Hudson Group
Retail Specialists
A DUFRY Company

2019
First Quarter Results

May 14, 2019

Disclaimer


This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (Reform Act). Forward-looking statements are based on our beliefs and assumptions and on information currently available to us, and include, without limitation, statements regarding our business, financial condition, strategy, results of operations, certain of our plans, objectives, assumptions, expectations, prospects and beliefs and statements regarding other future events or prospects. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words “believe,” “expect,” “plan,” “intend,” “seek,” “anticipate,” “estimate,” “predict,” “potential,” “assume,” “continue,” “may,” “will,” “should,” “could,” “shall,” “risk” or the negative of these terms or similar expressions that are predictions of or indicate future events and future trends. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, the development of the industry in which we operate and the effect of acquisitions on us may differ materially from those made in or suggested by the forward looking statements contained in this presentation. In addition, even if our results of operations, financial condition and liquidity, the development of the industry in which we operate and the effect of acquisitions on us are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in subsequent periods. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events. Factors that may cause our actual results to differ materially from those expressed or implied by the forward-looking statements in this presentation, or that may impact our business and results more generally, include, but are not limited to, the risks described under “Item 3. Key Information—D. Risk factors” of our Annual Report on Form 20-F for the year ended December 31, 2018 which may be accessed through the SEC’s website at https://www.sec.gov/edgar. You should read these risk factors before making an investment in our shares.

This presentation contains a discussion of Adjusted EBITDA and adjusted net profit attributable to equity holders of the parent, which are non-IFRS financial measures. We define Adjusted EBITDA as net profit adjusted for certain items and we define adjusted net profit attributable to equity holders of the parent as net profit attributable to equity holders of the parent adjusted for certain items, each as set forth in the reconciliation to the most directly comparable IFRS measure in the Appendix. Adjusted EBITDA and adjusted net profit attributable to equity holders of the parent are not substitutes for IFRS measures in assessing our overall financial performance. Because Adjusted EBITDA and adjusted net profit attributable to equity holders of the parent are not determined in accordance with IFRS, and are susceptible to varying calculations, Adjusted EBITDA and adjusted net profit attributable to equity holders of the parent may not be comparable to other similarly titled measures presented by other companies. Adjusted EBITDA and adjusted net profit attributable to equity holders of the parent are included in this presentation because they are measures of our operating performance and we believe that Adjusted EBITDA and adjusted net profit attributable to equity holders of the parent are useful to investors because they are frequently used by securities analysts, investors and other interested parties in their evaluation of the operating performance of companies in industries similar to ours. Adjusted EBITDA and adjusted net profit attributable to equity holders of the parent have limitations as analytical tools, and you should not consider these measures in isolation, or as a substitute for an analysis of our results as reported under IFRS as issued by IASB.

Introduction

Roger Fordyce
Chief Executive Officer

Adrian Bartella
Chief Financial Officer

PRESENTERS

On Today's Call:

- First Quarter Highlights
- RFP Wins and New Stores
- Operational Highlights
- Financial Results
- Accounting Presentation Changes

1 FIRST QUARTER HIGHLIGHTS

Highlights Q1 2019

- **Solid topline growth**
  - 4.7% organic net sales growth[1] (net of 100 bps FX headwind)
  - Like-for-like net sales growth of 2.2% (3.2% constant currency)
  - Net new business 2.5%
- **Gross profit margin expansion**
  - Gross margin expanded 100 bps to 63.8%
  - Continued impact of improved vendor terms and positive sales mix shift
  - Expect to anniversary the benefit of improved vendor terms in Q2
- **Bottom line expansion**
  - Adjusted EBITDA growth[2] of 2.4% to $37.7M
  - Adjusted EPS[2] (ex IFRS 16) increased from $0.04 to $0.12
- **Footprint expansion continues**
  - Key wins / expansions in Philadelphia and Indianapolis
  - New brand partnership in F&B
- **Driving employee engagement with new digital tools**

1 See slide 16 for a description of Organic Net Sales growth
2 See Appendix for reconciliation to most directly comparable IFRS measure

