



Q3 Trading Update 2022

November 2, 2022



AGENDA

01 Business Update

02 Financial Update

03 Strategic Update

04 Appendix



A person is walking through an airport terminal, seen from the side. They are wearing a white short-sleeved shirt, blue jeans, and a large black backpack. In their right hand, they hold a white disposable coffee cup with a black lid. Their left hand is on the handle of a black rolling suitcase. The background shows a long, brightly lit airport corridor with glass railings and a ceiling with recessed lights.

 DUFRY

Business Update

5,037.7 MILLION CHF
TURNOVER
9M 2022

CHF 2,115.2 MILLION IN Q3 2022

463.7 MILLION CHF
CORE EBITDA
9M 2022

CHF 236.7 MILLION IN Q3 2022

337.4 MILLION CHF
EQUITY FREE
CASH FLOW 9M 2022

CHF 140.8 MILLION IN Q3 2022

9,423 SQM
NEW RETAIL
SPACE 9M 2022

~465,000 OVERALL SQM



September YTD stood at CHF 5,037.7 million, 98.8% organic growth (constant FX) vs 2021

Organic growth of 58.6% in Q3 2022 vs 2021 (constant FX)



EBITDA Margin improved from 7.8% as of June YTD to 9.2% as of September YTD

EBITDA Margin Q3 of 11.2%, related to strong revenue generation, good gross profit, cost discipline and vacant positions



9M EFCF supported by higher EBITDA performance and discipline in CAPEX



Contract wins or extensions in Brazil, PR China and in the USA

Continued focus on portfolio management

Key Drivers Financial and Operational Performance

Supportive Impacts

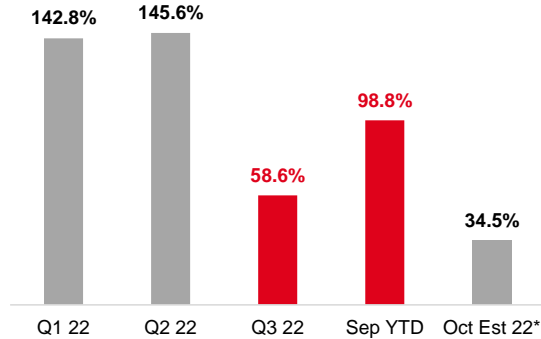
- In general, strong underlying demand during Quarter 3 and beginning of Quarter 4
- Travel Retail and Travel F&B as inherent parts of travel experience with high propensity to spend
- Pent-up demand and savings levels – temporary/permanent
- Travel restrictions largely lifted or altered except for parts of Asia (China specifically)
- Geopolitical and macroeconomic developments so far limited impact
- Dufry with continuous cost control and strict CAPEX policies

Current and Potential Challenges

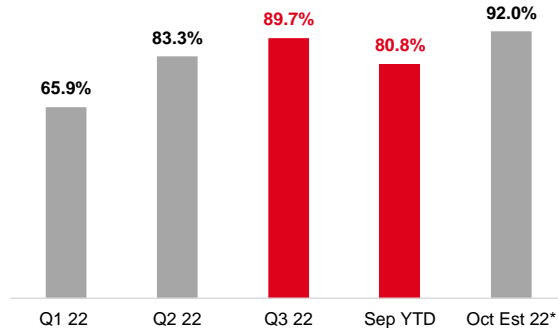
- Airport disruptions and passenger caps during summer, with reliefs announced as of October (e.g. Heathrow)
- Strong inflationary environment, especially in Europe and USA, impacting costs and potentially consumer sentiment
- Low visibility on geopolitical challenges
- FX movements and potential impact on spending patterns
- Travel restrictions for Chinese passengers remain
- Rising interest rates & pressure on access to/cost of debt
- Rising energy costs, however, utilities only ~1% of turnover
- Supply chain constraints and disruptions with longer lead times, lower predictability and out of stock

Organic Growth Evolution Group

ORGANIC GROWTH EVOLUTION vs. 2021 in CER



ORGANIC GROWTH EVOLUTION AS LEVEL OF 2019 in CER



* October Estimate is based on internal Forecast of Net Sales. All figures are in constant exchange rates (CER).

9M TURNOVER

5,037.7 MILLION CHF

Q3 TURNOVER

2,115.2 MILLION CHF

Third Quarter with resilient demand despite more difficult macro-economic environment and airport disruptions

Stronger performance in the Americas and EMEA

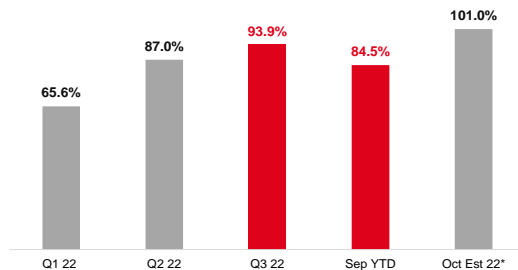
APAC still with limitations on international travel, however, Australia and South-East Asia with some upwards trend

Best performing regions were leisure destinations like the Caribbean and the Mediterranean region

