HUDSON GROUP
Retail Specialists
A DUFRY Company

2018
Year End Results

March 14, 2019

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This presentation contains a discussion of Adjusted EBITDA, a non-IFRS financial measure. We define Adjusted EBITDA as net profit adjusted for certain items, as set forth in the reconciliation to the most directly comparable IFRS measure in the Appendix. Adjusted EBITDA is not a substitute for IFRS measures in assessing our overall financial performance. Because Adjusted EBITDA is not determined in accordance with IFRS, and is susceptible to varying calculations, Adjusted EBITDA may not be comparable to other similarly titled measures presented by other companies. Adjusted EBITDA is included in this presentation because it is a measure of our operating performance and we believe that Adjusted EBITDA is useful to investors because it is 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 has limitations as an analytical tool, and you should not consider it 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:

- FY 2018 / Q4 Highlights
- RFP Wins and New Stores
- Growing Whitespace Opportunities
- FY 2018 / Q4 Financial Results
- FY 2019 Outlook

1 FY 2018 / Q4 HIGHLIGHTS

Key 2018 Milestones

- Publicly listed on NYSE in February
- Won key RFPs and extensions/expansions that will add over 50K square feet to current footprint
- Surpassed 1,000 store milestone
- F&B category grew 13% YoY, reaching 38% of net sales

FY 2018 / Q4 Highlights

- **Organic net sales growth of 7.0% [1] for FY18**
  - 4.1% organic net sales growth in Q4 2018
  - Like-for-like net sales growth of 3.7% (3.7% CC) for FY18; 1.6% (2.5% CC) in Q4 18
  - Impacted by FX (Q4 only) and softer duty free/luxury sales from trends in Chinese travelers

- **Gross profit margin expanded 140 bps to 63.7% in FY18**
  - Expanded 180 bps during Q4 18
  - Continued impact of successful vendor negotiations and positive sales mix shift

- **2018 Adjusted EBITDA [2] growth of 38% (13.9% assuming reduced franchise fee in effect in 2017)**
  - Q4 18 adjusted EBITDA growth of 27.5% (4.4% assuming reduced franchise fee in effect in Q4 17)

1 See slide 13 for a description of organic net sales growth
2 See Appendix for reconciliation to most directly comparable IFRS measure

2018 Wins and Extensions

New Wins		Extensions (1) + Expansions	
New Market	Existing Market	Existing Market	
Billy Bishop Toronto *January 2018*	Seattle-Tacoma Int'l Airport *March 2018*	Clinton National Airport *January 2018*	Burlington Int'l Airport *June 2018*
	Phoenix Sky Harbor Int'l Airport *March 2018*	Pittsburgh Int'l Airport *March 2018*	Baltimore/Washington Int'l Thurgood Marshall Airport *June 2018*
	Boston Logan Int'l Airport *April 2018*	JFK Terminal 7 *March 2018*	LaGuardia Airport Terminal B *June 2018*
	Philadelphia Int'l Airport *July 2018*	Orlando Int'l Airport *April 2018*	Chicago CitiGroup Center *August 2018*
	Salt Lake City Int'l Airport *December 2018*	Greater Rochester Int'l Airport *April 2018*	Dallas Love Field *August 2018*
			Vancouver Int'l Airport *October 2018*

Total 2018 Wins:	Existing Sq. Ft.	Incremental Sq. Ft.	Total Sq. Ft.
Locations with New RFPs	-	31K	31K
Locations with Extensions / Expansions	117K	22K	139K
Total	117K	52K	170K

