

CEO's Statement



**Xavier
Rossinyol**
Chief Executive
Officer

Dear all,

I am proud to be writing to you after a successful second year as Avolta. For the eighth consecutive quarter we are ahead of our own outlook, with continued strong organic growth, progressing on the travel experience revolution.

Our geographically diverse and stable business mix – with a balanced presence across duty-free, duty-paid and food & beverage – continues to give us a strong competitive advantage. By staying customer-centric and relentlessly focused on continuous improvement, we are delivering outstanding financial performance, transforming physical spaces, and accelerating digital innovation. Our management team remains committed to creating value for all our stakeholders, from shareholders and governance to our people, communities and the environment. With a positive outlook ahead, driven by society's fundamental passion to travel, we will continue leading the transformation of the travel experience. I thank our team members and stakeholders for your ongoing support and dedication.

Strong execution against our Destination 2027 Strategy

Avolta's compelling financial performance tells the story of our continued strong execution against our Destina-

tion 2027 Strategy, powered by our more than 77,000 team members.

We have met or exceeded all our KPIs this year and progressed on all pillars of our strategy from delivering on the travel experience revolution by bringing together travel retail with F&B, diversifying our global presence, building a culture of continual operational improvement and making meaningful steps forward on the sustainability front.

On an operational level, we remain well positioned to capture growth in line with channel evolution, with 81% of operations in airports, and the remaining distributed across cruise liners & ferries, seaports, motorways, railway stations and downtown tourist areas. With long-term global air passenger traffic trends expected to double by 2043, our widespread and continually expanding presence at airports places us in an advantageous position for the future.

Robust growth and synergy success – delivering on key performance metrics

In 2024, our key performance indicators have shown very positive development on all fronts, driven by our impressive commercial performance, our heightened cost discipline, a positive increase in productivity, and active portfolio management.

Our Consolidated CORE Turnover saw significant growth, reaching CHF 13,473 million (compared to CHF 12,535 million in 2023), with CORE Organic growth of 6.3% over the prior year. Full-year 2024 CORE EBITDA amounted to CHF 1,267 million (CHF 1,130 million in 2023), reflecting an improved CORE EBITDA margin of 9.4% despite persistent geopolitical and macroeconomic challenges.

Following the successful business combination of Dufry and Autogrill in 2023, we exceeded expectations by realizing the full run-rate of CHF 85 million in synergies one year earlier than projected at the time of announcing the integration.

This positive trend is further reflected in our CORE Net Profit, which increased to CHF 550 million, up from CHF 457 million in 2023. Furthermore, and surpassing our initial expectations for the year, Equity Free Cash Flow (EFCF) reached CHF 425 million (2023: CHF 323 million).

Our physical spaces: Our FLEX approach for shops and F&B builds innovation into our concepts

With operations in nearly all continents, we have identified the key ingredients in creating relevant concepts for our travelers and distilled them into our FLEX framework:

For a glossary of financial terms and Alternative Performance Measures please see page 266 of this Annual Report.

Maximizing revenue synergies from the business combination, paving the way for a more integrated and engaging travel experience.

Flexible, Local, Entertainment and the X-factor. FLEX means that we can be proactively responsive, building stores that can respond to the changing landscape of travel ports, emphasize the local flavors and giving a platform to local brands, leveraging entertainment to form connection, alleviate stress and create a conducive buying environment. We make travelers happier with our ability to surprise with out-of-the box concepts.

We continue to extract value from our business combination, which allows us to explore new revenue streams like hybrids and build a solid data lake with access to the combined data. We have developed and delivered unique hybrid concepts tailored to different passenger groups, which, interestingly, we note that the market is clearly also moving in that direction. In the USA in 2024, 25% of tenders included a hybrid proposal. Avolta is a clear front runner in this trend, which we expect to grow not only in the US but also in the rest of the world with new concepts already introduced in Europe, the Middle East and North America, so far.

Full speed on the Digitalization and the use of Data to create value for the Customers, our concession partners and our shareholders.

We continue to evolve our store concepts using data-driven insights that reflect customer expectations and trends, while also advancing digitalization across all levels of the organization. Our goal is to create tangible value for customers, concession partners and shareholders through innovation and technology. A key milestone in 2024 was the successful

launch of Club Avolta, which was well received by customers and had a positive impact on sales.

Club Avolta is the singular and most inclusive loyalty program for travelers – and this is just the beginning.

Launched in October, Club Avolta, an industry-first loyalty program that brings together duty-free, duty-paid and F&B, across Avolta's more than 5,100 outlets worldwide. As the next pivotal step in our strategy for traveler centricity, the program rewards members when they spend at Avolta stores and restaurants, with exclusive benefits and experiences with some of the world's most-renowned brands, including access to lounges and events, exclusive product launches, and opportunities to give back to the local communities in which we operate. Club Avolta is the singular and most inclusive loyalty program for travelers, equipping us with real-time data showing how different travelers interact with both F&B and retail – a first for any travel industry player. And this is just the beginning.

An exceptional year due to a shared commitment.