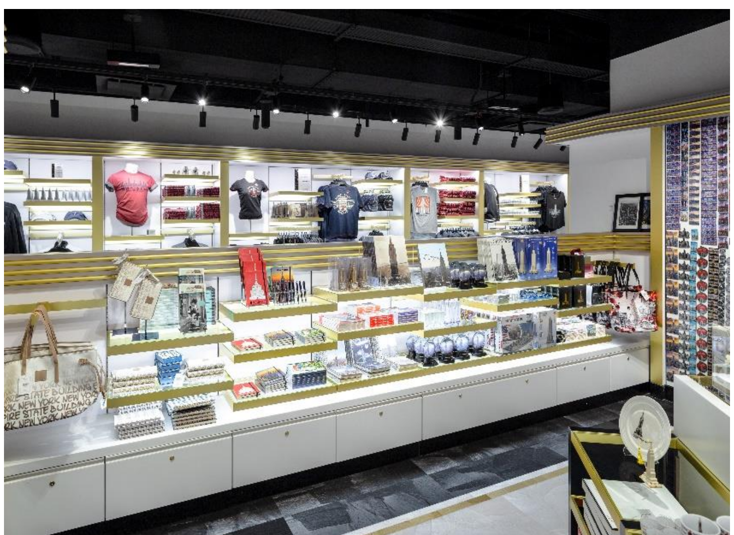
YTD Wins and Extensions

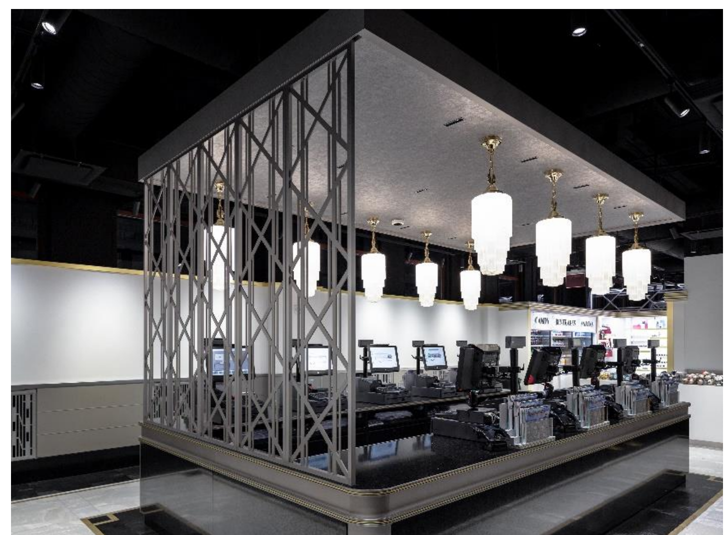
New Wins	Extensions [1] + Expansions
New Market	**Existing Market**
Indianapolis Int'l Airport *January 2019*	Philadelphia Int'l Airport *February 2019*
St. Pete-Clearwater Int'l Airport *May 2019*	San Francisco Int'l Airport – T1 *March 2019*

(1) An extension is defined as a continuation in the same market whether the Company won through an RFP process or extended an existing contract.

Notable Store Openings Q1 2019

Empire State Building





Notable Store Openings Q1 2019

New Brand Partnership

JOE & THE JUICE
COFFEE, JUICE AND MUCH MORE

YVR

- Partnership to license and operate award-winning Scandinavian coffee and juice concept
- Two locations in Vancouver International Airport in 2019
- Will serve signature organic coffee, fresh fruit/vegetable juices and made-to-order sandwiches
- Drives our continued expansion in food & beverage and meets travelers’ growing demand for healthy quick-serve options

Driving Employee Engagement with Digital Collaboration Tools

Travel Retail University (TRU)

- Launched in Q1 2019 for all U.S. and Canada team members
- 45-day orientation/onboarding program with a goal to educate and retain new team members while reducing turnover
- Streamlined platform collects and delivers learning-related data to all levels of the team with ease
- Reinforces Travelers Best Friend service

Workplace Internal Social Media Platform

- Universal platform that allows all team members to stay connected and up to date on all parts of the business in real time
- Pilot launched in select locations to improve communications amongst staff across all levels of the organization
- Rolling out to all of North American employees by end of Q2 2019

Boosting collaboration, improving productivity, driving innovation and using technology as a way to keep employees engaged

“Focused on our growth strategy

…enhancing the customer experience…

and growing sales and profitability.”

2 FINANCIAL RESULTS

IFRS 16 – Lease Accounting

- **IFRS 16 Overview**
    - Implementation as of January 1, 2019
    - IFRS 16 intends to align presentation of leased assets more closely to owned assets
    - Recognition of a “Right of Use (RoU) Asset” and Lease Liability for capitalized leases
        - RoU asset and liability measured at PV of future fixed lease payments
            - P&L line items that include impacts of IFRS 16:
                - Straight line depreciation of asset
                - Interest expense on “financing” is frontloaded
                - Variable lease payments continue to be recorded as lease expense
    - The adoption of IFRS 16 has a material impact on the company’s balance sheet and P&L
    - Does not impact the company’s strategy, business operations or total cash flows

New Consolidated Income Statement Layout

Following the adoption of IFRS 16 on Jan 1, 2019, the company has revised its chart of accounts to comply with IFRS 16 requirements and better align with its operations.

