



DUFRY

Q1 2022
Trading Update

AGENDA

- 01 Group Highlights
- 02 Trading Update
- 03 Financial Update
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- 05 Appendix





01

Group Highlights

Group Highlights

Q1 2022

TURNOVER

1,118.6 MILLION
CHF

Organic growth of plus 144.5% in Q1 2022 vs prior year, with March periodic trading of plus 150.4% year-on-year

April organic growth, based on Net Sales, estimated at plus 176.2% vs 2021

EQUITY FREE CASH FLOW

- 86.8 MILLION
CHF

Robust EFCF performance in Q1 2022 with cash outflow below first quarter 2021 of CHF -219 million

March with positive Equity Free Cash Flow

SALES CAPACITY

OVER **90%**

Over 1,960 shops are open globally by end-March 2021, representing around 85% of stores and more than 90% of sales capacity vs 2019

NEW & RENEWED CONTRACTS Q1

21,915 m²

New contracts signed in Mexico and Bulgaria, among others, and renewals achieved in various attractive locations, such as Dominican Republic, Bali, Brazil, Finland, and the US

FRAGRANCE BOUTIQUE

A J DUFR



ESTÉE LAUDER
雅诗兰黛

New Advanced Night Repair
第七代小棕瓶
净重 50ml
3周 加速肌肤+25%

ESTÉE LAUDER
雅诗兰黛
Advanced
Night Repair

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ESTÉE LAUDER
雅诗兰黛
Advanced
Night Repair

CLARINS SECRET



ESTÉE LAUDER

CLARINS

CASH DESK 收银台

GUCCI

GUCCI

GUCCI

02

Trading Update

ESTÉE
雅诗

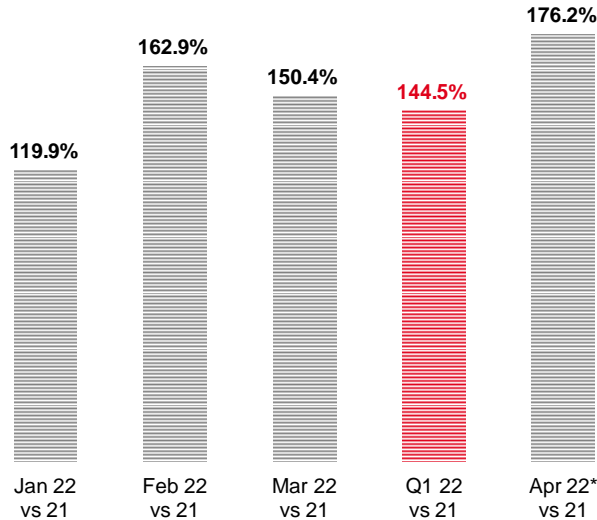
NEW
Advanced
第七代小
加速肌肤



Organic Growth Evolution Group

Q1 2022

ORGANIC GROWTH EVOLUTION in %



* Net sales based, estimate as of 06.05.2022. Organic Growth at constant FX

TURNOVER Q1 2022

1,118.6 MILLION
CHF

- Progress across most regions during Q1 and especially April, driven by improved health situation and easing of restrictions
- Especially EMEA saw increasing sales trends, with limited impact from macro-political developments so far
- US, Central America & Caribbean and the Mediterranean region continue to outperform
- APAC was still largely adhering to zero-Covid policy or travel-restrictions, with re-opening having started in selected countries

