

Message from the Chairman of the Board of Directors



**Juan Carlos
Torres Carretero**
Chairman of the
Board of Directors

Dear Shareholders,

Throughout 2023 the travel retail and F&B industry saw a strong momentum in demand and an ongoing resilient recovery. Airlines, airports, and other travel channel operators continued to build up capacities to manage the steadily increasing number of travelers.

This was a welcome evolution, confirming the historic resilience of the travel retail and F&B industry. Despite temporary disruptions, society's willingness to travel remained unbroken, and we expect this momentum to continue into 2024.

In addition to the favourable environment, three key developments shaped Avolta's evolution: long-term growth, sustainable profits and robust cash-flow in the 2023 business year.

First, we sustained consistently high operational performance, building on the acceleration seen in 2022.

Second, we completed critical milestones in the business combination with Autogrill, a pivotal component of our «Destination 2027» strategy.

For a glossary of financial terms and Alternative Performance Measures please see page 271 of this Annual Report.

The emergence of the new global travel experience player is now a reality.

Third – the culminating and unifying element in our transformation – we renamed our company from Dufry to Avolta. The new name reflects our expanded scope and offers an enriched set of opportunities for all our stakeholders, in particular, for you as our valued shareholders.

From a performance standpoint, we benefitted from a global increase in demand, bolstered by our customers' unwavering propensity to travel and to spend. These positive trends are reflected in our operational results.

Our Consolidated CORE Turnover rose significantly, reaching CHF 12,534.6 million (2022 proforma: CHF 10,804.8 million), with CORE Organic growth of 21.6 % on the previous year proforma.

Our full-year 2023 CORE EBITDA, relying on strong commercial performance, increased productivity, and early synergy effects, amounted to CHF 1,129.6 million (2022 proforma: CHF 941.4 million), equal to a further

improved CORE EBITDA margin of 9.0% despite ongoing geopolitical and macroeconomic challenges.

Equity Free Cash Flow (EFCF) reached CHF 323.0 million (Dufry FY reported 2022: CHF 305.2 million) thus exceeding our expectations at the beginning of the year. The overall positive trend in results is evident in our CORE Net Profit, which rose to CHF 456.8 million (compared to CHF 244.1 million proforma in 2022).

Upon antitrust authority approval of the Dufry-Autogrill business combination and the transfer of Edizione's 50.3% stake in Autogrill on February 3, 2023, the integration process for the combined company commenced, with the immediate announcement of the new high-level organization. We made substantial progress in the integration process, including early realization of synergies. On July 24, 2023, we completed the business combination with Autogrill, achieving 100% ownership of Autogrill shares and subsequently delisting Autogrill from the Milan stock exchange.

The transition from Dufry AG to Avolta AG, marked by the change in our company name, represents the final

Avolta is a global travel experience player operating over 5,100 travel retail shops and restaurants across six continents.

step in our transformative business combination. With a majority of 99.77%, shareholders overwhelmingly endorsed the name change to Avolta at the Extraordinary General Meeting of Shareholders on November 3, 2023.

This new name serves as a visual symbol, communicating the expanded scope of our combined entity. With its robust commercial foundation, diversified portfolio, and unwavering commitment to customer-centricity, Avolta opens new avenues of growth and further elevates our commitment to sustainability.

Avolta represents a new home for our 76,962 team members worldwide, fostering a sense of belonging and unity throughout the entire team.

In conjunction with the name change to Avolta, the ticker symbol for our shares on the SIX Swiss Exchange was updated to «AVOL» on November 9, 2023. As of December 31, 2023, Avolta's market capitalization stood at CHF 5,048.5 million.

Our shares commenced the 2023 business year at CHF 38.51, reaching a peak at the end of July at CHF 44.91 and then trended lower in a volatile stock market environment that was influenced by geopolitical and macro-economic effects. The year concluded with our shares closing at CHF 33.08.

The average daily trading volume across all platforms was CHF 60.2 million, affirming the liquidity of our shares. The SIX Swiss Exchange remained a significant trading platform, where the average daily volume of Avolta shares reached CHF 19.2 million in 2023. Avolta's trading volumes are mainly concentrated on the SIX 31.8% and BATS Chi-X OTC 51.5% platforms. As is our tradition, we maintained an ongoing dialogue with our shareholders and the financial community, engaging in over 1,190 interactions through roadshow or conference meetings, calls and emails.

Continued support from shareholders, bondholders and lending banks.

Reflecting the positive company performance, 2023 saw Avolta achieve several improvements in credit ratings. S&P Global Ratings upgraded Avolta's credit ratings to BB, Outlook Stable in July, building upon an earlier upgrade in March. Moody's Investor Service also revised Avolta's credit rating to Ba3 with Outlook Positive in April, further affirming our financial health and promising outlook.