Q1 2018 has been reclassified as follows:

IN MILLIONS OF USD	NOTE	PUBLISHED Q1 2018	RECLASSIFICATION	RECLASSIFIED Q1 2018
Turnover		426.8	-	426.8
Cost of sales		(158.8)	-	(158.8)
Gross profit		**268.0**	**-**	**268.0**
Lease expenses (Selling expenses in 2018)	1, 2	(100.9)	4.0	(96.9)
Personnel expenses		(97.6)	-	(97.6)
Other expenses (General expenses in 2018)	1, 2, 3	(32.8)	(6.5)	(39.3)
Share of result of associates		0.1	(0.1)	-
Depreciation, amortization and impairment		(28.8)	-	(28.8)
Other operational result (moved to Other expenses)	3	(2.6)	2.6	-
Operating profit		**5.4**	**-**	**5.4**
Finance income (Interest income in 2018)		0.5	-	0.5
Finance costs (Interest expense in 2018)		(7.9)	-	(7.9)
Foreign exchange gain (loss)		(0.4)	-	(0.4)
Profit (loss) before tax		**(2.4)**	**-**	**(2.4)**

Notes

Concept	Reclassification From	Reclassification To	MILLIONS USD
1. Sales related expenses	Selling expenses	Other expenses	8.4
2. Premises expense	Other expenses	Lease expenses	(4.4)
1. Sales related expenses	Selling expenses	Other expenses	(8.4)
2. Premises expense	Other expenses	Lease expenses	4.4
3. Other operational income (expenses)	Other operational result	Other expenses	(2.6)

Financial Highlights Q1 2019

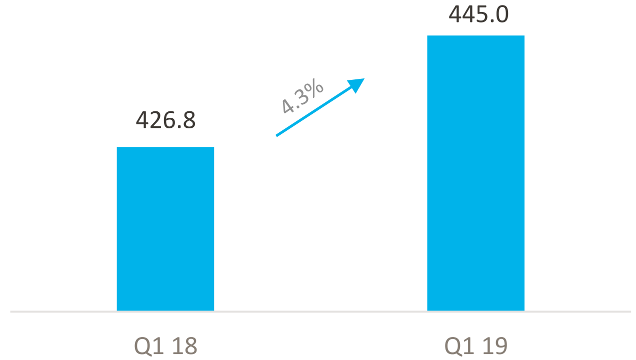
Solid 4.3% turnover growth and 4.7% organic net sales growth[1]

100 bps gross margin expansion to 63.8%

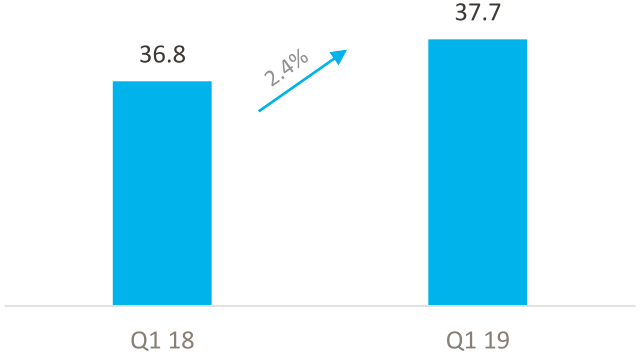
Adjusted EBITDA[2,3] growth of 2.4% to $37.7M

Adjusted EPS of $0.12 (ex IFRS 16 impact) vs. $0.04 in Q1 18

Turnover ($M) [1]



Adjusted EBITDA ($M) [2,3]



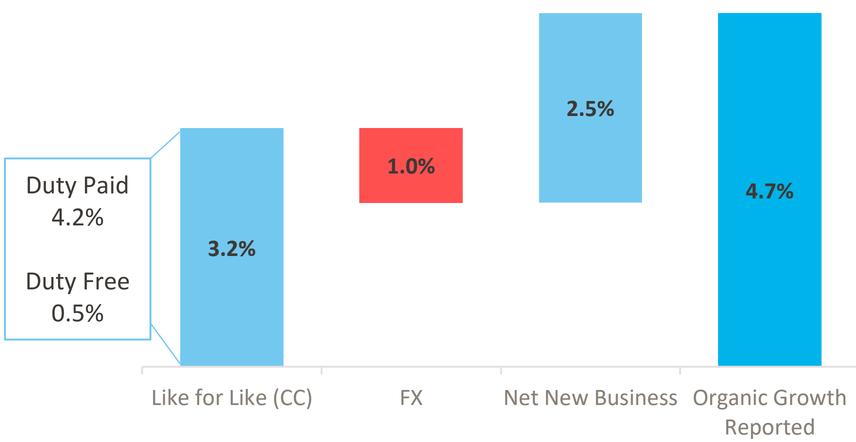
	Q1 18	Q1 19
Margin	8.6%	8.5%

(1) See reconciliation to Turnover on Slide 15. Organic net sales growth represents the combination of growth from (i) like-for-like net sales growth and (ii) net new stores and expansions
(2) For a reconciliation of Adjusted EBITDA to net earnings for the periods presented see Appendix.
(3) Revised to exclude charge related to capitalized right of use assets. The company believes this useful to investors in order to provide better comparabilty to prior periods as IFRS 16 was adopted on January 1, 2019.