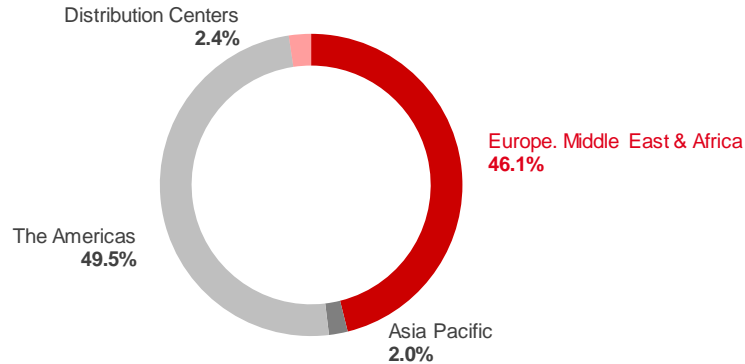
2.1

Regional Performance

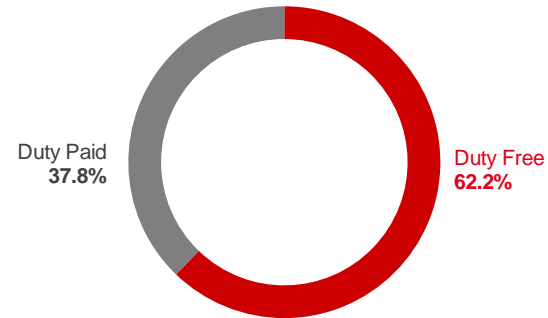
Net Sales by Region & Sector

Q1 2022

DUFRY BY REGION



DUFRY BY SECTOR*



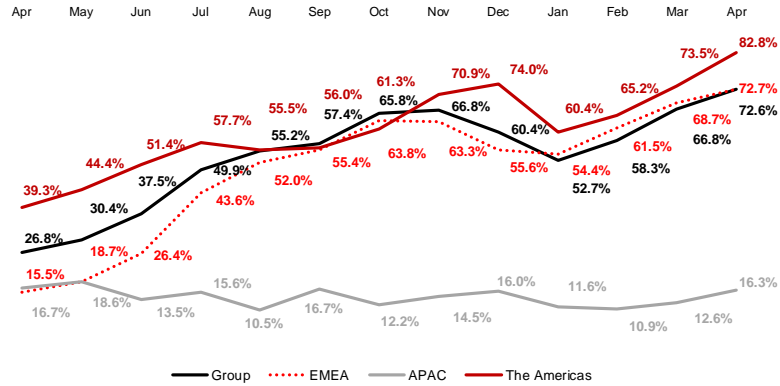
- The Americas and EMEA with similar split vs FY 2021 as travel patterns – domestic, intra-regional, transatlantic – continue
- APAC share on net sales unchanged vs FY 2021, related to continued restrictive protocols from authorities
- Share of distribution centres declined as supply to Hainan largely transitioned to China JV during Q1 2022
- Increase in contribution from duty-free segment related to uptake in intra-regional and intercontinental travel, as well as change in Hainan supply

* Duty Paid sector includes wholesale

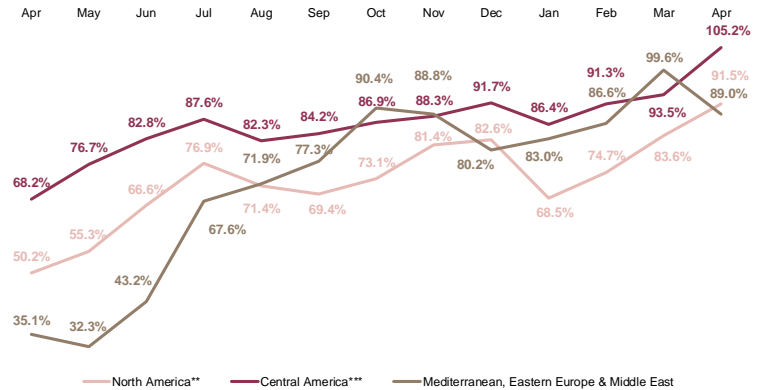
Sales Trend

Q1 2022

ALL REGIONS (SALES* IN % OF 2019)



BEST PERFORMING GEOGRAPHIES (SALES* IN % OF 2019)



- Positive sales trend for all EMEA & Americas regions since 2022
 - High elasticity of demand as soon as travel is resuming
 - Progress continues to be driven by the US, Central America & Caribbean, as well as the Mediterranean region

* April 2022 estimate as of 06.05.2022

**wo Canada

***wo Cruise Business

Group FX impact in March 2022 vs 2019 is -5.4%, Group FX impact in April 2022 vs 2019 is -5.7%

Having Re-opened around 1,960 Shops Globally

Re-opening as a location-specific, shop-by-shop decision in line with PAX

THE AMERICAS

1,268 SHOPS

EUROPE, MIDDLE-EAST & AFRICA

663 SHOPS



ASIA PACIFIC

34 SHOPS

- As per end March, over 1,960 shops globally were open, representing more than 90% in sales capacity compared to full-year 2019
- Regions EMEA and Americas are operating at close to 95% sales capacity versus 2019 already
- Continued re-opening including staffing in line with passenger flows in respective locations, following single-location productivity scenarios

