HUDSON GROUP
Retail Specialists
A DUFRY Company

2018
Second Quarter Results

August 3, 2018

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, 2017 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, a non-IFRS financial measure. We define Adjusted EBITDA as net earnings 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

Joseph DiDomizio
President & CEO

Adrian Bartella
Chief Financial Officer

PRESENTERS

On Today's Call:

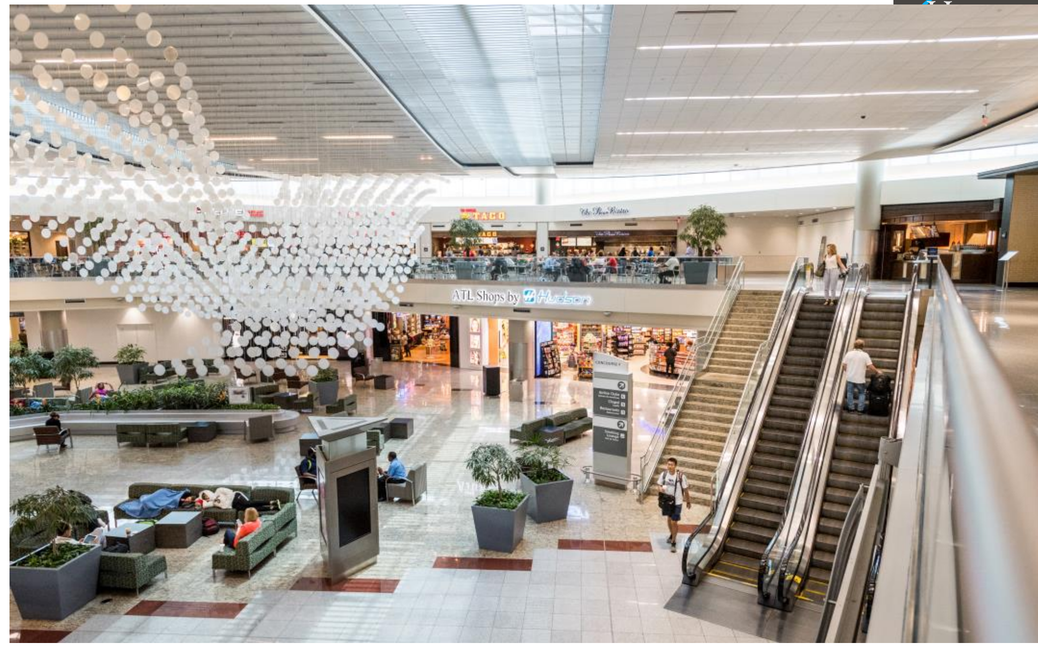
- Driving Strong Organic Net Sales Growth
- Pursuing Ongoing Initiatives in Food & Beverage
- Expanding Our Footprint
- Optimizing Space and Productivity
- Capitalizing on the Whitespace Opportunity

1 SECOND QUARTER HIGHLIGHTS

Q2 2018 Highlights

- Strong organic net sales growth of 8.2% [1]
  - Like-for-like net sales growth of 4.5% (3.8% CC)
  - Net new business and expansions in Ft. Lauderdale, Seattle, JFK, Vancouver, & Des Moines
- Gross profit margin expanded 170 bps[2] to 63.9%
  - Successful vendor negotiations
  - Ongoing positive sales mix shift
- Adjusted EBITDA growth of 51.4% (24.1% assuming reduced franchise fee in effect in 2Q17)
  - Driven by higher gross profit and cost management
- Hudson's business model is unique
  - We manage each of our terminals as one large store
  - Strive to maximize passenger exposure and optimize penetration
  - This ultimately drives organic net sales growth – our key measure of success
  - Lack of significant seasonality

Note: All figures compared to Q2 2017
[1] See slide 21 for a description of organic net sales growth
[2] 70 bps attributable to Q1 2018 as change in vendor terms retroactive to Jan 1, 2018


