RICHEMONT

AD HOC ANNOUNCEMENT PURSUANT TO ART. 53 LR

16 JULY 2021

STRONG TRADING FOR THE FIRST QUARTER ENDED 30 JUNE 2021 CHANGES TO BOARD OF DIRECTORS AND SENIOR EXECUTIVE COMMITTEE

Highlights

Compared to the first quarter ended 30 June 2020:

- Strong start to the financial year with Group sales up by 129% at constant exchange rates and 121% at actual exchange rates
- Sales up by triple digits in almost all regions, channels and business areas, confirming the enduring appeal of the Group's Maisons
- Outstanding performance of the Jewellery Maisons and the Specialist Watchmakers, with sales growth of 142% and 143%, respectively, at constant exchanges rates, and 132% and 136%, respectively, at actual exchange rates
- Strong sequential improvement compared to the quarter ended 31 March 2021

Compared to the first quarter ended 30 June 2019:

- Sales up by 22% at constant exchange rates and by 18% at actual exchange rates, exceeding pre-pandemic levels in most business areas, channels and regions
- Solid double-digit sales increases in the Americas, Asia Pacific and Middle East and Africa
- Robust double-digit sales growth in online and offline retail sales (73% of Group sales)
- Performance led by the Jewellery Maisons (+43% and +38% at constant and actual rates)

The Board of Directors approves changes to the Board and Senior Executive Committee to support the strong, sustainable development of its Maisons and businesses

April-June	**2021**	2020	2019	% change vs prior year		% change 2021 vs 2019	
	€m	€m	€m	constant rates	actual rates	constant rates	actual rates
By region							
Europe	**905**	436	1 072	+108%	+108%	-15%	-16%
Asia Pacific	**1 933**	1 013	1 423	+95%	+91%	+40%	+36%
Americas	**955**	277	698	+276%	+245%	+47%	+37%
Japan	**240**	112	298	+138%	+114%	-14%	-19%
Middle East and Africa	**364**	155	249	+154%	+135%	+55%	+46%
By distribution channel							
Retail	**2 421**	1 052	1 851	+138%	+130%	+35%	+31%
Online retail	**809**	506	648	+67%	+60%	+29%	+25%
Wholesale & royalty income	**1 167**	435	1 241	+178%	+168%	-3%	-6%
By business area							
Jewellery Maisons	**2 515**	1 083	1 827	+142%	+132%	+43%	+38%
Specialist Watchmakers	**849**	359	823	+143%	+136%	+6%	+3%
Online Distributors	**637**	356	612	+86%	+79%	+8%	+4%
Other	**440**	204	493	+124%	+116%	-7%	-11%
Inter-segment eliminations	**-44**	-9	-15	+425%	+389%	+204%	+193%
Total	**4 397**	1 993	3 740	+129%	+121%	+22%	+18%

COMPAGNIE FINANCIERE RICHEMONT SA
50, CHEMIN DE LA CHENAIE | CASE POSTALE 30 | 1293 BELLEVUE | GENEVA | SWITZERLAND
TELEPHONE +41 (0)22 721 3500
WWW.RICHEMONT.COM

Review of trading in the three-month period ended 30 June 2021 versus the prior year, at constant exchange rates

Versus the prior year period, which was severely affected by the pandemic, all regions, channels and business areas saw sales progress at triple digit rates, with the exception of Asia Pacific, Online Distributors and online retail where sales grew by double digits.

The 129% increase in sales was led by the Jewellery Maisons and Specialist Watchmakers with growth of 142% and 143%, respectively. The Other business area, mostly composed of our Fashion & Accessories Maisons, also performed strongly, recording 124% sales growth.

The Americas generated the strongest regional performance, with sales increasing by 276% driven by strong local demand, followed by the Middle East and Africa with sales up by 154%. Wholesale and retail led channel growth, with sales progression of 178% and 138%, respectively.

Given the magnitude of the impact of the pandemic on our operations in the three-month period ended 30 June 2020, additional comments compared to the three-month period ended 30 June 2019 are provided below for a more comprehensive view of our current trading.