Regional Performance

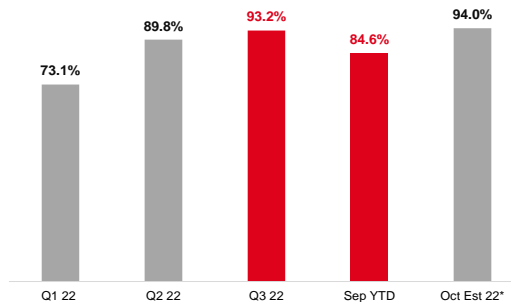
(Organic Growth as level of 2019 in CER)

EMEA



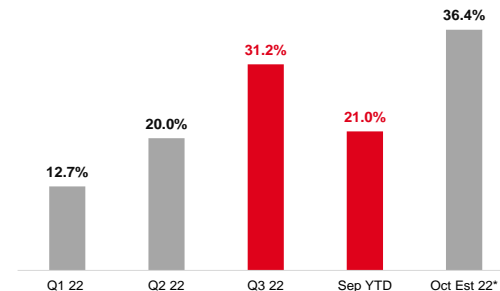
- Organic Growth in Q3 2022 of 86.4% vs 2021
- During the summer months, best performance in Turkey, Greece, Middle East, Southern Europe, and Africa driven by leisure demand
- Flight disruptions and capacity cuts across European airports/airlines continued throughout quarter
- Impact especially in UK with flight caps lifted as of October

THE AMERICAS



- Organic Growth in Q3 2022 of 52.4% vs 2021
- Best performance in USA, Mexico, the Caribbean, and Argentina
- South America has especially progressed during the third quarter
- Leisure travel as driver during the summer months, with corporate travel gaining traction

APAC



- Organic Growth in Q3 2022 of 114.6% vs 2021
- Best performance in Macau, Australia, Indonesia, China (domestic)
- Gradual opening within region continued, with Hong Kong starting to open up and operations to continue from November
- China re-opening to international travel not specified yet

* October Estimate is based on internal Forecast of Net Sales. All figures are in constant exchange rates (CER).

Retail Space Development & Shop Opening Status



OPEN STORES PER REGION

THE AMERICAS

1,319

91% of total stores

EMEA

715

87% of total stores

ASIA PACIFIC

56

80% of total stores

TOTAL RETAIL SPACE

~465,000 m²

GROSS RETAIL SPACE OPENED – 9M 2022*

9,423 m²
2.0% of total retail space

RETAIL SPACE REFURBISHED – 9M 2022*

26,885 m²
5.8% of total retail space

*Since end-Dec 2021

Environmental, Social, Governance Highlights

- 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 relative TSR & ESG in long-term targets as of 2022
- Supplier Code of Conduct Recertification launched in North America
- New Community Engagement Strategy under development for 2023 implementation



- Second Diversity & Inclusion (D&I) survey currently being executed covering all employees (2021 survey covered 70% of employees)
- D&I Master Classes completed across Group
- D&I Training for all employees launched; 6 modules to be implemented in 2022
- Successful re-certification for Equal Salary Certification in Switzerland
- SBTi approval process for CO₂ emission reduction targets scopes 1-3 currently ongoing
- 20% of electric energy consumption (base 2019) substituted with Green Energy
- Environmental Management Guidelines implemented



