SIX MONTHS REPORT

23

DUFRY

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INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS JUNE 2023

CONTENT

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE 6 MONTHS ENDED JUNE 30, 2023

IN MILLIONS OF CHF	NOTE	UNAUDITED 6M 2023	UNAUDITED 6M 2022
Net sales	6	5,731.6	2,854.6
Advertising income		92.0	67.9
Turnover		**5,823.6**	**2,922.5**
Cost of sales		(2,137.8)	(1,143.6)
Gross profit		**3,685.8**	**1,778.9**
Lease expenses net	7	(841.3)	(408.0)
Personnel expenses		(1,167.9)	(440.7)
Depreciation and amortization	8	(804.6)	(561.0)
Impairment net	8	21.5	15.0
Other expenses	10	(651.5)	(249.1)
Other income		80.0	17.3
Operating profit		**322.0**	**152.4**
Finance expenses	11	(276.0)	(157.3)
Finance income	11	80.3	25.8
Foreign exchange (loss)/gain		(52.8)	2.0
Profit before tax		**73.4**	**22.9**
Income tax expenses		(34.8)	(10.8)
Net profit		**38.6**	**12.1**
ATTRIBUTABLE TO			
Non-controlling interests		66.2	29.7
Equity holders of the parent		(27.6)	(17.6)
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			
Basic earnings/(loss) per share in CHF		(0.23)	(0.19)
Diluted earnings/(loss) per share in CHF		(0.23)	(0.19)

INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE 6 MONTHS ENDED JUNE 30, 2023

IN MILLIONS OF CHF	UNAUDITED 6M 2023	UNAUDITED 6M 2022
Net profit / (loss)	**38.6**	**12.1**
OTHER COMPREHENSIVE INCOME		
Remeasurement of post-employment benefit plans	14.5	(16.1)
Income tax	(6.8)	1.2
Items not being reclassified to net income in subsequent periods, net of tax	**7.7**	**(14.9)**
Exchange differences on translating foreign operations	(95.4)	(28.1)
Net gain / (loss) on hedge of net investment in foreign operations	14.6	(12.5)
Share of other comprehensive income of associates	–	0.2
Income tax on above positions	–	–
Items to be reclassified to net income in subsequent periods, net of tax	**(80.9)**	**(40.4)**
Total other comprehensive income, net of tax	**(73.2)**	**(55.3)**
Total comprehensive income, net of tax	**(34.5)**	**(43.2)**
ATTRIBUTABLE TO		
Non-controlling interests	67.3	29.1
Equity holders of the parent	(101.8)	(72.3)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT JUNE 30, 2023

IN MILLIONS OF CHF	UNAUDITED 30.06.2023	31.12.2022
ASSETS		
Property, plant and equipment	1,103.5	314.3
Right-of-use assets	3,628.1	2,567.8
Intangible Assets	2,404.8	1,477.8
Goodwill	3,110.7	2,272.2
Investment in associates	30.4	24.4
Deferred tax assets	185.1	145.4
Net defined benefit asset	17.7	17.0
Other non-current assets	259.8	155.8
Non-current assets	**10,740.1**	**6,974.7**
Inventories	1,198.4	928.4
Trade and credit card receivables	132.4	62.3
Current investments	38.2	–
Other accounts receivable	525.9	467.6
Income tax receivables	26.5	21.9
Cash and cash equivalents	1,006.9	854.7
Current assets	**2,928.3**	**2,334.9**
Total assets	**13,668.4**	**9,309.6**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Equity attr. to equity holders of the parent	2,441.3	893.0
Non-controlling interests	189.9	73.1
Total equity	**2,631.2**	**966.1**
Borrowings, non-current	3,531.3	3,452.3
Lease obligations, non-current	3,138.7	2,010.2
Deferred tax liabilities	474.1	221.4
Provisions, non-current	79.7	44.0
Net defined benefit obligation	38.8	12.3
Other non-current liabilities	61.6	29.3
Non-current liabilities	**7,324.2**	**5,769.5**
Trade payables	1,020.3	486.4
Borrowings, current	203.3	122.7
Lease obligations, current	1,102.9	992.4
Income tax payables	76.8	42.1
Provisions, current	89.2	89.3
Other liabilities	1,220.4	841.1
Current liabilities	**3,713.0**	**2,574.0**
Total liabilities	**11,037.2**	**8,343.5**
Total liabilities and shareholders' equity	**13,668.4**	**9,309.6**

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE 6 MONTHS ENDED JUNE 30, 2023

		ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT									
IN MILLIONS OF CHF	NOTE	Share capital	Share premium	Treasury shares	Capital reserve for mandatory convertible notes	Employee benefit reserve	Translation reserve	Retained earnings	TOTAL	NON CONTROLLING INTEREST	TOTAL EQUITY
Balance at January 1, 2023		**454.0**	**4,542.2**	**(22.9)**	**60.3**	**1.7**	**(543.4)**	**(3,598.9)**	**893.0**	**73.1**	**966.1**
Net profit / (loss) of the period		–	–	–	–	–	–	(27.6)	(27.6)	66.2	38.6
Other comprehensive income / (loss)		–	–	–	–	7.7	(65.5)	–	(57.8)	(15.4)	(73.2)
Total comprehensive income / (loss) for the period		**–**	**–**	**–**	**–**	**7.7**	**(65.5)**	**(27.6)**	**(85.4)**	**50.8**	**(34.5)**
TRANSACTIONS WITH OR DISTRIBUTIONS TO SHAREHOLDERS											
Dividends to non-controlling interests		–	–	–	–	–	–	–	–	(36.9)	(36.9)
Issuance of shares	4	286.0	2,143.7	–	–	–	–	–	2,429.6	–	2,429.6
Purchase of treasury shares		–	–	(4.6)	–	–	–	–	(4.6)	–	(4.6)
Share-based payments		–	–	–	–	–	–	12.2	12.2	–	12.2
Total transactions with or distribution to owners		**286.0**	**2,143.7**	**(4.6)**	**–**	**–**	**–**	**12.2**	**2,437.2**	**(36.9)**	**2,400.3**
CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES											
Acquired non-controlling interests of Autogrill	4	–	–	–	–	–	–	–	–	448.5	448.5
Changes in participation of non-controlling interests of Autogrill	4	–	–	–	–	–	–	(800.3)	(800.3)	(362.7)	(1,163.0)
Other changes in participation of non-controlling interests		–	–	–	–	–	–	(3.2)	(3.2)	17.1	13.9
Changes in participation of non-controlling interests		**–**	**–**	**–**	**–**	**–**	**–**	**(803.5)**	**(803.5)**	**102.9**	**(700.6)**
Balance at June 30, 2023		**739.9**	**6,685.9**	**(27.5)**	**60.3**	**9.4**	**(608.9)**	**(4,417.9)**	**2,441.3**	**189.9**	**2,631.2**

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE 6 MONTHS ENDED JUNE 30, 2023

		ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT									
IN MILLIONS OF CHF	NOTE	Share capital	Share premium	Treasury shares	Capital reserve for mandatory convertible notes	Employee benefit reserve	Translation reserve	Retained earnings	TOTAL	NON CONTROLLING INTEREST	TOTAL EQUITY
Balance at January 1, 2022		**454.0**	**4,542.2**	**(1.3)**	**60.3**	**35.4**	**(450.9)**	**(3,683.1)**	**956.6**	**77.9**	**1,034.5**
Net profit / (loss) of the period		–	–	–	–	–	–	(17.6)	(17.6)	29.7	12.1
Other comprehensive income / (loss)		–	–	–	–	(14.9)	(39.8)	–	(54.7)	(0.6)	(55.3)
Total comprehensive income / (loss) for the period		**–**	**–**	**–**	**–**	**(14.9)**	**(39.8)**	**(17.6)**	**(72.3)**	**29.1**	**(43.2)**
TRANSACTIONS WITH OR DISTRIBUTIONS TO SHAREHOLDERS											
Dividends to non-controlling interests		–	–	–	–	–	–	–	–	(32.8)	(32.8)
Share-based payments		–	–	–	–	–	–	5.9	5.9	–	5.9
Total transactions with or distribution to owners		**–**	**–**	**–**	**–**	**–**	**–**	**5.9**	**5.9**	**(32.8)**	**(26.9)**
CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES											
Other changes in participation of non-controlling interests		–	–	–	–	–	–	(2.5)	(2.5)	1.3	(1.2)
Balance at June 30, 2022		**454.0**	**4,542.2**	**(1.3)**	**60.3**	**20.5**	**(490.7)**	**(3,697.3)**	**887.7**	**75.5**	**963.2**