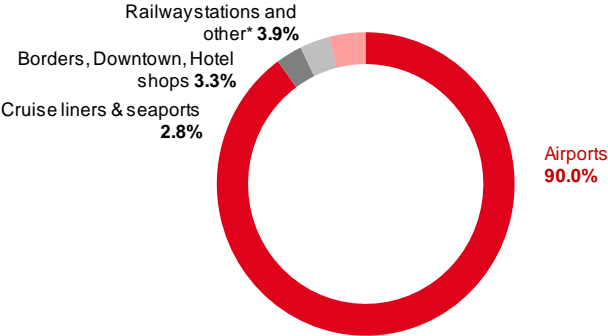
2.2

Channels and Category Performance

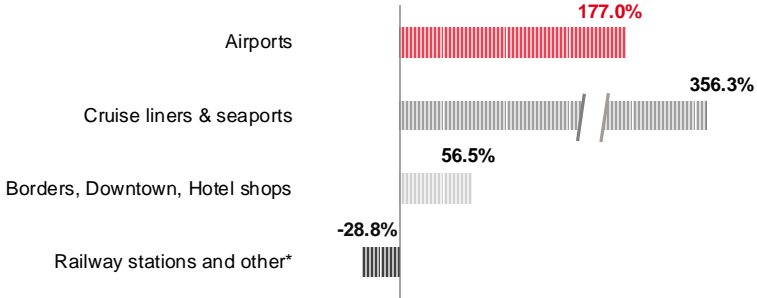
Net Sales & Performance by Channel

Q1 2022

DUFRY BY CHANNEL – Q1 2022



NET SALES PERFORMANCE BY CHANNEL – Q1 2022 YoY

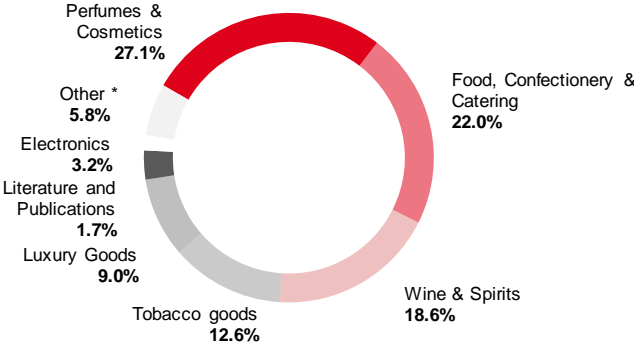


- Airports gained share in channel mix and significantly improved performance during Q1
- Ferries and cruise lines also gained traction, albeit from a low comparable base
- Performance of other channels pre-dominantly impacted by temporary use of distribution centres for Hainan supply collaboration during 2021, now largely transitioned to local JV

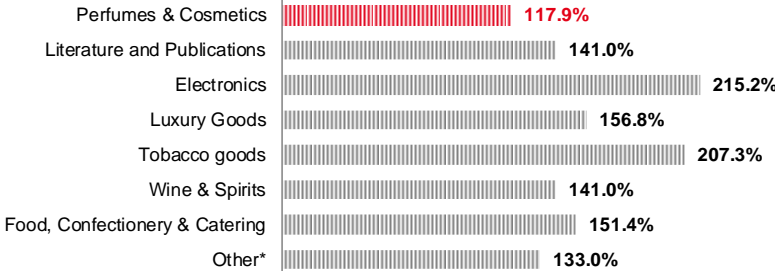
Net Sales & Performance by Category

Q1 2022

DUFRY BY PRODUCT CATEGORY – Q1 2022



NET SALES PERFORMANCE BY CATEGORY – Q1 2022 YoY



- Category mix provides similar picture compared to FY 2021, mirroring current re-opening patterns
- Perfumes & cosmetics continue to be the prevalent category
- Food & confectionary and convenience product offerings as well as electronics are recovering faster in current environment

* Souvenirs, Toys and other

2.3

Commercial Development

Retail Space Development

Highlights Q1 2022



Dufry successfully extended its duty-free concession at [Bali's I Gusti Ngurah Rai International Airport](#) for another six years, which in 2019 welcomed 14 million travellers, with over 3,600 m2 in sales area



Dufry wins tender for operating duty-free and duty-paid concessions for eight years at [Recife International Airport](#) in Brazil, operated by AENA, with a total retail area of 1,374 m2



Dufry secured a ten-year contract extension at [Ontario International Airport](#) (California, US), which serves more than 5.5 million travellers annually, with over 8,600 square feet of retail space, including seven store



Dufry, through its Hudson subsidiary, entered into an agreement to operate and develop [Starbucks locations in U.S. airports](#) with first Starbucks licensed stores set to open in LaGuardia, NY

* Since Dec 2021

TOTAL RETAIL SPACE

~460,000 m²

GROSS RETAIL SPACE OPENED – Q1 2022*

1,158 m²
0.25% of total retail space

GROSS RETAIL SPACE REFURBISHED – Q1 2022*

4,178 m²
0.91% of total retail space

Leveraging Customer Insights to Drive Recovery and Beyond

Focus on Sustainability and Wellbeing

Valuable Aspects for Consumers in Travel Retail*

Ethical propositions and sustainability of products and brands

Organic and local products with life-elevating features

Holistic shopping experience, with relaxing atmosphere while in the store

Exclusive, premium and on-trend products

Highly knowledgeable staff

Dufry's "Sustainable Product Identification Initiative" in **128 Airports** featuring over **550 products** in **171 shops**



Started to introduce **health & well-being range**



Further expanding **destination assortments**



Design of dedicated **shop concepts** and piloting



Tailored marketing and education solutions



Focus on **engagement and interactions**

* Customer insights based on qualitative focus group interviews (participants ages 22-55) across German, British, and North American frequent flyers, conducted by Dufry in February 2022