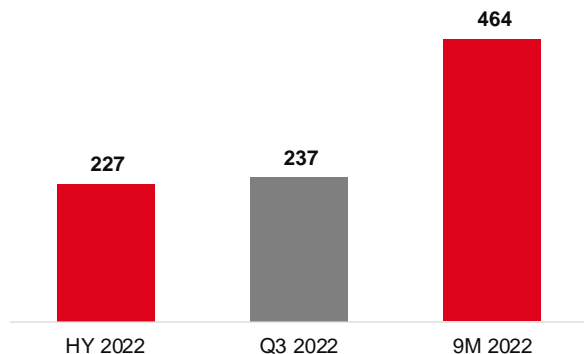
02

Financial Update

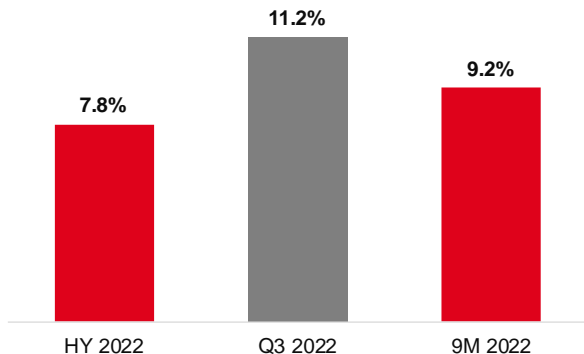


CORE EBITDA

CORE EBITDA IN CHF MILLION



CORE EBITDA MARGIN, AS % OF TURNOVER



EBITDA Margin improved from 7.8% as of June YTD to 9.2% as of September YTD

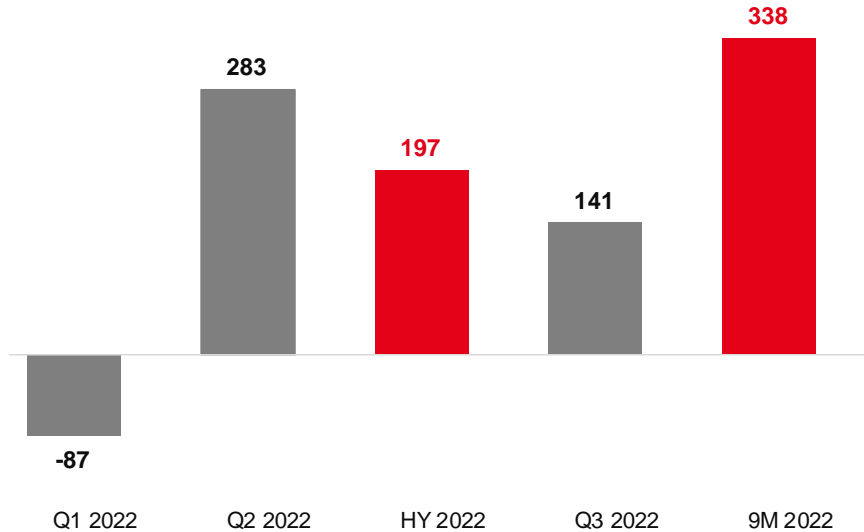
Robust performance despite challenging macroeconomics

Main drivers:

- Strong Q3 revenue generation
- Good gross profit margin
- Cost discipline
- Vacant positions

Equity Free Cash Flow Evolution

EFCF IN CHF MILLION



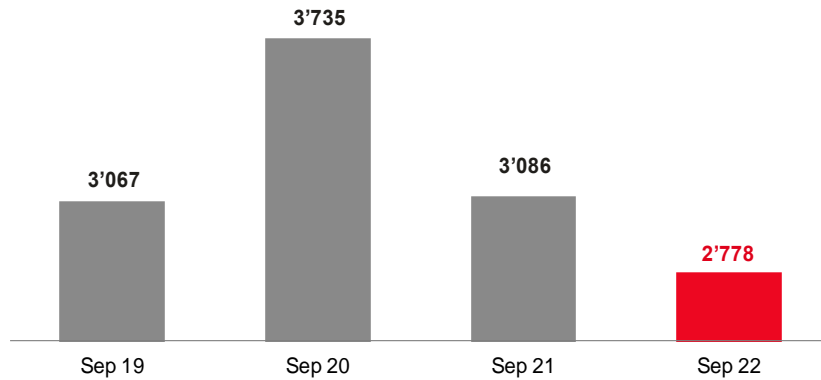
Solid YTD 2022 cash flow performance supported by

- Higher EBITDA
- Lower CAPEX

Cash flow per quarter in 2022 affected by Working Capital and Capex phasing

Net Debt Evolution

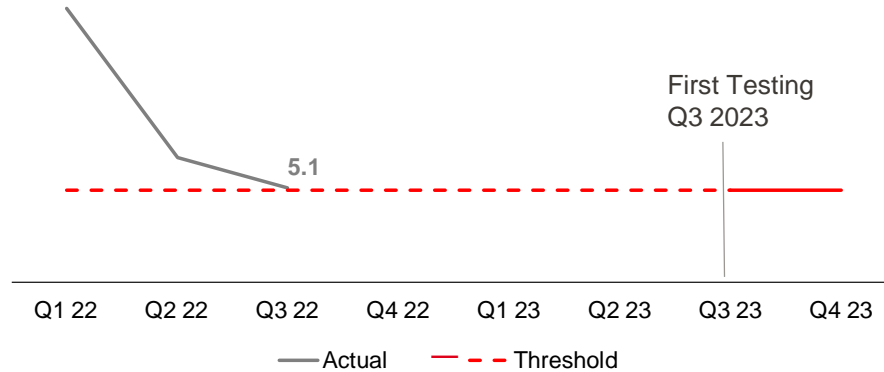
NET DEBT IN CHF MILLION



- Net debt position further decreased ahead of plan to now only CHF 2,778.5 million as of September 2022
- Net debt position lowest level since March 2015

