the Noteholders, (i) in the period up to and including the date falling three months prior to the relevant Maturity Date redeem the Notes, in whole or in part, at any time at the Relevant Early Redemption Amount (as defined in Condition 7.3 (<i>Redemption at the option of the Issuer</i>)) together with interest accrued to but excluding the date fixed for redemption; and (ii) in the period from, but excluding, the date falling three months prior to the relevant Maturity Date to but excluding the relevant Maturity Date, redeem all (but not some only) of the Notes at their principal amount together with interest accrued to but excluding the date fixed for redemption.</p>

Early Redemption for taxation reasons:	The Issuer may, subject to and in accordance with Condition 7.2 ( <i>Redemption Taxation Reasons</i> ), on giving notice to the Noteholders, redeem all, but not some only, of the Notes at any time at their principal amount together with interest accrued to but excluding the date of redemption if, on the occasion of the next payment of interest in respect of the Notes, the Issuer has or will become obliged to pay additional amounts (as provided in Condition 8 ( <i>Taxation</i> )) as a result of any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction (as defined in Condition 8 ( <i>Taxation</i> )) or any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after 20 May 2020 or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts.
Purchase:	The Issuer or Guarantor or any of the Guarantor's Subsidiaries (as defined in the Conditions) may at any time purchase Notes in any manner and at any price together with all unmatured Coupons appertaining thereto.
Taxation:	All payments in respect of the Notes by or on behalf of the Issuer or the Guarantor shall be made without withholding or deduction for, or on account of, any present or future taxes or duties ( <b>Taxes</b> ) of whatever nature imposed or levied by or on behalf of any Relevant Jurisdiction (as defined in Condition 8 ( <i>Taxation</i> )), unless the withholding or deduction of the Taxes is required by law. If such a withholding or deduction is required by law, the Issuer or, as the case may be, the Guarantor will be required to gross-up payments to the Noteholders, subject as provided in Condition 8 ( <i>Taxation</i> ).
Rating:	The Guarantor has been assigned a long-term issuer credit rating of A+ (negative) by S&P. The Notes have been rated A+ by S&P. <sup>1</sup>
Governing Law:	The Agency Agreement, the Deed of Covenant, the Guarantee, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with them will be governed by, and construed in accordance with, the laws of England and Wales.

---

<sup>1</sup> **Note on ratings:** The information in this footnote has been extracted from information made available by S&P (as at the date of this Prospectus).

1. An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitments on the obligation is still strong.
2. An obligor rated 'A' has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories.
3. Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.

Listing and Trading:	Application has been made for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market. Such listing and admission to trading are expected to occur as of the Issue Date or as soon as practicable thereafter.	
Clearing Systems:	Euroclear Bank SA/NV ( <b>Euroclear</b> ) and Clearstream Banking S.A. ( <b>Clearstream, Luxembourg</b> ).	
Selling Restrictions:	There are restrictions in relation to the offer and sale of the Notes in certain jurisdictions. See " <i>Subscription and Sale</i> ".	
ISIN:	2028 Notes:	XS2170736180
	2032 Notes:	XS2170736263
	2040 Notes:	XS2178457425
Common Code:	2028 Notes:	217073618
	2032 Notes:	217073626
	2040 Notes:	217845742

## Terms and Conditions of the 2028 Notes

*The following is the text of the Conditions of the 2028 Notes (as defined above in this Prospectus) which (subject to modification) will be endorsed on each Note in definitive form:*

The €500,000,000 0.750 per cent. Guaranteed Notes due 26 May 2028 (the **Notes**), which expression shall in these Conditions, unless the context otherwise requires, include any further notes issued pursuant to Condition 14 (*Further Issues*) and forming a single series with the Notes of Richemont International Holding S.A. (the **Issuer**) are issued subject to and with the benefit of an Agency Agreement dated 26 May 2020 (such agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) made between the Issuer, Compagnie Financière Richemont SA (the **Guarantor**) as guarantor and BNP Paribas Securities Services, Luxembourg Branch, whose specified office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, as fiscal agent and principal paying agent (the **Fiscal Agent**, and together with any further paying agents appointed from time to time in respect of the Notes, the **Paying Agents**). The holders of the Notes (the **Noteholders**) and the holders of the interest coupons appertaining to the Notes (the **Couponholders** and the **Coupons** respectively) are entitled to the benefit of a Deed of Covenant (the **Deed of Covenant**) dated 26 May 2020 and made by the Issuer. The original of the Deed of Covenant is held by the Common Safekeeper for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Agency Agreement. Copies of the Agency Agreement and the Deed of Covenant are available for inspection during normal business hours by the Noteholders and Couponholders at the specified office of each of the Paying Agents. The Noteholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. References in these Conditions to the Fiscal Agent and the Paying Agents shall include any successor appointed under the Agency Agreement.

### 1. FORM, DENOMINATION AND TITLE

#### 1.1 Form and Denomination

The Notes are in bearer form, serially numbered, in the denomination of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000 each with Coupons attached on issue.

#### 1.2 Title

Title to the Notes and to the Coupons will pass by delivery.

#### 1.3 Holder Absolute Owner

The Issuer, the Guarantor and any Paying Agent will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner for all purposes (whether or not the Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Note or Coupon or any notice of previous loss or theft of the Note or Coupon) and shall not be required to obtain any proof thereof or as to the identity of such bearer.

### 2. STATUS OF THE NOTES

The Notes and the Coupons are direct, unconditional and (subject to the provisions of Condition 4 (*Negative Pledges*)) unsecured obligations of the Issuer and (subject as provided above) rank and will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and

unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

### 3. **GUARANTEE**

#### 3.1 **Guarantee**

The payment of the principal and interest in respect of the Notes has been unconditionally and irrevocably guaranteed by the Guarantor under a guarantee (the **Guarantee**) dated 26 May 2020 and executed by the Guarantor.

#### 3.2 **Status of the Guarantee**

The obligations of the Guarantor under the Guarantee constitute direct, unconditional and (subject to the provisions of Condition 4 (*Negative Pledges*)) unsecured obligations of the Guarantor and (subject as provided above) rank and will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights. The original of the Guarantee is held by the Fiscal Agent on behalf of, and copies are available during normal business hours for inspection by, the Noteholders and Couponholders at its specified office.

### 4. **NEGATIVE PLEDGES**

#### 4.1 **Negative Pledges**

So long as any of the Notes remains outstanding:

- (a) the Issuer will not create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a **Security Interest**) upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness (as defined below), unless the Issuer, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:
  - (i) all amounts payable by it under the Notes and the Coupons are secured by the Security Interest equally and rateably with the Relevant Indebtedness; or
  - (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided as is approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders; and
- (b) the Guarantor will not create or have outstanding any Security Interest upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness unless the Guarantor, in the case of the creation of the Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:
  - (i) all amounts payable by it under the Guarantee are secured by the Security Interest equally and rateably with the Relevant Indebtedness; or

- (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided as is approved by an Extraordinary Resolution of the Noteholders.

## 4.2 Interpretation

For the purposes of these Conditions:

**Relevant Indebtedness** means: (i) any present or future indebtedness for borrowed money (whether being principal, premium, interest or other amounts) in the form of, or represented by, bonds, debentures, debenture stock, loan stock or other securities which are for the time being or are capable of being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market and (ii) any guarantee or indemnity in respect of any such indebtedness.

## 4.3 Limitation on Use of Proceeds

The net proceeds from each issue of Notes may be applied by the Issuer in Switzerland provided that use is permitted under the Swiss taxation laws in force from time to time without payments in respect of the Notes becoming subject to withholding or deduction for Swiss withholding tax as a consequence of such use of proceeds in Switzerland.

## 5. INTEREST

### 5.1 Interest Rate and Interest Payment Dates

The Notes bear interest on their outstanding principal amount from and including 26 May 2020 at the rate of 0.750 per cent. per annum (the **Rate of Interest**), payable annually in arrear on 26 May of each year (each an **Interest Payment Date**). The first payment (representing a full year's interest) (for the period from and including 26 May 2020 to but excluding 26 May 2021 and amounting to €7.50 per €1,000 principal amount of Notes) shall be made on 26 May 2021.

### 5.2 Interest Accrual

Each Note will cease to bear interest from and including its due date for redemption unless, upon due presentation, payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 12 (*Notices*).

### 5.3 Calculation of Broken Interest

When interest is required to be calculated in respect of a period of less than a full year, it shall be calculated by applying the Rate of Interest to each €1,000 principal amount of Notes (the **Calculation Amount**) and on the basis of (a) the actual number of days in the period from and including the date from which interest begins to accrue (the **Accrual Date**) to but excluding the date on which it falls due divided by (b) the actual number of days from and including the Accrual Date to but excluding the next following Interest Payment Date. The resultant figure shall be rounded to the nearest cent, half a cent being rounded

upwards. The interest payable in respect of a Note shall be the product of such rounded figure and the amount by which the Calculation Amount is multiplied to reach the denomination of the relevant Note, without any further rounding.

## **6. PAYMENTS**

### **6.1 Payments in respect of Notes**

Payments of principal and interest in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the Note, except that payments of interest due on an Interest Payment Date will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the relevant Coupon, in each case at the specified office outside the United States of any of the Paying Agents.

### **6.2 Method of Payment**

Payments will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by euro cheque.

### **6.3 Missing Unmatured Coupons**

Each Note should be presented for payment together with all relative unmatured Coupons, failing which the full amount of any relative missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the full amount of the missing unmatured Coupon which the amount so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8 (*Taxation*)) in respect of the relevant Note (whether or not the Coupon would otherwise have become void pursuant to Condition 9 (*Prescription*)) or, if later, five years after the date on which the Coupon would have become due, but not thereafter.

### **6.4 Payments subject to applicable laws**

Payments in respect of principal and interest on the Notes are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*).

### **6.5 Payment only on a Presentation Date**

A holder shall be entitled to present a Note or Coupon for payment only on a Presentation Date and shall not, except as provided in Condition 5 (*Interest*), be entitled to any further interest or other payment if a Presentation Date is after the due date.

**Presentation Date** means a day which (subject to Condition 9 (*Prescription*)):

- (a) is or falls after the relevant due date;
- (b) is a Business Day in the place of the specified office of the Paying Agent at which the Note or Coupon is presented for payment; and
- (c) in the case of payment by credit or transfer to a euro account as referred to above, is a TARGET2 Settlement Day.

In this Condition, **Business Day** means, in relation to any place, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in that place and **TARGET2 Settlement Day** means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open.

## 6.6 Initial Paying Agents

The names of the initial Paying Agents and their initial specified offices are set out in the preamble to these Conditions. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that:

- (a) there will at all times be a Fiscal Agent;
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be at least one Paying Agent (which may be the Fiscal Agent) having a specified office in the place required by the rules and regulations of the relevant Stock Exchange or any other relevant authority; and
- (c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Guarantor is incorporated.

Notice of any variation, termination, appointment and/or of any changes in specified offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 12 (*Notices*).

## 7. REDEMPTION AND PURCHASE

### 7.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Notes at their principal amount on 26 May 2028 (the **Maturity Date**).

### 7.2 Redemption for Taxation Reasons

If:

- (a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 8 (*Taxation*)), or any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after 20 May 2020, on the next Interest Payment Date either (i) the Issuer would be required to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) or (ii) the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts; and
- (b) the requirement cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

the Issuer may at its option, having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 12 (*Notices*) (which notice shall be irrevocable), redeem all the Notes, but not some only, at any time at their principal amount together with interest accrued to but excluding the date of redemption, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be



obliged to pay such additional amounts, were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent to make available at its specified offices to the Noteholders (i) a certificate signed by two Directors of the Issuer or, as the case may be, two Directors of the Guarantor stating the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay such additional amounts as a result of the change or amendment.

### 7.3 Redemption at the Option of the Issuer

The Issuer may, having given:

- (a) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 12 (*Notices*); and
- (b) notice to the Fiscal Agent not less than 15 days before the giving of the notice referred to in (a);

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem the Notes, in whole or in part, at any time at the Relevant Early Redemption Amount.

In this Condition, **Relevant Early Redemption Amount** means:

- (i) in relation to any date fixed for redemption which falls in the period up to and including the date falling three months prior to the Maturity Date, such amount as is equal to the greater of the amounts in subparagraphs (A) and (B) below together with interest accrued to but excluding the date fixed for redemption:
  - (A) the principal amount outstanding of the Notes; and
  - (B) an amount (as reported in writing to the Issuer and the Fiscal Agent by the Determination Agent) which is equal to the sum of the present values of the principal amount outstanding of the Notes at the date fixed for redemption and the Remaining Term Interest (exclusive of interest accrued to the date fixed for redemption) discounted to the date fixed for redemption on an annual basis at the Reference Bond Rate plus 0.200 per cent.

In this Condition:

**Calculation Date** means the date which is the second TARGET2 Settlement Day prior to the date fixed for redemption;

**Determination Agent** means an investment bank or financial institution of international standing selected by the Issuer and notified to the Fiscal Agent and the Noteholders;

**Reference Bond** means the Federal Government Bund of Bundesrepublik Deutschland due 02/2028 (ISIN: DE0001102440) (or, where the Determination Agent advises the Issuer and the Fiscal Agent that, for reasons of illiquidity or otherwise, such government bond is not appropriate for such purpose, such other government bond as the Determination Agent may recommend);

**Reference Bond Price** means, with respect to any date fixed for redemption, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such date

fixed for redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (B) if the Determination Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

**Reference Bond Rate** means, with respect to any date fixed for redemption, the rate per annum equal to the annual yield to maturity or interpolated yield to maturity on an Actual/Actual (ICMA) basis of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date fixed for redemption;

**Reference Government Bond Dealer** means each of the five banks selected by the Issuer after consultation with the Determination Agent, or their affiliates, which are (A) primary government securities dealers, or (B) market makers experienced in pricing corporate bond issues;

**Reference Government Bond Dealer Quotations** means, with respect to each Reference Government Bond Dealer and any Calculation Date, the arithmetic average, as determined by the Determination Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at 3:30 pm (Frankfurt time) on the Calculation Date quoted in writing to the Determination Agent by such Reference Government Bond Dealer; and

**Remaining Term Interest** means the aggregate amount of scheduled payment(s) of interest on the Notes for the remaining term of the Notes determined on the basis of the Rate of Interest from and including the date fixed for redemption, and

- (ii) in relation to any date fixed for redemption which falls in the period from, but excluding, the date falling three months prior to the Maturity Date to but excluding the Maturity Date, such amount as is equal to the principal amount outstanding of the Notes together with interest accrued to but excluding the date fixed for redemption.

#### **7.4 Clean-Up Redemption**

If 75 per cent. or more in principal amount of the Notes then outstanding have been redeemed or purchased pursuant to Condition 7 (*Redemption and Purchase*), the Issuer may, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable and specify the date fixed for redemption), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at their principal amount plus interest accrued to but excluding the date of such redemption.

#### **7.5 Purchases**

The Issuer, the Guarantor or any of the Guarantor's other Subsidiaries (as defined in the Agency Agreement) may at any time purchase Notes (provided that all unmatured Coupons appertaining to the Notes are purchased with the Notes) in any manner and at any price.

#### **7.6 Cancellations**

All Notes which are (a) redeemed or (b) purchased by or on behalf of the Issuer, the Guarantor or any of the Guarantor's other Subsidiaries (as defined in the Agency Agreement) will forthwith be cancelled, together with all relative unmatured Coupons attached to the Notes or surrendered with the Notes, and accordingly may not be reissued or resold.

## 7.7 Notices Final

Upon the expiry of any notice as is referred to in Condition 7.2 (*Redemption for Taxation Reasons*) or Condition 7.3 (*Redemption at the Option of the Issuer*) above the Issuer shall be bound to redeem the Notes to which the notice refers in accordance with the terms of such paragraph.

## 8. TAXATION

### 8.1 Payment without Withholding

All payments in respect of the Notes by or on behalf of the Issuer or the Guarantor shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**Taxes**) imposed or levied by or on behalf of any of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders and Couponholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes or, as the case may be, Coupons in the absence of the withholding or deduction; except that no additional amounts shall be payable in relation to any payment in respect of any Note or Coupon:

- (a) the holder of which is liable for Taxes in respect of such Note or Coupon by reason of having some connection with the Relevant Jurisdiction other than a mere holding of the Note or Coupon; or
- (b) presented for payment in Switzerland; or
- (c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming that day to have been a Presentation Date (as defined in Condition 6 (*Payments*)).

### 8.2 Interpretation

In these Conditions:

- (a) **Relevant Date** means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Fiscal Agent on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 12 (*Notices*); and
- (b) **Relevant Jurisdiction** means Luxembourg or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Issuer) or Switzerland or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Guarantor) or in either case any other jurisdiction or any political subdivision or any authority thereof or therein having the power to tax to which payments made by the Issuer or the Guarantor, as the case may be, of principal and interest on the Notes and Coupons or payments made under the Guarantee become generally subject to tax.

### 8.3 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition.

## 9. PRESCRIPTION

Notes and Coupons will become void unless presented for payment within periods of 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date in respect of the Notes or, as the case may be, the Coupons, subject to the provisions of Condition 6 (*Payments*).

