

# **RICHEMONT**

Compagnie Financière Richemont SA  
Depository Receipts issued by Richemont Securities SA  
("Richemont Securities" or "Richemont")  
(Incorporated in Switzerland)  
Share code: CFR  
ISIN: CH0045159024  
Depository Receipt Code: CFR

PLEASE SEE THE IMPORTANT NOTICES AT THE END OF THIS ANNOUNCEMENT

## **COMPANY ANNOUNCEMENT**

**16 OCTOBER 2020**

### **RICHEMONT ANNOUNCES EGM AND UPDATE TO EQUITY-BASED SHAREHOLDER LOYALTY SCHEME AND CONDITIONAL SHARE CAPITAL INCREASE**

#### **Shareholder loyalty scheme**

On 9 September 2020, Richemont announced the temporary suspension of its proposed shareholder loyalty scheme in order to study the potential impact of cancelling the Company's depository receipt programme in South Africa and delivering Richemont A shares to holders of South African depository receipts. Having successfully completed its study, the Board of Directors is pleased to announce that it will proceed with the issuance of tradeable warrants to shareholders, allowing them either to trade the warrants or, subject to the terms and conditions of the warrants, acquire new Richemont A shares in three years at a potentially beneficial exercise price.

The exercise price of the tradable warrants proposed in the scheme will be set on the basis of the volume-weighted average market price of the Richemont A shares before the Extraordinary General Meeting (EGM), thereby allowing those shareholders who hold the warrants until maturity to benefit from any potential upside in the market price of the Richemont A shares during the lifetime of the warrants.

The revised terms of the warrants will be described in the updated information memorandum to be published on the Company's website on 19 October 2020 and will contain clauses allowing the Company to transition away from its depository receipt programme, if and when it decides to do so. The final terms of the warrants, including the exercise price, will be published after the EGM.

#### **Conditional share capital increase**

In connection with the issuance of the warrants, shareholders will be asked to vote at the Extraordinary General Meeting (EGM) of shareholders on 17 November 2020 to approve the

creation of conditional capital through the inclusion of a new provision in the articles of association and to authorise the issuance of a maximum of 22 000 000 new A shares (and an identical number of B shares) upon exercise of the warrants.

Information on the loyalty scheme, the rationale for the creation of the proposed conditional share capital and the proposed amendment of the articles of association will be found in the updated information memorandum to be issued on 19 October 2020.

## **Extraordinary General Meeting (EGM)**

Richemont also confirms that the EGM will be held at 10.00 a.m. at its registered office on 17 November 2020. Given the continued uncertainties linked to Covid-19 and related health and safety concerns, the Board of Directors has decided it prudent, pursuant to Article 27 of the Ordinance 3 of the Swiss Federal Council ‘on Measures to Combat the Coronavirus (COVID-19)’, to hold the meeting without the attendance of shareholders.

Shareholders are invited to submit voting instructions through the Company’s registrar, Computershare Schweiz AG, or by sending them directly to the independent representative of the shareholders, Etude Gampert & Demierre, Notaires. Detailed instructions on how to vote can be found in the meeting notice which will be posted on Richemont’s website on 19 October 2020.

## **Important Notices**

### *Legal and Regulatory Restrictions*

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

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

This announcement and the information contained in it are not for publication, release, transmission, distribution or forwarding, in whole or in part, directly or indirectly, in or into Australia / Hong Kong SAR, China / Japan or any other jurisdiction where it would be unlawful

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In the United Kingdom, this announcement and the information contained in it are directed only at persons who are (i) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”) or (ii) have professional experience in matters relating to investments falling within Article 19(5) of the Order or to whom this announcement may otherwise be directed without contravention of the UK Financial Services and Markets Act 2000 (all such persons together being referred to as “**UK Relevant Persons**”).

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## *No Prospectus*

### Switzerland

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

## South Africa

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

## European Union and United Kingdom

The issue of the warrants to Richemont Shareholders shall not constitute an "offer to the public" for the purposes of the Prospectus Regulation (Regulation (EU) 2017/1129) (the "**Prospectus Regulation**") requiring the publication of a prospectus and shall not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of, or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire, or subscribe for, Shares or any other security for the purposes of the Prospectus Regulation.

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

## Canada

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

## *Note to US Shareholders*

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

Shareholders who are citizens or residents of the United States are advised that the Warrants, any new Shares issued through the exercise of the warrants, Warrant Receipts and DRs have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**") or registered or qualified under any securities laws of any state or other jurisdiction of the

United States and may not be offered, sold, taken up, exercised, resold, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state and other securities laws of the United States. There will be no public offer of the warrants, any Shares issued through the exercise of the warrants, Warrant Receipts or DRs in the United States. This announcement does not constitute nor will it constitute an offer or an invitation to apply for, or an offer or an invitation to acquire, any warrants, Shares issued through the exercise of the warrants, Warrant Receipts or DRs in the United States.

### *Other restricted jurisdictions*

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

### *Forward-looking statements*

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

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

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

## About Richemont

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

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

## Investor/analyst and media enquiries

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