Hudson
marketplace

ATL Shops by Hudson

BVLGARI

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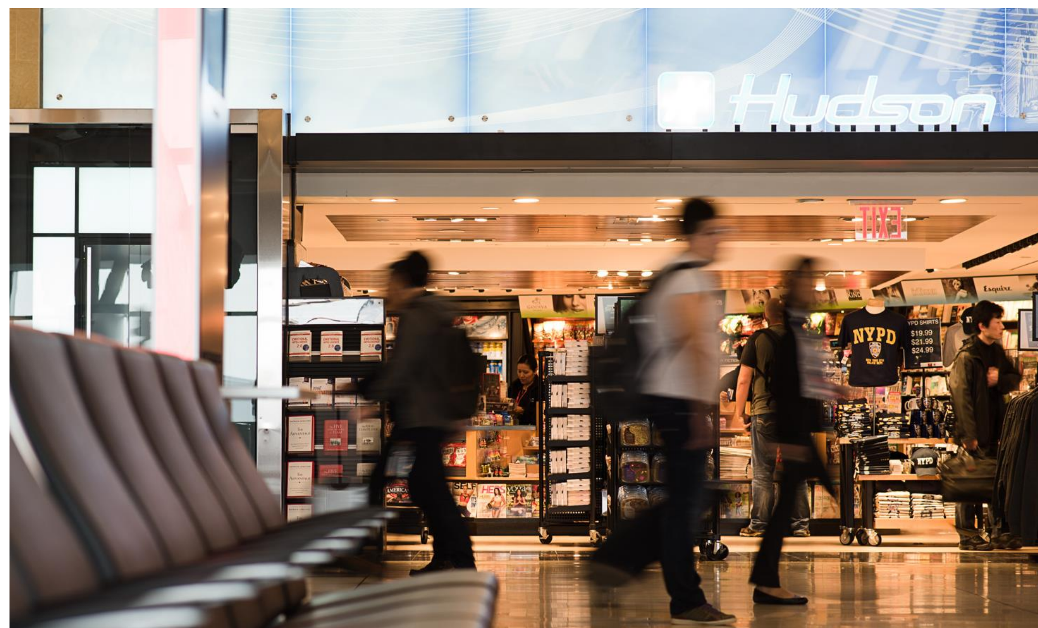
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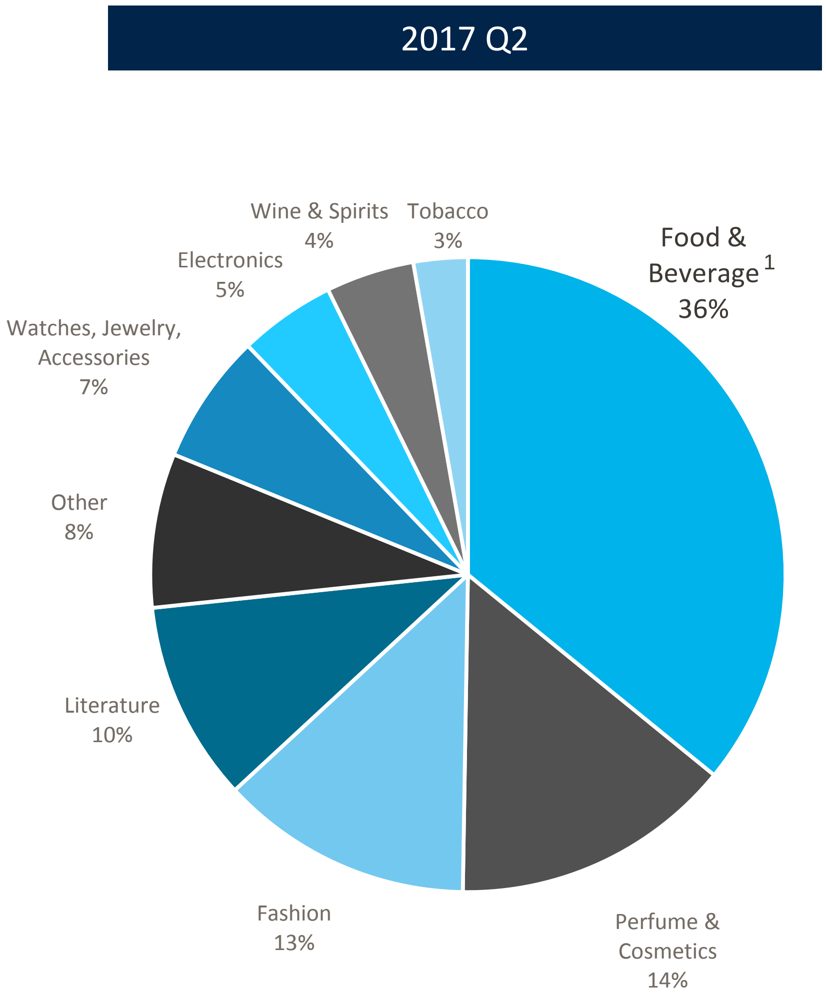
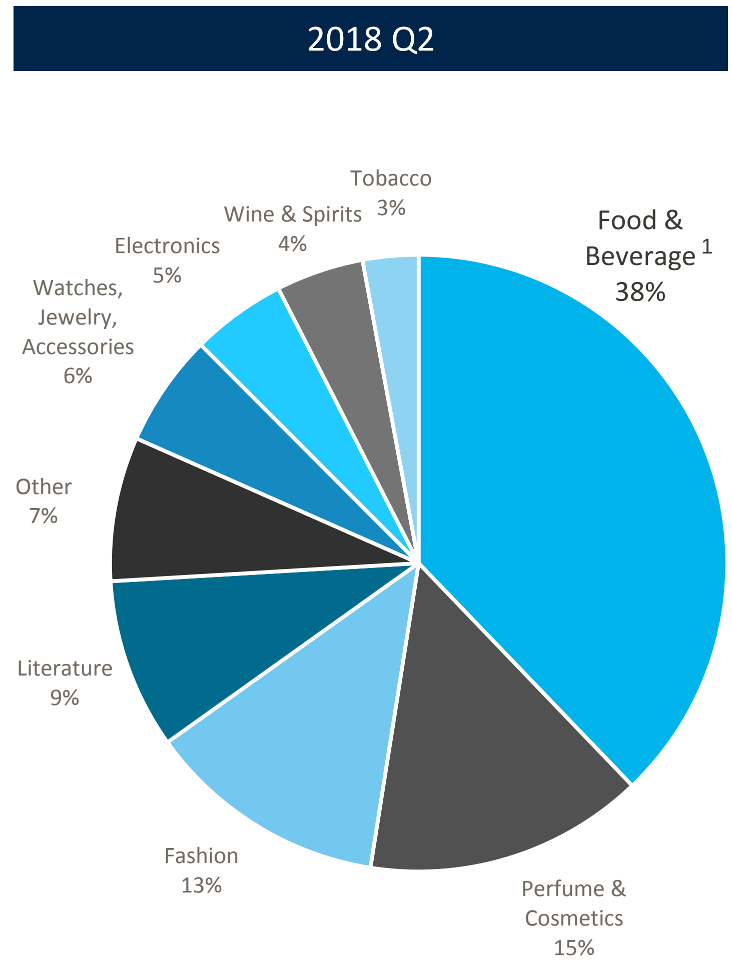
2 OPERATIONAL UPDATE