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE 6 MONTHS ENDED JUNE 30, 2023

IN MILLIONS OF CHF	NOTE	UNAUDITED 6M 2023	UNAUDITED 6M 2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		73.4	22.9
ADJUSTMENTS FOR:			
Depreciation and amortization	8	804.6	561.0
Impairment net	8	(21.5)	(15.0)
Increase / (decrease) in allowances and provisions		(16.8)	16.4
Other non-cash items		11.1	6.9
Relief of lease obligations		–	(79.9)
Loss / (gain) on sale of non-current assets		(0.5)	(0.5)
Loss / (gain) on foreign exchange differences		52.7	(2.0)
Finance expense	11	276.0	157.3
Finance income	11	(80.3)	(25.8)
Cash flow before working capital changes		**1,098.7**	**641.3**
Decrease / (increase) in trade and other accounts receivable		22.0	10.0
Decrease / (increase) in inventories		(213.0)	(167.5)
Decrease / (increase) in trade and other accounts payable		217.1	246.2
Cash generated from operations		**1,124.8**	**730.0**
Income tax paid		(33.4)	(13.0)
Net cash flow from operating activities [1]		**1,091.5**	**717.0**
CASH FLOW USED IN INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(171.7)	(39.7)
Purchase of intangible assets		(17.9)	(7.7)
Purchase of financial assets [2]		(48.3)	(0.1)
Proceeds from lease income		9.6	2.0
Proceeds from / (Repayment) of loans receivable granted		2.0	(0.5)
Proceeds from sale of property, plant and equipment		4.8	0.8
Proceeds from sale of financial assets		0.2	2.5
Interest received [3]		51.3	6.9
Business combination, net of cash	4	452.6	0.1
Net cash flow used in investing activities		**282.6**	**(35.7)**

[1] Includes variable lease payments of CHF 665.5 (2022: 414.2) million.

[2] Includes CHF 48.2 million purchase of current investments.

[3] Interest received are disclosed in cash flow from investing activities (consistent to prior year).

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE 6 MONTHS ENDED JUNE 30, 2023

IN MILLIONS OF CHF	NOTE	UNAUDITED 6M 2023	UNAUDITED 6M 2022
CASH FLOW FROM FINANCING ACTIVITIES			
Transaction costs for financial instruments		(6.0)	–
Proceeds from / (repayment) of 3rd party loans		(0.3)	(0.8)
Proceeds from borrowings	13	178.4	–
Payment of derivatives interests		–	(6.3)
Repayment of borrowings	13	(573.3)	(18.1)
Purchase of non-controlling interests Autogrill	4	(12.3)	–
Dividends paid to non-controlling interests		(45.6)	(22.9)
Purchase of treasury shares		(4.6)	–
Contribution from non-controlling interests		11.1	0.2
Lease payments		(604.1)	(393.0)
Interest paid [4]		(146.4)	(68.9)
Net cash flow used in financing activities		**(1,203.1)**	**(509.8)**
Currency translation on cash		(18.7)	(11.8)
Increase / Decrease in cash and cash equivalents		**152.2**	**159.7**
CASH AND CASH EQUIVALENTS AT THE			
– beginning of the period		854.7	793.5
– end of the period		1,006.9	953.2

[4] Interest paid are disclosed in cash flow from financing activities (consistent to prior year).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 6 MONTHS ENDED JUNE 30, 2023

1. CORPORATE INFORMATION

Dufry AG (the "Company") is a publicly listed company with headquarters in Basel, Switzerland. The Company is the world's leading travel retail and food & beverage company. It operates in more than 5,500 outlets worldwide. The shares of the Company are listed on the SIX Swiss Exchange in Zürich.

The interim consolidated financial statements of Dufry AG and its subsidiaries ("Dufry" or the "Group") for the period ended June 30, 2023 were authorized for public disclosure in accordance with a resolution of the Board of Directors of the Company dated August 3, 2023.

2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim consolidated financial statements for the period ended June 30, 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with Dufry's annual consolidated financial statements as of December 31, 2022. There have been no significant changes in estimates compared to December 31, 2022. These interim consolidated financial statements have been prepared on a going concern basis.

2.2 CHANGE IN SCOPE OF CONSOLIDATION

On February 3, 2023, Dufry, global leader in travel retail, succesfully closed the business combination with Autogrill S.p.A Group (Autogrill), global leader in travel food & beverage. Please refer to note 4 for further information.

2.3 RUSSIA'S INVASION OF UKRAINE

On February 24, 2022, the Russian Federation initiated a military attack on Ukraine.

In Ukraine, the Dufry Group only has operations at the Airport in Odessa, which are suspended due to the conflict.

The Russian travel market has a very low significance for Dufry Group - since Dufry operations in Russia, operated through a local JV, only represents 0.9 % of the first six month 2023 Group's net sales (6M 2022: 1.7 %).

However, any further deterioration of the economic situation in Russia or escalation in the hostilities between Russia and Ukraine as well as any restrictions of Russian passengers to national or international travel may adversely affect Dufry's business, including its operations in countries that have traditionally been popular with Russian tourists.

The Group cannot predict the outcome of the conflict but is monitoring the situation very closely.

2.4 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of Dufry's annual consolidated financial statements as of December 31, 2022, except for the following new or revised standards and interpretations adopted in these interim consolidated financial statements.

New and amended standards adopted by the Group
- IFRS 17: Insurance contracts–including amendments
- IFRS 17: Initial Application of IFRS 17 and IFRS 9 – Comparative Information
- IAS 1: Disclosure of accounting policies
- IAS 8: Definition of accounting estimates
- IAS 12: Deferred tax related to assets and liabilities arising from a single transaction

The amendments apply for the first time in 2023, but do not have a material impact on the consolidated financial statements of the Group. The new standards and interpretations issued not yet effective with respect to 'Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)' do not have a material impact from a qualitative and quantitative perspective.

The Group has not early adopted any of the amendments that have been issued but are not yet effective.

The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these above mentioned new or amended standards.

The International Accounting Standards Board (IASB) has published 'International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)'.

Dufry has applied the exception immediately upon issuance of the amendments and retrospectively in accordance with IAS 8.

3. SEGMENT INFORMATION

Dufry's risks and returns are predominantly affected by the fact that the Group operates in different countries. Therefore, Dufry presents the segment information as it does internally to the Group Executive Committee, which represents the Chief Operating Decision Maker (CODM), using geographical segments and the global distribution centers as an additional segment.

The Group implemented a new company organization which became effective on February 7, 2023. The previous segment The Americas was splitted into Latin America and North America. Furthermore, certain countries have relocated from Europe, Middle East and Africa (EMEA) to Asia-Pacific. In addition, the Group allocates advertising income to the operating segments. The comparative figures have been presented accordingly to reflect these changes.

The Group is presenting the CORE EBITDA (Non-GAAP) KPI which is used by the Global Executive Committee to monitor the Group's performance. This indicator provides the most relevant view on our business and represents an operational KPI excluding the accounting impact resulting from IFRS 16 related profit or loss line items (i.e. depreciation of right-of-use assets and lease interest) and adding the relevant concession fee owed based on the corresponding concession agreement. Please refer to pages I - VI for details on Dufry's alternative performance measures.