## 10. EVENTS OF DEFAULT

### 10.1 Events of Default

The holder of any Note may give notice to the Issuer that the Note is, and it shall accordingly forthwith become, immediately due and repayable at its principal amount, together with interest accrued to the date of repayment, if any of the following events (**Events of Default**) shall have occurred and be continuing:

- (a) if default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of seven days in the case of principal or 14 days in the case of interest; or
- (b) if the Issuer or the Guarantor fails to perform or observe any of its other obligations under these Conditions or the Guarantee and the failure continues for the period of 30 days following the service by any Noteholder on the Issuer or the Guarantor (as the case may be) of notice requiring the same to be remedied; or
- (c) if (i) any Indebtedness for Borrowed Money (as defined below) of the Issuer or the Guarantor becomes due and repayable prematurely by reason of an event of default (however described); (ii) the Issuer, or the Guarantor fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment (or as the case may be, within any originally applicable grace period thereunder); (iii) any security given by the Issuer or the Guarantor for any Indebtedness for Borrowed Money becomes enforceable and steps are taken to enforce such security; or (iv) default is made by the Issuer or the Guarantor in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person; provided that no event described in this subparagraph Condition 10.1(c) (*Events of Default*), shall constitute an Event of Default unless the relevant amount of Indebtedness for Borrowed Money or other relative liability due and unpaid, either alone or when aggregated (without duplication) with other amounts of Indebtedness for Borrowed Money and/or other liabilities due and unpaid relative to all (if any) other events specified in (i) to (iv) above, amounts to at least €50,000,000 (or its equivalent in any other currency); or
- (d) if any order is made by any competent court or resolution is passed for the winding up or dissolution of the Issuer or the Guarantor save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution of the Noteholders; or
- (e) if the Issuer, or the Guarantor ceases or threatens to cease to carry on the whole or substantially the whole of its business, save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution of the Noteholders, or the Issuer, or the Guarantor stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (f) if (i) proceedings are initiated against the Issuer or the Guarantor under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other

receiver, manager, administrator, liquidator or other similar official, or an administrative or other receiver, manager, administrator, liquidator or other similar official is appointed, in relation to the Issuer or the Guarantor or, as the case may be, in relation to the whole or substantially the whole of the undertaking or assets of any of them or an encumbrancer takes possession of the whole or substantially the whole of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them, and (ii) in any such case (other than the appointment of an administrator) is not discharged within 14 days; or

- (g) if the Issuer or the Guarantor initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- (h) if the Guarantee ceases to be, or is claimed by the Issuer or the Guarantor not to be, in full force and effect; or
- (i) if the Issuer ceases to be a subsidiary wholly owned and controlled, directly or indirectly, by the Guarantor.

## 10.2 Interpretation

For the purposes of this Condition:

- (a) **Indebtedness for Borrowed Money** means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any borrowed money or any liability under or in respect of any acceptance or acceptance credit or any notes, bonds, debentures, debenture stock, loan stock or other securities.

## 11. REPLACEMENT OF NOTES AND COUPONS

Should any Note or Coupon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Fiscal Agent upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

## 12. NOTICES

### 12.1 Notices to the Noteholders

All notices to the Noteholders will be valid if published in a leading English language daily newspaper published in London and, so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, published in one daily newspaper in Luxembourg or the Luxembourg Stock Exchange's website, [www.bourse.lu](http://www.bourse.lu). It is expected that publication in a newspaper will normally be made in the *Financial Times* and the *Luxemburger Wort* or the *Tageblatt*. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

## **12.2 Notices from the Noteholders**

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Fiscal Agent or, if the Notes are held in a clearing system, may be given through the clearing system in accordance with its standard rules and procedures.

## **13. MEETINGS OF NOTEHOLDERS AND MODIFICATION**

### **13.1 Meetings of Noteholders**

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of any of these Conditions or the Guarantee or any of the provisions of the Agency Agreement. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing more than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons present whatever the principal amount of the Notes held or represented by him or them, except that at any meeting the business of which includes any matter defined in the Agency Agreement as a Basic Terms Modification, including the modification of the Guarantee or certain of these Conditions (including the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes), the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, of the principal amount of the Notes for the time being outstanding. The Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Agency Agreement by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in principal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Fiscal Agent) by or on behalf of the holders of not less than three-fourths in principal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all Noteholders, whether or not they are present at any meeting and whether or not they voted on the resolution, and on all Couponholders.

### **13.2 Modification**

The Fiscal Agent, the Issuer and the Guarantor may agree, without the consent of the Noteholders or Couponholders, to:

- (a) any modification of, the Notes, the Coupons or any of the provisions of the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law, or
- (b) any modification (except a Basic Terms Modification (being a matter in respect of which an increased quorum is required as mentioned above)) of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders.

Any modification shall be binding on the Noteholders and the Couponholders and, unless the Fiscal Agent agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 12 (*Notices*).

## **14. FURTHER ISSUES**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes, having terms and conditions the same as those of the Notes, or the same except for the amount and date of the first payment of interest, which may be consolidated and form a single series with the outstanding Notes.

## **15. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### **15.1 Governing Law**

The Agency Agreement, the Guarantee, the Deed of Covenant, the Notes, the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Guarantee, the Deed of Covenant or the Notes and the Coupons are governed by, and construed in accordance with English law. The provisions of Articles 470-3 to 470-19 of the Luxembourg law of 10 August 1915 on commercial companies, as amended, are excluded.

### **15.2 Submission to Jurisdiction**

- (a) Subject to Condition 15.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons (a **Dispute**) and each of the Issuer and any Noteholders and Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.
- (b) For the purposes of this Condition, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) To the extent allowed by law, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

### **15.3 Appointment of Process Agent**

The Issuer irrevocably appoints Richemont International Limited at 15 Hill Street, London W1J 5QT, United Kingdom as its agent for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of Richemont International Limited being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing in this Condition shall affect the right to serve process in any other manner permitted by law.

### **15.4 Other Documents and the Guarantor**

Each of the Issuer and, where applicable, the Guarantor has in the Agency Agreement, the Deed of Covenant and the Guarantee submitted to the jurisdiction of the English courts and appointed an agent in England for service of process, in terms substantially similar to those set out above.

## **16. RIGHTS OF THIRD PARTIES**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.



## Terms and Conditions of the 2032 Notes

*The following is the text of the Conditions of the 2032 Notes (as defined above in this Prospectus) which (subject to modification) will be endorsed on each Note in definitive form:*

The €850,000,000 1.125 per cent. Guaranteed Notes due 26 May 2032 (the **Notes**), which expression shall in these Conditions, unless the context otherwise requires, include any further notes issued pursuant to Condition 14 (*Further Issues*) and forming a single series with the Notes of Richemont International Holding S.A. (the **Issuer**) are issued subject to and with the benefit of an Agency Agreement dated 26 May 2020 (such agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) made between the Issuer, Compagnie Financière Richemont SA (the **Guarantor**) as guarantor and BNP Paribas Securities Services, Luxembourg Branch, whose specified office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, as fiscal agent and principal paying agent (the **Fiscal Agent**, and together with any further paying agents appointed from time to time in respect of the Notes, the **Paying Agents**). The holders of the Notes (the **Noteholders**) and the holders of the interest coupons appertaining to the Notes (the **Couponholders** and the **Coupons** respectively) are entitled to the benefit of a Deed of Covenant (the **Deed of Covenant**) dated 26 May 2020 and made by the Issuer. The original of the Deed of Covenant is held by the Common Safekeeper for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Agency Agreement. Copies of the Agency Agreement and the Deed of Covenant are available for inspection during normal business hours by the Noteholders and Couponholders at the specified office of each of the Paying Agents. The Noteholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. References in these Conditions to the Fiscal Agent and the Paying Agents shall include any successor appointed under the Agency Agreement.

### 1. FORM, DENOMINATION AND TITLE

#### 1.1 Form and Denomination

The Notes are in bearer form, serially numbered, in the denomination of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000 each with Coupons attached on issue.

#### 1.2 Title

Title to the Notes and to the Coupons will pass by delivery.

#### 1.3 Holder Absolute Owner

The Issuer, the Guarantor and any Paying Agent will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner for all purposes (whether or not the Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Note or Coupon or any notice of previous loss or theft of the Note or Coupon) and shall not be required to obtain any proof thereof or as to the identity of such bearer.

### 2. STATUS OF THE NOTES

The Notes and the Coupons are direct, unconditional and (subject to the provisions of Condition 4 (*Negative Pledges*)) unsecured obligations of the Issuer and (subject as provided above) rank and will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and

unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

### 3. **GUARANTEE**

#### 3.1 **Guarantee**

The payment of the principal and interest in respect of the Notes has been unconditionally and irrevocably guaranteed by the Guarantor under a guarantee (the **Guarantee**) dated 26 May 2020 and executed by the Guarantor.

#### 3.2 **Status of the Guarantee**

The obligations of the Guarantor under the Guarantee constitute direct, unconditional and (subject to the provisions of Condition 4 (*Negative Pledges*)) unsecured obligations of the Guarantor and (subject as provided above) rank and will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights. The original of the Guarantee is held by the Fiscal Agent on behalf of, and copies are available during normal business hours for inspection by, the Noteholders and Couponholders at its specified office.

### 4. **NEGATIVE PLEDGES**

#### 4.1 **Negative Pledges**

So long as any of the Notes remains outstanding:

- (a) the Issuer will not create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a **Security Interest**) upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness (as defined below), unless the Issuer, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:
  - (i) all amounts payable by it under the Notes and the Coupons are secured by the Security Interest equally and rateably with the Relevant Indebtedness; or
  - (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided as is approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders; and
- (b) the Guarantor will not create or have outstanding any Security Interest upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness unless the Guarantor, in the case of the creation of the Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:
  - (i) all amounts payable by it under the Guarantee are secured by the Security Interest equally and rateably with the Relevant Indebtedness; or

- (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided as is approved by an Extraordinary Resolution of the Noteholders.

## 4.2 Interpretation

For the purposes of these Conditions:

**Relevant Indebtedness** means: (i) any present or future indebtedness for borrowed money (whether being principal, premium, interest or other amounts) in the form of, or represented by, bonds, debentures, debenture stock, loan stock or other securities which are for the time being or are capable of being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market and (ii) any guarantee or indemnity in respect of any such indebtedness.

## 4.3 Limitation on Use of Proceeds

The net proceeds from each issue of Notes may be applied by the Issuer in Switzerland provided that use is permitted under the Swiss taxation laws in force from time to time without payments in respect of the Notes becoming subject to withholding or deduction for Swiss withholding tax as a consequence of such use of proceeds in Switzerland.

## 5. INTEREST

### 5.1 Interest Rate and Interest Payment Dates

The Notes bear interest on their outstanding principal amount from and including 26 May 2020 at the rate of 1.125 per cent. per annum (the **Rate of Interest**), payable annually in arrear on 26 May of each year (each an **Interest Payment Date**). The first payment (representing a full year's interest) (for the period from and including 26 May 2020 to but excluding 26 May 2021 and amounting to €11.25 per €1,000 principal amount of Notes) shall be made on 26 May 2021.

### 5.2 Interest Accrual

Each Note will cease to bear interest from and including its due date for redemption unless, upon due presentation, payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 12 (*Notices*).

### 5.3 Calculation of Broken Interest

When interest is required to be calculated in respect of a period of less than a full year, it shall be calculated by applying the Rate of Interest to each €1,000 principal amount of Notes (the **Calculation Amount**) and on the basis of (a) the actual number of days in the period from and including the date from which interest begins to accrue (the **Accrual Date**) to but excluding the date on which it falls due divided by (b) the actual number of days from and including the Accrual Date to but excluding the next following Interest Payment Date. The resultant figure shall be rounded to the nearest cent, half a cent being rounded

upwards. The interest payable in respect of a Note shall be the product of such rounded figure and the amount by which the Calculation Amount is multiplied to reach the denomination of the relevant Note, without any further rounding.

## **6. PAYMENTS**

### **6.1 Payments in respect of Notes**

Payments of principal and interest in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the Note, except that payments of interest due on an Interest Payment Date will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the relevant Coupon, in each case at the specified office outside the United States of any of the Paying Agents.

### **6.2 Method of Payment**

Payments will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by euro cheque.

### **6.3 Missing Unmatured Coupons**

Each Note should be presented for payment together with all relative unmatured Coupons, failing which the full amount of any relative missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the full amount of the missing unmatured Coupon which the amount so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8 (*Taxation*)) in respect of the relevant Note (whether or not the Coupon would otherwise have become void pursuant to Condition 9 (*Prescription*)) or, if later, five years after the date on which the Coupon would have become due, but not thereafter.

### **6.4 Payments subject to applicable laws**

Payments in respect of principal and interest on the Notes are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*).

### **6.5 Payment only on a Presentation Date**

A holder shall be entitled to present a Note or Coupon for payment only on a Presentation Date and shall not, except as provided in Condition 5 (*Interest*), be entitled to any further interest or other payment if a Presentation Date is after the due date.

**Presentation Date** means a day which (subject to Condition 9 (*Prescription*)):

- (a) is or falls after the relevant due date;
- (b) is a Business Day in the place of the specified office of the Paying Agent at which the Note or Coupon is presented for payment; and
- (c) in the case of payment by credit or transfer to a euro account as referred to above, is a TARGET2 Settlement Day.

In this Condition, **Business Day** means, in relation to any place, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in that place and **TARGET2 Settlement Day** means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open.

## 6.6 Initial Paying Agents

The names of the initial Paying Agents and their initial specified offices are set out in the preamble to these Conditions. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that:

- (a) there will at all times be a Fiscal Agent;
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be at least one Paying Agent (which may be the Fiscal Agent) having a specified office in the place required by the rules and regulations of the relevant Stock Exchange or any other relevant authority; and
- (c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Guarantor is incorporated.

Notice of any variation, termination, appointment and/or of any changes in specified offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 12 (*Notices*).

## 7. REDEMPTION AND PURCHASE

### 7.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Notes at their principal amount on 26 May 2032 (the **Maturity Date**).

### 7.2 Redemption for Taxation Reasons

If:

- (a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 8 (*Taxation*)), or any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after 20 May 2020, on the next Interest Payment Date either (i) the Issuer would be required to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) or (ii) the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts; and
- (b) the requirement cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

the Issuer may at its option, having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 12 (*Notices*) (which notice shall be irrevocable), redeem all the Notes, but not some only, at any time at their principal amount together with interest accrued to but excluding the date of redemption, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be

obliged to pay such additional amounts, were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent to make available at its specified offices to the Noteholders (i) a certificate signed by two Directors of the Issuer or, as the case may be, two Directors of the Guarantor stating the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay such additional amounts as a result of the change or amendment.

### 7.3 Redemption at the Option of the Issuer

The Issuer may, having given:

- (a) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 12 (*Notices*); and
- (b) notice to the Fiscal Agent not less than 15 days before the giving of the notice referred to in (a);

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem the Notes, in whole or in part, at any time at the Relevant Early Redemption Amount.

In this Condition, **Relevant Early Redemption Amount** means:

- (i) in relation to any date fixed for redemption which falls in the period up to and including the date falling three months prior to the Maturity Date, such amount as is equal to the greater of the amounts in subparagraphs (A) and (B) below together with interest accrued to but excluding the date fixed for redemption:
  - (A) the principal amount outstanding of the Notes; and
  - (B) an amount (as reported in writing to the Issuer and the Fiscal Agent by the Determination Agent) which is equal to the sum of the present values of the principal amount outstanding of the Notes at the date fixed for redemption and the Remaining Term Interest (exclusive of interest accrued to the date fixed for redemption) discounted to the date fixed for redemption on an annual basis at the Reference Bond Rate plus 0.250 per cent.

In this Condition:

**Calculation Date** means the date which is the second TARGET2 Settlement Day prior to the date fixed for redemption;

**Determination Agent** means an investment bank or financial institution of international standing selected by the Issuer and notified to the Fiscal Agent and the Noteholders;

**Reference Bond** means the Federal Government Bund of Bundesrepublik Deutschland due 02/2030 (ISIN: DE0001102499) (or, where the Determination Agent advises the Issuer and the Fiscal Agent that, for reasons of illiquidity or otherwise, such government bond is not appropriate for such purpose, such other government bond as the Determination Agent may recommend);

**Reference Bond Price** means, with respect to any date fixed for redemption, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such date

fixed for redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (B) if the Determination Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

**Reference Bond Rate** means, with respect to any date fixed for redemption, the rate per annum equal to the annual yield to maturity or interpolated yield to maturity on an Actual/Actual (ICMA) basis of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date fixed for redemption;

**Reference Government Bond Dealer** means each of the five banks selected by the Issuer after consultation with the Determination Agent, or their affiliates, which are (A) primary government securities dealers, or (B) market makers experienced in pricing corporate bond issues;

**Reference Government Bond Dealer Quotations** means, with respect to each Reference Government Bond Dealer and any Calculation Date, the arithmetic average, as determined by the Determination Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at 3:30 pm (Frankfurt time) on the Calculation Date quoted in writing to the Determination Agent by such Reference Government Bond Dealer; and

**Remaining Term Interest** means the aggregate amount of scheduled payment(s) of interest on the Notes for the remaining term of the Notes determined on the basis of the Rate of Interest from and including the date fixed for redemption, and

- (ii) in relation to any date fixed for redemption which falls in the period from, but excluding, the date falling three months prior to the Maturity Date to but excluding the Maturity Date, such amount as is equal to the principal amount outstanding of the Notes together with interest accrued to but excluding the date fixed for redemption.

#### **7.4 Clean-Up Redemption**

If 75 per cent. or more in principal amount of the Notes then outstanding have been redeemed or purchased pursuant to Condition 7 (*Redemption and Purchase*), the Issuer may, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable and specify the date fixed for redemption), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at their principal amount plus interest accrued to but excluding the date of such redemption.