Covenant

NET DEBT / ADJUSTED OPERATING CASH FLOW



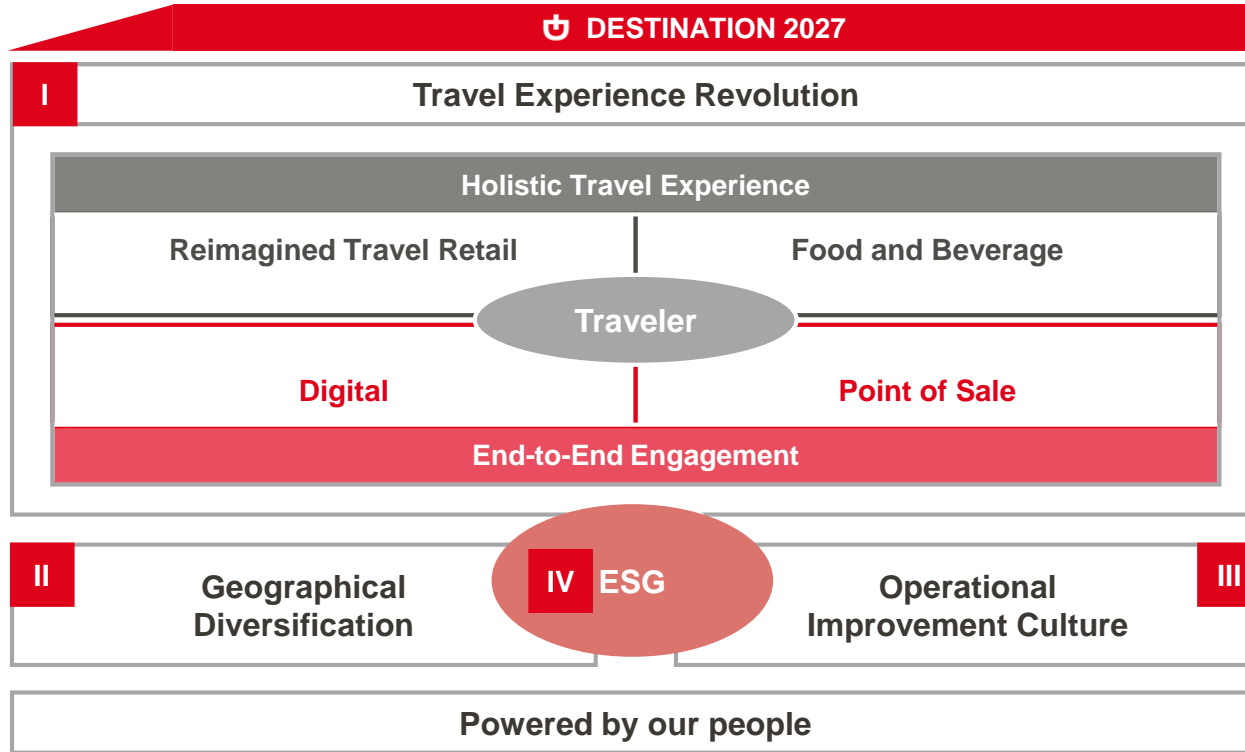
- Deleveraging well on track, meeting covenant thresholds ahead of the required timing
- Covenant holiday until and including Q2 2023
- Comfortable to be under threshold of 5.0x for first testing in September 2023
- Strong commitment to further deleverage

 DUFRY



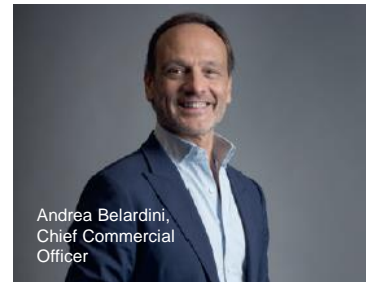
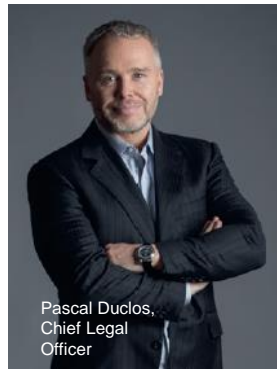
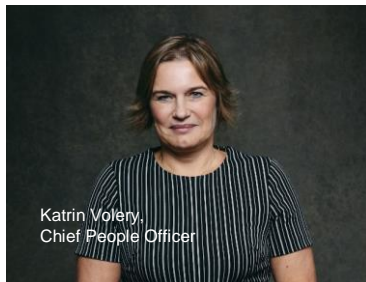
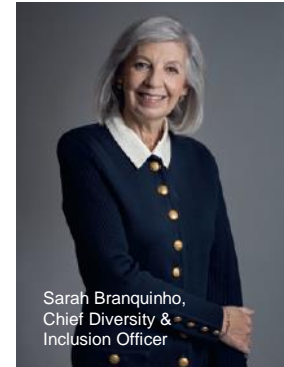
Strategic Update

“DESTINATION 2027” – New Strategy to Revolutionize the Travel Experience



Katrin Volery, Chief People Officer, to Join Dufry GEC

Group Executive Committee as of 1 January 2023

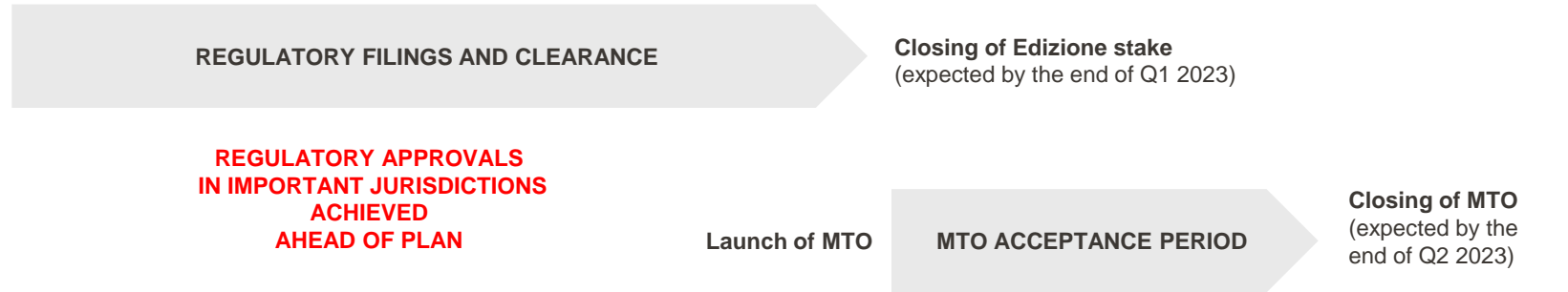


Transaction Timeline: EGM Approval & Important Regulatory Approvals Received

2022 – 2023

2022 Q1 '23 Q2 '23

Dufry EGM*
(31-Aug-22) –
APPROVAL RECEIVED



* Having received shareholder approval of the resolutions required to implement the potential combination, including capital authorizations and the election of Edizione representatives to the Dufry Board of Directors