Review of trading in the three-month period ended 30 June 2021 versus the three-month period ended 30 June 2019, at constant exchange rates

In the period under review, sales exceeded pre-Covid levels. Sales growth of 22% was driven by strong double-digit increases in the Americas, Asia Pacific and the Middle East and Africa. Sales in Europe contracted by 15%, as robust demand from local clientele could not offset the halt in tourist sales. In Asia Pacific, sales increased by 40%, with good momentum across most markets, particularly in mainland China, Macau SAR (China) and South Korea. In the Americas, sales rose by 47%, supported by buoyant domestic demand and thriving retail sales. Sales in Japan declined by 14%, due to renewed public health protection measures and a halt in tourism. The Middle East and Africa posted the strongest regional performance with 55% sales growth, reflecting solid domestic and tourist spending, notably in Dubai and Saudi Arabia.

The online and offline retail channels recorded strong double-digit sales growth. Retail sales, up by 35%, delivered the strongest relative channel performance, supported by double-digit growth at the Jewellery Maisons and Specialist Watchmakers. Retail sales were particularly strong in the US, Russia and Saudi Arabia. Online retail sales rose by 29%, with sustained demand across regions. Sales in the wholesale channel were 3% lower, notwithstanding notably higher sales in the US and Russia.

Sales growth of 43% at the Jewellery Maisons was driven by both strong jewellery and watch sales at Cartier and Van Cleef & Arpels. Sales progressed in most regions and across all channels. The Specialist Watchmakers' sales increased by 6%, driven by online and offline retail sales and growth in most regions. At the Online Distributors, sales grew by 8%, and Gross Merchandise Value (GMV) increased by 9%. The Group's Other business area recorded a 7% decline in sales, partly reflecting persistent challenges in the wholesale channel, particularly in travel retail.

The Group's net cash position at 30 June 2021 was € 3.6 billion (2020: € 1.8 billion), reflecting strong trading.

Board of Directors and Senior Executive Committee

The Nominations Committee and Board of Compagnie Financière Richemont (the 'Company') have undertaken a review of the Group's governance model in light of the ongoing pandemic and the continued acceleration of 'new retail'.

To further capitalise on our Group's agility and momentum, the Senior Executive Committee will focus solely on strategic direction, capital allocation, governance, and the provision of central and regional functions for the benefit of our Maisons and businesses. Similarly, the executives in charge of our Maisons and businesses will focus exclusively on the sustainable development of their respective entities, ensuring a customer-centric approach and the continued success of digital initiatives.

Taking these revised responsibilities into account, Cyrille Vigneron, President & Chief Executive of Cartier, and Nicolas Bos, President & Chief Executive of Van Cleef & Arpels, will step down from the Senior Executive Committee and will not seek re-election to the Board of Directors at the Group's Annual General Meeting ('AGM') on 8 September 2021. They will continue to report directly to Johann Rupert, Chairman.

Philippe Fortunato, CEO of Fashion and Accessories, Emmanuel Perrin, Head of Specialist Watchmakers Distribution, and Frank Vivier, Chief Transformation Officer will step down from the Senior Executive Committee. They will continue to report to Jérôme Lambert, Group Chief Executive Officer.

Johann Rupert, Jérôme Lambert and Burkhart Grund, Chief Finance Officer, will remain on the Senior Executive Committee and will stand for re-election to the Board of Directors at the AGM.

These changes will take effect 8 September 2021.

In addition, Alan Quasha, Non-executive Director of the Company and its predecessor companies since the Group's foundation in 1988, has indicated that he will not seek re-election to the Board of Directors in September.

Commenting on the proposals, Johann Rupert, Chairman, said:

"The continual evolution of our corporate governance structures reflects our commitment to meet the changing demands of our operating environment most efficiently and align with best practice. While the enlarged SEC structure proved effective in the early stages of our transformation journey and in navigating one of the most trying times in recent history, the time is ripe for a more streamlined structure as we embark on the next stage of our development. The outstanding development of Cartier and Van Cleef & Arpels, in particular, means that these businesses have reached a size and scale that require the full attention of their leaders and support of the Group to continue on their remarkable trajectory.