(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 Q4 2018

LaGuardia

Notable Store Openings Q4 2018

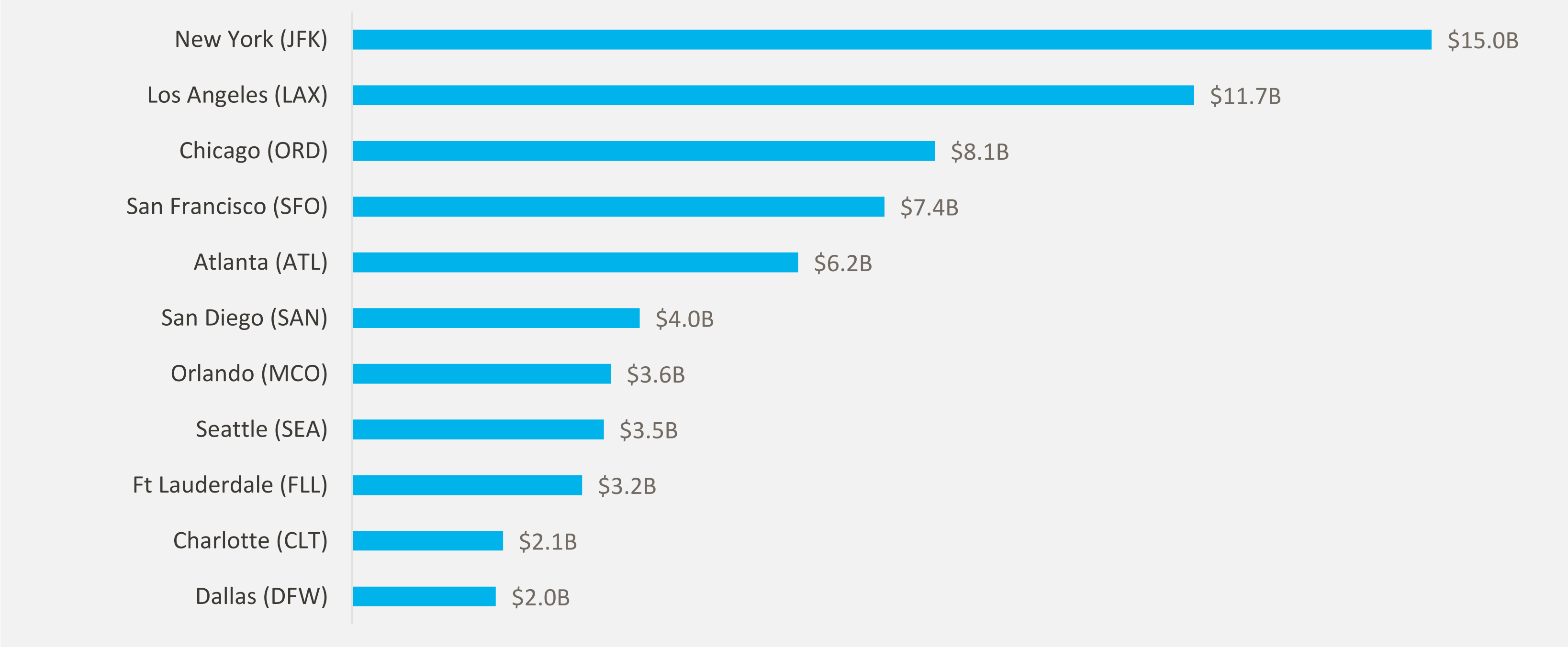
Boston

Whitespace Opportunities Continue to Expand

ACI estimates nearly $130 billion in airport infrastructure spending needs through 2023 [1]

Investment needed to accommodate passenger and cargo growth and modernize aging infrastructure

Select Airports with Large CapEx Plans in the Works [2]



(1) SOURCE: Airports Council International: *Unmet Airport Infrastructure Needs,* January 2019; Represents an increase of 70% over four years
(2) SOURCE: DFW Airport; Dallas News

2 FY 2018 / Q4 FINANCIAL RESULTS

Financial Highlights FY 2018

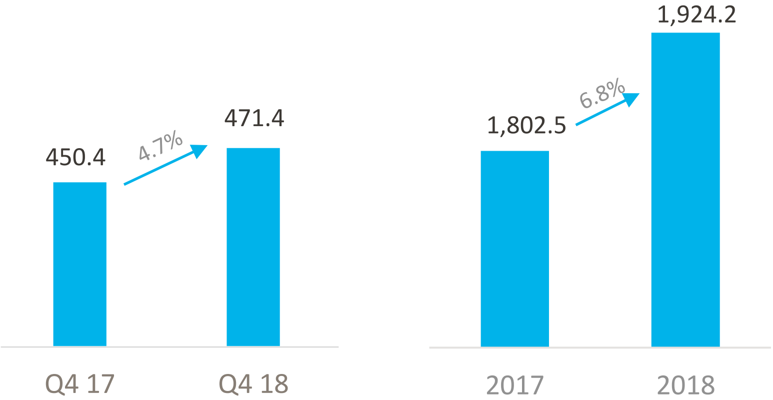
Strong 6.8% turnover growth and 7.0% organic net sales growth[1]