Global Air Travel PAX Forecasts

FORECASTS

Data provider	Recovery 2019 level	2022 vs. 2019	2023 vs. 2019	2024 vs. 2019	Date of publication
ACI	2024	-33%	-8%	>5%	06/10/2022
IATA	2024	-17%	-	-	20/06/2022
ICAO	not provided	-22% to -24%	-	-	16/09/2022
Air4cast	2024	-29%	-3%	-	10/10/2022

- Globally, PAX estimates for 2022 range between -22% to -33% versus 2019 PAX levels (only considering industry forecast updates in last three months)

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. RPK (revenue passenger kilometres) as most recent update from IATA, however, passenger numbers as more relevant metric for travel retail operations

Outlook

(based on FX rates as of September 30th)

in CHF million	Q3 2022	9M 2022	2022F
Turnover	2'115	5'038	6'600 – 6'700
EBITDA	237	464	560 – 580
<i>% Margin</i>	11.2%	9.2%	8.4% - 8.8%
EFCF	141	337	250 – 270

Conclusion

- Continued strong performance with nine-months 2022 reaching 99% organic growth (CER) versus 2021
- Strong quarter results well ahead of projections, and continued positive momentum into fourth quarter
- CORE EBITDA of CHF 463.7 million for 9M 2022, with a margin of 9.2% despite challenging macroeconomics
- Strong EFCF of CHF 337.4 million for 9M 2022
- Net debt position further decreased ahead of plan, meeting covenant thresholds well ahead of the required timing
- Implementation of DESTINATION 2027 successfully started
- Combination with Autogrill progressing as planned



→ Dufry well positioned to reach for Full-Year 2022:

- Turnover of CHF 6.6-6.7 billion
- CORE EBITDA of CHF 560-580 million
- EFCF of CHF 250-270 million

 DUFRY

Appendix

4



Turnover Growth Components



	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	Q1' 22 vs 19*	Q1' 22 vs 21*	Q2 22 vs 19*	Q2' 22 vs 21*	HY 22 vs 19*	HY 22 vs 21*	Jul 22 vs 21*	Aug 22 vs 21*	Sep 22 vs 21*	Q3 22 vs 19*	Q3 22 vs 21*	9M 22 vs 19*	9M 22 vs 21*
Like for Like		-68.3%		361.6%		142.0%		154.7%		39.0%		141.9%		141.2%		141.5%	73.1%	57.4%	58.3%		62.6%		99.5%
New concessions, net		1.6%		41.8%		32.7%		24.8%		14.2%		0.9%		4.4%		3.0%	-3.0%	-5.6%	-3.5%		-4.1%		-0.7%
Organic growth	-73.9%	-66.7%	-66.0%	403.3%	-44.4%	174.7%	-33.0%	179.5%	-53.5%	53.2%	-34.1%	142.8%	-16.7%	145.6%	-24.5%	144.5%	70.1%	51.8%	54.8%	-10.3%	58.5%	-19.2%	98.8%
Changes in scope	0.1%	0.0%	0.0%	0.0%	0.3%	0.0%	0.1%	0.0%	0.2%	0.0%	0.2%	0.0%	0.4%	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.4%	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%	-33.9%	142.8%	-16.3%	145.6%	-24.2%	144.5%	70.1%	51.8%	54.8%	-9.8%	58.5%	-18.8%	98.8%
FX impact	-1.8%	-1.3%	-2.3%	-12.9%	-1.9%	2.4%	-3.4%	3.6%	-2.4%	-0.3%	-6.7%	0.2%	-5.2%	2.6%	-5.9%	1.7%	-0.4%	-2.0%	-2.8%	-5.7%	-1.9%	-5.8%	-0.2%
Reported Growth	-75.5%	-68.0%	-68.4%	390.5%	-46.1%	177.1%	-36.3%	183.0%	-55.7%	52.9%	-40.6%	143.0%	-21.5%	148.2%	-30.1%	146.2%	69.7%	49.8%	51.9%	-15.5%	56.6%	-24.6%	98.6%

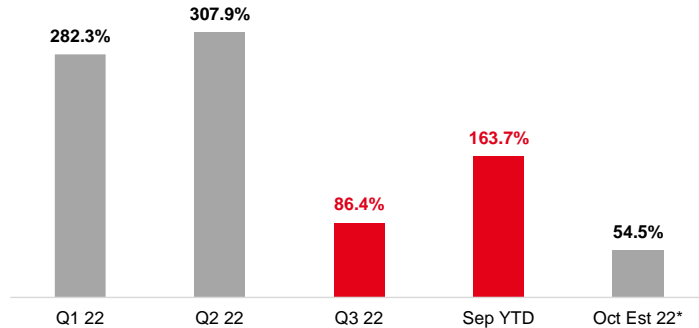
Comparison as of 2022 vs 2019 and 2021 with the new method (at CER of 2022). Historical growth rates reported at previous year FX rate.