Information reported to the Group Executive Committee for the purposes of resource allocation and assessment of segment performance is focused on the geographical segments. The Group's reportable segments under IFRS 8 are therefore as follows:

UNAUDITED 6M, 2023 IN MILLIONS OF CHF	TURNOVER with external customer	with other divisions	TOTAL	CORE EBITDA (unaudited)
Europe, Middle East and Africa (EMEA)	2,853.4	–	2,853.4	304.3
North America[1]	1,865.1	–	1,865.1	271.9
Latin America	776.5	–	776.5	110.1
Asia Pacific	284.8	–	284.8	22.3
Global Distribution Centers[3]	43.9	756.9	800.8	(216.8)
Total divisions	**5,823.6**	**756.9**	**6,580.5**	**491.8**
Eliminations	–	(756.9)	(756.9)	–
Total	**5,823.6**	**–**	**5,823.6**	**491.8**

UNAUDITED 6M, 2022 IN MILLIONS OF CHF	TURNOVER with external customer	with other divisions	TOTAL	CORE EBITDA (unaudited)
Europe, Middle East and Africa (EMEA)[1]	1,463.6	–	1,463.6	138.0
North America[1]	741.0	–	741.0	114.1
Latin America	579.6	–	579.6	89.1
Asia Pacific	76.6	–	76.6	(2.4)
Global Distribution Centers[3]	61.8	569.8	631.6	(111.8)
Total divisions	**2,922.5**	**569.8**	**3,492.3**	**227.0**
Eliminations	–	(569.8)	(569.8)	–
Total	**2,922.5**	**–**	**2,922.5**	**227.0**

[1] Dufry Group generated 29.2 % (2022: 23.0 %) of its turnover in the US.

[2] Global Distribution Center and corporate entities have global functions and cannot be allocated to the other segments.

Profit or loss reconciliation IFRS / CORE

Please refer to pages III - IV in Dufry's alternative performance measures chapter for more details on the reconciliation between the IFRS and CORE profit or loss.

6M 2023 IN MILLIONS OF CHF	IFRS (unaudited)	Acquisition related Adjustments (unaudited)	Lease Adjustments (unaudited)	Fuel sales Adjustments (unaudited)	CORE (unaudited)
Net sales (IFRS) / Net sales (CORE)	5,731.6	–	–	(108.4)	5,623.2
Advertising income	92.0	–	–	–	92.0
Turnover (IFRS) / Turnover (CORE)	**5,823.6**	**–**	**–**	**(108.4)**	**5,715.2**
Cost of sales (IFRS) / Cost of sales (CORE)	(2,137.8)	–	–	102.0	(2,035.8)
Gross profit (IFRS) / Gross profit (CORE)	**3,685.8**	**–**	**–**	**(6.4)**	**3,679.4**
Leases expenses (IFRS) / Concession expenses (CORE)	(841.3)	–	(594.2)	–	(1,435.5)
Personnel expenses	(1,167.9)	–	–	–	(1,167.9)
Depreciation and amortization	(804.6)	116.0	688.6	–	–
Impairment net	21.5	(31.2)	9.7	–	–
Other expenses (IFRS) / Other expenses (CORE)	(651.5)	13.0	(31.9)	–	(670.4)
Other income (IFRS) / Other income (CORE)	80.0	–	(0.2)	6.4	86.2
Operating profit / CORE EBITDA	**322.0**	**97.8**	**72.0**	**–**	**491.8**
Depreciation, amortization and impairment (CORE)	–	–	(147.9)	–	(147.9)
Operating profit / CORE EBIT	**322.0**	**97.8**	**(75.9)**	**–**	**343.9**
Financial result (IFRS) / Financial result (CORE)	(248.6)	15.7	150.0	–	(82.9)
Profit before taxes / CORE EBT	**73.4**	**113.5**	**74.1**	**–**	**261.0**
Income tax (IFRS) / Income tax (CORE)	(34.8)	(20.0)	(11.7)	–	(66.5)
Net profit / CORE Net profit	**38.6**	**93.5**	**62.4**	**–**	**194.5**

6M 2022 IN MILLIONS OF CHF	IFRS (unaudited)	Acquisition related Adjustments (unaudited)	Lease Adjustments (unaudited)	CORE (unaudited)
Net sales	2,854.6	–	–	2,854.6
Advertising income	67.9	–	–	67.9
Turnover	**2,922.5**	**–**	**–**	**2,922.5**
Cost of sales	(1,143.6)	–	–	(1,143.6)
Gross profit	**1,778.9**	**–**	**–**	**1,778.9**
Leases expenses (IFRS) / Concession expenses (CORE)	(408.0)	–	(450.0)	(858.0)
Personnel expenses	(440.7)	–	–	(440.7)
Depreciation and amortization	(561.0)	80.4	480.6	–
Impairment net	15.0	–	(15.0)	–
Other expenses (IFRS) / Other expenses (CORE)	(249.1)	–	(21.4)	(270.5)
Other income (IFRS) / Other income (CORE)	17.3	–	–	17.3
Operating profit / CORE EBITDA	**152.4**	**80.4**	**(5.8)**	**227.0**
Depreciation, amortization and impairment (CORE)	–	–	(67.2)	(67.2)
Operating profit / CORE EBIT	**152.4**	**80.4**	**(73.0)**	**159.8**
Financial result (IFRS) / Financial result (CORE)	(129.6)	–	74.6	(55.0)
Profit before taxes / CORE EBT	**22.9**	**80.4**	**1.6**	**104.8**
Income tax (IFRS) / Income tax (CORE)	(10.8)	(18.9)	1.2	(28.5)
Net profit / CORE Net profit	**12.1**	**61.5**	**2.8**	**76.3**

Financial Positions

IN MILLIONS OF CHF	Unaudited 30.06.2023 TOTAL ASSETS	TOTAL LIABILITIES	31.12.2022 TOTAL ASSETS	TOTAL LIABILITIES
Europe, Middle East and Africa (EMEA)[1]	6,553.1	4,470.8	4,831.4	3,013.2
North America[2]	4,438.2	3,033.5	1,792.6	1,701.9
Latin America	1,534.5	1,661.4	1,676.0	1,572.6
Asia Pacific	287.0	475.0	240.4	437.0
Global Distribution Centers[3]	1,533.3	3,571.5	1,399.9	3,531.1
Total divisions[4]	**14,346.1**	**13,212.2**	**9,940.3**	**10,255.8**
Unallocated positions	246.8	3,225.3	41.0	3,045.5
Eliminations	(924.5)	(5,400.3)	(671.7)	(4,957.8)
Total	**13,668.4**	**11,037.2**	**9,309.6**	**8,343.5**

1 Within Dufry Group, 10.8 % (2022: 9.4 %) of the total non-current assets are located in Switzerland (domicile).
2 Within Dufry Group, 29.8 % (2022: 15.1 %) of the total non-current assets are located in the US.
3 Global Distribution Center and corporate entities have global functions and cannot be allocated to the other segments.
4 Before Inter-segment elimination.

4. ACQUISITIONS OF BUSINESSES

2023 TRANSACTIONS

4.1 COMBINATION WITH AUTOGRILL

On February 3, 2023, Dufry, global leader in Travel Retail, succesfully closed the business combination with Autogrill, global leader in Travel Food & Beverage. The Group's global footprint and presence in more than 70 countries will provide an exceptional experience and knowledge within the industry and enable strong, mutual value-creating relationships with concession partners and suppliers. The Group employs around 60,000 people. The new organization is expected to generate cost synergies, comprising both cost reductions and gross profit improvements.

In accordance with the Combination Agreement in consideration for the transfer of the 50.3 % stake in Autogrill to Dufry, Edizione (through its wholly owned subsidiary Schema Beta S.p.A.) was issued mandatory convertible non-interest bearing notes convertible into an aggregate of 30,663,329 newly issued Dufry shares, at an implied exchange ratio of 0.158 new Dufry shares for each Autogrill share. Edizione exercised its conversion right following closing on February 3, 2023 of the transfer and was issued 30,663,329 Dufry shares[1].