140bps gross margin expansion

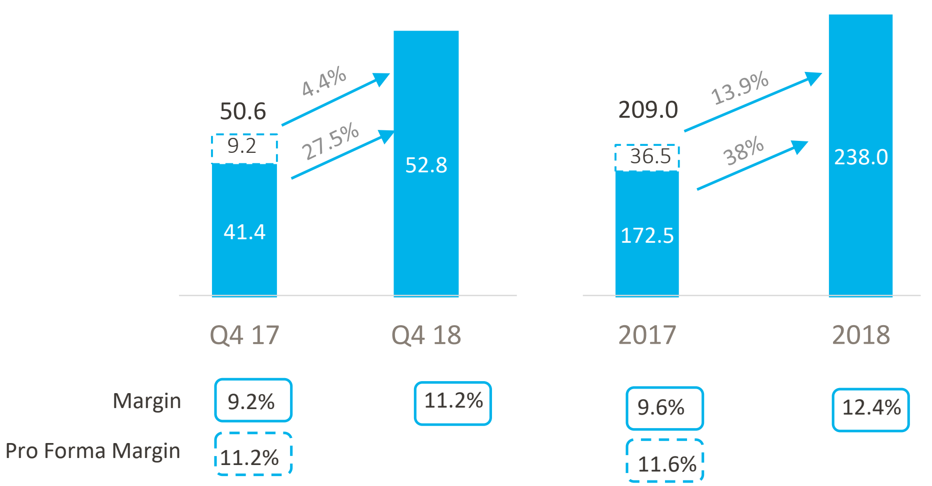
Adjusted EBITDA growth of 38.0% (13.9% assuming lower franchise fee structure was in place in 2017)

Adjusted EBITDA margin of 12.4%, an improvement of 280 bps (80 bps improvement w/comparable franchise fees)

Turnover ($M) [1]



Adjusted EBITDA ($M) [2]



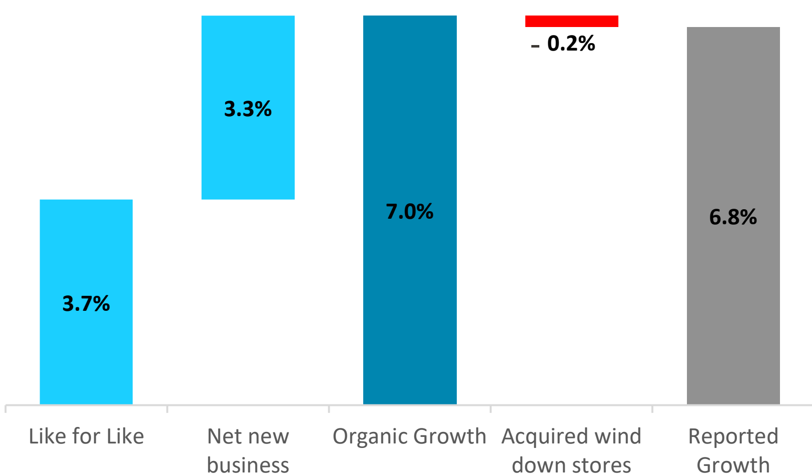
(1) See reconciliation to Turnover in Appendix. Organic net sales growth represents the combination of growth from (i) like-for-like net sales growth and (ii) net new stores and expansions. Organic net sales growth excludes growth attributable to (i) acquired stores until such stores have been part of our business for at least 12 months and (ii) eight stores acquired in the 2014 acquisition of Nuance and 46 stores acquired in the 2015 acquisition of World Duty Free Group that management expected, at the time of the applicable acquisition, to wind down.

(2) For a reconciliation of Adjusted EBITDA to net earnings for the periods presented see Appendix.