#### **7.5 Purchases**

The Issuer, the Guarantor or any of the Guarantor's other Subsidiaries (as defined in the Agency Agreement) may at any time purchase Notes (provided that all unmatured Coupons appertaining to the Notes are purchased with the Notes) in any manner and at any price.

#### **7.6 Cancellations**

All Notes which are (a) redeemed or (b) purchased by or on behalf of the Issuer, the Guarantor or any of the Guarantor's other Subsidiaries (as defined in the Agency Agreement) will forthwith be cancelled, together with all relative unmatured Coupons attached to the Notes or surrendered with the Notes, and accordingly may not be reissued or resold.

## 7.7 Notices Final

Upon the expiry of any notice as is referred to in Condition 7.2 (*Redemption for Taxation Reasons*) or Condition 7.3 (*Redemption at the Option of the Issuer*) above the Issuer shall be bound to redeem the Notes to which the notice refers in accordance with the terms of such paragraph.

## 8. TAXATION

### 8.1 Payment without Withholding

All payments in respect of the Notes by or on behalf of the Issuer or the Guarantor shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**Taxes**) imposed or levied by or on behalf of any of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders and Couponholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes or, as the case may be, Coupons in the absence of the withholding or deduction; except that no additional amounts shall be payable in relation to any payment in respect of any Note or Coupon:

- (a) the holder of which is liable for Taxes in respect of such Note or Coupon by reason of having some connection with the Relevant Jurisdiction other than a mere holding of the Note or Coupon; or
- (b) presented for payment in Switzerland; or
- (c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming that day to have been a Presentation Date (as defined in Condition 6 (*Payments*)).

### 8.2 Interpretation

In these Conditions:

- (a) **Relevant Date** means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Fiscal Agent on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 12 (*Notices*); and
- (b) **Relevant Jurisdiction** means Luxembourg or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Issuer) or Switzerland or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Guarantor) or in either case any other jurisdiction or any political subdivision or any authority thereof or therein having the power to tax to which payments made by the Issuer or the Guarantor, as the case may be, of principal and interest on the Notes and Coupons or payments made under the Guarantee become generally subject to tax.

### 8.3 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition.



## 9. PRESCRIPTION

Notes and Coupons will become void unless presented for payment within periods of 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date in respect of the Notes or, as the case may be, the Coupons, subject to the provisions of Condition 6 (*Payments*).

## 10. EVENTS OF DEFAULT

### 10.1 Events of Default

The holder of any Note may give notice to the Issuer that the Note is, and it shall accordingly forthwith become, immediately due and repayable at its principal amount, together with interest accrued to the date of repayment, if any of the following events (**Events of Default**) shall have occurred and be continuing:

- (a) if default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of seven days in the case of principal or 14 days in the case of interest; or
- (b) if the Issuer or the Guarantor fails to perform or observe any of its other obligations under these Conditions or the Guarantee and the failure continues for the period of 30 days following the service by any Noteholder on the Issuer or the Guarantor (as the case may be) of notice requiring the same to be remedied; or
- (c) if (i) any Indebtedness for Borrowed Money (as defined below) of the Issuer or the Guarantor becomes due and repayable prematurely by reason of an event of default (however described); (ii) the Issuer, or the Guarantor fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment (or as the case may be, within any originally applicable grace period thereunder); (iii) any security given by the Issuer or the Guarantor for any Indebtedness for Borrowed Money becomes enforceable and steps are taken to enforce such security; or (iv) default is made by the Issuer or the Guarantor in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person; provided that no event described in this subparagraph Condition 10.1(c) (*Events of Default*), shall constitute an Event of Default unless the relevant amount of Indebtedness for Borrowed Money or other relative liability due and unpaid, either alone or when aggregated (without duplication) with other amounts of Indebtedness for Borrowed Money and/or other liabilities due and unpaid relative to all (if any) other events specified in (i) to (iv) above, amounts to at least €50,000,000 (or its equivalent in any other currency); or
- (d) if any order is made by any competent court or resolution is passed for the winding up or dissolution of the Issuer or the Guarantor save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution of the Noteholders; or
- (e) if the Issuer, or the Guarantor ceases or threatens to cease to carry on the whole or substantially the whole of its business, save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution of the Noteholders, or the Issuer, or the Guarantor stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (f) if (i) proceedings are initiated against the Issuer or the Guarantor under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other

receiver, manager, administrator, liquidator or other similar official, or an administrative or other receiver, manager, administrator, liquidator or other similar official is appointed, in relation to the Issuer or the Guarantor or, as the case may be, in relation to the whole or substantially the whole of the undertaking or assets of any of them or an encumbrancer takes possession of the whole or substantially the whole of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them, and (ii) in any such case (other than the appointment of an administrator) is not discharged within 14 days; or

- (g) if the Issuer or the Guarantor initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- (h) if the Guarantee ceases to be, or is claimed by the Issuer or the Guarantor not to be, in full force and effect; or
- (i) if the Issuer ceases to be a subsidiary wholly owned and controlled, directly or indirectly, by the Guarantor.

## 10.2 Interpretation

For the purposes of this Condition:

- (a) **Indebtedness for Borrowed Money** means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any borrowed money or any liability under or in respect of any acceptance or acceptance credit or any notes, bonds, debentures, debenture stock, loan stock or other securities.

## 11. REPLACEMENT OF NOTES AND COUPONS

Should any Note or Coupon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Fiscal Agent upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

## 12. NOTICES

### 12.1 Notices to the Noteholders

All notices to the Noteholders will be valid if published in a leading English language daily newspaper published in London and, so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, published in one daily newspaper in Luxembourg or the Luxembourg Stock Exchange's website, [www.bourse.lu](http://www.bourse.lu). It is expected that publication in a newspaper will normally be made in the *Financial Times* and the *Luxemburger Wort* or the *Tageblatt*. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

## **12.2 Notices from the Noteholders**

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Fiscal Agent or, if the Notes are held in a clearing system, may be given through the clearing system in accordance with its standard rules and procedures.

## **13. MEETINGS OF NOTEHOLDERS AND MODIFICATION**

### **13.1 Meetings of Noteholders**

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of any of these Conditions or the Guarantee or any of the provisions of the Agency Agreement. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing more than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons present whatever the principal amount of the Notes held or represented by him or them, except that at any meeting the business of which includes any matter defined in the Agency Agreement as a Basic Terms Modification, including the modification of the Guarantee or certain of these Conditions (including the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes), the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, of the principal amount of the Notes for the time being outstanding. The Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Agency Agreement by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in principal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Fiscal Agent) by or on behalf of the holders of not less than three-fourths in principal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all Noteholders, whether or not they are present at any meeting and whether or not they voted on the resolution, and on all Couponholders.

### **13.2 Modification**

The Fiscal Agent, the Issuer and the Guarantor may agree, without the consent of the Noteholders or Couponholders, to:

- (a) any modification of, the Notes, the Coupons or any of the provisions of the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law, or
- (b) any modification (except a Basic Terms Modification (being a matter in respect of which an increased quorum is required as mentioned above)) of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders.

Any modification shall be binding on the Noteholders and the Couponholders and, unless the Fiscal Agent agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 12 (*Notices*).

## **14. FURTHER ISSUES**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes, having terms and conditions the same as those of the Notes, or the same except for the amount and date of the first payment of interest, which may be consolidated and form a single series with the outstanding Notes.

## **15. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### **15.1 Governing Law**

The Agency Agreement, the Guarantee, the Deed of Covenant, the Notes, the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Guarantee, the Deed of Covenant or the Notes and the Coupons are governed by, and construed in accordance with English law. The provisions of Articles 470-3 to 470-19 of the Luxembourg law of 10 August 1915 on commercial companies, as amended, are excluded.

### **15.2 Submission to Jurisdiction**

- (a) Subject to Condition 15.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons (a **Dispute**) and each of the Issuer and any Noteholders and Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.
- (b) For the purposes of this Condition, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) To the extent allowed by law, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

### **15.3 Appointment of Process Agent**

The Issuer irrevocably appoints Richemont International Limited at 15 Hill Street, London W1J 5QT, United Kingdom as its agent for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of Richemont International Limited being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing in this Condition shall affect the right to serve process in any other manner permitted by law.

### **15.4 Other Documents and the Guarantor**

Each of the Issuer and, where applicable, the Guarantor has in the Agency Agreement, the Deed of Covenant and the Guarantee submitted to the jurisdiction of the English courts and appointed an agent in England for service of process, in terms substantially similar to those set out above.

## **16. RIGHTS OF THIRD PARTIES**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

## Terms and Conditions of the 2040 Notes

*The following is the text of the Conditions of the 2040 Notes (as defined above in this Prospectus) which (subject to modification) will be endorsed on each Note in definitive form:*

The €650,000,000 1.625 per cent. Guaranteed Notes due 26 May 2040 (the **Notes**), which expression shall in these Conditions, unless the context otherwise requires, include any further notes issued pursuant to Condition 14 (*Further Issues*) and forming a single series with the Notes of Richemont International Holding S.A. (the **Issuer**) are issued subject to and with the benefit of an Agency Agreement dated 26 May 2020 (such agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) made between the Issuer, Compagnie Financière Richemont SA (the **Guarantor**) as guarantor and BNP Paribas Securities Services, Luxembourg Branch, whose specified office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, as fiscal agent and principal paying agent (the **Fiscal Agent**, and together with any further paying agents appointed from time to time in respect of the Notes, the **Paying Agents**). The holders of the Notes (the **Noteholders**) and the holders of the interest coupons appertaining to the Notes (the **Couponholders** and the **Coupons** respectively) are entitled to the benefit of a Deed of Covenant (the **Deed of Covenant**) dated 26 May 2020 and made by the Issuer. The original of the Deed of Covenant is held by the Common Safekeeper for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Agency Agreement. Copies of the Agency Agreement and the Deed of Covenant are available for inspection during normal business hours by the Noteholders and Couponholders at the specified office of each of the Paying Agents. The Noteholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. References in these Conditions to the Fiscal Agent and the Paying Agents shall include any successor appointed under the Agency Agreement.

### 1. FORM, DENOMINATION AND TITLE

#### 1.1 Form and Denomination

The Notes are in bearer form, serially numbered, in the denomination of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000 each with Coupons attached on issue.

#### 1.2 Title

Title to the Notes and to the Coupons will pass by delivery.

#### 1.3 Holder Absolute Owner

The Issuer, the Guarantor and any Paying Agent will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner for all purposes (whether or not the Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Note or Coupon or any notice of previous loss or theft of the Note or Coupon) and shall not be required to obtain any proof thereof or as to the identity of such bearer.

### 2. STATUS OF THE NOTES

The Notes and the Coupons are direct, unconditional and (subject to the provisions of Condition 4 (*Negative Pledges*)) unsecured obligations of the Issuer and (subject as provided above) rank and will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and

unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

### 3. **GUARANTEE**

#### 3.1 **Guarantee**

The payment of the principal and interest in respect of the Notes has been unconditionally and irrevocably guaranteed by the Guarantor under a guarantee (the **Guarantee**) dated 26 May 2020 and executed by the Guarantor.

#### 3.2 **Status of the Guarantee**

The obligations of the Guarantor under the Guarantee constitute direct, unconditional and (subject to the provisions of Condition 4 (*Negative Pledges*)) unsecured obligations of the Guarantor and (subject as provided above) rank and will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights. The original of the Guarantee is held by the Fiscal Agent on behalf of, and copies are available during normal business hours for inspection by, the Noteholders and Couponholders at its specified office.

### 4. **NEGATIVE PLEDGES**

#### 4.1 **Negative Pledges**

So long as any of the Notes remains outstanding:

- (a) the Issuer will not create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a **Security Interest**) upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness (as defined below), unless the Issuer, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:
  - (i) all amounts payable by it under the Notes and the Coupons are secured by the Security Interest equally and rateably with the Relevant Indebtedness; or
  - (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided as is approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders; and
- (b) the Guarantor will not create or have outstanding any Security Interest upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness unless the Guarantor, in the case of the creation of the Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:
  - (i) all amounts payable by it under the Guarantee are secured by the Security Interest equally and rateably with the Relevant Indebtedness; or

- (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided as is approved by an Extraordinary Resolution of the Noteholders.

## 4.2 Interpretation

For the purposes of these Conditions:

**Relevant Indebtedness** means: (i) any present or future indebtedness for borrowed money (whether being principal, premium, interest or other amounts) in the form of, or represented by, bonds, debentures, debenture stock, loan stock or other securities which are for the time being or are capable of being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market and (ii) any guarantee or indemnity in respect of any such indebtedness.

## 4.3 Limitation on Use of Proceeds

The net proceeds from each issue of Notes may be applied by the Issuer in Switzerland provided that use is permitted under the Swiss taxation laws in force from time to time without payments in respect of the Notes becoming subject to withholding or deduction for Swiss withholding tax as a consequence of such use of proceeds in Switzerland.

## 5. INTEREST

### 5.1 Interest Rate and Interest Payment Dates

The Notes bear interest on their outstanding principal amount from and including 26 May 2020 at the rate of 1.625 per cent. per annum (the **Rate of Interest**), payable annually in arrear on 26 May of each year (each an **Interest Payment Date**). The first payment (representing a full year's interest) (for the period from and including 26 May 2020 to but excluding 26 May 2021 and amounting to €16.25 per €1,000 principal amount of Notes) shall be made on 26 May 2021.

### 5.2 Interest Accrual

Each Note will cease to bear interest from and including its due date for redemption unless, upon due presentation, payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 12 (*Notices*).

### 5.3 Calculation of Broken Interest

When interest is required to be calculated in respect of a period of less than a full year, it shall be calculated by applying the Rate of Interest to each €1,000 principal amount of Notes (the **Calculation Amount**) and on the basis of (a) the actual number of days in the period from and including the date from which interest begins to accrue (the **Accrual Date**) to but excluding the date on which it falls due divided by (b) the actual number of days from and including the Accrual Date to but excluding the next following Interest Payment Date. The resultant figure shall be rounded to the nearest cent, half a cent being rounded



upwards. The interest payable in respect of a Note shall be the product of such rounded figure and the amount by which the Calculation Amount is multiplied to reach the denomination of the relevant Note, without any further rounding.

## **6. PAYMENTS**

### **6.1 Payments in respect of Notes**

Payments of principal and interest in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the Note, except that payments of interest due on an Interest Payment Date will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the relevant Coupon, in each case at the specified office outside the United States of any of the Paying Agents.

### **6.2 Method of Payment**

Payments will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by euro cheque.

### **6.3 Missing Unmatured Coupons**

Each Note should be presented for payment together with all relative unmatured Coupons, failing which the full amount of any relative missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the full amount of the missing unmatured Coupon which the amount so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8 (*Taxation*)) in respect of the relevant Note (whether or not the Coupon would otherwise have become void pursuant to Condition 9 (*Prescription*)) or, if later, five years after the date on which the Coupon would have become due, but not thereafter.

### **6.4 Payments subject to applicable laws**

Payments in respect of principal and interest on the Notes are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*).

### **6.5 Payment only on a Presentation Date**

A holder shall be entitled to present a Note or Coupon for payment only on a Presentation Date and shall not, except as provided in Condition 5 (*Interest*), be entitled to any further interest or other payment if a Presentation Date is after the due date.

**Presentation Date** means a day which (subject to Condition 9 (*Prescription*)):

- (a) is or falls after the relevant due date;
- (b) is a Business Day in the place of the specified office of the Paying Agent at which the Note or Coupon is presented for payment; and
- (c) in the case of payment by credit or transfer to a euro account as referred to above, is a TARGET2 Settlement Day.

In this Condition, **Business Day** means, in relation to any place, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in that place and **TARGET2 Settlement Day** means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open.

## 6.6 Initial Paying Agents

The names of the initial Paying Agents and their initial specified offices are set out in the preamble to these Conditions. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that:

- (a) there will at all times be a Fiscal Agent;
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be at least one Paying Agent (which may be the Fiscal Agent) having a specified office in the place required by the rules and regulations of the relevant Stock Exchange or any other relevant authority; and
- (c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Guarantor is incorporated.

Notice of any variation, termination, appointment and/or of any changes in specified offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 12 (*Notices*).

## 7. REDEMPTION AND PURCHASE

### 7.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Notes at their principal amount on 26 May 2040 (the **Maturity Date**).

### 7.2 Redemption for Taxation Reasons

If:

- (a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 8 (*Taxation*)), or any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after 20 May 2020, on the next Interest Payment Date either (i) the Issuer would be required to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) or (ii) the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts; and
- (b) the requirement cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

the Issuer may at its option, having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 12 (*Notices*) (which notice shall be irrevocable), redeem all the Notes, but not some only, at any time at their principal amount together with interest accrued to but excluding the date of redemption, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be

obliged to pay such additional amounts, were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent to make available at its specified offices to the Noteholders (i) a certificate signed by two Directors of the Issuer or, as the case may be, two Directors of the Guarantor stating the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay such additional amounts as a result of the change or amendment.

### 7.3 Redemption at the Option of the Issuer

The Issuer may, having given:

- (a) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 12 (*Notices*); and
- (b) notice to the Fiscal Agent not less than 15 days before the giving of the notice referred to in (a);

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem the Notes, in whole or in part, at any time at the Relevant Early Redemption Amount.