1 Dufry share price as of February 3, 2023 equals to 41.71 CHF.

Pursuant to Italian law, Dufry launched a mandatory public exchange offer for the remaining Autogrill shares in several steps starting from February 3, 2023 until June 30, 2023. Dufry offered 0.1583[2] new Dufry shares for each Autogrill share. In compliance with Italian takeover law, Dufry also offered a cash alternative equivalent to EUR 6.33 per Autogrill share in the mandatory tender offer. The exchange ratio corresponds to the same ratio as offered to Edizione and has been agreed by reference to the 3-month VWAP of Autogrill and Dufry shares prior to April 14, 2022, equal to EUR 6.33 per share for Autogrill and CHF 40.96 (EUR 39.71) per share for Dufry.

At the end of the tender period on June 30, 2023, Dufry holds 96.3858 % of the share capital of Autogrill. Dufry initiated the squeeze-out procedure, which has resulted in Dufry holding all of Autogrill's shares, and delisted Autogrill on July 24, 2023. Please refer to note 16.2 for further details.

Overall, 95.90 % of the Autogrill shares tendered opted for the share consideration and 0.49 % of the shares tendered opted for the cash alternative consideration. As a result, during the whole MTO process, Dufry issued 26,526,880 new shares.

The fair value of the identifiable assets and liabilities assumed of Autogrill at the date of acquisition and the resulting goodwill were determined preliminarily as Dufry is in the process of verifying the valuation of these net assets identified as follows:

	PRELIMINARY FAIR VALUE AT FEBRUARY 3, 2023
IN MILLIONS OF CHF	**CHF**
Property, plant and equipment	786.3
Right-of-use assets	1,504.0
Intangible assets	1,035.9
Investment in associates	2.3
Deferred tax assets	26.7
Other non-current assets	126.9
Inventories	124.3
Trade and credit card receivables	55.8
Other current assets	172.9
Cash and cash equivalents	452.6
Borrowings	(594.9)
Lease obligations	(1,601.7)
Deferred tax liabilities	(265.9)
Provisions	(92.6)
Post-employment benefit obligations	(29.0)
Trade payables	(428.0)
Other liabilities	(431.3)
Non-controlling interests[1]	(57.5)
Identifiable net assets	**786.7**
Dufry's share in the net assets (50.3%)	395.7
Goodwill	883.3
Consideration in cash	–
Consideration in shares	1,279.0
Total consideration	**1,279.0**

[1] Recognized at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.

[2] For the purpose of the Offer, a four-decimal number has been applied and, consequently, the exchange ratio was rounded up to 0.1583.

In accordance with paragraph 45 of IFRS 3, which provides for a "valuation period" during which the company must carry out a preliminary initial accounting of the acquisition and complete the valuation at a later date, and in any case within 12 months from the date of acquisition, the final valuation of the current value of Autogrill Group's net assets acquired has not yet been completed.

From the date when Dufry took control of the Autogrill operations on February 3, 2023 until June 30, 2023, Autogrill operations contributed CHF 2,009.3 million in turnover and a net loss of CHF 23.6 million to the Group. If the business combination had taken place at the beginning of 2023, Autogrill would have generated a turnover of CHF 2,360.6 million and a net loss of CHF 42.1 million.

Transaction costs in connection to the Autogrill business combination are reflected in other expenses and finance expenses. Please refer to note 10 and note 11 for further information.

4.2 TRANSACTION WITH NON-CONTROLLING INTERESTS IN AUTOGRILL

After the initial acquisition on February 3, 2023, Dufry launched a MTO for the outstanding Autogrill shares at the Milan Stock Exchange and acquired until June 30, 2023, in several steps 96.3858 % of the outstanding Autogrill shares for a total consideration in shares of CHF 1,150.7 million and a total consideration paid in cash of CHF 12.3 million equivalent to EUR 6.33 per share. The difference between the total consideration for the additional shares and the proportional reduction of the carrying amount of the non-controlling interests is CHF 800.3 million. This amount is recognized in the retained earnings in the line changes in participation of non-controlling interests in the statement of changes in equity.

5. SEASONALITY

Usually Dufry has its strongest months of net sales and operating profit between July and September corresponding to the summer time in the Northern hemisphere, whereas the first quarter is the weakest. These seasonality effects are more prominent on the operating profit level than in net sales. The straight-line depreciation of right-of-use assets further accentuated the volatility of operating profit.

[1] Total consideration of MTO until June 30, 2023.

6. NET SALES

Net sales by product categories:

IN MILLIONS OF CHF	EMEA	NORTH AMERICA	LATAM	APAC	GLOBAL DC	UNAUDITED 6M 2023
Perfumes and Cosmetics	665.4	76.6	243.0	53.9	32.0	1,070.9
Food, Confectionery & Catering	936.2	1,401.3	81.9	81.2	2.1	2,502.7
Wine and Spirits	300.6	31.6	207.5	77.2	6.0	622.9
Luxury goods	128.6	88.2	124.0	31.5	0.0	372.4
Tobacco goods	550.2	16.9	45.9	34.2	0.2	647.4
Electronics	6.0	61.7	35.1	0.9	–	103.7
Literature and Publications	5.0	47.4	2.0	–	–	54.4
Fuel	108.4	–	–	–	–	108.4
Other	105.3	125.1	17.0	1.5	–	248.8
Total	**2,805.8**	**1,848.8**	**756.3**	**280.5**	**40.2**	**5,731.6**

IN MILLIONS OF CHF	EMEA*	NORTH AMERICA*	LATAM*	APAC*	GLOBAL DC*	UNAUDITED 6M 2022
Perfumes and Cosmetics	508.0	55.1	166.3	26.3	39.2	795.0
Food, Confectionery & Catering	189.2	376.9	56.0	4.6	1.6	628.2
Wine and Spirits	249.8	25.0	188.6	29.3	16.6	509.4
Luxury goods	108.7	55.3	77.0	8.6	0.3	249.9
Tobacco goods	324.7	13.3	36.4	3.5	0.1	378.1
Electronics	6.2	62.5	14.6	0.7	–	84.0
Literature and Publications	4.1	41.6	1.5	–	–	47.2
Other	40.5	98.8	22.0	1.4	–	162.7
Total	**1,431.2**	**728.5**	**562.5**	**74.5**	**57.9**	**2,854.6**

* The comparative figures have been presented according to the new segment structure. Please refer to note 3 for further details.

Net sales by market sector:

IN MILLIONS OF CHF	EMEA	NORTH AMERICA	LATAM	APAC	GLOBAL DC	UNAUDITED 6M 2023
Duty-free	1,154.8	119.0	689.6	199.3	–	2,162.7
Duty-paid	849.2	818.1	66.7	18.5	40.3	1,792.7
Food & Beverage	801.8	911.7	–	62.7	–	1,776.2
Total	**2,805.8**	**1,848.8**	**756.3**	**280.5**	**40.2**	**5,731.6**

IN MILLIONS OF CHF	EMEA*	NORTH AMERICA*	LATAM*	APAC*	GLOBAL DC*	UNAUDITED 6M 2022
Duty-free	888.6	200.0	509.8	65.5	0.5	1,664.4
Duty-paid	542.6	528.5	52.6	9.0	57.5	1,190.2
Total	**1,431.2**	**728.5**	**562.5**	**74.5**	**57.9**	**2,854.6**

* The comparative figures have been presented according to the new segment structure. Please refer to note 3 for further details.

Net sales by channel:

IN MILLIONS OF CHF	EMEA	NORTH AMERICA	LATAM	APAC	GLOBAL DC	UNAUDITED 6M 2023
Airports	2,049.2	1,787.3	668.0	202.0	–	4,706.5
Motorways	544.7	–	–	–	–	544.7
Border, downtown & hotel shops	53.7	23.9	26.9	27.8	–	132.2
Cruise liners and seaports	29.8	–	61.0	–	–	90.8
Railway stations and other	128.4	37.6	0.5	50.6	40.2	257.4
Total	**2,805.8**	**1,848.8**	**756.3**	**280.5**	**40.2**	**5,731.6**

IN MILLIONS OF CHF	EMEA*	NORTH AMERICA*	LATAM*	APAC*	GLOBAL DC*	UNAUDITED 6M 2022
Airports	1,369.1	695.3	481.0	57.5	–	2,602.8
Border, downtown & hotel shops	27.3	16.5	24.7	14.7	–	83.2
Cruise liners and seaports	16.6	–	56.3	–	–	73.0
Railway stations and other	18.2	16.7	0.4	2.3	57.9	95.6
Total	**1,431.2**	**728.5**	**562.5**	**74.5**	**57.9**	**2,854.6**

* The comparative figures have been presented according to the new segment structure. Please refer to note 3 for further details.