Organic Net Sales Growth Components 2018

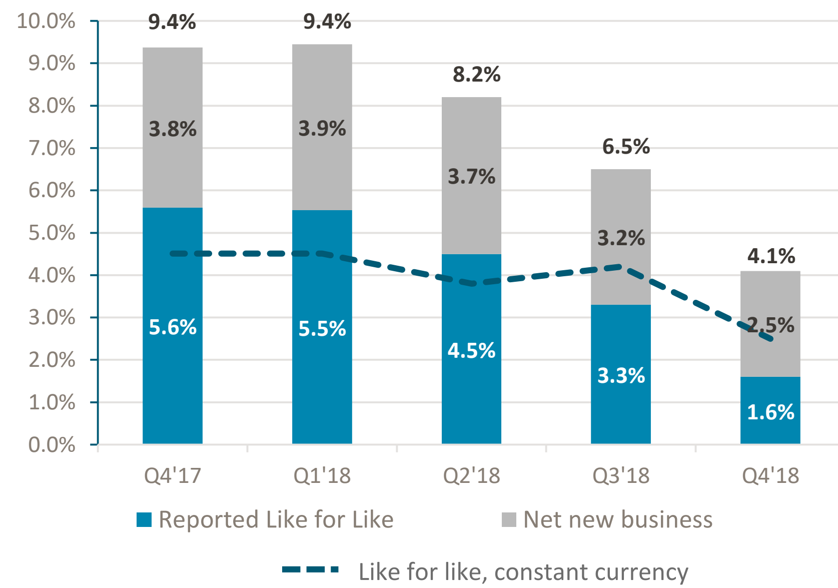
2018 Growth Components

Net Sales Growth Components	2018 / 2017
Like for Like @ constant FX	3.7%
Like for Like FX effect	0.0%
Like for Like @ reported currency rates	3.7%
Net new business	3.3%
Organic Net Sales Growth @ reported currency rates	**7.0%**
Acquired wind down stores	-0.2%
Net Sales Growth	6.8%



Quarterly Evolution

- Q1 and Q2 like for like benefited from 0.9% FX tailwind, Q3 and Q4 suffered from 0.9% FX headwind
- Softening of duty free and luxury sales in Q3 and Q4 mainly due to trends in Chinese passenger demographic
- Net new business slowed in Q4 2018 as some of the main new contracts/stores have cycled