In this Condition, **Relevant Early Redemption Amount** means:

- (i) in relation to any date fixed for redemption which falls in the period up to and including the date falling three months prior to the Maturity Date, such amount as is equal to the greater of the amounts in subparagraphs (A) and (B) below together with interest accrued to but excluding the date fixed for redemption:
  - (A) the principal amount outstanding of the Notes; and
  - (B) an amount (as reported in writing to the Issuer and the Fiscal Agent by the Determination Agent) which is equal to the sum of the present values of the principal amount outstanding of the Notes at the date fixed for redemption and the Remaining Term Interest (exclusive of interest accrued to the date fixed for redemption) discounted to the date fixed for redemption on an annual basis at the Reference Bond Rate plus 0.300 per cent.

In this Condition:

**Calculation Date** means the date which is the second TARGET2 Settlement Day prior to the date fixed for redemption;

**Determination Agent** means an investment bank or financial institution of international standing selected by the Issuer and notified to the Fiscal Agent and the Noteholders;

**Reference Bond** means the Federal Government Bund of Bundesrepublik Deutschland due 07/2039 (ISIN: DE0001135325) (or, where the Determination Agent advises the Issuer and the Fiscal Agent that, for reasons of illiquidity or otherwise, such government bond is not appropriate for such purpose, such other government bond as the Determination Agent may recommend);

**Reference Bond Price** means, with respect to any date fixed for redemption, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such date

fixed for redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (B) if the Determination Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

**Reference Bond Rate** means, with respect to any date fixed for redemption, the rate per annum equal to the annual yield to maturity or interpolated yield to maturity on an Actual/Actual (ICMA) basis of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date fixed for redemption;

**Reference Government Bond Dealer** means each of the five banks selected by the Issuer after consultation with the Determination Agent, or their affiliates, which are (A) primary government securities dealers, or (B) market makers experienced in pricing corporate bond issues;

**Reference Government Bond Dealer Quotations** means, with respect to each Reference Government Bond Dealer and any Calculation Date, the arithmetic average, as determined by the Determination Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at 3:30 pm (Frankfurt time) on the Calculation Date quoted in writing to the Determination Agent by such Reference Government Bond Dealer; and

**Remaining Term Interest** means the aggregate amount of scheduled payment(s) of interest on the Notes for the remaining term of the Notes determined on the basis of the Rate of Interest from and including the date fixed for redemption, and

- (ii) in relation to any date fixed for redemption which falls in the period from, but excluding, the date falling three months prior to the Maturity Date to but excluding the Maturity Date, such amount as is equal to the principal amount outstanding of the Notes together with interest accrued to but excluding the date fixed for redemption.

#### **7.4 Clean-Up Redemption**

If 75 per cent. or more in principal amount of the Notes then outstanding have been redeemed or purchased pursuant to Condition 7 (*Redemption and Purchase*), the Issuer may, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable and specify the date fixed for redemption), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at their principal amount plus interest accrued to but excluding the date of such redemption.

#### **7.5 Purchases**

The Issuer, the Guarantor or any of the Guarantor's other Subsidiaries (as defined in the Agency Agreement) may at any time purchase Notes (provided that all unmatured Coupons appertaining to the Notes are purchased with the Notes) in any manner and at any price.

#### **7.6 Cancellations**

All Notes which are (a) redeemed or (b) purchased by or on behalf of the Issuer, the Guarantor or any of the Guarantor's other Subsidiaries (as defined in the Agency Agreement) will forthwith be cancelled, together with all relative unmatured Coupons attached to the Notes or surrendered with the Notes, and accordingly may not be reissued or resold.

## 7.7 Notices Final

Upon the expiry of any notice as is referred to in Condition 7.2 (*Redemption for Taxation Reasons*) or Condition 7.3 (*Redemption at the Option of the Issuer*) above the Issuer shall be bound to redeem the Notes to which the notice refers in accordance with the terms of such paragraph.

## 8. TAXATION

### 8.1 Payment without Withholding

All payments in respect of the Notes by or on behalf of the Issuer or the Guarantor shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**Taxes**) imposed or levied by or on behalf of any of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders and Couponholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes or, as the case may be, Coupons in the absence of the withholding or deduction; except that no additional amounts shall be payable in relation to any payment in respect of any Note or Coupon:

- (a) the holder of which is liable for Taxes in respect of such Note or Coupon by reason of having some connection with the Relevant Jurisdiction other than a mere holding of the Note or Coupon; or
- (b) presented for payment in Switzerland; or
- (c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming that day to have been a Presentation Date (as defined in Condition 6 (*Payments*)).

### 8.2 Interpretation

In these Conditions:

- (a) **Relevant Date** means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Fiscal Agent on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 12 (*Notices*); and
- (b) **Relevant Jurisdiction** means Luxembourg or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Issuer) or Switzerland or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Guarantor) or in either case any other jurisdiction or any political subdivision or any authority thereof or therein having the power to tax to which payments made by the Issuer or the Guarantor, as the case may be, of principal and interest on the Notes and Coupons or payments made under the Guarantee become generally subject to tax.

### 8.3 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition.

## 9. PRESCRIPTION

Notes and Coupons will become void unless presented for payment within periods of 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date in respect of the Notes or, as the case may be, the Coupons, subject to the provisions of Condition 6 (*Payments*).

## 10. EVENTS OF DEFAULT

### 10.1 Events of Default

The holder of any Note may give notice to the Issuer that the Note is, and it shall accordingly forthwith become, immediately due and repayable at its principal amount, together with interest accrued to the date of repayment, if any of the following events (**Events of Default**) shall have occurred and be continuing:

- (a) if default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of seven days in the case of principal or 14 days in the case of interest; or
- (b) if the Issuer or the Guarantor fails to perform or observe any of its other obligations under these Conditions or the Guarantee and the failure continues for the period of 30 days following the service by any Noteholder on the Issuer or the Guarantor (as the case may be) of notice requiring the same to be remedied; or
- (c) if (i) any Indebtedness for Borrowed Money (as defined below) of the Issuer or the Guarantor becomes due and repayable prematurely by reason of an event of default (however described); (ii) the Issuer, or the Guarantor fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment (or as the case may be, within any originally applicable grace period thereunder); (iii) any security given by the Issuer or the Guarantor for any Indebtedness for Borrowed Money becomes enforceable and steps are taken to enforce such security; or (iv) default is made by the Issuer or the Guarantor in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person; provided that no event described in this subparagraph Condition 10.1(c) (*Events of Default*), shall constitute an Event of Default unless the relevant amount of Indebtedness for Borrowed Money or other relative liability due and unpaid, either alone or when aggregated (without duplication) with other amounts of Indebtedness for Borrowed Money and/or other liabilities due and unpaid relative to all (if any) other events specified in (i) to (iv) above, amounts to at least €50,000,000 (or its equivalent in any other currency); or
- (d) if any order is made by any competent court or resolution is passed for the winding up or dissolution of the Issuer or the Guarantor save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution of the Noteholders; or
- (e) if the Issuer, or the Guarantor ceases or threatens to cease to carry on the whole or substantially the whole of its business, save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution of the Noteholders, or the Issuer, or the Guarantor stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (f) if (i) proceedings are initiated against the Issuer or the Guarantor under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other

receiver, manager, administrator, liquidator or other similar official, or an administrative or other receiver, manager, administrator, liquidator or other similar official is appointed, in relation to the Issuer or the Guarantor or, as the case may be, in relation to the whole or substantially the whole of the undertaking or assets of any of them or an encumbrancer takes possession of the whole or substantially the whole of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them, and (ii) in any such case (other than the appointment of an administrator) is not discharged within 14 days; or

- (g) if the Issuer or the Guarantor initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- (h) if the Guarantee ceases to be, or is claimed by the Issuer or the Guarantor not to be, in full force and effect; or
- (i) if the Issuer ceases to be a subsidiary wholly owned and controlled, directly or indirectly, by the Guarantor.

## 10.2 Interpretation

For the purposes of this Condition:

- (a) **Indebtedness for Borrowed Money** means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any borrowed money or any liability under or in respect of any acceptance or acceptance credit or any notes, bonds, debentures, debenture stock, loan stock or other securities.

## 11. REPLACEMENT OF NOTES AND COUPONS

Should any Note or Coupon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Fiscal Agent upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

## 12. NOTICES

### 12.1 Notices to the Noteholders

All notices to the Noteholders will be valid if published in a leading English language daily newspaper published in London and, so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, published in one daily newspaper in Luxembourg or the Luxembourg Stock Exchange's website, [www.bourse.lu](http://www.bourse.lu). It is expected that publication in a newspaper will normally be made in the *Financial Times* and the *Luxemburger Wort* or the *Tageblatt*. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

## **12.2 Notices from the Noteholders**

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Fiscal Agent or, if the Notes are held in a clearing system, may be given through the clearing system in accordance with its standard rules and procedures.

## **13. MEETINGS OF NOTEHOLDERS AND MODIFICATION**

### **13.1 Meetings of Noteholders**

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of any of these Conditions or the Guarantee or any of the provisions of the Agency Agreement. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing more than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons present whatever the principal amount of the Notes held or represented by him or them, except that at any meeting the business of which includes any matter defined in the Agency Agreement as a Basic Terms Modification, including the modification of the Guarantee or certain of these Conditions (including the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes), the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, of the principal amount of the Notes for the time being outstanding. The Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Agency Agreement by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in principal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Fiscal Agent) by or on behalf of the holders of not less than three-fourths in principal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all Noteholders, whether or not they are present at any meeting and whether or not they voted on the resolution, and on all Couponholders.

### **13.2 Modification**

The Fiscal Agent, the Issuer and the Guarantor may agree, without the consent of the Noteholders or Couponholders, to:

- (a) any modification of, the Notes, the Coupons or any of the provisions of the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law, or
- (b) any modification (except a Basic Terms Modification (being a matter in respect of which an increased quorum is required as mentioned above)) of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders.

Any modification shall be binding on the Noteholders and the Couponholders and, unless the Fiscal Agent agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 12 (*Notices*).



## **14. FURTHER ISSUES**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes, having terms and conditions the same as those of the Notes, or the same except for the amount and date of the first payment of interest, which may be consolidated and form a single series with the outstanding Notes.

## **15. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### **15.1 Governing Law**

The Agency Agreement, the Guarantee, the Deed of Covenant, the Notes, the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Guarantee, the Deed of Covenant or the Notes and the Coupons are governed by, and construed in accordance with English law. The provisions of Articles 470-3 to 470-19 of the Luxembourg law of 10 August 1915 on commercial companies, as amended, are excluded.

### **15.2 Submission to Jurisdiction**

- (a) Subject to Condition 15.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons (a **Dispute**) and each of the Issuer and any Noteholders and Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.
- (b) For the purposes of this Condition, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) To the extent allowed by law, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

### **15.3 Appointment of Process Agent**

The Issuer irrevocably appoints Richemont International Limited at 15 Hill Street, London W1J 5QT, United Kingdom as its agent for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of Richemont International Limited being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing in this Condition shall affect the right to serve process in any other manner permitted by law.

### **15.4 Other Documents and the Guarantor**

Each of the Issuer and, where applicable, the Guarantor has in the Agency Agreement, the Deed of Covenant and the Guarantee submitted to the jurisdiction of the English courts and appointed an agent in England for service of process, in terms substantially similar to those set out above.

## **16. RIGHTS OF THIRD PARTIES**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

## Summary of provisions relating to the Notes while represented by the Global Notes

*The following is a summary of the provisions to be contained in the Temporary Global Note and the Permanent Global Note (together the **Global Notes**) which will apply to, and in some cases modify, the Terms and Conditions of the Notes while the Notes are represented by the Global Notes. This section should be construed as applying separately to each of the 2028 Notes, the 2032 Notes and the 2040 Notes.*

### 1. Accountholders

For so long as all of the Notes are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of such Notes (each an **Accountholder**) (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated as the holder of that principal amount for all purposes (including but not limited to, for the purposes of any quorum requirements of, or the right to demand a poll at, meetings of the Noteholders and giving notice to the Issuer pursuant to Condition 10 (*Events of Default*) other than with respect to the payment of principal and interest on such principal amount of such Notes, the right to which shall be vested, as against the Issuer solely in the bearer of the relevant Global Note in accordance with and subject to its terms. Each Accountholder must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment made to the bearer of the relevant Global Note.

### 2. Payments

On and after 5 July 2020, no payment will be made on the Temporary Global Note unless exchange for an interest in the Permanent Global Note is improperly withheld or refused. Payments of principal and interest in respect of Notes represented by a Global Note will, subject as set out below, be made to the bearer of such Global Note and, if no further payment falls to be made in respect of the Notes, against surrender of such Global Note to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purposes. The Issuer shall procure that the amount so paid shall be entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg and the nominal amount of the Notes recorded in the records of Euroclear and Clearstream, Luxembourg and represented by such Global Note will be reduced accordingly. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of Euroclear and Clearstream, Luxembourg shall not affect such discharge. Payments of interest on the Temporary Global Note (if permitted by the first sentence of this paragraph) will be made only upon certification as to non-U.S. beneficial ownership unless such certification has already been made.

### 3. Notices

For so long as all of the Notes are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relevant Accountholders rather than by publication as required by Condition 12 (*Notices*), provided that, so long as the Notes are listed on the Luxembourg Stock Exchange, notices shall also be published in accordance with the rules of such exchange. Any such notice shall be deemed to have been given to the Noteholders on the day after the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) as aforesaid.

Whilst any of the Notes held by a Noteholder are represented by a Global Note, notices to be given by such Noteholder may be given by such Noteholder (where applicable) through the applicable clearing system's operational procedures approved for this purpose and otherwise in such manner as the Fiscal Agent and the applicable clearing system may approve for this purpose.

#### 4. Interest Calculation

For so long as Notes are represented by one or both of the Global Notes, interest payable to the bearer of a Global Note will be calculated by applying the Rate of Interest to the principal sum for the time being outstanding of the Global Note and on the basis of (a) the actual number of days in the period from and including the date from which interest begins to accrue (the Accrual Date) to but excluding the date on which it falls due divided by (b) the actual number of days from and including the Accrual Date to but excluding the next following Interest Payment Date. The resultant figure is rounded to the nearest cent (half a cent being rounded upwards).

#### 5. Exchange and benefits

The Permanent Global Note will be exchangeable in whole but not in part (free of charge to the holder) for definitive Notes only if (each of the following being an **Exchange Event**):

- (a) an event of default (as set out in Condition 10 (*Events of Default*)) has occurred and is continuing; or
- (b) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available; or
- (c) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes in definitive form.

The Issuer will promptly give notice to Noteholders if an Exchange Event occurs. Thereupon, in the case of (a) or (b) above, the holder of the Permanent Global Note, acting on the instructions of one or more of the Accountholders (as defined below), may give notice to the Issuer and the Fiscal Agent and, in the case of (c) above, the Issuer may give notice to the Fiscal Agent of its intention to exchange the Permanent Global Note for definitive Notes. Any exchange shall occur no later than 45 days after the date of receipt of the first relevant notice by the Fiscal Agent. Exchanges will be made upon presentation of the Permanent Global Note at the office of the Fiscal Agent on any day on which banks are open for general business in Luxembourg. In exchange for the Permanent Global Note the Issuer will deliver, or procure the delivery of, an equal aggregate principal amount of definitive Notes (having attached to them all Coupons in respect of interest which has not already been paid on the Permanent Global Note), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in the Agency Agreement. On exchange of the Permanent Global Note, the Issuer will procure that it is cancelled and, if the holder so requests, returned to the holder together with any relevant definitive Notes.

In the event that (a) the Global Note (or any part of it) has become due and repayable in accordance with the Conditions or that the maturity date of the Notes has occurred and, in either case, payment in full of the amount due has not been made to the bearer, or (b) following an Exchange Event, the Permanent Global Note is not duly exchanged for definitive Notes by the day provided in the Permanent Global Note, then from 8.00 p.m. (London time) on such day each Accountholder will become entitled to proceed directly against the Issuer on, and subject to, the terms of the Deed of Covenant executed by the Issuer on

26 May 2020 in respect of each of the Notes and the bearer will have no further rights under the Global Note (but without prejudice to the rights any person may have under the Deed of Covenant).

**6. Prescription**

Claims against the Issuer and the Guarantor in respect of principal and interest on the Notes represented by a Global Note will be prescribed after 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date (as defined in Condition 8 (*Taxation*)).

**7. Cancellation**

Cancellation of any Note represented by a Global Note and required by the Terms and Conditions of the Notes to be cancelled following its redemption or purchase will be effected by instruction to Euroclear and Clearstream, Luxembourg to make appropriate entries in their records in respect of all Notes which are cancelled.

**8. Euroclear and Clearstream, Luxembourg**

Notes represented by a Global Note are transferable in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as appropriate.

**9. Eurosystem Eligibility**

The Global Notes will be issued in New Global Note (NGN) form. This means that the Notes are intended upon issue to be deposited with a common safekeeper for Euroclear and Clearstream, Luxembourg (each acting in its capacity as International Central Securities Depository) and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

### **Use of Proceeds**

The net proceeds of the issue of the Notes amount to EUR 497,820,000 from the 2028 Notes, EUR 844,577,000 from the 2032 Notes and EUR 636,590,500 from the 2040 Notes and will be used for general corporate purposes of the Group.

