

NEWS RELEASE

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Dufry Reports Organic Growth of 144.5% and Increasing Sales Trends in First Quarter 2022

Dufry's first quarter 2022 was characterized by continuous improvements during January and February, resulting in increasing sales trends in most regions globally from March onwards. Turnover reached CHF 1,118.6 million, an organic growth of 144.5% compared to the previous year. In the normally cash negative first quarter, Dufry's Equity Free Cash Flow (EFCF) performed substantially better versus prior year and a historical first quarter comparison. EFCF progressed and came in at CHF -86.8 million in Q1 2022, compared to CHF -219.3 million in Q1 2021 and CHF -123.0 million in Q1 2019.

FURTHER HIGHLIGHTS:

- Performance during Q1 driven by significant progress across EMEA and positive contributions from the Americas, especially the US and Central America & Caribbean
- Low EFCF outflow of only CHF -86.8 million in the first quarter, which is typically cash negative driven by seasonality, with positive EFCF in March and over-achieving Q1 2019 result of CHF -123.0 million
- Over 1,960 shops were open globally by end March 2022, representing around 85% of stores and more than 90% of 2019 sales potential
- Uptake in commercial activity with 21,915 m² of new and renewed retail space signed during the first quarter

Julián Díaz, CEO of Dufry Group, commented: "Until the last week of January, the first quarter was still impacted by some travel constraints. Since February, we have seen an easing of restrictions and general improvement of the health situation. This translated into an immediate uptake in travel, and in travel retail as integral part. The positive trend has so far continued into April and May, with contributions from nearly all regions globally. Comparing February year-to-date and April year-to-date, Dufry's turnover has more than doubled. Within EMEA, the best performing region has been the Mediterranean, but also Southern Europe and the UK have significantly progressed.

Looking at the Americas, Central America & Caribbean, as well as the US continued to trend above group average. The regional performance also started to be supported again by our South American operations, especially by Argentina, Colombia, and Ecuador. Whilst most regions globally are experiencing an increasing sales trend, most of the APAC countries are still adhering to a zero-Covid policy. Consequently, most of the operations, which cater to international passengers, continue to be closed.

The positive sales trend is reflected in our robust cash flow performance for the quarter. Equity Free Cash Flow reached CHF -86.8 million – a significant improvement from our first quarter 2020 and 2021 performances of CHF -483.1 million and CHF -219.3 million respectively, but also compared to historical first quarter cash flow performances. Despite the typical seasonality of the business, Equity Free Cash Flow in Q1 2022 performed even better than pre-crisis Q1 2019 EFCF of CHF -123.0 million. This result is positively influenced by the measures we have taken over the last two years, including concession reliefs and tighter cash management, with Q1 2022 also partly benefitting from working capital movements and some phasing of CAPEX.

Our financial position gives us the flexibility to focus on continued re-openings and commercial initiatives. Over 85% of our shops are open, representing more than 90% of the 2019 sales potential. We have signed important new and renewed contracts, for example, in attractive touristic destinations like Bali, Dominican Republic, California (US), Mexico and Bulgaria, among others.

It is personally important to me to confirm our commitment to our employees in the Ukraine, who are very much in our thoughts. We are supporting all our Ukrainian employees and their families during these extremely difficult times – as is always the case with all our colleagues worldwide. We have offered all employees and their families relocation to other Dufry locations worldwide, and they have received all possible support by the local teams, including financially, legally, administrative but especially also on a personal level with the whole Dufry family being fully committed to help. We will continue to closely analyze the situation and react accordingly.

During the recent weeks, Dufry's Designated CEO Xavier Rossinyol and myself worked closely together to allow for a well-organized transition. I would like to express my gratitude to all of you, our stakeholders, and particularly to the Board of Directors and all colleagues at Dufry for the support I have received during the past eighteen years. I am immensely grateful for the opportunity I had to lead and contribute to the development of this great company, and I am firmly convinced about Dufry's prosperous future."

TRADING UPDATE

Turnover for the first quarter 2022 reached CHF 1,118.6 million, representing organic growth of 144.5% compared to the previous year. Thereof, like-for-like contributed with 143.4% and net new concessions with 1.1%. The translational FX effect versus 2021 was -1.5%, mainly related to the devaluation of the EUR and the GBP versus CHF, which was not fully compensated by the USD to CHF appreciation.

The category mix provides a similar picture compared to FY 2021, mirroring current re-opening patterns. Perfumes & cosmetics continued to be the prevalent category, followed by food & confectionery and convenience product offerings. Airports gained share in the channel mix and significantly improved the performance during Q1 2022 due to resuming of domestic, intra-regional as well as transatlantic travel.

Turnover Growth	Q1 2022 vs 2021	Q1 2022 vs 2019	Q1 2021 (yoy)	Q1 2019 (yoy)
Like for Like	143.4%	-	-68.3%	-1.3%
New concessions, net	1.1%	-	1.6%	3.3%
Organic Growth	144.5%	-36.2%	-66.7%	2.0%
Change in Scope	-	0.1%	-	-
Growth in constant FX	144.5%	-36.1%	-66.7%	2.0%
FX Impact	-1.5%	-4.5%	-1.3%	1.4%
Reported Growth	143.0%	-40.6%	-68.0%	3.4%

REGIONAL PERFORMANCE

Europe, Middle East and Africa

Turnover amounted to CHF 505.9 million in Q1 2022, versus CHF 134.5 million in the same period in 2021. The first quarter saw an organic growth performance of 283.7% year-on-year (yoy). Nearly all regions contributed positively as of March in line with the improving health situation and especially the increasing easing of travel protocols. Best performing were Mediterranean countries, including Turkey, Greece, and the Middle East. But also UK, France, Spain, Eastern Europe, and Africa made significant progress, benefiting especially from leisure demand. The currently difficult geo-political situation impacted the local Russian and Ukrainian operations, with limited spillover to the broader region so far.