Organic Net Sales Growth Components Q1 2019

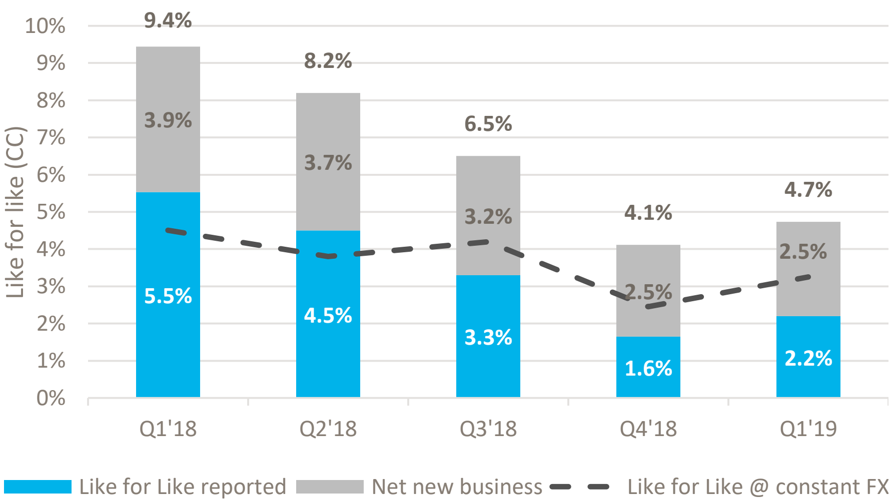
Q1 2019 Growth Components

Net Sales growth Components	Q1 19 / Q1 18
Like for Like @ constant currency	3.2%
Like for Like FX effect	(1.0%)
Like for Like @ reported currency rates	2.2%
Net new business	2.5%
Organic Net Sales Growth as reported	**4.7%**
Advertising income	(0.4%)
Turnover Growth	**4.3%**



Quarterly Evolution

- Healthy like for like and net new business growth despite several factors influencing results: government shutdown, softer Duty Free and luxury sales, and continued FX headwinds.
- Organic growth remained strong at 4.7% (includes 100bps Fx headwind).
- Net new business includes FLL, JFK, BOS and EWR



Summary Q1 2019

(in millions USD)	Q1 2019 *% of Turnover*	IFRS 16 Impact	Pre-IFRS 16 Q1 2019	Q1 2018 *% of Turnover*	% Change
		Illustration of IFRS 16 Impact			
Turnover	**$445.0** ***100%***		***$445.0*** ***100%***	**$426.8** ***100%***	**4.3%**
Gross Profit	$283.8 *63.8%*		$283.8 *63.8%*	$268.0 *62.8%*	5.9%
Lease Expenses (formerly Selling)	$45.4 *10.2%*	*(56.3)*	$101.7 *22.9%*	$96.9 *22.7%*	(53.1%) 5.0% pre-IFRS 16
Personnel expenses [1]	$115.0 *25.8%*		$115.0 *25.8%*	$97.6 *22.9%*	17.8% [1]
Other expenses (formerly G&A)	$37.4 *8.4%*		$37.4 *8.4%*	$39.3 *9.2%*	(4.8%)
Depreciation & Amortization	$77.5 *17.4%*	*49.8*	$27.7 *6.2%*	$28.8 *6.7%*	169.1% (3.8%) pre-IFRS 16
Operating Profit (EBIT)	**$8.5** ***1.9%***	***6.5***	**$2.0** ***0.4%***	**$5.4** ***1.3%***	**57.4%** **(63.0%) pre-IFRS 16**
Finance income	1.1 *0.2%*	0.1	1.0 *0.2%*	0.5 *0.1%*	120.0% 100.0% pre-IFRS 16
Finance costs	19.9 *(4.5%)*	11.9	8.0 *(1.8%)*	7.9 *(1.9%)*	151.9% 1.3% pre-IFRS 16
Foreign exchange gain (loss)	0.3 *0.1%*		0.3 *0.1%*	(0.4) *(0.1%)*	(175.0%)
Profit (loss) before taxes (EBT)	**(10.0)** ***(2.2%)***	**(5.3)**	**(4.7)** ***(1.1%)***	**(2.4)** ***(0.6%)***	**316.7%** **95.8% pre-IFRS 16**
Income tax benefit (expense)	8.1 *1.8%*	(1.2)	6.9 *1.6%*	2.4 *0.6%*	237.5% 187.5% pre-IFRS 16
Net profit (loss)	**(1.9)** ***(0.4%)***	**(4.1)**	**2.2** ***0.5%***	**-** **-**	**-** **-**

