

RICHEMONT

Compagnie Financière Richemont SA

Annual General Meeting

11 September 2024

Address by Johann Rupert, Chairman of the Board

Ladies and Gentlemen, on behalf of the Directors of Compagnie Financière Richemont SA, it is my pleasure to welcome you to our 36th annual general meeting.

I am Johann Rupert, Chairman of the Board of Directors. I will be chairing today's annual general meeting.

Before proceeding to the agenda of our annual general meeting, I would like to make a few remarks on Richemont's solid results for the financial year ended March 2024, which you are asked to approve today, as well as on the trading update for the quarter ended June 2024. Our strong performance would not have been achieved without the individual and collective contributions of all our colleagues at Richemont. Both on my behalf and that of the Directors of Compagnie Financière Richemont SA, I would like to wholeheartedly thank them.

For the year under review, sales rose to € 20.6 billion, led by the Jewellery Maisons and the retail channel, underpinned by growth across all regions. Notwithstanding significant adverse foreign exchange movements, operating profit reached € 4.8 billion whilst profit for the year from continuing operations was solid at € 3.8 billion. Overall, Group profit for the year was € 2.4 billion, impacted by a € 1.5 billion loss from discontinued operations mainly due to the write-down of the YOOX NET-A-PORTER assets, which as you know are 'held for sale'. remind you it is a € 1.5 billion loss but not a cash loss. On that front, the sale process is ongoing, and we expect to be in a position to disclose more by the end of the year.

Both cash flow from operating activities and net cash position strengthened further to € 4.7 billion and € 7.4 billion, respectively; the latter benefitting from the net € 880 million cash inflow from the exercise of shareholder warrants. As a result, the Board of Directors has proposed an increased ordinary dividend of CHF 2.75 per 1 'A' share and of CHF 0.275 per 1 'B' share.

The exercise of the warrants as part of the Richemont's Equity-based Loyalty Scheme was a success, with 98.90% of the 'A' warrants exercised by holders at a price of CHF 67 per 'A' share, currently worth around CHF 120, with the remaining warrants exercised by Richemont. I am extremely pleased that you, our shareholders, have been rewarded for your long-term trust in Richemont.

Additionally, in another step to show our commitment to shareholders, holders of depository receipts received 'A' shares, in a ratio of one 'A' share for ten depository receipts, listed on the Johannesburg Stock Exchange as a secondary listing in April 2023, having approved the termination of the depository receipt programme in South Africa by the requisite majority.

Looking at the first quarter of current financial year ended 30 June 2024, the Group's performance has proved resilient in a continuing uncertain macroeconomic and geopolitical environment. Sales rose by 1% at constant exchange rates, down 1% at actual exchange rates. All regions and business areas delivered growth, except for Asia Pacific and the Specialist Watchmakers where sales contracted, both at constant and actual exchange rates.

Turning to the breadth of our portfolio of Maisons, our acquisition of a controlling stake in Gianvito Rossi, one of the world's leading luxury shoe Maisons, was finalised in January. I am pleased to say that performance to date has been promising. As to the distinctive Italian jewellery Maison, Vhernier, we expect the closing of the acquisition to happen shortly. Vhernier's unique aesthetic perfectly complements our renowned jewellery Maisons and will further reinforce our leadership in the thriving jewellery market.

Before turning to corporate governance and Group leadership, please allow me some contextual remarks.

We recognise that our responsibility extends beyond our financial performance, encompassing a broader commitment to our employees, communities, and other stakeholders. As my late father indicated many decades ago, we do not only have a responsibility towards our shareholders but also towards our colleagues and society, the communities in which we operate. This philosophy is deeply ingrained in our Company's culture. Our Company's long-term prosperity is linked to the well-being of its employees, the communities it serves, and the environment it impacts. Trying to leave this place a better place for our children and grandchildren.

This brings me to our approach to sustainability, and I will address our non-financial report a bit later. Our approach is not about ticking boxes, it is about using common sense and basic humanity. It is about trying to do good, not just talking about or reporting on it. This requires empathy towards people and the planet, and a genuine curiosity to learn and improve.

At this shareholders' meeting, you are being asked to approve the nomination of two new directors: Gary Saage as non-executive director and Nicolas Bos, CEO of the Group, as executive director.

Taking the two proposals in order. We have proposed Gary for election as he will bring a strong track record in financial discipline together with his deep knowledge of the Group and the industry

to the all-important Audit Committee, which he will be chairing, if elected, following Dillie Malherbe's decision to step down from this role.

I firmly believe that Gary's financial acumen, integrity and institutional knowledge make him uniquely well suited for this important position. I have every confidence that he will be a great asset to the Board, and I also know that he will have all shareholders' best interests at heart. I can assure you that your interest as shareholders and my interest as the shareholder with the biggest exposure to Richemont are definitively aligned.

With Dillie also resigning as Deputy Chairman of the Board, Bram Schot is appointed to this position if re-elected today. Bram is also proposed at today's AGM for the election to the Compensation Committee from 1 April 2025, succeeding Clay Brendish who will step down from the Board of Directors together with Maria Ramos on 31 March 2025. I am very pleased that such an experienced and seasoned successor as Bram be appointed to both roles.