Asia-Pacific

Turnover amounted to CHF 22.1 million in Q1 2022, versus CHF 24.3 million in the same period in 2021. Organic growth reached -7.9% compared to 2021 as restrictions have been tightened around the Olympic Winter Games in China in February and some increase in Covid-cases since the beginning of the year. Whilst selected countries like Australia, Bali, Cambodia have started a re-opening, other governments still adhere to a zero-Covid approach or restrictive measures. As soon as restrictions are lifted, demand is expected to show a fast rebound as experienced throughout other geographies globally. Best performing in the region were China and Macau due to domestic travel activity, with temporary interruptions whenever cases occur.

The Americas

Turnover was CHF 545.1 million in Q1 2022 as compared to CHF 241.2 million one year earlier. Organic growth came in at 121.7% vs 2021. The region has seen a rapid rebound since February. This refers especially to US domestic, intra-regional and increasingly transatlantic travel, as well as touristic travel to Mexico, Central America and the Caribbean destinations, including the Dominican Republic, and the Caribbean Islands. South America also started to trend upwards, especially in Argentina, Colombia, and Ecuador.

Turnover, in CHF million	Q1 2022	Q1 2021	Reported Growth	Organic Growth*
Europe, Middle East and Africa	505.9	134.5	276.1%	283.7%
Asia Pacific	22.1	24.3	-9.1%	-7.9%
The Americas	545.1	241.2	126.0%	121.7%
Distribution Centers	45.5	60.3	-24.5%	-45.3%
Dufry Group	1,118.6	460.3	143.0%	144.5%

Turnover, in CHF million	Q1 2022	Q1 2019	Reported Growth	Organic Growth*
Europe, Middle East and Africa	505.9	818.0	-38.2%	-35.0%
Asia Pacific	22.1	189.2	-88.3%	-87.6%
The Americas	545.1	826.4	-34.0%	-29.0%
Distribution Centers	45.5	49.0	-7.1%	18.7%
Dufry Group	1,118.6	1,882.6	-40.6%	-36.2%

*Organic growth adjusted for FX and regional revenue allocation

The regional net sales split mirrors the current travel patterns and saw Europe, Middle East and Africa contributing with 46.1%, Asia-Pacific with 2.0% and the Americas with 49.5%. Global distribution centers accounted for 2.4% of Q1 2022 net sales; reaching a more normalized level as Hainan is now being supplied by the local Joint Venture in China.

Equity Free Cash Flow for the quarter stood at CHF -86.8 million. As of March 2022, net debt amounted to CHF 3,157.4 million. This compares to CHF 3,079.5 million in December 2021 and CHF 3,101.9 million in December 2019.

For April 2022, Dufry estimates organic growth (based on net sales) to reach 176.2% versus April 2021. By region, EMEA is estimated to grow by 394.7% and the Americas by 105.6%, both on a year-on-year basis. The April 2022 estimate for APAC stands at -1.8% versus prior year.

BUSINESS DEVELOPMENT

During Q1 2022, Dufry succeeded in winning several attractive new concessions and expanding important contracts of overall 21,915 m², thus adding solid contributors to the resilience of the business. Amongst the contracts won there were the newly built Felipe Ángeles International Airport in Santa Lucia, México, and the Recife International Airport, Brazil. Both additions contribute to Dufry's established footprint in the region, also demonstrated by the contract extension with La Romana International Airport and Seaport in the Dominican Republic for ten years. Another important touristic destination is the renewal of the duty-free concession at Gusti Ngurah Rai International Airport in Bali for six years. Furthermore, Dufry secured a five year extension of its duty-free and duty-paid concession at Helsinki Airport, Finland, and a ten-year extension at Ontario International Airport (CA, US), which serves more than 5.5 million travelers annually. Also in the US, Dufry announced a partnership with Starbucks to operate and develop stores in US airports, with the first stores planned to open at La Guardia Airport at the beginning of summer.

Total gross retail space opened during Q1 amounted to 1,158 m², predominantly related to Seville, Spain. Other openings included Mexico City (Mexico), Rosario (Argentina), Nador (Morocco), Cayenne (French Guyana), Montego Bay (Jamaica), and Athens (Greece).

Refurbishments during the first quarter amounted to 4,178 m², including stores in Santiago (Chile), Seville (Spain), Corfu (Greece), Agadir (Morocco), Recife (Brazil), Vancouver (Canada), Rio de Janeiro (Brazil), Detroit, Las Vegas and Fort Lauderdale (US) among others. The current pipeline of opportunities stands at approximately 43,000 m² as of the end of March 2022.

For the Q1 2022 Results Presentation and Conference Call, please visit our dedicated page: www.dufry.com/en/Q1-22

For further information:

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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 420 locations in 66 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, Mexico, Kenya, Russia, Jordan and Spain. SOS Children's Villages is an independent, non-political and non-demonstrational organization established for orphaned and destitute children all over the world.