## Description of the Issuer

The Issuer is a société anonyme registered in Luxembourg with its registered office at 35 Boulevard Prince Henri, L-1724 Luxembourg. It was incorporated on 10 June 1997 for an indefinite term with registered number B59435 and is subject, among others, to the Law of 10 August 1915 on Commercial Companies, as amended. The telephone number of the Issuer is +352 22 42 10. The website of the Issuer is [www.richemont.com](http://www.richemont.com).

The Issuer is an investment holding company within the Group and a subsidiary of the Guarantor. The Issuer has 24,137,402 shares in issue, which are held by the Guarantor.

The main activity of the Issuer is the holding of investments. The Issuer also operates two boutiques in Luxembourg City whose primary activities are the retail sale of luxury goods.

The Issuer opened a branch office in Switzerland on 13 November 2008, whose primary activity is the financing of companies belonging directly or indirectly to the Guarantor.

Pursuant to Article 3 of the Issuer's Articles of Incorporation, the objects of the Issuer are to hold participations in Luxembourg and foreign companies, the acquisition by purchase, subscription or in any other manner, as well as the transfer by sale, exchange or otherwise, of stock, bonds, debentures, notes and other securities of any kind, and the ownership, administration, development and management of its portfolio.

The directors of the Issuer and their respective occupations are:

<i>Director and Role</i>	<i>Background</i>
<p>Sven Grundmann</p> <p><i>Chairman</i></p>	<p>Mr Grundmann was appointed to the Board of Directors in 2009</p> <p>Mr Grundmann holds a law degree from the Faculty of Law of the University of Amsterdam. He joined Richemont in January 1996 and has, from 1996 to 2017 (incl.), been responsible for the corporate law affairs of many of its subsidiaries and been involved in various merger and acquisition projects. In December 2017, he was appointed as Company Secretary of Compagnie Financière Richemont SA. Mr Grundmann is also the General Counsel and Company Secretary of Reinet Investments SCA, a Luxembourg securitisation vehicle and Reinet Fund S.C.A., F.I.S., a specialised investment fund, or SIF, established under the laws of Luxembourg.</p> <p>He is a member of the Capital Markets and Technology Association's Advisory Board, an independent association established in Switzerland and of the Dutch Association of Corporate Litigation.</p>
<p>John Fontaine</p> <p><i>Non-executive Director</i></p>	<p>Mr Fontaine was appointed to the board of directors in 2011</p> <p>Mr Fontaine holds a BSc in business administration. He joined Richemont in 1987 and has since been responsible for all financial matters of the Richemont companies in The Netherlands and subsequently in Scandinavia (since 1993), Belgium and Luxembourg (since 2005).</p>
<p>Burkhardt Grund</p> <p><i>Non-executive Director</i></p>	<p>Information for Mr Grund is provided in the "Description of the Guarantor and the Group" section below.</p>
<p>John McAnulty</p> <p><i>Executive Director</i></p>	<p>Mr. McAnulty was appointed to the Board of Directors in 2018.</p> <p>Mr. McAnulty holds a degree in Business Studies from London Metropolitan</p>

	<p>University and completed his graduate studies in Finance at the University of Strathclyde, Scotland. He is a Fellow of the UK Association of Corporate Treasurers.</p> <p>Prior to joining the Group, he held various positions in the Midland Bank Group and SmithKline Beecham plc. He moved to Richemont in 2000 to be Group Treasurer.</p>
<p>Me. Yves Prussen</p> <p><i>Non-executive Director</i></p>	<p>Mr Prussen was appointed to the Board of Directors in 2008</p> <p>Mr Prussen graduated as a doctor at law in 1971 and holds a diploma from the ‘Institut d'Etudes Politiques’ of the University of Grenoble. During the same year he became a member of the Luxembourg bar and since 1975 has been a partner in Elvinger, Hoss &amp; Prussen, a Luxembourg legal firm. Mr Prussen is a member of the International Bar Association, the Luxembourg Section of the International Fiscal Association and the Luxembourg Association for Arbitration. He is the author of various publications in the field of tax law, arbitration, securities laws and the law relating to undertakings for collective investments.</p>

There are no potential conflicts of interests between any duties to the Issuer of the directors listed above and their private interests and/or other duties. The business address of each of the directors of the Issuer is that of the registered office of the Issuer.

The Issuer is a “public interest entity” (EU-PIE) according to article 1 (20) of the Luxembourg law of 23 July 2016, as amended, concerning the audit profession following which an audit committee is put in place at the level of the Issuer. The members of the newly formed audit committee are:

<i>Member</i>	<i>Role</i>
Me. Yves Prussen	Chairman
John Fontaine	-
Burkhardt Grund	-



## Description of the Guarantor and the Group

### Company Overview

The Guarantor is a *société anonyme* within the meaning of articles 620ff of the Swiss Code of Obligations with its registered office at 50, chemin de la Chênaie, CH-1293 Bellevue, Geneva. It was incorporated on 16 August 1988 for an indefinite term with a unique enterprise identification number (UID) of CHE-106.325.524 and operates under Swiss law. The telephone number of the Guarantor is +41 22 721 3000. The website of the Guarantor is [www.richemont.com](http://www.richemont.com).

The Guarantor is the holding company of the Group, whose principal business involves holding participations in its subsidiaries. Pursuant to Article 3 of the Guarantor's Articles of Incorporation, the objects of the Guarantor are to acquire or hold, directly or indirectly, participations in other companies in Switzerland or abroad, to finance affiliated companies as well as to execute any placement and investment.

The directors regard Compagnie Financière Rupert, Bellevue, Geneva, Switzerland to be the Group's controlling party, as 51 per cent. of the voting rights of the Guarantor are held by that entity (see "*Significant Shareholdings*" below).

### History

The Group was founded in 1988, and owned minority holdings in Cartier Monde SA and Rothmans International, which also held investments in Cartier Monde, Alfred Dunhill and, through Alfred Dunhill, Montblanc and Chloé. The watchmakers Piaget and Baume & Mercier were acquired in 1988 by a subsidiary of Cartier Monde.

In 1996, the Group acquired watchmakers Vacheron Constantin, and in 1997 it acquired watchmaker Officine Panerai.

Since 1998, following the buyout of Vendôme Luxury Group minority shareholders, the Group owns 100 per cent. of its luxury goods interests.

In 1999, the Group acquired a controlling 60 per cent. interest in Van Cleef & Arpels, one of the world's most renowned jewellery Maisons, and subsequently acquired further stakes, bringing Van Cleef & Arpels into full ownership by the Group by 2003.

In 2000, the Group acquired Jaeger-LeCoultre, IWC Schaffhausen and A. Lange & Söhne. In 2007, it acquired an interest in Azzedine Alaïa, the Parisian fashion house, and in 2008 a controlling 60 per cent. interest in Manufacture Roger Dubuis SA; the remaining minority interest in Roger Dubuis was acquired in 2015 by the Group.

In 2008, the Group's luxury goods businesses were separated from its other interests, with Reinet Investments S.C.A. established as a separately traded vehicle for holding the non-luxury goods businesses formerly held by the Group.

In 2010, the Group acquired the majority of the shares of NET-A-PORTER.COM, the premier online luxury fashion retailer, and in 2015, The Net-A-Porter Group merged with YOOX Group in an all-share transaction to create the YOOX Net-A-Porter Group. In 2018, the Group acquired the remaining shares in the YOOX Net-A-Porter Group.

The Group acquired Watchfinder & Co., a leading premium watch specialist, in 2018 and acquired Buccellati, a renowned Italian jewellery Maison, in 2019.

## **Business**

The Group has interests in many of the world's leading luxury goods companies, encompassing various luxury brands (each a “**Maison**”) who produce a range of jewellery, watches, premium accessories and other luxury products.

The Group's luxury goods businesses are reported within: (i) Jewellery Maisons; (ii) Specialist Watchmaking; (iii) Online Distributors; and (iv) Other (which includes writing instruments, leather and accessories, and other luxury products). Each of the Maisons and Online Distributors enjoys a high degree of autonomy, with its own management group under a chief executive officer. To complement those businesses, the Group has established central functions and a regional structure around the world to provide central controlling and support services in terms of distribution, finance, legal and administration services.

The Group's operations comprise these key business divisions operating under multiple Maisons and Online Distributors, which are outlined below.

### ***Jewellery Maisons***

The Group's Jewellery Maisons include the Cartier, Van Cleef & Arpels and Buccellati businesses. These Maisons have a network of global boutiques and benefit from an exclusive and luxury Maison image.

### ***Specialist Watchmakers Maisons***

The Group's Specialist Watchmakers Maisons encompass a number of brands within the luxury watch market including A.Lange & Söhne, Baume & Mercier, IWC Schaffhausen, Jaeger-LeCoultre, Officine Panerai, Piaget, Roger Dubuis and Vacheron Constantin.

Over the past 10 years, the Group has made significant investments in its mono-brand store portfolio (in relation to its Specialist Watchmaking Maisons). These mono-brand stores are typically located in prominent positions in order to showcase Maisons in the most brand-sensitive manner and enhance brand image.

### ***Online Distributors***

Online Distributors is a business division which sits alongside the Group's Maisons. This division comprises businesses whose primary activity is the online sale of luxury goods, including YOOX NET-A-PORTER GROUP and Watchfinder & Co. Both of these entities sell not only the Group's products but also third parties' branded luxury products (new and pre-owned by individuals respectively).

### ***Other Maisons***

The Group owns various other Maisons within the broader luxury goods market including Alaïa, Alfred Dunhill, Chloé, Montblanc, Peter Millar and Purdey.

### ***Responsible Jewellery Council***

The Responsible Jewellery Council (the “**RJC**”) promotes responsible, ethical, human rights, social and environmental practices in the gold and diamond supply chains. The RJC is widely recognised as the leading standard for the jewellery and watchmaking industry and is a member of the ISEAL Alliance. All of the Group's Maisons, which use gold and diamonds, are certified members of the RJC. The RJC's membership spans from mining houses to the retailers of jewellery and watches.

## ***Distribution channels***

The Group operates through various distribution channels, including wholesale, retail, franchise and online, as part of its multi-channel distribution strategy.

During the financial year ended 31 March 2019, 69 per cent. of the Group's sales were through the retail channel and 31 per cent. through the wholesale and franchise channels. During the financial year ended 31 March 2020, 70 per cent. of the Group's sales were through the retail channel and 30 per cent. through the wholesale and franchise channels. Retail sales as a percentage of the Group's total sales have increased as a result of the Group's strategy to develop its own retail network as part of its multi-channel distribution strategy.

The Group has long-established relationships in many countries with multi-brand watch and jewellery retailers. The number of such retailers which are independently-owned is diminishing and the importance of larger, often multi-site, retailers is growing as the watch and jewellery market consolidates in many historically large markets. Although the share of Group wholesale sales has been gradually reducing, ensuring continued positive commercial relationships with these partners remains important to the Group.

Over recent years, the Group has experienced a shift in consumer behaviour, with clients having higher expectations of interactivity with the Group's Maisons, not only through physical boutiques, but online. The Group's objective is to provide as seamless an experience as possible to its clients globally, whether they shop online, over the telephone, or in boutique, including in respect of after-sales services, and it intends to allocate resources towards digital marketing and online sales platforms (amongst other things) to develop and implement this multi-channel approach.

The Group's Maisons are distributed through internal and external boutiques globally. Internal boutiques are points of sale managed directly by the Group's Maisons; external boutiques are franchises of mono-brand boutiques, operated by third parties.

## **Recent Developments**

At the date of this Prospectus, the impact and duration of the current Covid-19 outbreak and the related measures taken to control it, including the likelihood of a global recession, are unknown.

In preparing the consolidated financial statements of the Guarantor and the Issuer for the year ended 31 March 2020, the short-term impact on items such as inventory and sales return provisions has been fully considered. The valuations of financial assets and liabilities carried at fair value reflect inputs at the balance sheet date. In assessing the carrying value of its other non-current assets, the Group has assumed that, despite a significant short-term impact, long-term market conditions remain unchanged, as the timing and scale of the economic impact and luxury market recovery remain uncertain. Group management estimate that Covid-19 had a negative impact of approximately EUR 800 million on the Group's revenue, EUR 450 million on the Group's operating profit and EUR 350 million on the Group's free cash flow for the financial quarter ended 31 March 2020. The Group's revenue for the financial quarter ended 31 March 2020 declined by 18% at actual exchange rates against the Group's revenue for the financial quarter ended 31 March 2019.

Since 31 March 2020, Covid-19 has continued to have a significant impact on the global economy and on the Group. The longer-term impact of Covid-19 on the global economy (and specifically on the luxury industry) remains uncertain and the impact on the Group cannot be reliably determined. Group management have taken immediate protective measures to safeguard, to the fullest extent possible, the health of employees, clients, partners and the communities in which the Group operates. The outbreak necessitated temporary closures of a number of the Group's boutiques, distribution centres, manufacturing facilities and offices and these have been and are being progressively re-opened in line with local regulations. To counteract the effect of Covid-

19 on the financial position of the company, the Group has enacted numerous cash preservation measures, including strict cost control and increased selectivity in its investments, while all business units are preparing for the rebound in client demand.

## Board of Directors

The directors of the Guarantor (together, the “**Board**”) are responsible for the overall strategic direction of the Group and the appointment of senior management. In addition, the Board is responsible for establishing financial controls and appropriate procedures for the management of risk within the Group as well as the overall supervision of the business. The Board is responsible for the preparation of the financial statements of the Guarantor and of the Group and for the organisation of shareholder meetings.

The Board is composed principally of non-executive directors with diverse professional and business backgrounds. Ten nationalities are represented on the Board, which was composed of 20 members at 31 March 2020. Board members are proposed for election on an individual basis at each year’s AGM for a term of one year. All directors are eligible to stand for re-election each year, details of nominations being given in the notice of the AGM. There is no restriction on the number of times a director may seek re-election and no formal age limit for directors.

The directors, the business address of each of whom should be regarded for the purposes of this Prospectus as 50, chemin de la Chênaie, CH-1293 Bellevue, Geneva, are at the date of this Prospectus, as follows:

<i><b>Director and Role</b></i>	<i><b>Background</b></i>
Johann Rupert <i>Chairman</i>	<p>Mr Rupert was first appointed to the Board in 1988 and served as Chairman from 2002 to 2013. Following a sabbatical year, he was reappointed Chairman in September 2014. He is Chairman of the Nominations Committee and the Senior Executive Committee.</p> <p>Mr Rupert is the Managing Partner of Compagnie Financière Rupert. He studied economics and company law at the University of Stellenbosch. After working for the Chase Manhattan Bank and Lazard Frères in New York, he founded Rand Merchant Bank in 1979. In 1985, he joined Rembrandt. He founded Richemont in 1988 and became Group Chief Executive. He also served as Chief Executive Officer from 2003 to 2004 and from 2010 to 2013. He is Non-Executive Chairman of Remgro Limited and Chairman of Reinet Investments Manager S.A., the management company of Reinet Investments S.C.A.</p> <p>Mr Rupert holds honorary doctorates in Law, Economics and Commerce, is the Chancellor of the University of Stellenbosch and is Chairman of the Peace Parks Foundation and the Michelangelo Foundation.</p>
Josua Malherbe <i>Non-executive Deputy Chairman</i>	<p>Mr Malherbe was appointed to the Board in 2010 as a Non-executive Director and has served as Deputy Chairman since September 2013. He also serves as Chairman of the Audit Committee and is a member of the Strategic Security and Nominations Committees.</p> <p>He qualified as a Chartered Accountant in South Africa and worked with the predecessor firm of PricewaterhouseCoopers before joining Rand Merchant Bank in 1985. In 1990 he joined Rembrandt Group Limited and was involved with Richemont at that time. Since its formation in 2000, he served first as Chief Executive Officer and then as Deputy Chairman of VenFin Limited until 2009 when that company was acquired by Remgro Limited.</p>

	<p>Mr Malherbe continues to serve as a director of Richemont Securities S.A., Remgro Limited, Reinet Investments Manager S.A. and Pension Corporation Group Limited.</p>
<p>Jérôme Lambert</p> <p><i>Group Chief Executive Officer</i></p>	<p>Mr Lambert was appointed to the Board in 2017 and is a member of the Senior Executive Committee.</p> <p>He graduated from ESG Management School, Paris and completed post-graduate studies at the Swiss Graduate School of Public Administration.</p> <p>Prior to joining the Group, he held financial roles in Switzerland's public postal and telecommunications service. Mr Lambert joined Jaeger-LeCoultre in 1996 as the Manufacturer's financial controller and became Chief Financial Officer three years later. In 2002, he was appointed its Chief Executive Officer and served in that role until June 2013. Mr Lambert then became Chief Executive Officer of Montblanc until March 2017. In addition, Mr Lambert has served as Chairman of A. Lange &amp; Söhne since 2009 and was its Chief Executive for two years. In April 2017, Mr Lambert became the Group's Head of Operations, responsible for central and regional services and all Maisons other than Jewellery and Specialist Watchmakers. In November 2017, Specialist Watchmakers Maisons were added to his scope and he was named Group Operations Officer. Mr Lambert has been the Group Chief Executive Officer since September 2018.</p>
<p>Burkhardt Grund</p> <p><i>Chief Finance Officer</i></p>	<p>Mr Grund was appointed to the Board in 2017 and is a member of the Senior Executive Committee.</p> <p>He is a graduate in Business Administration of Georgia Southern University, US and completed his graduate studies in International Finance at Münster University, Germany.</p> <p>Prior to joining the Group, he held various positions in the Finance department at Wella AG and was appointed Chief Financial Officer of the Wella subsidiary in Chile in 1996.</p> <p>He moved to Richemont in 2000 to be Chief Financial Officer of Montblanc France, a position which he held until 2006 when he joined Van Cleef &amp; Arpels as Vice President and Chief Financial Officer. In 2016, Mr Grund was appointed Group Deputy Finance Director, and became a member of the Group Management Committee. In August 2017, Mr Grund was appointed Group Chief Finance Officer.</p>
<p>Nikesh Arora</p> <p><i>Non-executive Director</i></p>	<p>Mr Arora was appointed to the Board as a Non-executive Director in 2017 and is a member of the Nominations Committee.</p> <p>He holds an M.S. in Business Administration from Northeastern University, an M.S. in finance from Boston College and a B. Tech. in electrical engineering from the Institute of Technology at Banaras Hindu University.</p> <p>In the US, Mr Arora has held a number of senior positions in the finance and technology sectors. He was at Google, Inc. in various roles from December 2004 to September 2014 including as Senior Vice President and Chief Business Officer. He was then President and Chief Operating Officer of SoftBank Group Corp., the global telecommunications company and technology investor until June 2016. Prior to that Mr Arora worked at Deutsche Telekom AG, Putnam Investments and Fidelity Investments.</p> <p>On 1 June 2018 Mr Arora took on the role of Chief Executive Officer and Chairman at Palo Alto Networks.</p>