7. LEASE EXPENSES

IN MILLIONS OF CHF	UNAUDITED 6M 2023	UNAUDITED 6M 2022
Lease expenses [1]	(836.8)	(480.1)
Lease expenses short-term contracts	(20.1)	(12.2)
Lease exp - low value contracts	(6.1)	(0.3)
Sublease income from right-of-use assets	21.7	4.4
Relief of lease obligations [2]	–	79.9
Change in provision for onerous contract	–	0.4
Lease expenses	**(841.3)**	**(408.0)**

[1] Lease expenses include only variable lease expenses. Fixed and in substance fixed commitments are recognized in accordance with lease accounting as depreciation of right-of-use assets or interest on lease obligations.

[2] In 2022, Dufry applied the COVID-19 related rent concession - amendment to IFRS 16 and recognized relief of lease obligations presented as lease expenses.

8. DEPRECIATION, AMORTIZATION AND IMPAIRMENT

IN MILLIONS OF CHF	UNAUDITED 6M 2023	UNAUDITED 6M 2022
Depreciation of property, plant and equipment	(131.4)	(55.0)
Impairment net of property, plant and equipment	1.5	(0.8)
Depreciation & impairment of PP&E	**(129.9)**	**(55.9)**
Depreciation of right-of-use assets	(539.8)	(414.2)
Impairment net of right-of-use assets	(10.6)	15.9
Depreciation & impairment RoU assets	**(550.4)**	**(398.4)**
Amortization of intangibles	(133.4)	(91.7)
Impairment net of intangibles	30.6	–
Amortization & impairment of intangibles	**(102.8)**	**(91.7)**
Depreciation, amortization & impairment	**(783.0)**	**(546.0)**

Aggregated information of reversals / (impairments) per division (segment)

	UNAUDITED 6M 2023			UNAUDITED 6M 2022		
IN MILLIONS OF CHF	Property, plant and equipment	Right-of-use assets	Intangible assets and goodwill	Property, plant and equipment	Right-of-use assets	Intangible assets and goodwill
Europe, Middle East and Africa (EMEA)	0.3	–	–	(0.8)	15.0	–
North America	–	–	–	–	–	–
Latin America	1.2	(14.4)	30.6	–	–	–
Asia Pacific	–	3.9	–	–	0.9	–
Global Distribution Centers	–	–	–	–	–	–
TOTAL	**1.5**	**(10.6)**	**30.6**	**(0.8)**	**15.9**	**–**

During the first six months in 2023, Dufry reversed impairments in right-of-use assets of CHF 3.9 million due to changes in future concession fee pattern.

9. IMPAIRMENT TEST OF TANGIBLE AND INTANGIBLE ASSETS

Management assessed internal and external indicators in the half-year economic performance. Reviewing the impairment calculations and also the key assumptions and their sensitivities, the management does not believe that as of June 30, 2023, considering existing CGU headrooms, there are observable indicators that the company's goodwill may be impaired.

KEY ASSUMPTIONS USED FOR THE VALUE-IN-USE CALCULATION

The calculation of value-in-use is most sensitive to the following assumptions which have been updated – where applicable – for interim period based on recent development:

Sales growth
Management based its assumptions on information available at the time of the preparation of the financial statements and assumes that sales will continue to grow in 2023 in line with the international air traffic growth. Our sales growth assumes that most locations will reach 2019 sales levels by 2023 or 2024. In its projections, Dufry assumes that the climate change & environmental risk has no material impact on future sales levels and the overall recovery of the business.

Margins
The expected margins have been estimated based on actual product assortments. These margins are maintained constant over the planning period, except where specific actions are planned to increase these margins or the competitiveness. The development of our purchase prices are estimated based on negotiations held with suppliers.

Discount rates
The cash flows are discounted using a weighted average cost of capital ("WACC") rate composed of: a risk free rate, credit spread, re-levered beta, country risk and equity risk premium.

10. OTHER EXPENSES

IN MILLIONS OF CHF	UNAUDITED 6M 2023	UNAUDITED 6M 2022
Repairs and maintenance	(87.1)	(21.4)
Utilities	(63.6)	(16.3)
Credit card expenses	(102.8)	(44.4)
Professional advisors	(66.1)	(36.3)
IT expenses	(31.2)	(23.6)
Freight & packaging	(35.9)	(19.0)
Acquisition related transaction costs[1]	(37.3)	(0.9)
Consulting expenses for projects	(7.1)	(4.8)
Other operational expenses	(30.5)	(6.6)
Advertising expenses	(15.5)	(6.4)
Office and admin expenses	(16.0)	(10.4)
Travel, car, entertainment and representation	(22.8)	(6.4)
Franchise fees and commercial services	(68.9)	(13.0)
Public relations expenses	(10.7)	(4.6)
Taxes other than income taxes	(38.3)	(23.2)
Ancillary premises expenses	(3.8)	(3.6)
Insurances (global lines)	(8.9)	(5.5)
Bank expenses	(5.1)	(2.7)
Other expenses	**(651.5)**	**(249.1)**

[1] Thereof CHF 13.0 million financial related transaction cost directly linked to the closing of the combination with Autogrill.

11. FINANCE INCOME AND FINANCE EXPENSES

FINANCE INCOME

IN MILLIONS OF CHF	UNAUDITED 6M 2023	UNAUDITED 6M 2022
INCOME ON FINANCIAL ASSETS		
Interest income on current deposits	34.9	6.4
Interest income on 3rd party loans	1.5	0.3
Other finance income [1]	41.8	12.4
Interest income on financial assets	**78.1**	**19.1**
INCOME FROM FINANCIAL INVESTMENTS AND ASSOCIATES		
Share of result in associates	2.1	4.3
Gain on disposal of financial investments	–	2.4
Income from financial investments and associates	**2.1**	**6.7**
Total finance income	**80.3**	**25.8**

FINANCE EXPENSES

IN MILLIONS OF CHF	UNAUDITED 6M 2023	UNAUDITED 6M 2022
EXPENSES ON FINANCIAL LIABILITIES		
Interest expense	(226.9)	(134.1)
of which lease interest [2]	(106.1)	(58.8)
of which bank interest	(95.9)	(56.8)
of which bank commitment fees	(14.1)	(6.6)
of which bank guarantees commission expense	(2.5)	(2.3)
of which related to other financial liabilities	(5.6)	(4.6)
Amortization / write off of arrangement fees	(2.8)	(5.0)
Impairment on other financial assets	1.1	(0.3)
Other finance costs [3,4]	(50.2)	(22.9)
Total finance expenses	**(276.0)**	**(157.3)**

1 Thereof CHF 25.0 (6M 2022: 12.2) million gains of interest financial derivatives.
2 Thereof gain in relation to modifications of lease contracts of CHF 3.8 (6M 2022: 4.5) million.
3 Thereof CHF 31.1 (6M 2022: 19.1) million losses of interest financial derivatives.
4 Thereof CHF 15.7 million financing related transaction costs in connection with the closing of the Autogrill transaction (Bridge financing).

12. EQUITY

12.1 FULLY PAID ORDINARY SHARES

IN MILLIONS OF CHF	NUMBER OF SHARES	SHARE CAPITAL	SHARE PREMIUM
Balance at January 1, 2022	**90,797,007**	**454.0**	**4,542.2**
Balance at December 31, 2022	**90,797,007**	**454.0**	**4,542.2**
Share capital increase	57,190,209	286.0	2,143.7
Balance at June 30, 2023	**147,987,216**	**739.9**	**6,685.9**

On February 3, 2023, Dufry and Edizione successfully closed the transfer of the 50.3 % stake in Autogrill held by Edizione S.p.A (through a wholly owned subsidiary) to Dufry.