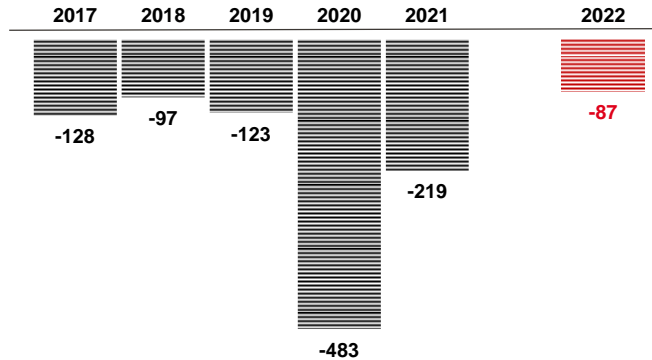
03

Financial Update

Equity Free Cash Flow Evolution

Q1 2017-2022

EFCF QUARTER 1, IN CHF MILLION



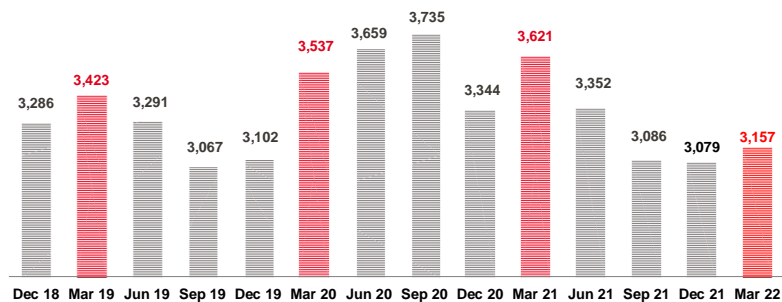
- Robust Q1 2022 EFCF performance despite typical seasonality of business
- EFCF performance supported by MAG reliefs achieved in 2021
- Limited change in working capital outflow
- Some phasing of CAPEX into Q2-Q4

Net Debt Evolution & Maturity Profile

Q1 2022

NET DEBT EVOLUTION

CHF million



- Net debt position close to pre-crisis level as of December 2019
- Maturity profile with weighted average maturity of 3.7 years and weighted average interest of 2.62%**
- Balanced fixed/floating debt interest rate (78% and 22% correspondingly)
- Available liquidity of CHF 2,019.9 million as of end-March 2022***

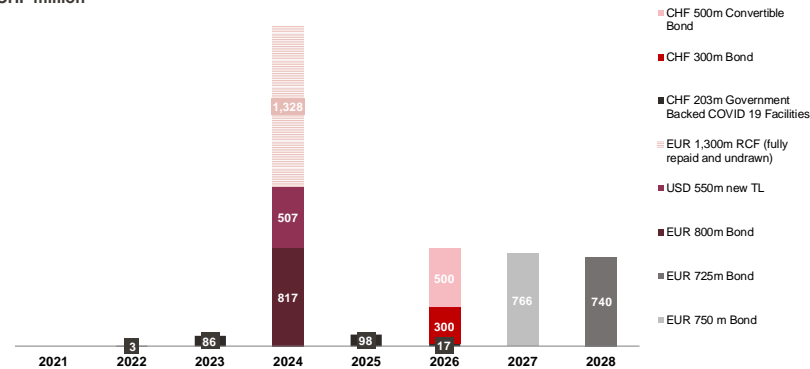
* Maturity profile considers FX rates as of March 2022

** Annual weighted average interest rate not including undrawn facilities

*** Considering committed lines

DEBT MATURITY PROFILE*

CHF million





04

Outlook

Overview Transition Period & Key Focus Areas

- Designated CEO, Xavier Rossinyol, as member of the Global Executive Committee as of March 1, 2022
 - Chief Executive Officer of Dufry effective June 1, 2022
- Transition defined between CEO and Designated CEO and substantially completed
- **Key focus areas during transition period**
 - Re-connecting with organization and leadership teams
 - Deep-dive into current organization, targets, functional/operational/commercial performance, ways of working
 - Roadshow to key regions and operations
 - Introduction to most relevant external stakeholders
 - Strategic Review