(1) $7.6M of increase related to executive separation expense

IFRS 16 Balance Sheet Effect Upon Adoption January 1, 2019

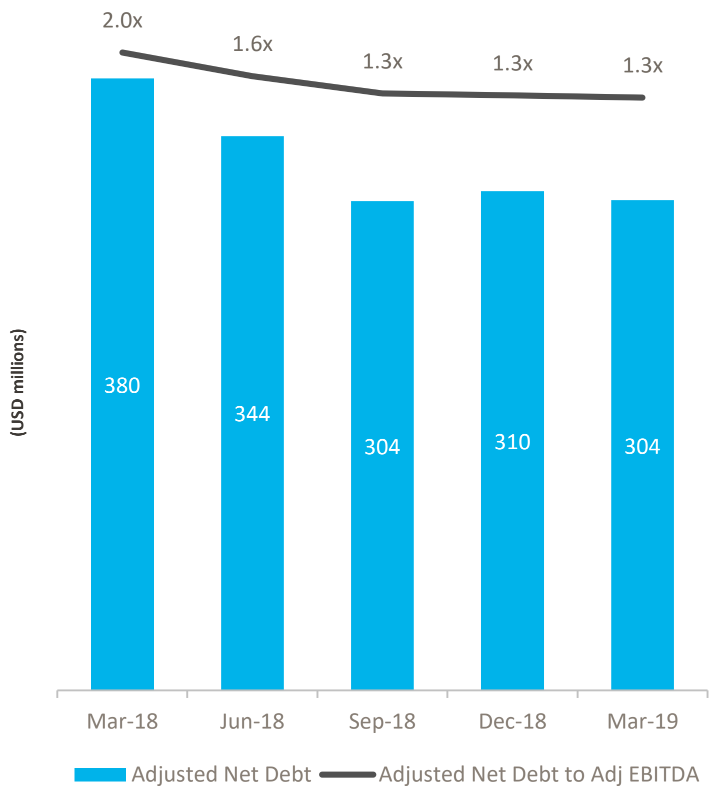
(in millions USD)	Published DEC 31 2018	IFRS 16 Entry	Unaudited JAN 1 2019
ASSETS			
Property, plant and equipment	243.0	-	243.0
Right of use assets	-	1,068.2	1,068.2
Intangible assets	301.6	(3.7) (1)	297.9
Goodwill	315.0	-	315.0
Investments in associates	6.5	-	6.5
Deferred tax assets	83.9	-	83.9
Other non-current assets	27.4	5.4 (2)	32.8
Non-current assets	**977.4**	**1,069.9**	**2,047.3**
Inventories	190.7	-	190.7
Trade receivables	1.3	-	1.3
Other accounts receivable	46.8	2.3 (2)	49.1
Income tax receivables	0.8	-	0.8
Cash and cash equivalents	234.2	-	234.2
Current assets	**473.8**	**2.3**	**476.1**
Total assets	**1,451.2**	**1,072.2**	**2,523.4**

(in millions USD)	Published DEC 31 2018	IFRS 16 Entry	Unaudited JAN 1 2019
LIABILITIES AND SHAREHOLDERS' EQUITY			
Equity attributable to equity holders of the parent	552.1	-	552.1
Non-controlling interests	84.8	-	84.8
Total equity	**636.9**	**-**	**636.9**
Borrowings	492.6	-	492.6
Lease obligations	-	901.0	901.0
Deferred tax liabilities	40.0	-	40.0
Post-employment benefit obligations	1.0	-	1.0
Other non-current liabilities	-	-	-
Non-current liabilities	**533.6**	**901.0**	**1,434.6**
Trade payables	105.5	-	105.5
Borrowings	51.4	-	51.4
Lease obligations	-	174.3	174.3
Income tax payables	2.3	-	2.3
Other liabilities	121.5	(3.1) (3)	118.4
Current liabilities	**280.7**	**171.2**	**451.9**
Total liabilities	**814.3**	**1,072.2**	**1,886.5**
Total liabilities and shareholders' equity	**1,451.2**	**1,072.2**	**2,523.4**

(1) Prepaid and capitalized concession rights
(2) Sublease receivables
(3) Concession fee payables

Balance Sheet and Cash Flow Q1 2019

Adjusted Net Debt and Leverage [1] Evolution



Cash Flow Statement

In millions USD	Q1 2019	Q1 2018
Net cash flows from operating activities	$93.5 [2]	$50.5
Net cash flows used in investing activities	(18.8)	(14.4)
Net cash flows (used in) / from financing activities	(67.5) [2]	38.1
Currency translation on cash	0.5	(6.3)
Increase / (decrease) in cash and cash equivalents	7.7	67.9
Cash and cash equivalents at the		
– beginning of the period	234.2	137.4
– end of the period	241.9	205.3

(1) Adjusted Net debt leverage, a non-IFRS measure, represents total borrowings of $546.2M (excludes IFRS 16 obligations) less cash of $241.9M at the end of the period presented divided by Adj. EBITDA for the last 12 mo of $238.9M.