In accordance with the Combination Agreement entered into on July 11, 2022, and in consideration for the transfer of the 50.3 % stake in Autogrill to Dufry, Edizione (through its wholly owned subsidiary Schema Beta S.p.A.) was issued mandatory convertible non-interest bearing notes convertible into an aggregate of 30,663,329 newly issued Dufry shares, at an implied exchange ratio of 0.158 new Dufry shares for each Autogrill share. Edizione exercised its conversion right following closing of the transfer and was issued 30,663,329 Dufry shares (equal to 25.246 % of Dufry's registered share capital).

In addition, Dufry issued 26,526,880 new shares in several steps related to the result of the mandatory public exchange offer from February 3, 2023 until June 30, 2023.

Please refer to note 4 for further details on the business combination.

13. BORROWINGS

DETAILED CREDIT FACILITIES

In December 2022, Dufry had successfully refinanced its main bank credit facilities. A new EUR 2,085 million Revolving Credit Facility (RCF) replaced EUR 1,300 million RCF and USD 550 million Term Loan with maturity in December 2027 compared to previous maturity date in November 2024.

In April 2023, EUR 2,085 million RCF has been increased by EUR 180 million and in June 2023, by EUR 410 million to a new total amount of EUR 2,675 million. As of June 30, 2023, the drawn amount is CHF 494.3 million (December 31, 2022: CHF 409.5 million).

On signing date in December 2022, the margin of the RCF was 3.5 % based on Dufry's rating. Due to two upgrades by S&P and one upgrade by Moody's, the margin has improved and is 2.75 % as of June 30, 2023.

In June 2023, the former Autogrill credit facility was cancelled by repaying the notional drawn amount of CHF 506.8 million (EUR 200.0 million and USD 347.8 million).

The uncommited credit facility increased by CHF 185.8 million and the drawn amount is CHF 91.8 million.

14. FAIR VALUE MEASUREMENT

FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT AMORTIZED COST

Except as detailed in the table Quantitative disclosures fair value measurement hierarchy for assets and liabilities below, Dufry considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

The following tables provide the fair value measurement hierarchy of Dufry's assets and liabilities, that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i. e. as prices) or indirectly (i. e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The valuation of the put option related to unlisted shares is derived from the proportional share of the net assets.

Quantitative disclosures fair value measurement hierarchy for assets

UNAUDITED JUNE 30, 2023 IN MILLIONS OF CHF	TOTAL	FAIR VALUE MEASUREMENT Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	CARRYING AMOUNTS
ASSETS MEASURED AT FAIR VALUE					
Derivative financial assets					
Foreign exchange forward contracts - USD	0.1	–	0.1	–	0.1
Foreign exchange swaps contracts - EUR	0.1	–	0.1	–	0.1
Foreign exchange swaps contracts - OTHER	1.3	–	1.3	–	1.3
Cross currency swaps contracts - EUR	5.1	–	5.1	–	5.1
Short-term investments	38.2	–	38.2	–	38.2
Total	**44.7**	**–**	**44.7**	**–**	**44.7**
ASSETS FOR WHICH FAIR VALUES ARE DISCLOSED					
Loans and receivables					
Trade and credit card receivables	132.2	–	132.2	–	132.4
Total	**132.2**	**–**	**132.2**	**–**	**132.4**

DECEMBER 31, 2022 IN MILLIONS OF CHF	TOTAL	FAIR VALUE MEASUREMENT Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	CARRYING AMOUNTS
ASSETS MEASURED AT FAIR VALUE					
Derivative financial assets					
Foreign exchange forward contracts - USD	0.1	–	0.1	–	0.1
Foreign exchange swaps contracts - EUR	3.7	–	3.7	–	3.7
Foreign exchange swaps contracts - OTHER	0.5	–	0.5	–	0.5
Cross currency swaps contracts - EUR	5.1	–	5.1	–	5.1
Options - USD	0.7	–	0.7	–	0.7
Total	**10.1**	**–**	**10.1**	**–**	**10.1**
ASSETS FOR WHICH FAIR VALUES ARE DISCLOSED					
Loans and receivables					
Trade and credit card receivables	62.0	–	62.0	–	62.3
Total	**62.0**	**–**	**62.0**	**–**	**62.3**

There were no transfers between Level 1 and 2 during the period.

Quantitative disclosures fair value measurement hierarchy for liabilities

UNAUDITED JUNE 30, 2023 IN MILLIONS OF CHF	TOTAL	FAIR VALUE MEASUREMENT Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	CARRYING AMOUNTS
LIABILITIES MEASURED AT FAIR VALUE					
Derivative financial liabilities					
Foreign exchange forward contracts - USD	–	–	–	–	–
Foreign exchange swaps contracts - EUR	–	–	–	–	–
Foreign exchange swaps contracts - OTHER	0.1	–	0.1	–	0.1
Cross currency swaps contracts - EUR	84.3	–	84.3	–	84.3
Put option Dufry Staer Holding Ltd	7.5	–	–	7.5	7.5
Total	**91.9**	**–**	**84.4**	**7.5**	**91.9**
LIABILITIES FOR WHICH FAIR VALUES ARE DISCLOSED					
At amortized cost					
Senior notes CHF 300	287.1	287.1	–	–	299.1
Senior notes EUR 800	762.8	762.8	–	–	781.2
Senior notes EUR 750	637.5	637.5	–	–	723.9
Senior notes EUR 725	628.1	628.1	–	–	703.8
Convertible notes CHF 500	443.8	443.8	–	–	465.0
Total	**2,759.3**	**2,759.3**	**–**	**–**	**2,972.9**
RCF - multicurrency - USD	397.1	–	397.1	–	381.2
RCF - multicurrency - EUR	97.8		97.8		93.9
Short-term financing	91.9		91.9		91.8
Total	**586.8**	**–**	**586.8**	**–**	**567.0**

DECEMBER 31, 2022 IN MILLIONS OF CHF	TOTAL	FAIR VALUE MEASUREMENT Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	CARRYING AMOUNTS
LIABILITIES MEASURED AT FAIR VALUE					
Derivative financial liabilities					
Foreign exchange forward contracts - USD	0.1	–	0.1	–	0.1
Foreign exchange swaps contracts - EUR	–	–	–	–	–
Foreign exchange foward contracts - OTHER	0.6	–	0.6	–	0.6
Cross currency swaps contracts - EUR	99.1	–	99.1	–	99.1
Put option Dufry Staer Holding Ltd	7.7	–	–	7.7	7.7
Total	**107.5**	**–**	**99.8**	**7.7**	**107.5**
LIABILITIES FOR WHICH FAIR VALUES ARE DISCLOSED					
At amortized cost					
Senior notes CHF 300	262.6	262.6	–	–	298.9
Senior notes EUR 800	765.2	765.2	–	–	790.3
Senior notes EUR 750	604.2	604.2	–	–	732.1
Senior notes EUR 725	592.9	592.9	–	–	712.2
Convertible notes CHF 500	420.2	420.2	–	–	459.5
Total	**2,645.1**	**2,645.1**	**–**	**–**	**2,993.0**
Floating rate borrowings USD	412.8	–	412.8	–	392.2
Total	**412.8**	**–**	**412.8**	**–**	**392.2**

There were no transfers between Level 1 and 2 during the period.