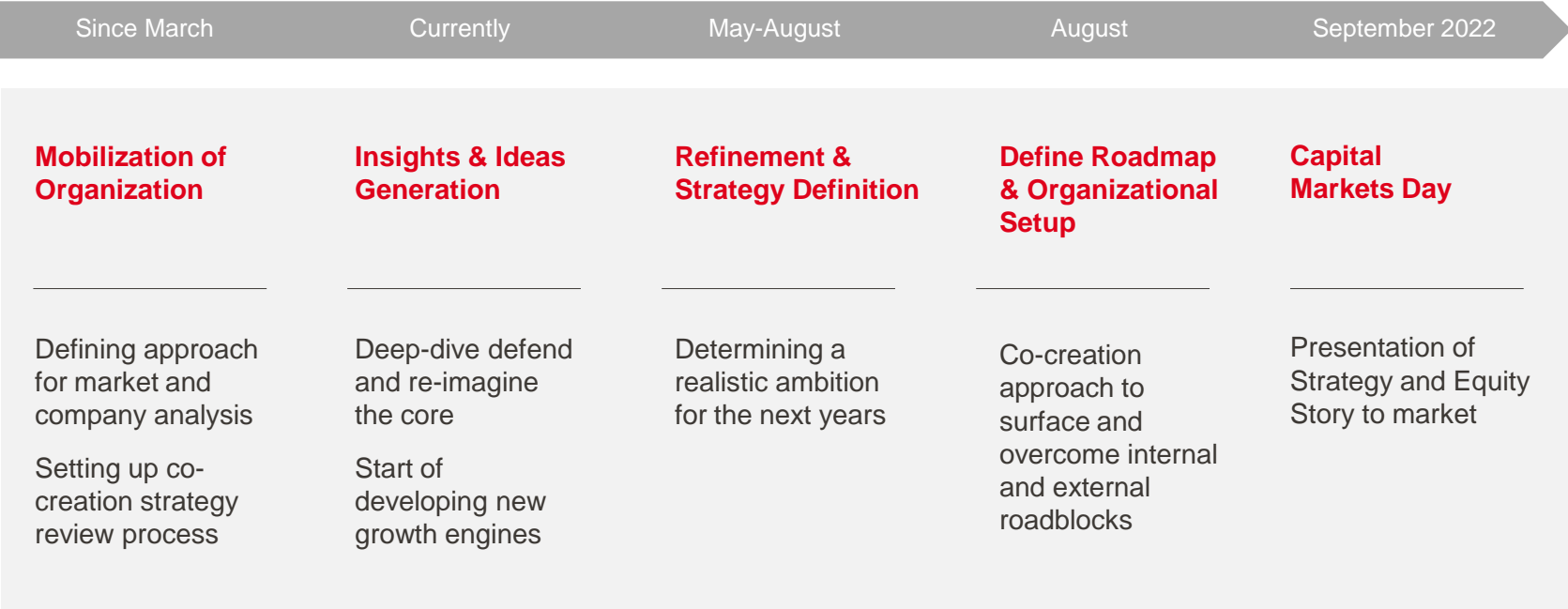
Initial Assessment

- Remarkable commitment from employees, especially excitement for close collaboration
- Strong relationships with external stakeholders, especially landlords, suppliers, other external partners, confirmed
- Elaborating on opportunities in core and adjacent business areas
- **Strategy review started and organization mobilized**
 - Collaborative approach in cross-functional setup
 - Data-driven market analysis & business model review
 - Involving main stakeholders in co-creation effort, including customers, airports, brands, passengers, in addition to employees

Strategic Review: Activities So Far

- **Interviews and working sessions with >60 people in the company**
- **6+ internal teams working through workshops** to identify and prioritize opportunities and roadblocks
- **Analysis of Dufry & market data**, in cross-functional collaboration
- Company-wide **employee survey** to amplify voice of the employees and gather input for growth opportunities
- Understanding of **travel consumer trends**, through a structured analysis of social conversations
- **Interviews with selected Airports and Brands** to understand their view on the market and on Dufry positioning
- Specific experience from expert adviser's global work on **evolution of airports and situation/ evolution of retail** (travel & downtown)

Next Steps



CLOSING REMARKS

- **First quarter 2022 with strong revenue rebound amid improved travel situation**
 - Organic Growth of plus 144.5% versus 2021
 - Uptake in demand in most regions globally, with continued progress throughout April and May
 - Environment still fragile with uneven Covid-situation (APAC), geopolitical and macroeconomic uncertainties
- **Successful cash flow management**
 - Low Q1 EFCF outflow of only CHF -86.8 million, which is typically cash negative driven by seasonality, with positive cash flow in March
 - Achieved MAG relief and continued cost savings supportive for cash flow performance
- **Progressing on commercially relevant initiatives to drive growth**
 - More than 85% of stores open, representing over 90% of 2019 potential sales
 - New and renewed retail space of 21,915 m² signed during Q1 2022, with overall portfolio of around 460,000 m² protected during the last two years
 - Important extensions achieved with average concession maturities of 7.2 years, back at 2019 level
 - Further strengthening of ESG, with, among other engagements, progress on environmental targets