Regional Performance - EMEA

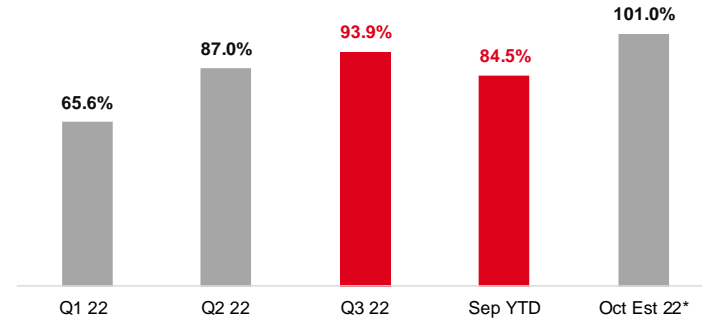
YTD 2022



Organic Growth vs. 2021 in CER



Organic Growth as level of 2019 in CER



- Organic Growth in Q3 2022 of 86.4% vs 2021
- During the summer months, best performance in Turkey, Greece, Middle East, Southern Europe, and Africa driven by leisure demand
- Flight disruptions and capacity cuts across European airports/airlines continued throughout quarter
- Impact especially in UK with flight caps lifted as of October

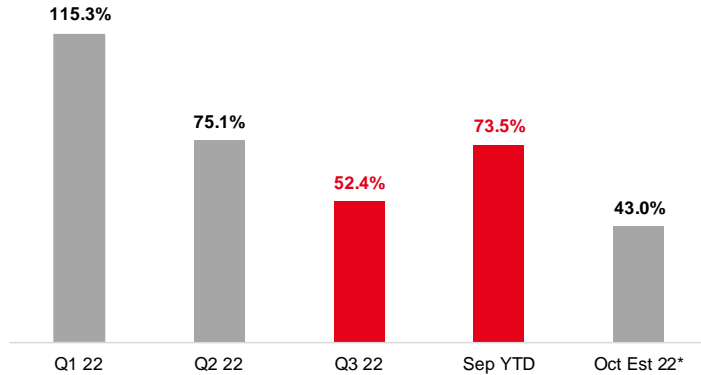
* October Estimate is based on Internal Forecast of Net Sales

Regional Performance – Americas

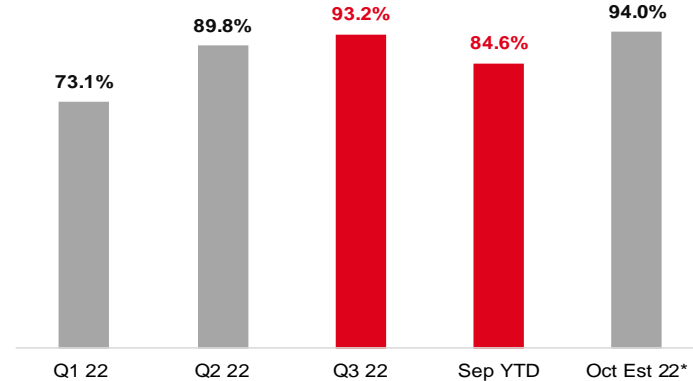
YTD 2022



Organic Growth vs. 2021 in CER



Organic Growth as level of 2019 in CER



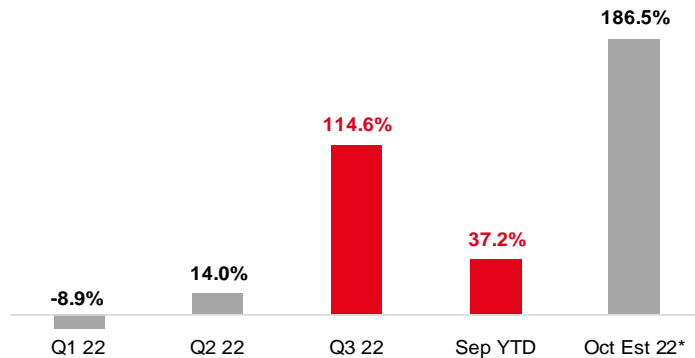
- Organic Growth in Q3 2022 of 52.4% vs 2021
- Best performance in USA, Mexico, Dominican Republic, and Argentina
- South American regions has especially progressed during the third quarter
- Leisure travel as driver during the summer months, with corporate travel also contributing