Throughout the pandemic, agility and well-informed rapid decision making have been essential. Decisions must be made as close as possible to customers. These governance changes will allow Maison and business executives to focus exclusively on their customers, colleagues, partners and the sustainable development of their entities at a time when the world is changing rapidly and growing in complexity.

I am grateful to be able to rely on the deep experience and expertise of Cyrille, Nicolas, Philippe, Emmanuel and Frank as well as their strong sense of collegiality. Finally, I would like to thank Alan Quasha for his valued contributions over the past 33 years. We have benefited from his broad understanding of the Group, and his astute perspectives will be missed".

Corporate calendar

The annual general meeting will be held on Wednesday 8 September 2021 in Geneva.

About Richemont

At Richemont, we craft the future. Our unique portfolio includes prestigious Maisons distinguished by their craftsmanship and creativity, alongside Online Distributors that cultivate expert curation and technological innovation to deliver the highest standards of service. Richemont's ambition is to nurture its Maisons and businesses and enable them to grow and prosper in a responsible, sustainable manner over the long term.

Richemont operates in four business areas: **Jewellery Maisons** with Buccellati, Cartier and Van Cleef & Arpels; **Specialist Watchmakers** with A. Lange & Söhne, Baume & Mercier, IWC Schaffhausen, Jaeger-LeCoultre, Panerai, Piaget, Roger Dubuis and Vacheron Constantin; **Online Distributors** with Watchfinder & Co., NET-A-PORTER, MR PORTER, THE OUTNET, YOOX and the OFS division; and **Other**, primarily Fashion & Accessories Maisons with Alaïa, AZ Factory, Chloé, Delvaux, dunhill, Montblanc, Peter Millar, Purdey and Serapian. Find out more at www.richemont.com.

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

Sophie Cagnard, Group Corporate Communications Director
James Fraser, Investor Relations Executive

Investor/analyst enquiries: +41 22 721 30 03; investor.relations@cfrinfo.net
Media enquiries: +41 22 721 35 07; pressoffice@cfrinfo.net; richemont@teneo.com

Disclaimer

The financial information contained in this announcement is unaudited.

This document contains forward-looking statements as that term is defined in the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements are not guarantees of future performance. Richemont's forward-looking statements are based on management's current expectations and assumptions regarding the Company's business and performance, the economy and other future conditions and forecasts of future events, circumstances and results. Our retail stores are heavily dependent on the ability and desire of consumers to travel and shop and a decline in consumer traffic could have a negative effect on our comparable store sales and/or average sales per square foot and store profitability resulting in impairment charges, which could have a material adverse effect on our business, results of operations and financial condition. Reduced travel resulting from economic conditions, retail store closure orders of civil authorities, travel restrictions, travel concerns and other circumstances, including disease epidemics and other health-related concerns, could have a material adverse effect on us, particularly if such events impact our customers' desire to travel to our retail stores.

As with any projection or forecast, forward-looking statements are inherently susceptible to uncertainty and changes in circumstances. Actual results may differ materially from the forward-

looking statements as a result of a number of risks and uncertainties, many of which are outside the Group's control. Richemont does not undertake to update, nor does it have any obligation to provide updates of or to revise, any forward-looking statements.

Appendix 1:

Foreign exchange rates

Average exchange rates against the euro	**April-June 2021**	April-June 2020
United States dollar	**1.21**	1.10
Japanese yen	**132**	118
Swiss franc	**1.10**	1.06
Renminbi	**7.78**	7.80

Actual exchange rates for the period are calculated using the average daily closing rates against the euro.

In terms of sales at constant exchange rates, average exchange rates for the year ended 31 March 2021 are used to convert local currency sales into euros for the current three-month period and comparative figures. Exchange rate translation effects are thereby eliminated from the reported sales performance.