SUNGLASSES
BOUTIQUE

DIOR

DIOR

GUCCI

GUCCI

SAINT LAURENT

Cartier

BALENCIAGA

05

Appendix

Turnover Growth Components

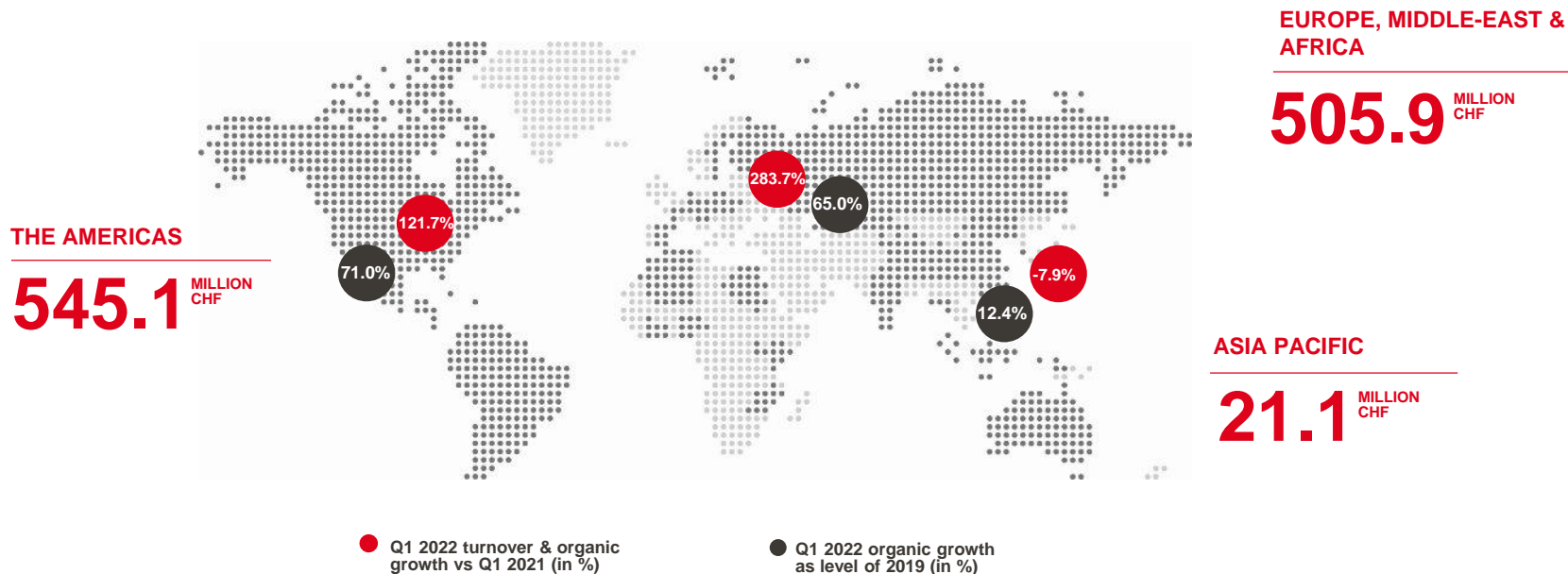
Q1 2022

	Q1' 21 vs 19	Q1' 21 vs 20	Q2' 21 vs 19	Q2' 21 vs 20	Q3' 21 vs 19	Q3' 21 vs 20	Q4' 21 vs 19	Q4' 21 vs 20	FY' 21 vs 19	FY' 21 vs 20	Jan 22 vs 19	Feb 22 vs 19	Mar 22 vs 19	Q1' 22 vs 19	Q1' 22 vs 21	Apr 22 vs 19	Apr 22 vs 21
Like for Like		-68.3%		361.6%		142.0%		154.7%		39.0%					143.4%		
New concessions, net*		1.6%		41.8%		32.7%		24.8%		14.2%					1.1%		
Organic growth	-73.9%	-66.7%	-66.0%	403.3%	-44.4%	174.7%	-33.0%	179.5%	-53.5%	53.2%	-44.1%	-37.8%	-28.3%	-36.3%	144.5%	-21.6%	176.2%
Changes in scope	0.1%	0.0%	0.0%	0.0%	0.3%	0.0%	0.1%	0.0%	0.2%	0.0%	0.3%	0.2%	0.2%	0.3%	0.0%	-0.1%	0.0%
Growth in constant FX	-73.8%	-66.7%	-66.0%	403.3%	-44.1%	174.7%	-32.9%	179.5%	-53.4%	53.2%	-43.7%	-37.6%	-28.0%	-36.1%	144.5%	-21.7%	176.2%
FX impact	-1.8%	-1.3%	-2.3%	-12.9%	-1.9%	2.4%	-3.4%	3.6%	-2.4%	-0.3%	-3.6%	-4.3%	-5.4%	-4.5%	-1.5%	-5.7%	-4.9%
Reported Growth	-75.5%	-68.0%	-68.4%	390.5%	-46.1%	177.1%	-36.3%	183.0%	-55.7%	52.9%	-47.4%	-41.9%	-33.4%	-40.6%	143.0%	-27.4%	171.3%