(2) Due to adoption of IFRS 16 on January 1, 2019, $56.9M in lease payments during Q1 2019 is now classified as financing activities rather than operating activities

2019 Outlook

- Organic net sales growth expectations: low to mid single digit range
  - H1: Expect headwinds from weakening CAD vs. USD and softer duty free and luxury sales
  - H2: H1 headwinds expected to anniversary; expired contracts will impact net sales while new store sales come online
- Expect flat Adjusted EBITDA margins
- Expect relatively flat Adjusted EPS to 2018 excluding IFRS 16 impact

Q & A

3 APPENDIX

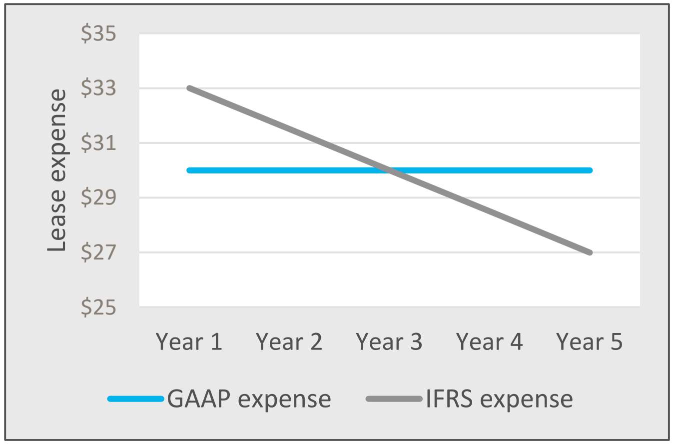
Lease Accounting: Comparison with US GAAP/Legacy IFRS
Case Study Example

Year 1 Example	US GAAP / Legacy IFRS	New IFRS 16	% Diff	Revised Adjusted EBITDA
Revenue	$200	$200		$200
COGS	150	150		150
Gross margin	50	50		50
Lease expense - fixed	25	- (1)		25
Lease expense - variable	5	5		5
EBITDA	**$20**	**$45**	**125%**	**$20**
Depreciation expense	-	20 (1)		
EBIT	20	25	25%	
Finance costs	-	8 (1)		
Pretax income	20	17	-15%	
Income tax expense (30%)	6	5		
Net profit	$14	$12	-14%	

Add back charge related to capitalized right of use assets

Revised Adjusted EBITDA is comparable to GAAP and prior year legacy IFRS reporting

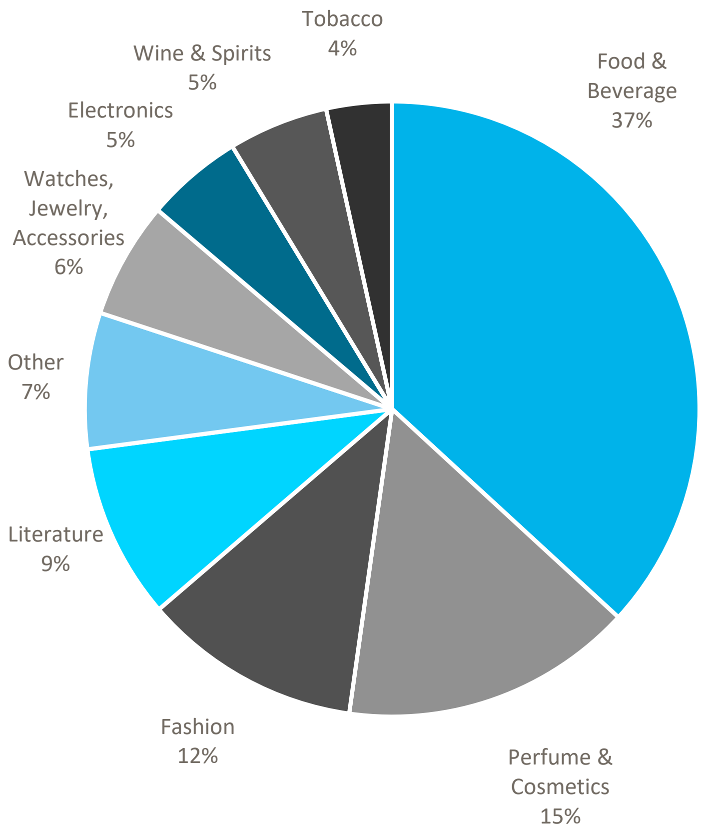
(1) Under IFRS 16, fixed lease expenses are capitalized as right of use assets and depreciated. And there are finance costs on the lease obligation