<p>Nicolas Bos</p> <p><i>President &amp; Chief Executive Officer of Van Cleef &amp; Arpels</i></p>	<p>Mr Bos was appointed to the Board in 2017 and is a member of the Senior Executive Committee.</p> <p>He is a graduate of the ESSEC Business School.</p> <p>Mr Bos joined Richemont in 1992, initially working with the Fondation Cartier pour l'art contemporain in Paris. In 2000, he joined Van Cleef &amp; Arpels as International Marketing Director. In 2009, he became Vice President and Creative Director and in 2010 was also appointed President of Van Cleef &amp; Arpels, Americas. In January 2013, Mr Bos became global President and Chief Executive Officer of Van Cleef &amp; Arpels.</p>
<p>Clay Brendish</p> <p><i>Non-executive Lead Independent Director</i></p>	<p>Mr Brendish was appointed to the Board as a Non-executive Director and the Lead Independent Director in 2017. He also serves as the Chairman of the Ethics Sub-Committee, a sub Committee of the Audit Committee, the Strategic Security and Compensation Committees and is a member of the Audit and Nominations Committees.</p> <p>He holds a Master degree in engineering from the Imperial College, London and also holds an honorary Doctor of Science degree from the University of London.</p> <p>His professional background is in the Information Technology and Communications industry, having founded Admiral plc in 1979 (now part of CGI UK). He was a Non-executive Director of BT plc from 2002 to 2011 and Non-executive Director and Chairman of the Meteorological Office from 1995 to 2003. He was also a Trustee of the Economist Newspaper from 1999 to 2012. He was most recently Non-executive Chairman of Anite from 2005 to 2015 and of SThree from 2010 to April 2018. Prior to his nomination to the Board of Richemont, Mr Brendish served as an advisor to Richemont's Strategic Security Committee.</p>
<p>Jean-Blaise Eckert</p> <p><i>Non-executive Director</i></p>	<p>Maître Eckert was appointed to the Board as a Non-executive Director in 2013 and is a member of the Audit and Nominations Committees.</p> <p>He graduated from Neuchâtel University, Switzerland, and holds an MBA from Berkeley, University of California.</p> <p>Maître Eckert has been a practising lawyer since 1989 and a Partner of Lenz &amp; Staehelin since 1999, advising on national and international corporate, commercial and tax law.</p> <p>Maître Eckert serves on the board of several Swiss companies, including PSA International SA and UL (Underwriters Laboratories) AG, and on the board of several not-for-profit organisations, including the Fondation pour la Musique et la Culture, Genève. He is also a member of a number of Swiss and international professional organisations.</p>
<p>Sophie Guieysse</p> <p><i>Group Human Resources Director</i></p>	<p>Ms Sophie Guieysse is the Group Human Resources Director and was appointed to the Senior Executive Committee in October 2017 and to the Board in September 2018.</p> <p>Ms Guieysse is a graduate from the Ecole Polytechnique, the Ecole Nationale des Ponts et Chaussées and holds an MBA from the Collège des Ingénieurs. Ms Guieysse began her career holding operational functions at a number of French Ministries. From 1997 until 2005, she held various human resources roles at LVMH. Her ultimate role there was as Director of Human Resources of the LVMH group. In 2005, Ms Guieysse joined Canal+ group where she spent ten years as Human Resources Director and member of the Executive Committee. Since 2016, Ms Guieysse had been advising Dior on the future of luxury in a connected world.</p>

	<p>Ms Guieysse serves on the Board of Directors of Maisons du Monde and is Chairman of its Nominations &amp; Compensation Committee. In addition, Ms Guieysse is a member of the Remuneration Committee of Paris 2024 Olympic Games Organising Committee and of the 2023 Rugby World Cup Organising Committee.</p>
<p>Keyu Jin</p> <p><i>Non-executive Director</i></p>	<p>Dr Jin was appointed to the Board as a Non-executive Director in 2017 and is a member of the Compensation and Nominations Committees.</p> <p>She is a tenured Professor of Economics at the London School of Economics.</p> <p>From Beijing, Dr Jin holds a BA, MA and PhD from Harvard University. Her specific areas of expertise are international macroeconomics, international finance and the Chinese economy.</p>
<p>Ruggero Magnoni</p> <p><i>Non-executive Director</i></p>	<p>Mr Magnoni was appointed to the Board as a Non-executive Director in 2006 and is a member of the Audit and Nominations Committees. In 2006 he became a partner of Compagnie Financière Rupert.</p> <p>He graduated from Bocconi University and holds an MBA from Columbia University.</p> <p>Mr Magnoni joined Lehman Brothers in 1977 and held a number of senior roles across that firm's international activities. In 2000, Mr Magnoni became Head of the European Private Equity division and Vice Chairman of Lehman Brothers Inc and in 2002, Chairman of Lehman Brothers International Italy. Between 2008 and 2013, Mr Magnoni served as Chairman of Nomura International plc's Investment Banking division for Europe, Middle East and Africa. He was a member of the Board of Overseers of Reinet Investments S.C.A. up to September 2009.</p> <p>He is an investor and Board Director of two Italian listed industrial holding companies, IMMSI Spa and Intek Group, as well as being Chairman of London-based, FCA-registered M&amp;M Capital.</p> <p>He is also involved with various philanthropic activities, including Fondazione Laureus Italia.</p>
<p>Jeff Moss</p> <p><i>Non-executive Director</i></p>	<p>Mr Moss was appointed to the Board as a Non-executive Director in 2016 and is a member of the Nominations Committee and the Strategic Security Committee.</p> <p>Mr Moss is a computer and internet security expert, and is the founder of Black Hat Briefings and DEF CON. Black Hat Briefings was created in 1997 and sold to CMP Media LLC in 2005. DEF CON was established in 1992, and is currently known as one of the world's largest hacker conventions. He served as Chief Security Officer of the Internet Corporation for Assigned Names and Numbers ('ICANN') from 2011 to 2013. Prior to this, Mr Moss served as a director at Secure Computing Corporation from 1998 to 2000.</p> <p>He currently serves as: a member of the U.S. Department of Homeland Security Advisory Council; a member of the Council on Foreign Relations; a Non-resident Senior Fellow at the Atlantic Council; a member of the Georgetown University School of Law Cybersecurity Advisory Committee; and a commissioner on the Global Commission for the Stability of Cyberspace ('GCSC').</p>
<p>Vesna Nevistic</p> <p><i>Non-executive Director</i></p>	<p>Dr Nevistic was appointed to the Board as a Non-executive Director in 2017 and is a member of the Audit and Nominations Committees.</p> <p>She holds Swiss and Croatian citizenship and has a PhD in Electrical Engineering from</p>

	<p>the Swiss Federal Institute of Technology (ETH) Zurich.</p> <p>She has gained extensive international experience in consulting and investment banking, having been a Partner at McKinsey and Managing Director at Goldman Sachs. From 2009 to 2012, Dr Nevistic was a Group Managing Director and Head of Corporate Development at UBS, where she was part of the senior executive team that restructured the bank's operations following the financial crisis.</p> <p>She currently runs her own advisory boutique, focusing on corporate strategy and business transformations, and also serves as a Non-Executive Director at Samskip BV and Samskip hf.</p> <p>Dr Nevistic supports various non-profit organisations and is a member of the Finance Committee of the Swiss Study Foundation, and was a trustee at the Swiss Institute / Contemporary Art New York.</p>
<p>Guillaume Pictet</p> <p><i>Non-executive Director</i></p>	<p>Mr Pictet was appointed to the Board as a Non-executive Director in 2010 and is a member of the Ethics Sub-Committee, a sub Committee of the Audit Committee, the Audit, Compensation and Nominations Committees. He is a graduate of HEC, Lausanne University. His career in private banking has included membership of Darier Hentsch &amp; Cie's senior management. He has also served as an international economist in Switzerland's Federal Department of Economic Affairs.</p> <p>Since 1996, Mr Pictet has been a Founding Partner and Vice Chairman of de Pury Pictet Turrettini &amp; Cie SA. He also serves as Chairman of Sécheron SA.</p>
<p>Alan Quasha</p> <p><i>Non-executive Director</i></p>	<p>Mr Quasha was appointed to the Board as a Non-executive Director in 2000 and is a member of the Nominations Committee.</p> <p>He is a graduate of Harvard College, Harvard Business School, Harvard Law School, and New York University Law School. After practising law, he moved into commerce and since 1987 has been President of Quadrant Management Inc.</p> <p>Mr Quasha served as a director of Richemont SA, Luxembourg from 1988 until 2000. He was Chief Executive Officer of North American Resources Limited between 1988 and 1998. He was a member of the Board of Overseers of Reinnet Investments S.C.A. up to September 2009; he has indirect interests in certain investments held by Reinnet and is involved as a manager of a fund in which Reinnet has invested. He was a director of American Express Funds, a former Governor of the American Stock Exchange, and a former Chairman of the Visiting Committee of the Weatherhead Centre for International Affairs.</p> <p>Mr Quasha is currently President of Quadrant Management Inc.; Chairman of Brean Capital; Director of Carret Holdings, Inc., and on the Advisory Board of Vanterra Capital. He is also Chairman of the Brain Trauma Foundation.</p>
<p>Maria Ramos</p> <p><i>Non-executive Director</i></p>	<p>Ms Ramos was appointed to the Board as a Non-executive Director in 2011 and is a member of the Compensation and Nominations Committees.</p> <p>She obtained an Institute of Bankers' Diploma in 1983 and holds degrees from the University of the Witwatersrand (Bachelor of Commerce and a Bachelor of Commerce Honours in Economics) and the University of London (SOAS) (Master of Science in Economics). She also holds honorary doctorates from the University of Stellenbosch and Free State University.</p> <p>Ms Ramos, until February 2019, served as Chief Executive Officer of Absa Group Limited for a period of ten years. Before joining Absa (previously Barclays Africa</p>



	<p>Group Limited) as Group Chief Executive in March 2009, Ms Ramos served as the Chief Executive of Transnet Limited. This followed an eight-year tenure as director general of South Africa's National Treasury (formerly the Department of Finance).</p> <p>She has also served as a Non-executive and Independent Director on the boards of Sanlam Limited from 2004 to 2009, SABMiller PLC from 2007 to 2009, and Remgro Limited from 2008 to 2009.</p> <p>Ms Ramos currently serves on the boards of AngloGold Ashanti Ltd, Public Investment Corporation ('PIC') and The Saudi British Bank, since 2019. She is a member of the Group of Thirty and currently co chairs the United Nations Secretary-General's Task Force on Digital Financing of the Sustainable Development Goals. She also serves as a member of the International Advisory Board of the Blavatnik School of Government, Oxford University.</p>
<p>Anton Rupert</p> <p><i>Non-executive Director</i></p>	<p>Mr Anton Rupert was appointed to the Board as a Non-executive Director in 2017 and is a member of the Strategic Security and Nominations Committees.</p> <p>He is a director of Watchfinder.co.uk and serves as a Non-Executive Director of Remgro Ltd.</p> <p>Mr Anton Rupert is a non-voting observer designated by ReinetFund S.C.A., F.I.S. to the board of Carbon, Inc., a leading digital manufacturing platform and is a director of MQA Limited, a company specialised in innovative music coding technology.</p> <p>He has knowledge of and insight into tech start-ups and has had extensive exposure to all of the Group's businesses. He brings valuable insight into changing consumer behaviour in digital marketing and web-based commerce.</p>
<p>Jan Rupert</p> <p><i>Non-executive Director</i></p>	<p>Mr Jan Rupert was appointed to the Board in 2006 and is a member of the Strategic Security and Nominations Committee. He joined the Group as Manufacturing Director in 1999 and served as an Executive Director from 2006 to 2012. Mr Jan Rupert has served as a Non-Executive Director since 2012.</p> <p>Mr Jan Rupert is a graduate in mechanical engineering from Stellenbosch University, South Africa and has had an extensive career in production management in the tobacco and watchmaking industries. Prior to joining Richemont, he was Manufacturing Director of Rothmans International.</p>
<p>Gary Saage</p> <p><i>Non-executive Director</i></p>	<p>Mr Saage was appointed to the Board in 2010 and is a member of the Nominations Committee.</p> <p>Mr Saage is a graduate of Fairleigh Dickinson University, US, and is a Certified Public Accountant.</p> <p>Following an early career in public accounting with Coopers &amp; Lybrand, he joined Cartier's US business in 1988. Between 1988 and 2006, he served as Chief Operating Officer of Richemont North America and of Alfred Dunhill in London. From 2006 to 2010, he served as Group Deputy Finance Director, subsequent to which he was appointed Chief Financial Officer, a position he held from 2010 to 31 July 2017. Since 1 August 2017, he has been serving as a Non-Executive Director. In addition, he is the Chairman of Richemont North America and a Director of Peter Millar LLC.</p> <p>Mr Saage is also a Non-Executive Director of Arendale Holdings Corp.</p>
<p>Cyrille Vigneron</p>	<p>Mr Vigneron was appointed to the Board in 2016 and is a member of the Senior Executive Committee.</p>

*President & Chief  
Executive Officer  
of Cartier*

He is a graduate of the ESCP Europe (Ecole Supérieure de Commerce de Paris).

On 1 January 2016, he was appointed Chief Executive Officer of Cartier. Prior to his new role, Mr Vigneron was President of LVMH Japan and worked with Richemont from 1988 to 2013: principally with Cartier, rising to become Managing Director of Cartier Japan, President of Richemont Japan, and finally, Managing Director of Cartier Europe.

The Guarantor's Company Secretary is Swen Grundmann.

### ***Conflicts of Interest***

There are no potential conflicts of interests between any duties to the Guarantor of the directors listed above and their private interests and/or other duties.

Pursuant to the Guarantor's Organisational Regulations, each member of the Board is obliged to arrange his personal and business affairs so as to avoid, as far as possible, any conflict of interest with the Guarantor. Where any such conflict of interest may arise, the relevant director is obliged to make a full declaration of the potential conflict to the Board or, between meetings of the Board, to the Chairman, who shall ensure that the matter is raised with the board no later than at its next meeting. The Board shall consider the matter. The person who is potentially conflicted shall not take part in any discussion of the situation.

Depending on the nature of the potential conflict, a director may be asked by the Board to stand down from the Board, to withdraw from one or more meetings of the Board or to recuse themselves from discussions on a particular topic.

Transactions between the Group and members of the Board, or corporate bodies, or persons with whom they are related, should at all times be carried out on an arm's length basis and should be approved by the Board without the participation of the party concerned. All material related party transactions shall be reported to the Company's independent auditors and disclosed, as appropriate and as required by law or applicable accounting standards, in the Company's financial statements.

### ***Senior Executive Committee***

The Senior Executive Committee is composed of the Board's executive directors together with the heads of certain Group functions. The Committee is chaired by the Chairman of the Board. Other managers are invited to participate on an ad hoc basis at the Chairman's discretion.

The Senior Executive Committee meets on a regular basis to review matters associated with the implementation of the Group's strategic policies.

## **Share Capital Structure**

### ***Share Capital***

The Guarantor has 522,000,000 'A' registered shares and 522,000,000 'B' registered shares in issue. The Guarantor's 'A' registered shares are listed and traded on SIX Swiss Exchange. The 'B' registered shares are not listed and are held by Compagnie Financière Rupert. Each 'A' registered share has a par value of CHF 1.00 and each 'B' registered share has a par value of CHF 0.10. The authorised and issued capital therefore amounts to CHF 574,200,000 as of 31 March 2020. During the three years ended 31 March 2020, there was no change to the Guarantor's capital structure.

At 31 March 2020, the Guarantor's market capitalisation, based on a closing price of CHF 53.06 per share and a total of 522,000,000 'A' shares in issue, was CHF 27,697 million. The overall valuation of the Group at the end of its financial year ended 31 March 2020, reflecting the value of both the listed 'A' shares and the unlisted 'B' shares, was CHF 30,467 million.

The ISIN of the Guarantor's registered 'A' shares is CH0210483332 and the Swiss '*Valorennummer*' is 21048333.

### ***Significant shareholdings***

As of 31 March 2020, Compagnie Financière Rupert is the only shareholder in the Guarantor holding 3 per cent. or more of the voting rights.