At the General Meeting of Shareholders in May 2023, shareholders had the opportunity to vote on several amendments to our Articles of Incorporation – driven by the new Swiss Corporate Law enacted on January 1, 2023. All proposed agenda items were approved.

At this AGM, we welcomed Mr. Sami Kahale as a new non-executive member of the Board of Directors. After his election, Sami Kahale joined as a member of the Audit Committee, the ESG Committee, and the Strategy & Integration Committee. On behalf of the entire Board of Directors, I extend our gratitude to our shareholders for their ongoing commitment and support.

Following the successful transfer of Edizione's stake in Autogrill in February 2023, the Board of Directors created additional board committees, aligning with the new scope of the company.

In this context, the former combined Nomination and ESG Committee was divided into two committees: the Nomination Committee and the ESG Committee. Additionally, the Board established the new Strategy & Integration Committee. The existing Audit and Remuneration Committees continue.

In preparation for the 2024 General Meeting of Shareholders, the Board of Directors resolved to propose payment of a dividend for the business year 2023. This marks a significant step as we resume dividend payments following pandemic-related suspension. The Board of Directors will propose the payment of an initial dividend of CHF 0.70 per Avolta share.

Dividend payment for business year 2023 proposed.

Aligned with our Destination 2027 strategy, our new capital allocation policy is designed to achieve profitable growth, sustainable cash flow generation and value creation for our shareholders. To strike a balanced approach encompassing deleveraging, growth, and returns to our shareholders, we have earmarked two thirds of our Equity Free Cash Flow (EFCF) for purposes such as deleveraging, relevant business development and small bolt-on M&A activities, while one third of the company's EFCF shall be allocated to dividends.

Dufry sources 40% of its electricity consumption from renewable energy.

In 2023, we initiated a full integration of the ESG engagement from the two legacy entities into a combined Avolta ESG Strategy, while expanding our ESG initiatives and progressing with existing programs.

We have included ESG targets in the long-term incentive plan for management compensation, a practice we had started in 2022.

Our newly formulated ESG strategy is based on a combined materiality matrix, which considers the expanded

company scope and diverse stakeholder communities.

This materiality matrix was developed through direct interactions with our stakeholders, complemented by thorough desk research, and adheres to the principle of double materiality.

The revised focus areas are: Create Sustainable Travel Experiences, Respect Our Planet, Empower Our People and Engage Local Communities. While laying the foundation for our future ESG engagement, we have expanded our existing initiatives – for example by augmenting the share of renewable energy in our electricity consumption (base year 2019) from 20% to 40%. I encourage you to explore pages 97 – 148 for a detailed overview of our ESG Report and progress in 2023.

Ongoing strong engagement for our communities.

Our global community engagement initiatives have continued to provide support to communities in the markets where we operate. In 2023, we assisted team members and the communities in Türkiye and Morocco following the devastating earthquakes and provided support to the local population in the areas most affected.

With respect to ongoing engagements, it is now the 14th year of our contribution to SOS Children's Villages initiatives in Brazil, Mexico, and Kenya. In a year where children and families needed extra support, our customers joined our efforts by purchasing our Captain Dufry plush bear, the profits being donated to SOS Children's Villages. In 2023, our commitment extended to community projects in different parts of the world including Switzerland, Greece, the United Kingdom, the United States, Canada, Italy, Türkiye, Syria, Morocco.

We can't do it alone.

Our team members and management teams played an integral role, generously contributing to the positive developments and achievements described above. We surpassed our targets for the year thanks to their unwavering dedication, continued commitment, and collaborative teamwork.

I extend my heartfelt gratitude and offer a sincere thank you to every single one of our team members for their support and continued motivation.

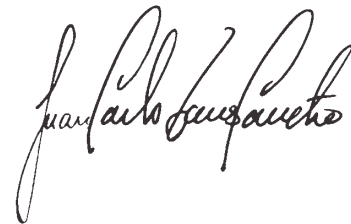
I would like to express my appreciation to our Avolta teams around the world for their exceptional dedication in providing our customers with outstanding service. At the same time,

they have come together, forming new teams, embracing new ways of working and laying the foundation for the realization of our vision to revolutionize the travel experience.

My gratitude extends to our concession partners and brand suppliers for their close collaboration and contributions in strengthening our partnerships.

I look forward with confidence and optimism to future journeys together, thanks to the long-standing relationships and the ongoing trust of our business partners, shareholders, bondholders, and lending banks.

Sincerely,



Juan Carlos Torres Carretero

I look forward with confidence and optimism to future journeys together.