I would like to reiterate my heartfelt thanks to both Clay and Maria for their strong and valued contributions over the years. I am also obviously very grateful to Dillie for his invaluable support over the years, and his exceptional leadership of the Audit Committee. I am glad he has agreed to remain on the Audit Committee to oversee the completion of the tender process to select the Group's next external auditor and potential transition to a new audit firm.

I am truly delighted that Nicolas Bos has finally agreed to take on the re-established position of Chief Executive Officer. It took me a while. So, Nicolas, thank you very, very much. The story of Van Cleef & Arpels is a wonderful one, and it's a textbook case for what we are trying to achieve. Today it is a remarkable company, so thank you and all your colleagues!

Nicolas has had a fantastic track record in the course of his 32-year career within the Group, culminating in his having transformed Van Cleef & Arpels into the distinctive and exquisite jewellery powerhouse it is today. In his new role, he will have the oversight of all Maisons, regions and functions. I know that Nicolas supported by a strong leadership across the Group will successfully steer Richemont through the next phase of its evolution.

I am also pleased that Catherine Renier succeeded Nicolas at the helm of Van Cleef & Arpels on 1 September 2024. Her appointment is the recognition of her successful 25-year career within the Group, which has spanned Cartier, Van Cleef & Arpels and Jaeger-LeCoultre where she had been CEO since 2018. I am confident Catherine has the right combination of experience and skills to ensure Van Cleef & Arpels' continued success over the long-term, upholding its tradition of excellence and creativity.

In fact, our two largest Maisons saw a change in leadership on 1 September 2024. At Cartier, Louis Ferla succeeded Cyrille Vigneron as Chief Executive Officer; Cyrille having decided to retire after

eight successful years leading the Maison. I am very grateful to Cyrille for steering Cartier to new heights and also for his contribution towards finding his successor. Cyrille and I had been discussing the transition at Cartier for a while, and we came to the same conclusion. Louis has told me that it's going very well, so Cyrille, thank you very, very much for making the transition so smooth. We believe in transition, and a true transition is what we have here, with Nicolas who started with us 32 years ago, Catherine 25 years and Louis as I will point out shortly has similarly had a long career in the Group. So we will not have problems with culture, because ultimately the culture of the company is so important. I absolutely know I can count on his support for a smooth handover. I am also pleased that Cyrille will continue to be involved in the Group as Chairman of Cartier Culture & Philanthropy working on topics that he has always felt very passionate about.

We are all delighted that Louis has taken on the top role at Cartier. Throughout his 23-year career at Richemont, principally at Cartier and since 2017 as CEO of Vacheron Constantin, Louis has earned the respect and admiration of all, internally and within the industry at large, for having so brilliantly positioned Vacheron Constantin at the pinnacle of Haute Horlogerie. I have every confidence that, under his leadership, Cartier will continue to thrive.

Aside from these significant changes, the Senior Executive Committee was further strengthened reflecting the importance to the Group of effective operational performance and responsible sourcing, regulatory compliance and reputation management considerations.

In relation to sustainability, which guides how we operate as a responsible business, our non-financial report was put to vote for the first time this year. This report has been established in accordance with GRI standards, with non-financial disclosures and indicators independently assured. We are devoting considerable energy to meeting the increasingly stringent EU and Swiss regulatory requirements. There are various requirements from different regulatory bodies and what we have decided is that we will meet the highest hurdles set by regulatory authorities. But it's actually a mindset: if you care, you have empathy. These are natural things one should do. It should be inherent and as difficult as it was to force the transition to SAP throughout this Group, this is like pushing water downhill: everybody wants to do the 'right thing'. A wise scholar once wrote that "ethics and modesty should at times prohibit what the law allows." We plan to abide by what is the right thing to do. This requires our constant attention and transversal collaboration, both internally and externally.

Notwithstanding continued geopolitical volatility, economic uncertainty and unsupportive currencies, the end of the year under review and the very start of the new financial year have seen resilient sales across all regions except for Asia Pacific. We have been cautioning for a while that a sustainable rebound in Chinese demand would take some time. In fact, it was in May 2022 when we cautioned that it would take longer for China to recover. A number of my colleagues were quite upset that it caused the share price to drop significantly, but I think we've been proven to be correct:

it is taking longer. We more than ever stick to this view, even if I continue to very much believe in China's long-term prospects. Having said that, it is quite remarkable to have been able to deliver good sales growth across other geographies and nationalities. In particular, demand from the American and European clienteles has been remarkably resilient but may turn volatile - possibly more so in the United States until the outcome of the presidential election.

In closing, while many uncertainties remain, I would like to reiterate my full confidence in the Group's long-term prospects. We have exceptional Maisons with talented and engaged individuals, a strong leadership team, an experienced Board and a robust balance sheet. We will remain fully focused on local clienteles across geographies, delighting our clients with exquisite and beautifully crafted high-end creations.

Let us turn now to the formal business of the meeting.