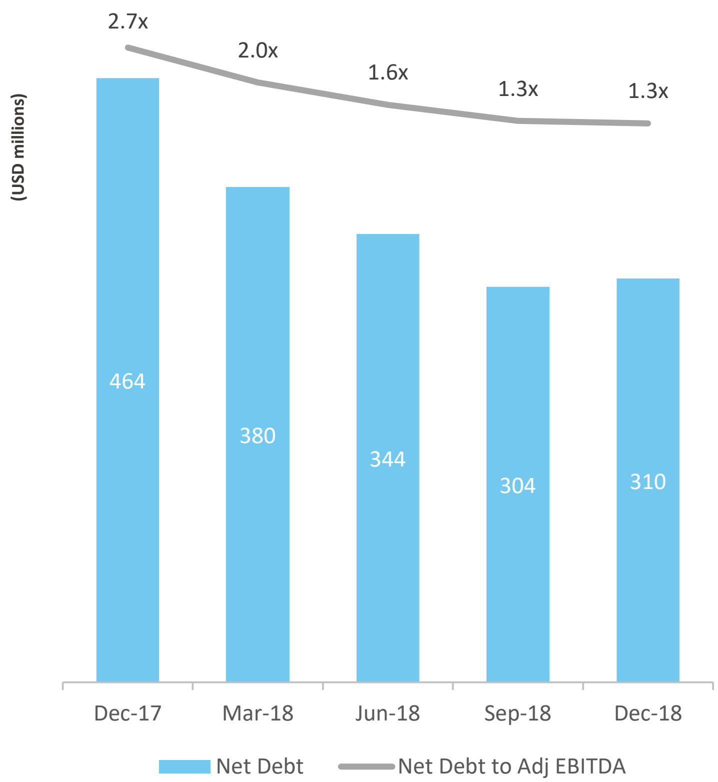


Full Year Summary

(in millions USD)	2018 *% of turnover*	2017 *% of turnover*	% Change
Turnover	**$1,924.2** ***100%***	**$1,802.5** ***100%***	**6.8%**
Gross Profit	$1,225.7 *63.7%*	$1,122.2 *62.3%*	9.2%
Selling Expenses	$445.3 *23.1%*	$421.2 *23.4%*	5.7%
Personnel expenses	$411.1 *21.4%*	$371.3 *20.6%*	10.7%
General and administrative expenses	$131.4 *6.8%*	$156.9 *8.7%*	(16.3%)
Share of result of associates	$0.1 -	$(0.3) -	NM
Adjusted EBITDA	**$238.0** ***12.4%***	**$172.5** ***9.6%***	**38.0%**
Depreciation & Amortization	$128.9 *6.7%*	$108.7 *6.0%*	18.6%
Other Operational Result	$(10.9) *(0.6)%*	$(3.7) *(0.2)%*	194.6%
Operating Profit (EBIT)	$98.2 *5.1%*	$60.1 *3.3%*	63.4%

Balance Sheet and Cash Flow

Net Debt and Leverage [1] Evolution



Cash Flow Statement

	Full Year	
In millions USD	**2018**	**2017**
Net cash flows from operating activities	$232.7	$130.8
Net cash flows used in investing activities	(69.1)	(86.1)
Net cash flows (used in) / from financing activities	(64.8)	(95.8)
Currency translation on cash	(2.0)	0.9
Increase / (decrease) in cash and cash equivalents	96.8	(50.2)
Cash and cash equivalents at the		
– beginning of the period	137.4	187.6
– end of the period	234.2	137.4

(1) Net debt leverage represents total debt less cash at the end of the period presented divided by Adj. EBITDA for the last 12 mo.

2019 Outlook

- **FY 2019:**
  - Organic net sales growth expectations: low to mid single digit range
    - H1: Expect headwinds from weakening CAD vs. USD and softer spending trends with Chinese travelers to continue
    - H2: H1 headwinds expected to anniversary; expired contracts will impact net sales while new store sales come online
  - Gross margin expected to slightly improve from 2018
  - Expect modest deleverage in personnel expense
  - Expect flat EBITDA margins
  - Effective tax rate expected to be ~40% due to non-deductibility of certain compensation/severance expenses and increase of BEAT [1] tax to 10%
  - Expect relatively flat EPS to 2018
  - Above does not include IFRS 16 impact

- **IFRS 16 – New Standard on Lease Accounting:**
  - To be implemented January 1, 2019
  - Requires recording contractual lease obligations on the balance sheet
  - Balance sheet impact:
    - Right of use asset and lease liability measured at PV of future fixed lease payments
  - Income statement impact:
    - For capitalized fixed lease payments, rent expense is replaced with amortization and interest expense (variable lease payments continue to be recorded as rent expense)
    - Different treatment than U.S. GAAP companies that will continue to record straight line operating lease expense

(1) Base erosion and anti-abuse tax

Long-Term Financial Framework Targets

Like-for-like net sales growth
Growth in aggregate monthly net sales in the applicable period at stores that have been operating for at least 12 months

+

Net new business
Conversions + New Concessions – Lost Concessions & Closed Stores

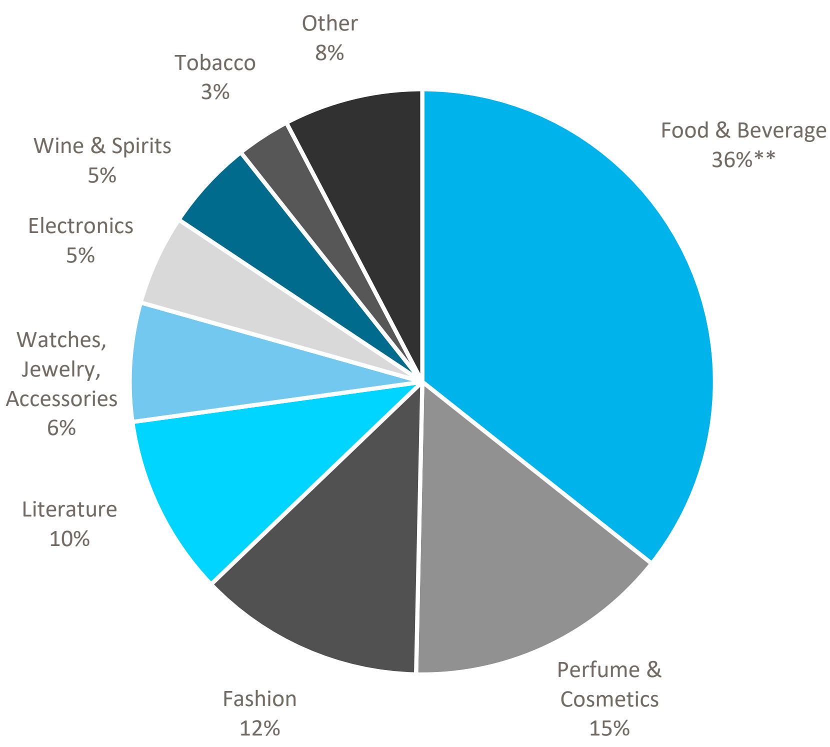
Total organic net sales growth	High single digit
Adj. EBITDA growth Operational initiatives, scale and operating leverage benefits	Low double digit
Net income growth	High teens