Compagnie Financière Rupert, a Swiss partnership limited by shares, holds 5,221,000 Richemont 'A' shares and 522,000,000 Richemont 'B' registered shares representing 10 per cent. of the equity of the Guarantor and controlling 51 per cent. of the Guarantor's voting rights as of 31 March 2020. Mr Johann Rupert, Chairman of Richemont, is the sole General Managing Partner of Compagnie Financière Rupert. Mr Ruggero Magnoni and Anton Rupert, both non-executive directors of the Guarantor, and Prof Juergen Schrempp, are partners of Compagnie Financière Rupert.

Parties associated with Mr Johann Rupert and Compagnie Financière Rupert held a further 2,836,664 'A' shares or 'A' share equivalents at 31 March 2020.

### ***Director's shareholdings***

The Guarantor recognises that directors and executives should be encouraged to become shareholders in Richemont. Through the Group's long-term share-based compensation scheme, many executives have become shareholders. However, the ownership of the Guarantor's shares may, in itself, put a director in a position where they may find themselves as having a conflict of interest. The Board has adopted a code of conduct for Dealings of Directors and Employees of the Guarantor in its shares or related securities to ensure that directors, certain employees and persons connected with them do not abuse, and do not place themselves under suspicion of abusing, price-sensitive information that they may have or be thought to have, especially in periods leading up to the announcement of results.

### **Corporate Governance**

The Group is committed to maintaining a high standard of corporate governance. Its Corporate Governance report adheres to the recommendations of the SIX Swiss Exchange's Directive on Information relating to Corporate Governance ('DCG'). In addition to Swiss law, such as the Swiss Code of Obligations, the Financial Market Infrastructures Act of 19 June 2015 ('FMIA') and its implementing ordinances, as well as the "Minder" Ordinance on Excessive Compensation of 20 November 2013 ('OEC'), the Company complies with the Listing Rules of the SIX Swiss Exchange. With a secondary listing of the depository receipts issued by Richemont Securities SA in respect of the Company's shares, it also complies with the rules of the Johannesburg Stock Exchange, to the extent that they apply to companies with secondary listings there.

The Group's corporate governance principles are embodied in the Articles of Incorporation of the Guarantor, in its Organisational Regulations and in the terms of reference of the Audit, Compensation, Nominations and Strategic Security Committees of the Board. The Group's corporate governance principles and practices are reviewed by the Audit Committee and the Board on an annual basis in the light of prevailing best practices.

The Board believes that the Guarantor's corporate governance arrangements continue to serve its shareholders well. The Board is confident that its governance structure reinforces its ability to deliver the Group's strategy

of growing value for shareholders over the long term through the sustained growth of its Maisons and Online Distributors.

### ***Committees***

In terms of the Group's framework of corporate governance, the Board has established various committees including an Audit Committee, a Compensation Committee, a Nominations Committee and a Strategic Security Committee.

Each Board committee has its own written charter outlining its duties and responsibilities and a Chairman elected by the Board. The Chairman of each committee presents a summary of the activities of each committee meeting to the Board. All Board committees are entitled to invite members of senior management and external specialists to attend meetings for specific matters on an ad hoc basis.

### ***Audit Committee***

The Audit Committee's principal tasks are to:

- satisfy itself that the consolidated financial statements follow approved accounting principles and give a true and fair view of the Group's financial position and results;
- recommend to the Board the appointment, reappointment or dismissal of the external auditor and keep under review their independence and objectivity as well as their level of compensation;
- examine and review, with both the external and internal auditor, the adequacy and effectiveness of the Group's management information systems as well as accounting, financial and operational controls;
- oversee the effectiveness of the Group's Internal Audit function and liaise with the Head of Internal Audit on all matters of significance arising from the department's work;
- oversee the adequacy and effectiveness of risk management practices in the Group and advise the Board on its responsibility to perform regular risk assessments;
- examine and review the adequacy, effectiveness and integrity of the processes to assure the Group's compliance with all applicable laws and regulations; and
- ensure compliance with the Group's Code of Conduct for Dealings in Securities.

The Chairman of the Audit Committee reports the findings of each Committee meeting to the Board and makes recommendations to management on behalf of the Board.

The Guarantor has a risk management process which gives consideration to both strategic and operational risks ("Key Risks"). These Key Risks are identified through discussions with senior executives throughout the Group and reviewed and discussed at an annual meeting of the Senior Executive Committee. Following this meeting, a senior executive is appointed as Risk Coordinator for each Key Risk and is responsible for developing a risk mitigation plan ("Risk Mitigation Plan") and ensuring that mitigating actions are implemented.

All identified Key Risks are modelled according to their probability of occurrence and potential impact and subsequently prioritised by management. A consolidated risk report, which includes Risk Mitigation Plans prepared by the Group executive directly responsible for addressing the risk, is reviewed annually by the Audit Committee and the Board.

### ***Compensation Committee***

The purpose of the Compensation Committee is to support the Board in establishing and reviewing the compensation strategy and guidelines as well as in preparing the proposals to the general meeting of shareholders regarding the compensation of the Board and the Senior Executive Committee. The Compensation Committee may submit proposals to the Board on other compensation-related issues.

The Compensation Committee oversees the administration of the Group's long-term incentive plans for executive members of the Board and the members of the Senior Executive Committee. It approves, inter alia, the awards granted to executive directors and the awards made to other executives in aggregate, recognising that the Senior Executive Committee has the authority to make awards to executives other than those serving on the Board. In addition, the Compensation Committee oversees any material amendment to existing long-term incentive plans or the creation of any other long-term incentive plan pertaining to senior management.

### ***Nominations Committee***

The principal functions of the Nominations Committee are to advise the Board in areas such as the composition and size of the Board and the criteria to be applied in the selection of new members of the Board and senior management. In addition, the Committee is responsible for the nomination of directors to serve on Board Committees.

Succession planning is established throughout the Group's operations. At the level of Board membership, the Nominations Committee is responsible for continuity as directors reach retirement or indicate their intention to resign.

The Group's succession plans seek to preserve the current balance of executive directors, former executive directors in a non-executive capacity, and non-executive directors who have not held operational responsibilities within the Group. While this balance will be preserved in the long term, as the continuity it brings to strategic discussions is one of the Group's strengths, the profile of individual appointments may vary from time to time. Such variations take account of the Board's evolving requirements in terms of experience and diversity.

### ***Strategic Security Committee***

The purpose of the Strategic Security Committee is to advise the Board in all aspects of security policy. It aims to protect the Company's assets, including confidential business information and intellectual property, and its operations against intrusive actions. It also oversees the protection of Richemont's employees and physical assets.

### **Alternative Performance Measures**

The tables below set out certain alternative performance measures relating to the Group as of and for the financial years ended 31 March 2019 and 31 March 2020 (see also "*Alternative Performance Measures*" in the section entitled "*Presentation of Financial Information*").

The Group defines EBITDA as operating profit *plus* the sum of depreciation and amortisation charges and impairment charges and EBITDA margin as EBITDA over revenue. The following table shows the reconciliation from operating profit to EBITDA and the calculation of EBITDA margin for the financial years ended 31 March 2019 and 31 March 2020.

	Financial year ended 31 March 2020	Financial year ended 31 March 2019
Operating profit (€m)	1,518	1,943
Depreciation, amortisation charges and impairments (€m)	1,537	813
<b>EBITDA (€m)</b>	<b>3,055</b>	<b>2,756</b>
Revenue (€m)	14,238	13,989
<b>EBITDA Margin (%)</b>	<b>21.5%</b>	<b>19.7%</b>

The Group defines net cash as the sum of current financial assets held at fair value through profit or loss, cash at bank and on hand, non-current borrowings, current borrowings and bank overdraft and net cash / EBITDA as net cash over EBITDA. The following table shows the reconciliation of net cash and net cash / EBITDA for the financial years ended 31 March 2019 and 31 March 2020.

	Financial year ended 31 March 2020 (€m, unless indicated otherwise)	Financial year ended 31 March 2019 (€m, unless indicated otherwise)
Current financial assets held at fair value through profit or loss	4,362	4,528
Cash at bank and on hand	4,462	5,060
Borrowings, non-current	(3,951)	(3,984)
Borrowings, current	(1)	(363)
Bank overdraft	(2,477)	(2,713)
<b>Net Cash</b>	<b>2,395</b>	<b>2,528</b>
EBITDA	3,055	2,756
<b>Net Cash / EBITDA (ratio)</b>	<b>0.78</b>	<b>0.92</b>

The Group defines free cash flow as the sum of operating profit from continuing operations, operating profit/(loss) from discontinued operations, depreciation, amortisation and other non-cash items (sum of depreciation of property, plant and equipment and of investment property, amortisation of other intangible assets, impairment of property, plant and equipment and of goodwill, loss on disposal of property, plant and equipment and of other intangible assets, change in long term provisions, change in retirement benefits and other non-cash items), lease related payments, change in net working capital (sum of changes in inventories, trade receivables, other receivables and prepayments, current liabilities, long term liabilities and derivative financial instruments), other operating activities (sum of interest received and other investment income less interest paid), taxation paid and net acquisition of non-current assets (sum of capex and acquisitions of investment property, less proceeds from disposal of investment property). The following table presents the reconciliation from operating profit to free cash flow for the financial years ended 31 March 2019 and 31 March 2020.

	Financial year ended 31 March 2020 (€m)	Financial year ended 31 March 2019 (€m)
Operating profit from continuing operations	1,518	1,943
Operating profit/(loss) from discontinued operations	-	-
Depreciation, amortisation and other non-cash items	1,606	918
Lease related payments*	(660)	-
Change in net working capital	(327)	(530)
Other operating activities	18	1
Taxation paid	(373)	(306)
Net acquisition of non-current assets	(758)	(880)
<b>Free Cash Flow</b>	<b>1,024</b>	<b>1,146</b>

\* Effective from 1 April 2019, the Company adopted IFRS 16 applying the modified retrospective approach. For further details see note 2.2, 10 and 33 to the consolidated financial statements as of and for the financial year ended 31 March 2020, which are incorporated by reference into this Prospectus.

The Group defines capex as the sum of acquisition of property, plant and equipment, proceeds from disposal of property, plant and equipment, acquisition of intangible assets, proceeds from disposal of intangible assets, acquisition of other non-current assets and proceeds from disposal of other non-current assets while excluding capital expenditure on investment properties and payments capitalised as right of use assets. The following table shows the reconciliation of capex for the financial years ended 31 March 2019 and 31 March 2020.

	Financial year ended 31 March 2020 (€m)	Financial year ended 31 March 2019 (€m)
Acquisition of property, plant and equipment	(570)	(657)
Proceeds from disposal of property, plant and equipment	2	24
Acquisition of intangible assets	(165)	(169)
Proceeds from disposal of intangible assets	-	4
Acquisition of other non-current assets	(30)	(44)
Proceeds from disposal of other non-current assets	11	25
<b>Capex</b>	<b>(752)</b>	<b>(817)</b>

## Selected Financial Information

### Historical financial information

The consolidated balance sheet, consolidated statement of comprehensive income and consolidated statement of cash flows data set out in the tables below are extracted from the audited consolidated financial statements of the Guarantor as of and for the financial year ended 31 March 2020, which are incorporated by reference into this Prospectus.

For more detailed information in respect of documents incorporated by reference into this Prospectus, refer to the section of this Prospectus entitled “*Documents Incorporated by Reference*” above.

### Consolidated balance sheet at 31 March

	2020 €m	2019 €m
<b>Assets</b>		
Non-current assets		
Property, plant and equipment	2 774	2 728
Goodwill	3 465	3 354
Other intangible assets	2 623	2 757
Right of use assets	3 164	-
Investment property	282	282
Equity-accounted investments	180	182
Deferred income tax assets	600	594
Financial assets held at fair value through profit or loss	10	10
Financial assets held at fair value through other comprehensive income	115	378
Other non-current assets	447	476
	<b>13 660</b>	<b>10 761</b>
Current assets		
Inventories	6 658	6 186
Trade receivables and other current assets	1 246	1 470
Derivative financial instruments	44	15
Financial assets held at fair value through profit or loss	4 362	4 528
Assets held for sale	29	19
Cash at bank and on hand	4 462	5 060
	<b>16 801</b>	<b>17 278</b>
<b>Total assets</b>	<b>30 461</b>	<b>28 039</b>
<b>Equity and liabilities</b>		
Equity attributable to owners of the parent company		
Share capital	334	334
Treasury shares	(539)	(560)
Hedge and share option reserve	368	324
Cumulative translation adjustment reserve	3 133	2 564
Retained earnings	13 840	14 289
	<b>17 136</b>	<b>16 951</b>
Non-controlling interests	123	88
<b>Total equity</b>	<b>17 259</b>	<b>17 039</b>



**Liabilities**

## Non-current liabilities

Borrowings	3 951	3 984
Lease liabilities	2 702	-
Deferred income tax liabilities	351	358
Employee benefit obligations	168	66
Provisions	56	65
Other long-term financial liabilities	99	224
	7 327	4 697

## Current liabilities

Trade payables and other current liabilities	2 047	2 341
Current income tax liabilities	446	515
Borrowings	1	363
Lease liabilities	612	-
Derivative financial instruments	30	84
Provisions	262	287
Bank overdraft	2 477	2 713
	5 875	6 303

Total liabilities	13 202	11 000
Total equity and liabilities	30 461	28 039

**Consolidated statement of comprehensive income**  
for the year ended 31 March

	2020 €m	2019 €m
<b>Revenue</b>	<b>14 238</b>	13 989
Cost of sales	(5 627)	(5 344)
<b>Gross profit</b>	<b>8 611</b>	8 645
Selling and distribution expenses	(3 512)	(3 433)
Communication expenses	(1 415)	(1 338)
Fulfilment expenses	(352)	(229)
Administrative expenses	(1 560)	(1 422)
Other operating expenses	(254)	(280)
<b>Operating profit</b>	<b>1 518</b>	1 943
Finance costs	(504)	(294)
Finance income	167	111
Share of post-tax results of equity-accounted investments	17	1 408
<b>Profit before taxation</b>	<b>1 198</b>	3 168
Taxation	(267)	(381)
<b>Profit for the year</b>	<b>931</b>	2 787
<b>Other comprehensive income:</b>		
<b>Items that will never be reclassified to profit or loss</b>		
Defined benefit plan actuarial (losses)/gains	(81)	15
Tax on defined benefit plan actuarial (losses)/gains	10	(3)
Fair value changes on financial assets held at fair value through other comprehensive income	(272)	(72)
Share of other comprehensive income of equity-accounted investments	-	-
	(343)	(60)
<b>Items that are or may be reclassified subsequently to profit or loss</b>		
Currency translation adjustments		
– movement in the year	568	670
– reclassification to profit or loss	-	3
Cash flow hedging		
– reclassification to profit or loss, net of tax	3	3
Share of other comprehensive income of equity-accounted investments	-	1
	571	677
Other comprehensive income, net of tax	228	617
<b>Total comprehensive income</b>	<b>1 159</b>	3 404
<b>Profit attributable to:</b>		
Owners of the parent company	933	2 784
Non-controlling interests	(2)	3
	931	2 787
<b>Total comprehensive income attributable to:</b>		
Owners of the parent company	1 162	3 400
Non-controlling interests	(3)	4
	1 159	3 404
<b>Earnings per ‘A’ share/10 ‘B’ shares attributable to owners of the parent company during the year (expressed in € per share)</b>		
<b>From profit for the year</b>		
Basic	1.651	4.934
Diluted	1.646	4.927

**Consolidated statement of cash flows**  
for the year ended 31 March

	2020 €m	2019 €m
<b>Cash flows from operating activities</b>		
Cash flow generated from operations	2 797	2 331
Interest received	109	90
Interest paid	(181)	(139)
Dividends from equity-accounted investments	3	37
Dividends from other investments	15	13
Taxation paid	(373)	(306)
Net cash generated from operating activities	2 370	2 026
<b>Cash flows from investing activities</b>		
Acquisition of subsidiary undertakings and other businesses, net of cash acquired	(245)	(2 650)
Proceeds from disposal of subsidiary undertakings, net of cash	-	(44)
Acquisition of equity-accounted investments	(1)	-
Proceeds from disposal of, and capital distributions from, equity-accounted investments	-	21
Acquisition of property, plant and equipment	(570)	(657)
Proceeds from disposal of property, plant and equipment	2	24
Payments capitalised as right of use assets	(2)	-
Acquisition of intangible assets	(165)	(169)
Proceeds from disposal of intangible assets	-	4
Acquisition of investment property	(4)	(63)
Investment in money market and externally managed funds	(8 422)	(6 177)
Proceeds from disposal of money market and externally managed funds	8 600	6 892
Acquisition of other non-current assets and investments	(30)	(44)
Proceeds from disposal of other non-current assets and investments	11	25
Net cash used in investing activities	(826)	(2 838)
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	-	11
Repayment of borrowings	(365)	(323)
Dividends paid	(1 017)	(926)
Acquisition of treasury shares	-	(180)
Proceeds from sale of treasury shares	13	106
Contributions received from non-controlling interests	34	57
Acquisition of non-controlling interests in a subsidiary	-	(195)
Lease payments – principal	(588)	-
Capital element of finance lease payments	-	(6)
Net cash used in financing activities	(1 923)	(1 456)
Net change in cash and cash equivalents	(379)	(2 268)
Cash and cash equivalents at the beginning of the year	2 347	4 504
Exchange gains/(losses) on cash and cash equivalents	17	111
<b>Cash and cash equivalents at the end of the year</b>	<b>1 985</b>	<b>2 347</b>

## Taxation

The statements below in relation to taxation are general in nature and neither these statements nor any other statements in this Prospectus are to be regarded as advice on the tax position of any holder of the Notes or any person purchasing, selling or otherwise dealing in Notes. Prospective holders of the Notes and holders of the Notes who are in doubt about their tax position should consult their own professional advisers.

