

Media Release

Basel, 5 January, 2021

Dufry and Hainan Development Holdings cooperate to develop duty-free opportunities in Hainan (China)

Dufry AG and Hainan Development Holdings (HDH), a fully state-owned company of the Hainan Provincial Government, have signed a strategic cooperation agreement to develop opportunities in Hainan's travel retail market. Dufry, in addition to the supply of global brands, will share its global experience in travel retail with HDH.

The first step of this collaboration will focus on the HDH's development of the duty-free operation at Hainan's Mova Mall in Haikou, the capital of Hainan Island. Mova Mall is a major tourism and shopping destination in the city center of Hainan Island's capital, featuring a vast leisure offer of shopping, dining and entertainment facilities, as well as over 2,500 luxury hotel rooms in walking distance. The Mova Mall complex welcomed 22 million visitors in 2019 and visitors from mainland China are allowed to buy duty-free items up to an amount of 100.000 RMB (approx. USD 14,000) per year.

The new downtown duty-free shop will span over 38,920 m² across two buildings of the Mova Mall, Aquarius and Capricorn, in 3 phases and the first phase is expected to be opening before the Chinese Spring Festival in 2021. During the initial phase, the temporary product assortment in the duty-free store will include an attractive offering covering all core categories such as perfume & cosmetics, food and confectionery, wine & spirits, as well as sunglasses and luxury items from global brands and local premium labels. For the second and third phase for both Aquarius and Capricorn an additional range of top luxury and lifestyle brands has been engaged allowing the offer to reach over 350 brands across all categories once the store is fully completed in the second and third quarters 2021.

Julian Diaz, Dufry Group CEO, commented: "We highly value the common understanding we have reached with our partner Hainan Development Holdings, to jointly develop the duty-free opportunities in the fast-growing Hainan market and beyond. Hainan Development Holding's in-depth understanding of the local market and the duty-free license they hold, combined with Dufry's global expertise, understanding of customer behaviors and access to all the renowned global brands represents a unique combination of skills with which to create a successful business in Hainan. We are very proud to assist in this duty-free operation at the Mova Hall in Haikou, thus contributing to the successful development of Hainan."

Gu Gang, Secretary of the Party Committee and Chairman of the Hainan Development Holdings, commented: "As the primary investment entity and financing platform for significant projects in Hainan Province, Hainan Development Holdings strives to promote the construction of Hainan Free Trade Port and International Tourism Consumption Center through the building of tourism, modern

services and high-tech industries. The establishment of the wholly-owned Global Consumer Boutique (Hainan) Trading Co., Ltd. will further expand the scope of the offshore duty-free business and digital operation models, Global Consumer Boutique (Hainan) Trading Co., Ltd. will keep pace with the international standards of brands, variety and foreign tourists' duty-free shopping demands.”

The partnership with Hainan Development Holdings is in line with Dufry's growth strategy in Asia and builds on the company's existing and long-standing footprint in China. Dufry has operated travel retail businesses in China since 2008 and manages duty-paid shops at the Shanghai Hongqiao and Chengdu Airports. Dufry's presence in Greater China also extends to Hong Kong and Macau.

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Dufry Group – A leading global travel retailer

Dufry AG (SIX: DUFN) is the leading global travel retailer operating over 2,500 duty-free and duty-paid shops in airports, cruise lines, seaports, railway stations and downtown tourist areas, in more than 420 locations in 65 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.