Net Profit in the early years of a lease will be lower for IFRS filers vs. earnings for US GAAP filers as the pattern of expense recognition is front-loaded under the IFRS lease model

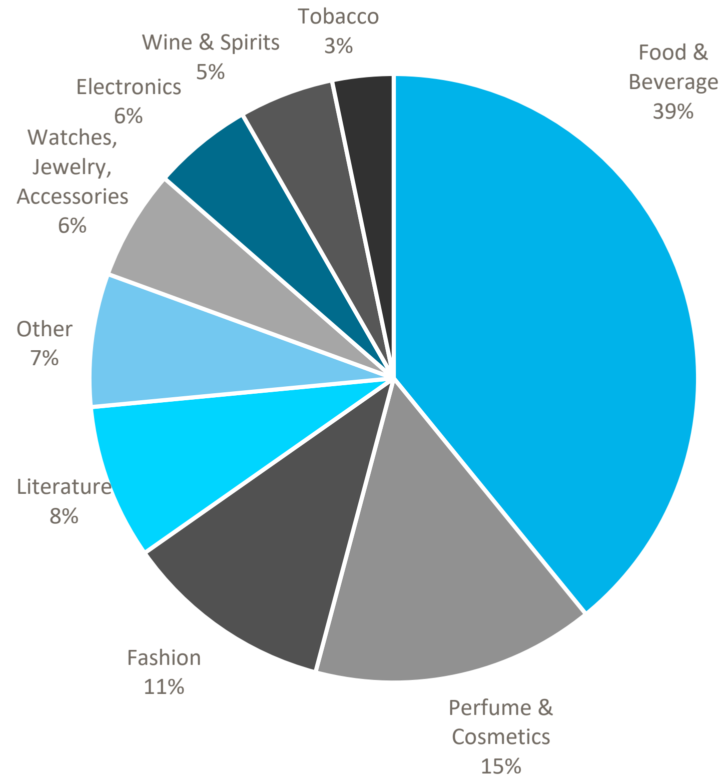
Sales Breakdown by Product Category

Q1 2018



*** F&B Retail 34.6% / F&B Service 2.3 %*

Q1 2019

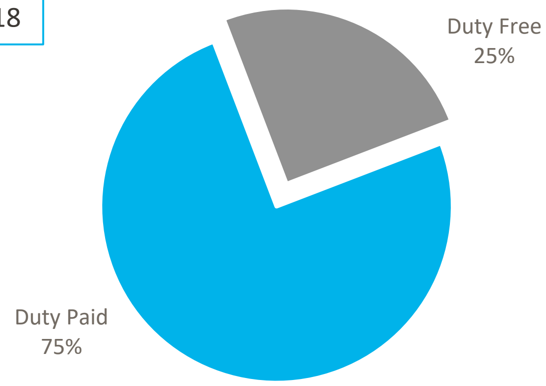


** F&B Retail 36.6 % / F&B Service 2.6 %*

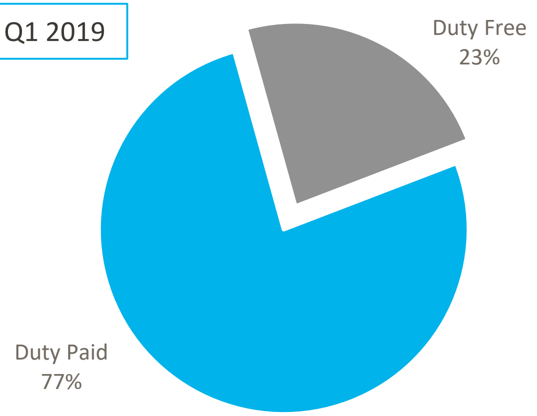
Sales Breakdown

By Sector

Q1 2018

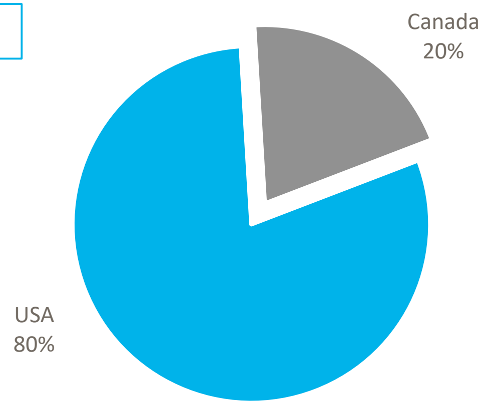


Q1 2019

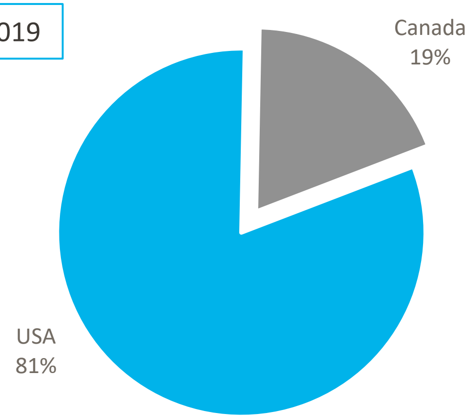


By Country

Q1 2018



Q1 2019



Adjusted EBITDA Reconciliation (1)

	Quarter Ended	Quarter Ended
In Millions USD	**3/31/2019**	**3/31/2018**
Net profit (loss)	**(1.9)**	**-**
Income tax (benefit) expense	(8.1)	(2.4)
Profit (loss) before taxes (EBT)	**(10.0)**	**(2.4)**
Finance income	(1.1)	(0.5)
Finance costs	19.9	7.9
Foreign exchange (gain) loss	(0.3)	0.4
Operating Profit (EBIT)	**8.5**	**5.4**
Depreciation, amortization and impairment	77.5	28.8
Charge related to capitalized right of use assets [2]	(56.3)	-
Other operational charges [3]	8.0	2.6
Adjusted EBITDA	**37.7**	**36.8**

(1) The company has revised the calculation of Adjusted EBITDA to exclude charge related to capitalized right of use assets. The company believes this useful to investors in order to provide better comparability to prior periods as IFRS 16 was adopted on January 1, 2019

(2) Represents lease payments that would have been expensed, but for the adoption of IFRS 16 related to capitalized right of use assets and payments received for capitalized sublease receivables.

(3) For the quarter ended March 31, 2019, other operational charges consisted of $7.6 million of executive separation expense and $0.4 million of other non-recurring items. For the quarter ended March 31, 2018, other operational charges consisted of $0.7 million of asset write-offs related to conversions and store closings, $0.5 million of uncollected receivables, $0.4 million of restructuring expenses, $0.4 million of IPO transaction costs and $0.6 million of other non-recurring items.

Adjusted Profit & Adjusted EPS Reconciliation [1]

	QUARTER ENDED	QUARTER ENDED
IN MILLIONS OF USD (EXCEPT PER SHARE DATA)	**3/31/2019**	**3/31/2018**