* New concessions, net, mainly effected by Hainan operation
April 2022 Estimate as of 06.05.2022

Turnover & Organic Growth by Region

Q1 2022

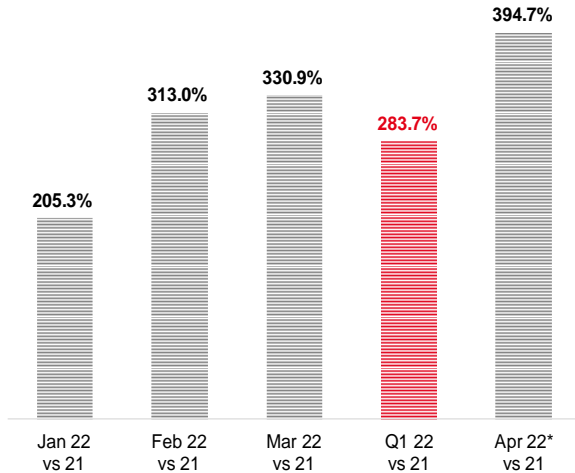


Note: Distribution Centres: Q1 2022 CHF 45.5 million turnover and organic growth of +118.7% as level of 2019

Business Performance: Europe, Middle East & Africa

Q1 2022

ORGANIC GROWTH EVOLUTION in %



* Net sales based, estimate as of 06.05.2022. Organic Growth at constant FX

TURNOVER Q1 2022

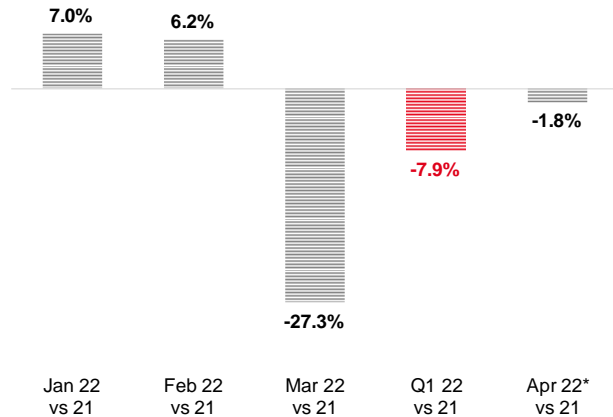
505.9 MILLION
CHF

- Nearly all regions contributed positively as of March in line with the improving health situation and especially the increasing easing of travel protocols
- Best performing were Mediterranean countries, including Turkey, Greece, and the Middle East
- UK, France, Spain, Eastern Europe, and Africa made significant progress, benefiting especially from leisure demand
- Difficult geo-political situation impacted the local Russian and Ukrainian operations with limited spillover to the broader region so far

Business Performance: Asia Pacific

Q1 2022

ORGANIC GROWTH EVOLUTION in %



* Net sales based, estimate as of 06.05.2022. Organic Growth at constant FX

TURNOVER Q1 2022

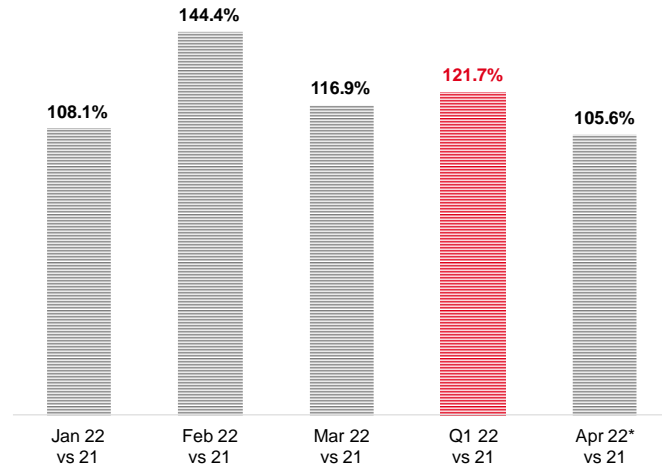
22.1 MILLION CHF

- Tight restrictions around the Olympic Winter Games in China and some increase in Covid-cases since the beginning of the year
- Whilst selected countries like Australia, Bali, Cambodia have started to re-open, other governments still adhere to a zero-Covid approach or restrictive measures
- As soon as restrictions are lifted, demand is expected to show a fast rebound
- China and Macau best-performing due to domestic travel activity, with temporary interruptions whenever cases occur