In reflecting on such an exceptional year, I would like to express my sincere thanks to the Avolta Board of Directors and Management Team for their steadfast support. Our shared commitment to realizing Avolta's Destination 2027 strategy and revolutionizing the travel experience and delivering value for our shareholders is invaluable. Your dedication and collaboration have been essential in driving our success.

Enhancing our geographical diversification, with important contract extensions and new wins

In 2024, Avolta advanced its growth strategy by securing new concessions and contract renewals, while simultaneously enhancing existing stores with our FLEX framework. These highlights are too numerous to mention, with significant footprint expansions, new territories opened, changemaking hybrid concepts and more, I welcome you to read our regional updates in full on pages 58 through to 73.

Capitalizing on our global platform, we maintain a clear focus on growing the business organically by investing in growth, with upgrades to our store network, digital and tech transformation, and targeted business development in new locations. In 2024, most regions experienced growth, with particularly strong performance achieved in EMEA and continued improvement in the APAC region. In terms of organic growth, our strategic expansion remains focused on the highly attractive and resilient North American market, where we announced a series of sensational wins at JFK Airport across all channels of the business. Simultaneously, we accelerated our growth strategy for the Asia-Pacific region, with the purchase of Free Duty concessions, and the expansion of our team to capture growth from the ongoing recovery of Chinese travelers and the increasing demand for domestic, intra-regional, and international travel among other Asian nationalities. Whilst reported year-on-year growth for the LATAM region was -3.1%, the growth excluding the Argentinean effect was +7.0%, testimony to the strength and resilience of the business, and we continue to fine-tune our approach in the region with clearly defined priorities and goals.

Avolta's Sustainability Strategy is embedded in our way of doing business

Avolta's Sustainability Strategy, encompassing our people, our planet and communities, is a core pillar of our Destination 2027 Strategy, and thus remains a key consideration in all business decisions. Our vision of sustainability continues to evolve to account for changes within the business, as well as shifts in the external sustainability context. In 2024, we made considerable progress with several important initiatives.

Particularly close to my heart is the launch of Eugenio Andrades' Legacy, a global initiative aimed at honoring the memory of our esteemed colleague, Eugenio Andrades, and furthering a cause he was deeply passionate about. The initiative is designed to support and uplift children with neurological disabilities by promoting social inclusion through sports and providing necessary treatment resources to NGOs, while serving as an umbrella to other initiatives supporting children with neurological disabilities. This initiative ties well to Avolta's global Community Engagement focus area, which we have continued to deliver against through several other support efforts.

Our business is only as strong as our people, who are the face of Avolta and the engine behind our success.

In line with our focus area – Empower Our People – this year we achieved EDGE certification in five significant countries – Italy, the Netherlands, Spain, Switzerland, and the USA – helping us to create a fairer workplace, attract and retain diverse talent, and provide equal opportunities for all team members. This is especially important on the background of the high levels of competition required to attract and retain leading talent in the travel retail and F&B industry, for which employee engagement remains an essential focus for us. We listen keenly to feedback and adapt to meet the needs of our team members, cultivating our culture with dedicated Employee Resource Groups, boosting our internal talent pipeline with employee growth opportunities with the development of our internal-first approach and global job board, as well as the roll-out of our global talent development program to upskill emerging leaders.

For a detailed and comprehensive overview of our Sustainability Strategy, engagement, and the progress we have achieved in 2024 please refer to our Sustainability Report on pages 99 – 161.

Positive outlook for 2025.

With positive business development across all regions and strong customer demand projected for the broader travel industry, despite

persistent geopolitical and macro-economic challenges, we remain confident that Avolta will experience sustainable growth for many years to come. We see diverse opportunities emerging from changing traveler and customer expectations for both travel retail and F&B and are well-equipped to evolve our offering not only to address these changes, but to pioneer innovative concepts that redefine the travel experience. Our Destination 2027 strategy positions us to harness this growing appetite for unique experiences and our financial performance reinforces our ability to address challenges and leverage opportunities.

Powered by our people – thank you for your consistent contributions.

Our people are key contributors to our company's success. I extend my sincere thanks to all team members for your contributions in our stores, restaurants and offices around the world. Your unwavering dedication has been instrumental in driving our Destination 2027 Strategy forward, allowing us to deliver exceptional results.

I would also like to express my gratitude to our concession partners,

The future of travel is poised for remarkable change, and Avolta is at the forefront, leading the market's transformation.

brands, and the financial community for your continued support and collaboration. Your partnerships have strengthened our ability to innovate, grow and create value for us all.

Thank you to all key shareholders, and our long-term strategic investors.

I thank our shareholders and bondholders for your continuing support in advancing Avolta's strategy to redefine the travel experience. Your partnership enables us to execute, adapt and innovate, and to maintain our leadership of the ever-changing travel industry.

Finally, I would like to sincerely thank all our key shareholders and long-term strategic investors as well as our Chairman, Juan Carlos Torres, our Honorary Chairman, Alessandro Benetton, and our entire Board of Directors, for your trust and support

in driving Avolta's growth and transformation.

I look to 2025 with great anticipation as we continue to shape the travel industry as one of the most powerful and resilient global travel experience players.

Journey on,

A handwritten signature in black ink, appearing to read 'X. Rossinyol', with a long horizontal stroke extending to the right.

Xavier Rossinyol