Net profit (loss) attributable to equity holders of the parent	**(6.7)**	**(5.7)**
Amortization related to acquisitions [2]	9.5	9.9
Impairment of assets	0.2	-
Other operational charges [3]	8.0	2.6
Income tax adjustment and one-off income tax items [4]	(3.2)	(3.3)
Adjusted net profit attributable to equity holders of the parent	**7.8**	**3.5**
Adjusted net profit attributable to equity holders of the parent - Ex IFRS 16 Impact	**11.1**	
Adjusted diluted earnings per share to equity holders of the parent	**0.08**	**0.04**
Adjusted diluted earnings per share to equity holders of the parent - Ex IFRS 16 Impact	**0.12**	

(1) The company has revised the calculation of Adjusted Net Profit Attributable to Equity Holders of the Parent to exclude not only amortization related to acquisitions and other operational charges (net of income tax), but also to exclude impairment of assets, income tax adjustment on amortization related to acquisitions and impairment and other one-off income tax items. The company believes the new calculation is useful to investors because it removes the effects of purchase accounting for acquired intangible assets (primarily concessions), non-recurring transactions and impairments of assets.

(2) Although the values assigned to the concession rights during the purchase price allocation are fair values, we believe that their additional amortization doesn't allow a fair comparison with our existing business previous to the business combination, as the costs of the intangible assets have been incurred.

(3) For the quarter ended March 31, 2019, other operational charges consisted of $7.6 million of executive separation expense and $0.4 million of other non-recurring items. For the quarter ended March 31, 2018, other operational charges consisted of $0.7 million of asset write-offs related to conversions and store closings, $0.5 million of uncollected receivables, $0.4 million of restructuring expenses, $0.4 million of IPO transaction costs and $0.6 million of other non-recurring items.

(4) Beginning in Q1 2019, this line item has been revised to include the following:

	3/31/2019	3/31/2018
Income tax adjustment amortization and impairment	(2.6)	(2.6)
Income tax adjustment other operational charges	(0.6)	(0.7)