Q & A

4 APPENDIX

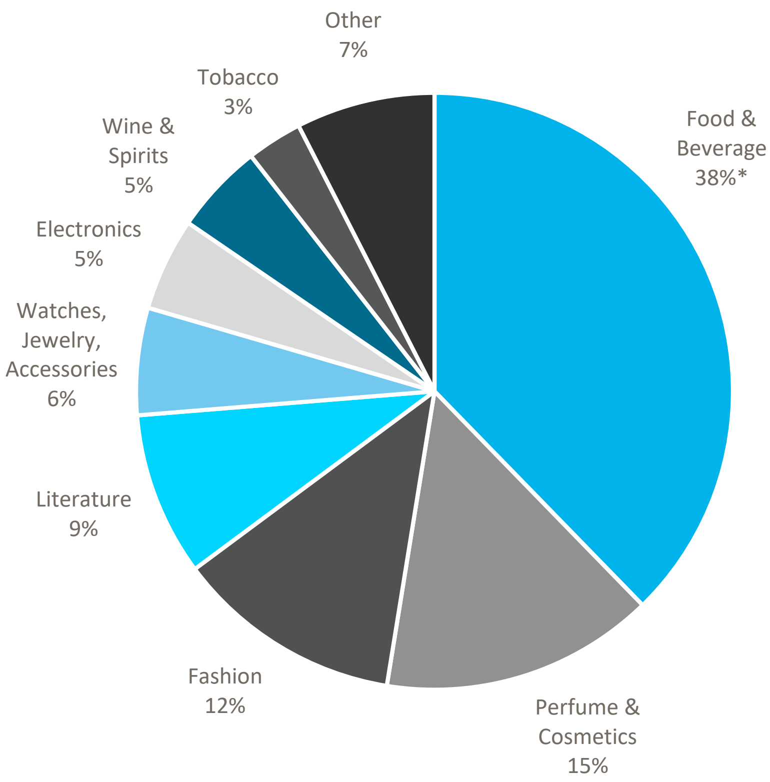
Sales Breakdown – by Product Category

FY 2017



*** F&B Retail 34.0% / F&B Service 1.6%*

FY 2018

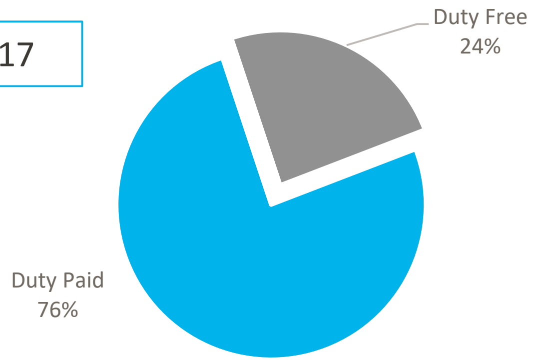


** F&B Retail 35.4% / F&B Service 2.3 %*

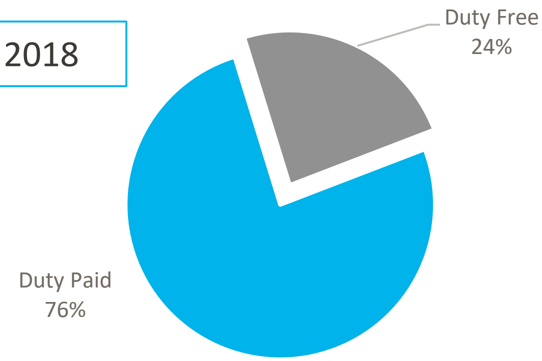
Sales Breakdown

Net Sales By Sector

2017

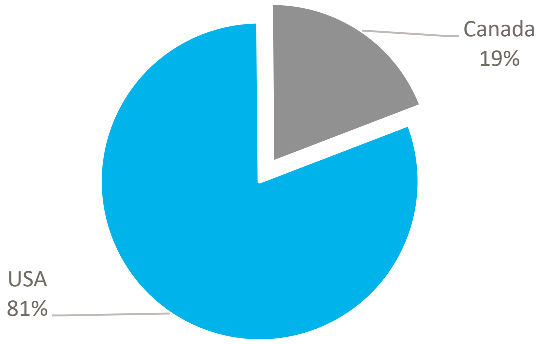


2018

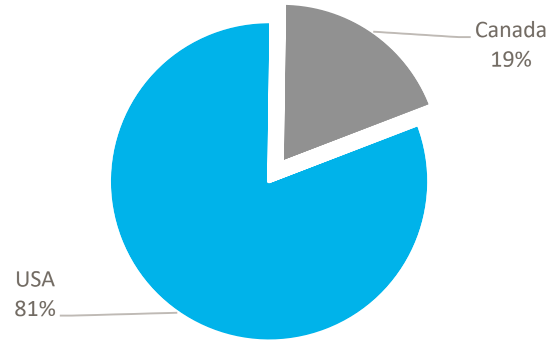


Turnover By Country

2017



2018



Turnover to Organic Net Sales Growth Reconciliation

	Organic	Acquired Wind Down Stores	Reported Growth
Like for Like	3.7%	0.0%	3.7%
Net New Business	3.3%	-0.2%	3.1%
Organic Net Sales Growth	7.0%	-0.2%	6.8%
Advertising Income			0.0%
Total Turnover Growth			**6.8 %**

Adjusted EBITDA Reconciliation

	Quarter Ended	Quarter Ended	Year Ended	Year Ended
In Millions USD	**12/31/2018**	**12/31/2017**	**12/31/2018**	**12/31/2017**
Net profit	2.8	(34.8)	65.8	(10.6)
Income tax expense	(1.1)	34.9	3.0	42.9
Profit before taxes (EBT)	1.7	0.1	68.8	32.3
Foreign exchange gain / (loss)	0.6	0.3	0.9	(0.5)
Interest income	(0.8)	(0.5)	(2.5)	(1.9)
Interest expenses	7.7	7.5	31.0	30.2
Operating Profit (EBIT)	9.2	7.4	98.2	60.1
Depreciation, amortization and impairment	39.3	29.4	128.9	108.7
Other operational result [1]	4.3	4.6	10.9	3.7
Adjusted EBITDA	**52.8**	**41.4**	**238.0**	**172.5**

(1) For the quarter ended December 31, 2018, other operational result consisted of $2.9 million of restructuring expenses, $1.1 million of uncollected receivables and $0.3 million of other expenses and non-recurring items. For the quarter ended December 31, 2017, other operational result consisted primarily of $1.1 million of restructuring costs associated with the World Duty Free Group acquisition and $3.5 million of other operating expenses and nonrecurring items. For the year ended December 31, 2018, other operational result consisted of $3.5 million of restructuring expenses, $2.8 million of litigation reserve, $1.9 million of uncollected receivables, $1.5 million of asset write-offs related to conversions and store closings, $0.7 million of IPO transaction costs and $0.5 million of other expenses and non-recurring items. For the year ended December 31, 2017, other operational result consisted of $4.1 million of restructuring expenses associated with the World Duty Free Group acquisition, $3.4 million of audit and consulting costs related to preparatory work in connection with our initial public offering and $5.6 million of other operating expenses and non-recurring items, partially offset by $9.4 million of other operating income resulting from a related party loan waiver due to Dufry.