### Luxembourg Taxation

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

#### *Withholding Tax*

(a) *Non-resident holders of Notes*

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

(b) *Resident holders of Notes*

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 as amended (the **Relibi Law**) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Relibi Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Accordingly, payments of interest under the Notes coming within the scope of the Relibi Law will be subject to a withholding tax at a rate of 20 per cent. In the event that interest is paid to Luxembourg resident individual Noteholders by a paying agent established in a Member State (other than Luxembourg), the Luxembourg resident individual Noteholders may opt to self-declare and pay a 20% tax in full discharge of income tax in accordance with the Relibi Law.

#### *Recent Developments*

As part of the base erosion and profit shifting (BEPS) project, new international tax principles dealing, *inter alia*, with double tax treaties abuse, interest deduction limitation, controlled foreign companies and hybrid mismatch arrangements, have emerged. In relation thereto, the European Council has adopted two

Anti-Tax Avoidance Directives (Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market (**ATAD I**) and Directive 2017/952/EU of 29 May 2017 amending ATAD I as regards hybrid mismatches with third countries (**ATAD II**) that address many of the above-mentioned issues. The measures included in ATAD I and ATAD II have been implemented into Luxembourg law on, respectively, 31 December 2018 (the **ATAD I Law**) and 20 December 2019 (the **ATAD II Law**) and almost all of them are applicable since, respectively, 1 January 2019 (with regards to ATAD I Law) and 1 January 2020 (with regards to ATAD II Law). The ATAD I Law and the ATAD II Law could have a material adverse effect on the Issuer's financial condition. In addition, the Group may become subject to audit, review and investigation by tax authorities.

On 25 May 2018, the EU Council adopted a directive (Council Directive (EU) 2018/822 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation) that imposes a reporting obligation on parties involved in transactions that may be associated with aggressive tax planning (**DAC6**). The Grand Duchy of Luxembourg has implemented DAC6 into Luxembourg law by the law of 25 March 2020 (the DAC6 Law) following the text of DAC6 rather closely. In light of the broad scope of DAC6, the Issuer may have to report transactions in which it is involved and may thus become subject to audits, reviews and investigations by tax authorities.

Furthermore, as an additional effort to prevent tax fraud and tax evasion in response to the conclusions of the Economic and Financial Affairs Council of the EU (ECOFIN) issued on 5 December 2019, the Luxembourg Government published a draft law N°7547 on 30 March 2020, which aims to disallow in certain circumstances, the deduction of interest and royalty expenses owed to related undertakings located in a jurisdiction or territory blacklisted by Luxembourg (the **Bill**). The Bill is set to be applicable to interest and royalties paid or accrued as of 1 January 2021. Once enacted and entered into force, the law could have a material adverse effect on the Issuer's financial condition if payments it makes fall into its scope.

### **The Common Reporting Standard (CRS)**

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (the **CRS**) requires certain financial institutions to report information regarding certain accounts (which may include the Notes credited to such accounts) to their local tax authority and follow related due diligence procedures. Holders of the Notes may be requested to provide certain information and certifications to any financial institutions through which payments on the Notes are made to ensure compliance with the CRS. A jurisdiction (including Luxembourg) that has signed the OECD's multilateral competent authority agreement (the **Agreement**) may provide this information to other jurisdictions that have signed the Agreement.

Prospective holders of Notes should consult their professional advisors on the impact of CRS.

### **The Foreign Account Tax Compliance Act (FATCA)**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, "foreign financial institutions" (such as clearing systems, their participants and other financial intermediaries between the Issuer and the holder of the Notes) may be required to withhold on certain payments they make (**foreign passthru payments**) to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Luxembourg) have entered into intergovernmental agreements with the United States to implement FATCA (the **IGAs**), which modify the way in which FATCA applies in their jurisdiction. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. A foreign financial institution resident in an IGA jurisdiction must comply with specific due diligence procedures to identify their account holders and provide the U.S. Internal Revenue Service (directly

or indirectly through its local tax authority) with information on financial accounts held by U.S. persons and recalcitrant account holders. Consequently, holders of the Notes may be requested to provide certain information and certifications to any financial institution through which payments on the Notes are made.

Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register.

Holders of the Notes should consult their professional advisors regarding how these rules may apply to their investment in the Notes.

## **Swiss Taxation**

The net proceeds from each issue of Notes may be applied by the Issuer in Switzerland provided that use is permitted under the Swiss taxation laws in force from time to time without payments in respect of the Notes becoming subject to withholding or deduction for Swiss withholding tax as a consequence of such use of proceeds in Switzerland.

## **The proposed financial transactions tax (FTT)**

On 14 February 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

**Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.**

## Subscription and Sale

Goldman Sachs International (the **Global Coordinator and Joint Bookrunner**), HSBC Bank plc, ING Bank N.V. and J.P. Morgan Securities plc (the **Joint Bookrunners**, and together with the Global Coordinator and Joint Bookrunner, the **Managers**) have, pursuant to a Subscription Agreement dated 20 May 2020 between the Issuer, the Guarantor and the Managers, agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe for the 2028 Notes at an issue price equal to 99.884 per cent. of their principal amount, the 2032 Notes at an issue price equal to 99.732 per cent. of their principal amount and the 2040 Notes at an issue price equal to 98.387 per cent. of their principal amount, less fees in each case. In addition, the Issuer (failing which, the Guarantor) will pay certain costs incurred by it and the Managers in connection with the issue of the Notes. The Managers are entitled to terminate the Subscription Agreement in certain limited circumstances prior to the issue of the Notes.

### United States

The Notes have not been and will not be registered under the Securities Act or the securities law of any U.S. state, and may not be offered or sold, directly or indirectly, in the United States of America or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or such state securities laws. The Notes are being offered and sold only outside of the United States to non-U.S. persons in reliance upon an exemption from registration under the Securities Act pursuant to Regulation S.

Each of the Managers has represented and agreed that:

- (i) it has not offered or sold, and will not offer or sell, the Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the issue date of the Notes, within the United States or to, or for the account or benefit of, U.S. persons; and
- (ii) it will have sent to each distributor or manager to which it sells Notes during such 40-day period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

Terms used in this paragraph and not otherwise defined in this Prospectus have the meanings given to them in Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by a manager that is not participating in the offering may violate the registration requirements of the Securities Act.

### United Kingdom

Each of the Managers has represented and agreed that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## Switzerland

The Notes may not be publicly offered, directly or indirectly, in Switzerland and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the Swiss Financial Services Act (**FinSA**) or Articles 652a and 1156 of the Swiss Code of Obligations (as such Articles were in force immediately prior to the entry into effect of FinSA), and neither this Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

## Singapore

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the Securities and Futures Act), (ii) to a relevant person pursuant to section 275(1) of the Securities and Futures Act, or any person pursuant to section 275(1A) of the Securities and Futures Act, and in accordance with the conditions, specified in section 275 of the Securities and Futures Act or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Notes are subscribed or purchased under section 275 of the Securities and Futures Act by a relevant person which is:

- (i) a corporation (which is not an accredited investor (as defined in section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (as defined in section 2(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under section 275 of the Securities and Futures Act except:

- (i) to an institutional investor or to a relevant person defined in section 275(2) of the Securities and Futures Act, or to any person arising from an offer referred to in section 275(1A) or section 276(4)(i)(b) of the Securities and Futures Act, and further for corporations, in accordance with the conditions specified in section 275 of the Securities and Futures Act;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law; or
- (iv) as specified in section 276(7) of the Securities and Futures Act; or
- (v) as specified in regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.



## **Prohibition of Sales to EEA and UK Retail Investors**

Each of the Managers has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area or in the United Kingdom.

For the purposes of this provision:

- (i) the expression “retail investor” means a person who is one (or more) of the following:
  - (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or
  - (b) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and
- (ii) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

## **General**

Each of the Managers has agreed to observe, to the best of its knowledge and belief, all applicable laws and regulations in each jurisdiction in or from which it may acquire, offer, sell or deliver Notes or has in its possession or distributes this Prospectus or any other offering material relating to the Notes.

No action has been, or will be, taken in any country or jurisdiction that would permit a public offering of the Notes, or the possession or distribution of this Prospectus or any other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any circular, prospectus, form of application, advertisement or other offering material relating to the Notes may be distributed in or from, or published in, any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and all offers and sales of Notes by it will be made on the same terms.

## General Information

### Authorisation

The creation and issue of the Notes and the giving of the Guarantee has been duly authorised by a resolution of the Committee of the Board of Directors of the Guarantor (the “**Committee**”) passed on 11 May 2020, which Committee was appointed by a resolution of the Board of Directors of the Guarantor passed on 30 April 2020, and a resolution of the Board of Directors of the Guarantor dated 14 May 2020.

The creation and issue of the Notes have further been duly authorised by a resolution the Board of Directors of the Issuer passed on 13 May 2020.

### Listing and Admission to Trading of Notes on the Luxembourg Stock Exchange

It is expected that the official listing of the 2028 Notes, the 2032 Notes and the 2040 Notes will be granted on or about 26 May 2020 subject only to the issue of the 2028 Temporary Global Note, the 2032 Temporary Global Note and the 2040 Temporary Global Note, respectively. Application has been made to the Luxembourg Stock Exchange for the 2028 Notes, the 2032 Notes and the 2040 Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU). The Issuer estimates that the total expenses related to the admission to trading will be approximately €24,800.

### Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg.

The International Securities Identification Number (ISIN) for the 2028 Notes is XS2170736180 and the Common Code is 217073618.

The International Securities Identification Number (ISIN) for the 2032 Notes is XS2170736263 and the Common Code is 217073626.

The International Securities Identification Number (ISIN) for the 2040 Notes is XS2178457425 and the Common Code is 217845742.

The address of Euroclear is Euroclear Bank S.A./N.V., 1 boulevard du Roi Albert II, 1210 Bruxelles, Belgium and the address of Clearstream, Luxembourg is Clearstream Banking, 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg.

### Documents Available

Copies of the following documents will, when published, be available for inspection from the office of the Fiscal Agent:

- (i) the constitutional documents (with an English translation thereof) of the Issuer (which will also be available at <https://dl.bourse.lu/dl?v=tp0fGIS2gzFxt10Ai1g82WwyWIa4+GsKQfsHF8fuQhcb79jkkPDwlBrjB8I8REKXy9Ax41fdUasQD9A+2yube5LGgcXVYHZhyHYUbp83kFm2x4JHY202we4HpZFidgqcxp0wX1m2is11Q+76vZi6UQrapZFBpLXC2j2RCE4mxMV8edwCSpse9Yp9FIpu0kbqPbD6HjyNcoaTMgoSZEGkMJ88CyyDth4NaT0m0JgA=>) and the constitutional documents (with an English translation

thereof) of the Guarantor (which will also be available at <http://dl.bourse.lu/dlp/10ed53a4c62e0a45a38970ad2224eb428c>);

- (ii) the Agency Agreements (which will also be available at <https://www.bourse.lu/>);
- (iii) the Deed of Covenant (which will also be available at <https://www.bourse.lu/>);
- (iv) the Guarantee (which will also be available at <https://www.bourse.lu/>); and
- (v) a copy of this Prospectus (which will also be available at <https://www.bourse.lu/>).

## **Yield**

On the basis of the issue price of the 2028 Notes of 99.884 per cent. of their principal amount, the yield on the 2028 Notes is 0.765 per cent. on an annual basis.

On the basis of the issue price of the 2032 Notes of 99.732 per cent. of their principal amount, the yield on the 2032 Notes is 1.149 per cent. on an annual basis.

On the basis of the issue price of the 2040 Notes of 98.387 per cent. of their principal amount, the yield on the 2040 Notes is 1.721 per cent. on an annual basis.

The yield is calculated on the Closing Date on the basis of the issue price of the Notes. It is not an indication of future yield.

## **Significant or Material Change**

There has been no significant change in the financial performance or position of the Issuer since 31 March 2020 and no material adverse change in the financial position or prospects of the Issuer since 31 March 2020, subject to the impact of Covid-19 (as discussed in the third paragraph under the heading “*Recent Developments*” in the section entitled “*Description of the Guarantor and the Group*” above), the detailed consequences of which are difficult to assess as of the date hereof.

There has been no significant change in the financial performance or position of the Guarantor or the Group since 31 March 2020 and no material adverse change in the financial position or prospects of the Guarantor or the Group since 31 March 2020, subject to the impact of Covid-19 (as discussed in the third paragraph under the heading “*Recent Developments*” in the section entitled “*Description of the Guarantor and the Group*” above), the detailed consequences of which are difficult to assess as of the date hereof.

## **Material Contracts**

There are, at the date of this Prospectus, no material contracts that are not entered into in the ordinary course of the Issuer or the Guarantor's business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer or the Guarantor's ability to meet its obligations to Noteholders in respect of the Notes being issued.

## **Legal and Administrative Proceedings**

Neither the Issuer nor the Guarantor nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or the Guarantor is aware) in the 12 months preceding the date of this

Prospectus which may have or have in such period had a significant effect on the financial position or profitability of the Issuer, the Guarantor or the Group.

## **Auditors**

The statutory auditors (*réviseur d'entreprises agréé*) of the Issuer are PricewaterhouseCoopers Société coopérative, who are members of the Luxembourg *Institut des Réviseurs D'Entreprises*, with their business address at 2, rue Gerhard Mercator, B.P. 1443, L-1014, Luxembourg. PricewaterhouseCoopers Société coopérative have audited Richemont International Holding S.A.'s consolidated financial statements as of and for each of the two financial years ended 31 March 2019 and 31 March 2020, as stated in their reports included elsewhere in this Prospectus.

The statutory auditors of the Guarantor are PricewaterhouseCoopers SA, who are members of EXPERTsuisse – Swiss Expert Association for Audit, Tax and Fiduciary, with their business address at 50 avenue Giuseppe-Motta 1202 Geneva Switzerland. PricewaterhouseCoopers SA have audited Compagnie Financière Richemont SA's consolidated and non-consolidated financial statements as of and for each of the two financial years ended 31 March 2019 and 31 March 2020, as stated in their reports included elsewhere in this Prospectus.

## **Conflicts**

The Managers and their affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to, the Issuer and/or the Guarantor and their respective affiliates in the ordinary course of business. The Managers and their affiliates may have positions, deal or make markets in the Notes, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer, the Guarantor or their respective affiliates. The Managers or their affiliates that have a lending relationship with the Issuer and the Guarantor routinely hedge their credit exposure to the Issuer and the Guarantor consistent with their customary risk management policies. Typically, the Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of Notes. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

BNP Paribas Securities Services Luxembourg Branch, being part of a financial group providing client services with a worldwide network covering different time zones, may entrust parts of its operational processes to other BNP Paribas Group entities and/or third parties, whilst keeping ultimate accountability and responsibility in Luxembourg.

**ISSUER**

**Richemont International Holding S.A.**

35 Boulevard Prince Henri  
L-1724 Luxembourg  
Luxembourg

**GUARANTOR**

**Compagnie Financière Richemont SA**

50 chemin de la Chênaie  
CP 30, 1293 Bellevue  
Geneva  
Switzerland

**FISCAL AGENT AND PRINCIPAL PAYING AGENT**

**BNP Paribas Securities Services, Luxembourg Branch**

60, avenue J.F. Kennedy  
L-1855 Luxembourg  
Luxembourg

**GLOBAL COORDINATOR AND JOINT BOOKRUNNER**

**Goldman Sachs International**

Plumtree Court  
25 Shoe Lane  
London EC4A 4AU  
United Kingdom

**JOINT BOOKRUNNERS**

**HSBC Bank plc**  
8 Canada Square  
London E14 5HQ

**ING Bank N.V.**  
Foppingadreef 7  
1102 BD Amsterdam  
The Netherlands

**J.P. Morgan Securities plc**  
25 Bank Street  
Canary Wharf  
London E14 5JP

## **LEGAL ADVISERS**

*To the Issuer and the Guarantor as to Luxembourg law*

**Elvinger Hoss Prussen**  
2, place Winston Churchill  
L-1340 Luxembourg  
Luxembourg

*To the Issuer and the Guarantor as to Swiss law*

**Lenz & Staehelin**  
Route de Chêne 30  
CH-1211 Geneva 6  
Switzerland

*To the Issuer and the Guarantor as to English law*

**Slaughter and May**  
One Bunhill Row  
London EC1Y 8YY  
United Kingdom

*To the Managers as to English law*

**Allen & Overy LLP**  
One Bishops Square  
London E1 6AD  
United Kingdom

## **AUDITORS TO THE ISSUER**

**PricewaterhouseCoopers Société coopérative**

2, rue Gerhard Mercator  
B.P. 1443  
L-1014, Luxembourg

## **AUDITORS TO THE GUARANTOR**

**PricewaterhouseCoopers SA**

50 avenue Giuseppe-Motta  
1202 Geneva  
Switzerland

## **LUXEMBOURG LISTING AGENT**

**BNP Paribas Securities Services, Luxembourg Branch**

60, avenue J.F. Kennedy  
L-1855 Luxembourg  
Luxembourg