* October Estimate is based on Internal Forecast of Net Sales

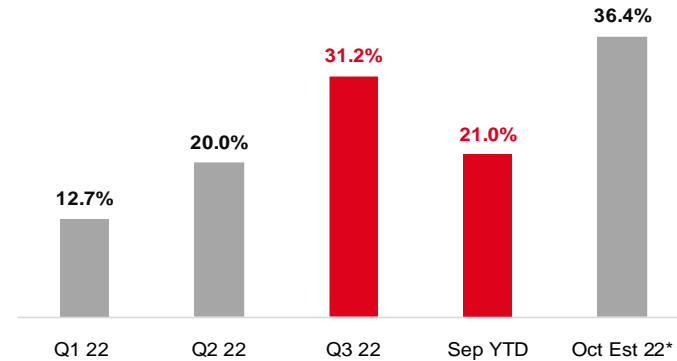
Regional Performance – APAC

YTD 2022

Organic Growth vs. 2021 in CER



Organic Growth as level of 2019 in CER



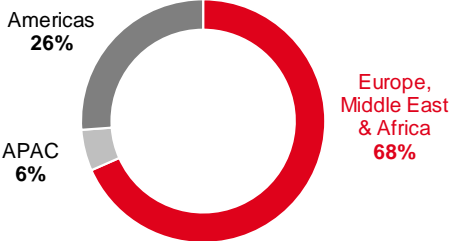
- Organic Growth in Q3 2022 of 114.6% vs 2021
- Best performance in Macau, Australia, Indonesia, China (domestic)
- Gradual opening within region continued, with Hong Kong starting to open up and operations to continue from November
- China re-opening to international travel not specified yet

* October Estimate is based on Internal Forecast of Net Sales

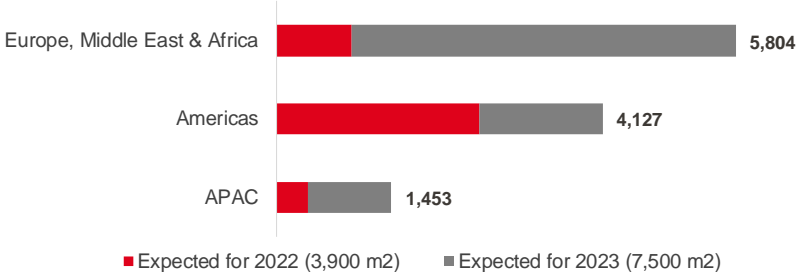
Retail Space Development



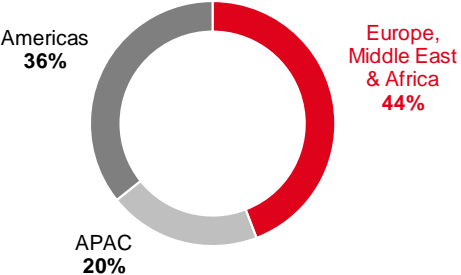
9,423 M² OF GROSS RETAIL SPACE OPENED 9M 2022*