15. PRINCIPAL EXCHANGE RATES

	AVERAGE RATES	CLOSING RATES	
IN CHF PER	6M 2023	30.06.2023	
1 USD	0.9120	0.8953	
1 EUR	0.9856	0.9771	
1 GBP	1.1249	1.1378	

IN CHF PER	6M 2022	30.06.2022	31.12.2022
1 USD	0.9443	0.9549	0.9244
1 EUR	1.0318	1.0013	0.9896
1 GBP	1.2255	1.1630	1.1186

16. EVENTS AFTER REPORTING DATE

16.1 AENA TENDER PROCESS

On July 25, 2023, the tendering process launched by AENA for the Spanish airports was completed. Dufry won the contracts for Andalusia-Mediterranean, Balearic Islands and Canaries, Catalonia and Madrid. The contracts are expected to be signed subsequently to the issuance of the interim consolidated financial statements. The contracts duration is twelve years, with the option of three annual extensions.

16.2 CAPITAL INCREASE AND DELISTING AUTOGRILL

On July 24, 2023, Dufry completed the squeeze out process representing 100 % ownership of Autogrill. On the same day Autogrill was delisted from the Milan stock exchange. The share capital increases based on the share conversion of Autogrill shares into Dufry shares amount to CHF 12.7 million in total.

To the Board of Directors of
Dufry AG, Basel

Basel, August 3, 2023

Report on the review of interim condensed consolidated financial statements

Introduction
We have reviewed the interim condensed consolidated financial statements of Dufry AG, which comprise the interim consolidated statement of financial position as at June 30, 2023, and the interim consolidated statement of profit or loss, interim consolidated statement of other comprehensive income, interim consolidated statement of changes in equity, interim consolidated statement of cash flows, for the six-months period then ended and the notes to the interim consolidated financial statements presented on pages 3 to 25. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard IAS 34 – "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements for the six months ended June 30, 2023 are not prepared, in all material respects, in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting".

Deloitte AG

Andreas Bodenmann
Licensed Audit Expert
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DUFRY'S ALTERNATIVE PERFORMANCE MEASURES

Dufry believes that disclosing adjusted results of the Group's performance enhances the financial markets' understanding of the company because the adjusted results enable better comparison across years. These CORE figures exclude exceptional acquisition respective disposal related expenses and income, and also exclude impairments and amortization of acquisition-related intangible assets, which can differ significantly from year to year.

Dufry's profit or loss statement in accordance with IFRS is materially impacted by IFRS 16 lease accounting. CORE figures exclude the accounting impact resulting from IFRS 16 lease accounting standard. This is achieved by reversing IFRS 16 related profit or loss line items (i.e. depreciation of right-of-use assets and lease interest) and adding the relevant concession fee owed based on the corresponding concession agreement. For this same reason, we consider all our concession fees and corresponding payments as CORE to our business, in contrast to IFRS 16, which treats fixed payments as a financing activity. In addition, we believe that the straight-line depreciation of right of-use assets does not reflect the economic reality of our business and the operational performance of our Group. Dufry uses these adjusted results in addition to IFRS as important factors in internally assessing the Group's performance.

In addition, Dufry, in continuance with Autogrill's previous practice, reclasses Net Sales and respective Cost of Sales in relation to fuel sales to other income.

Organic growth

IN MILLIONS OF CHF	6M 2023	6M 2022
Like-for-like	32.7%	143.6%
Net new concessions	2.8%	3.6%
Organic Growth	**35.5%**	**147.2%**

Organic growth describes the turnover growth of the Company in CHF excluding turnover from acquisition and disinvestments to allow for annual comparison of Dufry Group's operational performance. Turnover, consisting of net sales and advertising income, is converted at constant previous year exchange rates.

Organic growth is further split into Like-for-Like (LFL) growth and Net new concessions. LFL growth considers only shops that were open and comparable under same conditions with last year. Shops that are not comparable are adjusted as scope effects and are being reported as Net new concessions.

CORE profit or loss

IN MILLIONS OF CHF	6M 2023	6M 2022
Net sales (CORE)	5,623.2	2,854.6
Advertising income	92.0	67.9
Turnover (CORE)	**5,715.2**	**2,922.5**
Cost of sales (CORE)	(2,035.8)	(1,143.6)
Gross profit (CORE)	**3,679.4**	**1,778.9**
Concession expenses (CORE)	(1,435.5)	(858.0)
Personnel expenses	(1,167.9)	(440.7)
Other expenses (CORE)	(670.4)	(270.5)
Other income (CORE)	86.2	17.3
CORE EBITDA	**491.8**	**227.0**
Depreciation, amortization and impairment (CORE)	(147.9)	(67.2)
CORE EBIT	**343.9**	**159.8**
Financial result (CORE)	(82.9)	(55.0)
CORE EBT	**261.0**	**104.8**
Income tax (CORE)	(66.5)	(28.5)
CORE Net profit	**194.5**	**76.3**
ATTRIBUTABLE TO		
Non-controlling interests	70.6	33.3
Equity holders of the parent	124.0	43.0
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
CORE basic earnings / (loss) per share in CHF	1.02	0.47
CORE diluted earnings / (loss) per share in CHF	1.01	0.47

Our CORE profit or loss statements replaces the IFRS related lease expense lines with our concession fees as per the contracts and moves non-shop related leases back to other expenses. Also, we remove the FX impact on our lease obligations and the financing component of IFRS 16. In addition, all depreciation and amortization expenses related to previous acquisitions are removed to enable a better view of the performance of the current year. CORE EBITDA is used by Dufry's lenders to calculate covenants under the bank financing agreements.

Profit or loss reconciliation IFRS / CORE

6M 2023 IN MILLIONS OF CHF	IFRS (unaudited)	Acquisition related Adjustments (unaudited)	Lease Adjustments (unaudited)	Fuel sales Adjustments (unaudited)[1]	CORE (unaudited)
Net sales (IFRS) / Net sales (CORE)	5,731.6	–	–	(108.4)	5,623.2
Advertising income	92.0	–	–	–	92.0
Turnover (IFRS) / Turnover (CORE)	**5,823.6**	**–**	**–**	**(108.4)**	**5,715.2**
Cost of sales (IFRS) / Cost of sales (CORE)	(2,137.8)	–	–	102.0	(2,035.8)
Gross profit (IFRS) / Gross Profit (CORE)	**3,685.8**	**–**	**–**	**(6.4)**	**3,679.4**
Leases expenses (IFRS) / Concession expenses (CORE)	(841.3)	–	(594.2)	–	(1,435.5)
Personnel expenses	(1,167.9)	–	–	–	(1,167.9)
Depreciation and amortization[2, 3]	(804.6)	116.0	688.6	–	–
Impairment net	21.5	(31.2)	9.7	–	–
Other expenses (IFRS) / Other expenses (CORE)[4, 5]	(651.5)	13.0	(31.9)	–	(670.4)
Other income (IFRS) / Other income (CORE)	80.0	–	(0.2)	6.4	86.2
Operating profit / CORE EBITDA	**322.0**	**97.8**	**72.0**	**–**	**491.8**
Depreciation, amortization and impairment (CORE)[6]	–	–	(147.9)	–	(147.9)
Operating profit / CORE EBIT	**322.0**	**97.8**	**(75.9)**	**–**	**343.9**
Financial result (IFRS) / Financial result (CORE)[7, 8]	(248.6)	15.7	150.0	–	(82.9)
Profit before taxes / CORE EBT	**73.4**	**113.5**	**74.1**	**–**	**261.0**
Income tax (IFRS) / Income tax (CORE)[9]	(34.8)	(20.0)	(11.7)	–	(66.5)
Net profit / CORE Net profit	**38.6**	**93.5**	**62.4**	**–**	**194.5**
ATTRIBUTABLE TO					
Non-controlling interests	66.2	2.0	2.4	–	70.6
Equity holders of the parent	(27.6)	91.5	60.1	–	124.0
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT					
Basic Earnings / CORE Basic Earnings per share in CHF	(0.23)				1.02
Diluted Earnings / CORE Diluted Earnings per share in CHF	(0.23)				1.01

1 Net sales (CORE) and cost of sales (CORE) differ from the IFRS amounts because they do not include fuel sales and oil cost of sales. The net amount is classified as other operating expenses (CORE) in accordance with management's protocol for the analysis of Group figures.

2 CHF 116.0 million amortization of acquisition related concession rights.

3 CHF 688.6 million depreciation of property, plant and equipment, right-of-use assets and amortization of intangibles other than acquisition related concession rights.