Business Performance: The Americas

Q1 2022

ORGANIC GROWTH EVOLUTION in %



* Net sales based, estimate as of 06.05.2022. Organic Growth at constant FX

TURNOVER Q1 2022

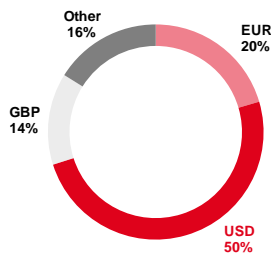
545.1 MILLION
CHF

- The region has seen a rapid rebound since February
- This refers especially to
 - US domestic, intra-regional and increasingly transatlantic travel
 - Touristic travel to Mexico, Central America and the Caribbean destinations, including the Dominican Republic, and the Caribbean Islands
- South America also started to trend upwards, especially in Argentina, Colombia, and Ecuador

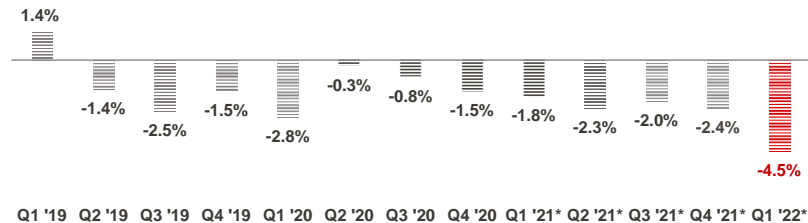
FX

Q1 2022

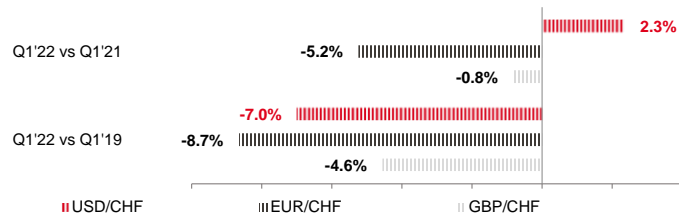
TURNOVER BY CURRENCY Q1 2022



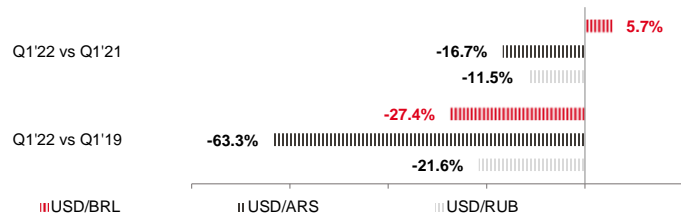
FX TRANSLATIONAL IMPACT ON TURNOVER



MAIN CURRENCIES DEVELOPMENT



DEVELOPMENT OF LOCAL CURRENCIES



* Compared to Actual 2019

Environmental, Social, Governance Highlights

FY 2021 & Q1 2022

- **Sustainable product identification initiative launched across 171 shops in 128 airports including an overall assortment of over 550 products**
- Comprehensive training of 2,300 employees on sale of alcohol products, accredited by Duty-Free World Council
- Global Information Security Policies aligned with ISO 27000 and NIST security frameworks
- **Comprehensive review of remuneration framework with introduction of ESG in long-term targets as of 2022**
- Dufry shares included in Swiss Exchange SXI Sustainability 25 Index
- **Nomination Committee renamed to Nomination & ESG Committee chaired by Lead Independent Director**



- **Appointment of Diversity & Inclusion Officer at Group Executive Committee**
- First D&I survey launched covering 70% of employees
- Successful re-certification for Equal Salary Certification in Switzerland
- Internal mobile communication channel Beekeeper further expanded now covering 80% of workforce
- **CO₂ emission reduction targets defined for scopes 1-3 in line with SBTi initiative**
- **SBTi Commitment Letter officially submitted**
- Plastic bag decommissioning initiative implemented in first 15 countries and ongoing
- Environmental Management Guidelines developed and publicly disclosed

Global Air Travel PAX Recovery Forecasts

Leading associations and data providers with limited visibility for 2022+

FORECASTS

Data provider	Recovery 2019 level	2022 vs. 2019	2023 vs. 2019	2024 vs. 2019	Date of publication
ACI	2024	-29%	-8%	>5%	24/02/2022
IATA	2024	-17%	-6%	3%	01/03/2022
ICAO	Not Provided	-25% to -28%	-	-	05/05/2022
Air4Cast	2023	-25%	-0.3%	-	09/05/2022

Latest forecasts on PAX (number of passengers) provided by industry associations International Air Transport Association (IATA), Airports Council International (ACI), International Civil Aviation Organization (ICAO), and independent data providers Air4Cast

Upcoming Events

19 May	Baader Swiss Reverse Roadshow
15-16 June	Deutsche Bank Global Consumer Conference, Paris
21-22 June	Goldman Sachs Business Services, Transport & Leisure Conference, London
9 August	Dufry Half-Year Results 2022
6-7 September	Capital Markets Day, London (date subject to change)
3 November	ZKB Swiss Equities Conference, Zurich
15 November	Exane Midcap Conference, Paris
16 November	BofA Consumer & Retail Conference 2022, Paris
17 November	Credit Swiss Conference, Zurich

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Q1 2022



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Q1 2022

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