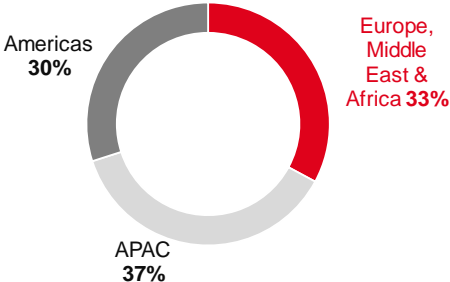
11,384 M² SIGNED SPACE AS OF 9M 2022*



26,885 M² OF RETAIL SPACE REFURBISHED 9M 2022*

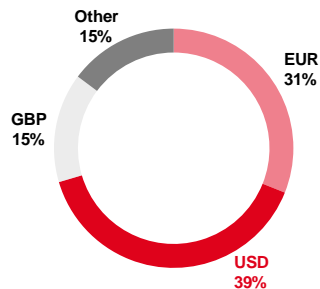


PROJECT PIPELINE: ~ 48,500 M² AS OF 9M 2022*

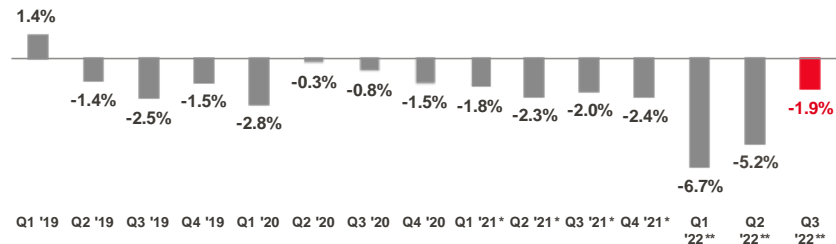


*Not considering any operations in China as not consolidated by Dufry Group

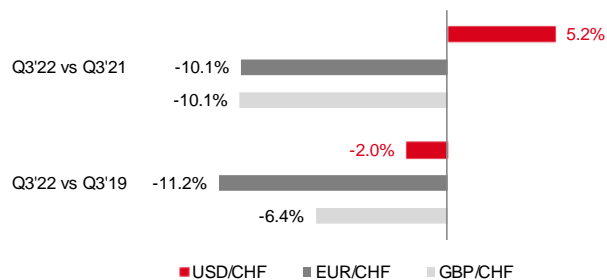
TURNOVER BY CURRENCY Q3 2022



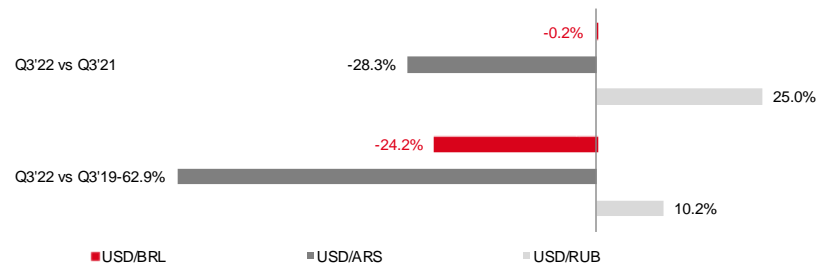
FX TRANSLATIONAL IMPACT ON TURNOVER



MAIN CURRENCIES DEVELOPMENT



DEVELOPMENT OF LOCAL CURRENCIES

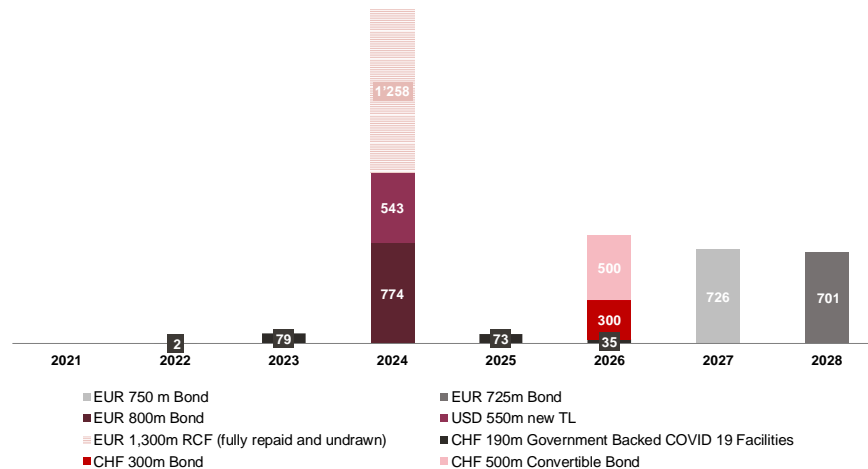


* Compared to 2019

** Comparison 2021 to 2019 at the FX rates of 2021. Comparison of 2022 to 2019 at current FX rates.

Maturity Profile

IN CHF MILLION



Further reduction of net debt below pre-crisis level of CHF 2,778.5 million as of September 2022

Well balanced debt profile

- Maturity profile with weighted average maturity of 3.2 years and weighted average interest of 2.71%*
- Balanced fixed/ floating interest rate debt (81%/ 19% respectively)
- Available liquidity of CHF 2,313.9 million as of end-Sep 2022**

Please note: Maturity profile considers FX rates as of September 2022. * Annual weighted average interest rate not including undrawn facilities. ** Considering committed lines

CONTACT



DR. KRISTIN KÖHLER

GLOBAL HEAD INVESTOR
RELATIONS

+ 41 61 266 44 22
+ 41 79 563 18 09

kristin.koehler@dufry.com



NATALYA DOBROHORSKA

GLOBAL INVESTOR RELATIONS
MANAGER

+ 41 61 266 46 21

natalya.dobrohorska@dufry.com



AGUSTINA RINCÓN

GLOBAL INVESTOR RELATIONS
ANALYST

+ 31 40 235 31 53

agustina.rincon@dufry.com

EVENTS



2-7 November US Roadshow (Redburn) – New York, Boston, San Francisco

15 November Exane Midcap Conference 2022, Paris

16 November BofA Consumer & Retail Conference 2022, Paris

17 November Credit Swiss Conference 2022, Zurich

24-25 November UK Roadshow (Goldman Sachs), London

1 December Investor Call (Baader) – virtual

7 March 2023 Results Full Year 2022, Zurich

Legal Disclaimer Q3 2022

Information in this presentation may involve guidance, expectations, beliefs, plans, intentions or strategies regarding the future. These forward-looking statements involve risks and uncertainties. All forward-looking statements included in this release are based on information available to Dufry AG (the “Company”) as of the date of this release, and we assume no duty to update any such forward-looking statements. Factors that could affect the Company’s forward-looking statements include, among other things: global GDP trends, competition in the markets in which the Company operates, unfavorable changes in airline passenger traffic, unfavorable changes in taxation and restrictions on the duty-free sale in countries where the company operates.

This presentation does not constitute an offer to sell or the solicitation of an offer to buy securities, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction. There can be no assurance that any transaction will be pursued or consummated.

The Company does not sponsor, participate in or assist any American Depositary Receipts (“ADRs”) program. ADR holders are not shareholders of the Company and are not entitled to the same rights as holders of bearer shares or registered shares of the Company. To the extent that any ADR depository or ADR holder obtains any information regarding the Company, whether from the Company directly (including but not limited to investor presentations, investor relations materials, or other presentations), or otherwise, the Company does not endorse or support using that information in connection with any such ADR program.

Alternative Performance Measures: This Presentation contains information regarding alternative performance measures. Definitions of these measures and reconciliations between such measures and their IFRS counterparts if not defined in the Presentation may be found on pages I to VII of the Dufry HY 2022 Financial Report available on our [website](#).