4 Other expenses (CORE) exclude CHF 13.0 million financial related transaction cost directly linked to the closing of the combination with Autogrill.

5 CHF 70.8 million non-shop leases included in other expenses (CORE).

6 Depreciation of property, plant and equipment and amortization of intangibles other than acquisition related concession rights.

7 Financial result (CORE) exclude CHF 15.7 million in connection with a bridge Financing, directly linked to the closing of the combination with Autogrill.

8 Lease interest expenses and IFRS 16 related foreign exchange effect.

9 CHF 20.0 million deferred taxes on acquisition related concession rights and CHF 11.7 million deferred taxes related to IFRS 16.

6M 2022 IN MILLIONS OF CHF	IFRS (unaudited)	Acquisition related Adjustments (unaudited)	Lease Adjustments (unaudited)	CORE (unaudited)
Net sales	2,854.6	–	–	2,854.6
Advertising income	67.9	–	–	67.9
Turnover	**2,922.5**	**–**	**–**	**2,922.5**
Cost of sales	(1,143.6)	–	–	(1,143.6)
Gross profit	**1,778.9**	**–**	**–**	**1,778.9**
Leases expenses (IFRS) / Concession expenses (CORE)	(408.0)	–	(450.0)	(858.0)
Personnel expenses	(440.7)	–	–	(440.7)
Depreciation and amortization[1, 2]	(561.0)	80.4	480.6	–
Impairment net	15.0	–	(15.0)	–
Other expenses (IFRS) / Other expenses (CORE)[3]	(249.1)	–	(21.4)	(270.5)
Other income (IFRS) / Other income (CORE)	17.3	–	–	17.3
Operating profit / (loss) / CORE EBITDA	**152.4**	**80.4**	**(5.8)**	**227.0**
Depreciation, amortization and impairment (CORE)[4]	–	–	(67.2)	(67.2)
Operating profit / (loss) / CORE EBIT	**152.4**	**80.4**	**(73.0)**	**159.8**
Financial result (IFRS) / Financial result (CORE)[5]	(129.6)	–	74.6	(55.0)
Profit / (loss) before taxes / CORE EBT	**22.9**	**80.4**	**1.6**	**104.8**
Income tax (IFRS) / Income tax (CORE)[6]	(10.8)	(18.9)	1.2	(28.5)
Net profit / (loss) / CORE Net profit	**12.1**	**61.5**	**2.8**	**76.3**
ATTRIBUTABLE TO				
Non-controlling interests	29.7	1.9	1.7	33.3
Equity holders of the parent	(17.6)	59.6	1.0	43.0
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT				
Basic Earnings / CORE Basic Earnings per share in CHF	(0.19)			0.47
Diluted Earnings / CORE Diluted Earnings per share in CHF	(0.19)			0.47

1 CHF 80.4 million amortization of acquisition related concession rights.

2 CHF 480.6 million depreciation of property, plant and equipment, right-of-use assets and amortization of intangibles other than acquisition related concession rights.

3 Other expenses (CORE) include non-shop leases.

4 Depreciation of property, plant and equipment and amortization of intangibles other than acquisition related concession rights.

5 Lease interest expenses and IFRS 16 related foreign exchange effect.

6 CHF 18.9 million deferred taxes on acquisition related concession rights and CHF 1.2 million deferred taxes related to IFRS 16.

CORE Cash flow

IN MILLIONS OF CHF	6M 2023	6M 2022
CORE EBITDA	**491.8**	**227.0**
Other non-cash items and changes in lease obligations (MAG related)	25.4	23.3
Changes in net working capital	26.1	88.6
Capital expenditures	(184.6)	(46.7)
Cash flow related to minorities[1]	(34.5)	(22.6)
Income taxes paid	(33.4)	(13.0)
Cash flow before financing	**290.9**	**256.7**
Interest, net	(95.1)	(62.0)
Other financing items	(30.7)	2.0
Equity free cash flow	**165.1**	**196.7**
Acquisition & financing activities, net[2]	(116.1)	–
Transaction costs	(28.7)	–
Foreign exchange adjustments and other	(14.9)	(20.7)
Decrease / (Increase) in financial net debt	**5.4**	**176.1**
– at the beginning of the period	2,810.8	3,079.5
– at the end of the period	2,805.4	2,903.4

[1] Include CHF (45.6) million dividends paid to non-controlling interests and CHF 11.1 million contribution from non-controlling interests.

[2] Acquisition & financing activities, net consist mainly of the acquisition of net debt from Autogrill, the cash portion of the MTO consideration and purchases of treasury shares

Cash flow before financing is calculated from CORE EBITDA, corrected by changes in net working capital and concession related non-cash items (such as prepayments). In addition, capital expenditure (Capex), cash flows to minorities and income taxes are deducted. Cash flow before financing provides an effective measure of Dufry's cash flow generation from operations and investing activities.

Equity free cash flow measures the relevant cash generation of the Company and provides the basis for further capital allocation decisions. It therefore can be considered the single-most important KPI from a shareholder perspective, reflecting the amount of cash available for creating value to investors.

Cash flow reconciliation IFRS / CORE

IN MILLIONS OF CHF	UNAUDITED 6M 2023	UNAUDITED 6M 2022
Net cash flow from operating activities	**1,091.5**	**717.0**
CASH FLOW CONSIDERATION USED IN INVESTING-ACTIVITIES		
Purchase of property, plant and equipment	(171.7)	(39.7)
Purchase of intangible assets	(17.8)	(7.7)
Purchase of financial assets	(48.3)	(0.1)
Proceeds from lease income	9.6	2.0
Proceeds from / (Repayment) of loans receivable granted	2.0	(0.5)
Proceeds from sale of property, plant and equipment	4.8	0.8
Proceeds from sale of financial assets	0.2	2.5
Interest received	51.3	6.9
CASH FLOW CONSIDERATION FROM FINANCING-ACTIVITIES		
Lease payments	(604.1)	(393.0)
Interest paid	(146.4)	(68.9)
Contribution from non-controlling interests	11.1	0.2
Dividends paid to non-controlling interests	(45.6)	(22.9)
ADD BACK OF ACQUISITION RELATED TRANSACTION COSTS		
Finance related transaction costs (Bridge financing)	15.7	–
Other financial related transaction costs	13.0	–
Equity free cash flow	**165.1**	**196.6**

Financial net debt

IN MILLIONS OF CHF	30.06.2023	31.12.2022
Borrowings (current and non-current)	3,734.7	3,575.0
Financial derivatives liability - Borrowings	84.5	99.8
Less financial derivatives assets - Borrowings	(6.9)	(9.4)
Less cash and cash equivalents	(1,006.9)	(854.7)
Financial net debt	**2,805.4**	**2,810.7**

Dufry's financial net debt is not considering IFRS 16 related lease obligations.

Trade net working capital*

IN MILLIONS OF CHF	30.06.2023	31.12.2022
Inventories	1,198.4	928.4
Trade and credit card receivables	132.4	62.3
Less trade payables	(1,020.3)	(486.4)
Trade net working capital	**310.5**	**504.3**

* Formerly called core net working capital, renamed in order to improve clarity while in substance keeping consistency.

As a retail company, working capital management related to all trade-related items is one of the main focus areas. For better transparency, Dufry provides details on its trade-related core net working capital including inventories, trade and credit card receivables and trade payables.

Capital expenditure (Capex)

IN MILLIONS OF CHF	6M 2023	6M 2022
Purchase of property, plant and equipment	(171.7)	(39.7)
Purchase of intangible assets	(17.9)	(7.7)
Proceeds from sale of property, plant and equipment	4.8	0.8
Capex	**(184.8)**	**(46.7)**

Capex includes purchase of property, plant, equipment, intangible assets, other investing activities and proceeds from sale of property, plant, equipment on cash basis. Any purchase or proceeds related to financial assets are not included within the definition as not considered core to Dufry's business operations and as those activities might differ over time.