

News Release

Basel, March 23rd, 2021

Dufry announces the launch of c. CHF 500 million new convertible bonds and a voluntary incentivised conversion offer to holders of the CHF 350 million 1.0% convertible bonds due 2023

Dufry AG ("**Dufry**" or the "**Company**") announces the launch of an offering of approximately CHF 500 million new convertible bonds (the "**New Convertible Bonds**") and a voluntary incentivised conversion offer (the "**Incentive Offer**") to holders of the CHF 350 million 1.0% convertible bonds due 2023 issued by Dufry One B.V., a subsidiary of the Company (ISIN CH0540633051 and Ticker-Symbol DUFN20) (the "**Existing Convertible Bonds**").

The New Convertible Bonds and acceptance of the Incentive Offer will allow Dufry to further strengthen its balance sheet and financial flexibility as the business environment for travel retail shows signs of recovery. In addition, Dufry has initiated the refinancing process of its debt positions with upcoming maturities until 2023.

New Convertible Bonds

Dufry launches the placement of senior unsecured convertible bonds due 2026 in an aggregate principal amount of approximately CHF 500 million, conditionally convertible into shares of the Company. The New Convertible Bonds will be issued by Dufry One B.V. and be guaranteed by the Company and two of its subsidiaries (Dufry International AG and Dufry Financial Services B.V.). The shares to be delivered upon conversion of the New Convertible Bonds will be sourced from conditional capital or from existing shares. For this purpose, the Board of Directors will be seeking shareholders' approval at the next ordinary general meeting, scheduled for 18 May 2021, for the creation of conditional capital sufficient to enable the physical settlement of the New Convertible Bonds upon conversion. If shareholder approval for the creation of conditional capital is not passed and registered before 30 June 2021, the New Convertible Bonds will be redeemed in cash at 102% of the greater of the principal amount and the fair market value of the New Convertible Bonds, plus accrued but unpaid interest, and otherwise in accordance with their terms.

The New Convertible Bonds with a denomination of CHF 200,000 will be issued at par and are expected to carry a coupon between 0.50-1.00%, payable semi-annually in arrears. Unless previously converted, redeemed, or re-purchased and cancelled, the New Convertible Bonds will be redeemed at par at maturity on 30 March 2026.

The New Convertible Bonds will be convertible into shares of the Company at an initial conversion price expected to be set at a premium between 42.5-47.5% over the reference share price in a concurrent share placement of Shares organised by the Joint Global Coordinators for the purpose of facilitating delta hedging as further described below.

Dufry may redeem the New Convertible Bonds at par, plus accrued interest (if any):

- No earlier than 21 calendar days after the third anniversary of the closing date, if the volume-weighted average price of the shares is at least 130% of the conversion price on at least 20 out of 30 consecutive trading days; or
- At any time, if less than 15% of the aggregate principal amount of such bonds is outstanding

Dufry agreed to a lock-up period of 90 days following closing of the New Convertible Bonds issuance, subject to customary exceptions and waiver by the Joint Global Coordinators.

Incentive Offer

Dufry One B.V. offers to pay holders of the Existing Convertible Bonds who elect to early exercise their right to convert their Existing Convertible Bonds into Dufry shares a cash incentive of CHF 13,965.65 per CHF 200,000 principal amount of the Existing Convertible Bonds (which amount includes accrued interest) and a share price adjustment amount, as further set out in the official offer document dated 23 March 2021. The Incentive Offer will commence today, 23 March 2021, and end at 16.00 CET on 6 April 2021 (the "Acceptance Period"). Pursuant to Condition 5.3(a) of the Existing Convertible Bonds, if at any time less than 15% of the aggregate principal amount of the Existing Convertible Bonds originally issued are outstanding and held by persons other than the Parent Guarantor and any Subsidiary, the Company may redeem such Existing Convertible Bonds at their principal amount (in accordance with the Conditions) together with accrued but unpaid interest to such date.

Share placement

Concurrently with the offering of New Convertible Bonds and Incentive Offer, the Joint Global Coordinators will be facilitating delta hedging by certain current and future holders of convertible bonds issued by Dufry One B.V. The number of Dufry shares sold is estimated to be no more than c. 3.9 million shares. The Company will not receive any proceeds from the share placement.

The New Convertible Bonds offering, Incentive Offer and delta hedging have received very strong interest from existing bondholders as well as potential new investors.

For further information please click [here](#).

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In the United Kingdom, this announcement is only directed at persons who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended the "Order") or (ii) are persons falling within Article 49(2)(a) to (d) of the Order (high net worth companies, unincorporated associations, etc. (all such persons together being referred to as "Relevant Persons")). This document must not be acted on, or relied upon, by persons who are not Relevant Persons. Any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

In member states of the European Economic Area the placement of securities described in this announcement is directed exclusively at persons who are "qualified investors" with-in the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (Prospectus Regulation).

The New Convertible Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "Retail Investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MIFID II"); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MIFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the New Convertible Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the New Convertible Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

The offering of the New Convertible Bonds in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act of 15 June 2018 (as amended, the "FinSA") because the New Convertible Bonds have a minimum denomination of CHF 100,000 (or equivalent in another currency) or more. This announcement does not constitute a prospectus pursuant to the FinSA, and no such prospectus has been or will be prepared for, or in connection with, the offering of the New Convertible Bonds.

The New Convertible Bonds are not intended, to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

No action has been taken that would permit an offering or an acquisition of the securities or a distribution of this announcement in any jurisdiction where such action would be unlawful. Persons into whose possession this announcement comes are required to inform themselves about and to observe any such restrictions.

This announcement does not constitute a recommendation concerning the placement. Investors should consult a professional advisor as to the suitability of the placement for the person concerned.

This announcement may contain forward looking statements, estimates, opinions and projections with respect to anticipated future performance of the Company ("forward-looking statements"). These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "intends," "may," "will" or "should" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. Forward-looking statements are based on the current views, expectations and assumptions of the management of the Company and involve significant known and unknown risks and uncertainties that could cause actual

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Dufry Group – A leading global travel retailer

Dufry AG (SIX: DUFN) is the leading global travel retailer operating over 2,300 duty-free and duty-paid shops in airports, cruise lines, seaports, railway stations and downtown tourist areas, in more than 430 locations in 64 countries across all six continents.

The Company, founded in 1865 and headquartered in Basel, Switzerland, is offering customers a first-class shopping experience, global brands, a unique market access and landlords a reliable, value-enhancing partnership. To learn more about Dufry, please visit www.dufry.com.



**SOS CHILDREN'S
VILLAGES**

Social Responsibility

Dufry cares for children and supports social projects from SOS Kinderdorf in Brazil, Cambodia, Mexico, Morocco and Ivory Coast. SOS Children's Villages is an independent, non-political and non-demonstrational organization established for orphaned and destitute children all over the world.