Sales Breakdown – by product category





(1) The Food and Beverage category includes packaged snacks and candy, beverages and grab & go options, as well as sales from our quick service concepts

Expanding Food & Beverage

F&B Sales Strong

Overall F&B sales up **14%** YoY

Our grab and go segment up **53%**

Our proprietary Traveler's Best product line up **79% -** beating our previous estimates

F&B Initiatives Major Driver of Growth

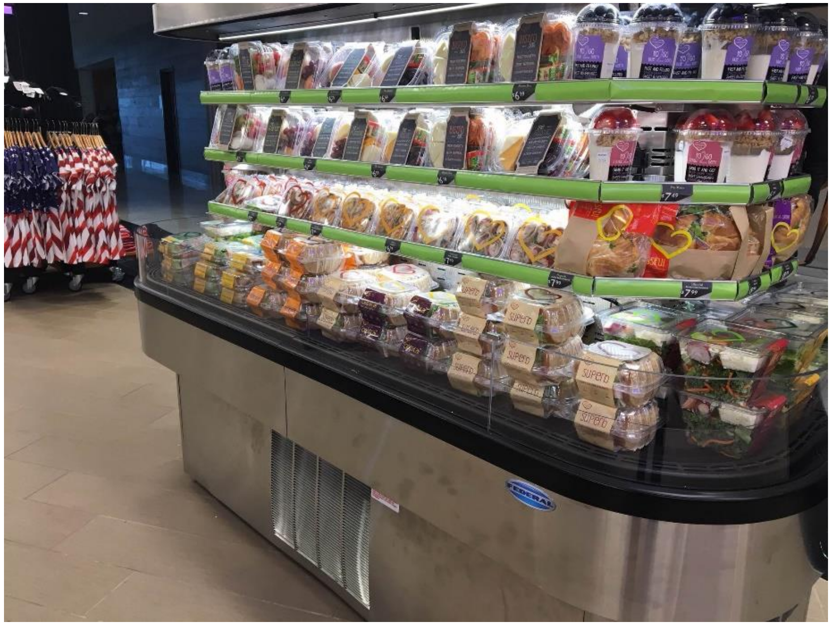
Expansion of our island coolers and grab & go offerings is increasing traffic and penetration in our stores

Expanding open island cooler strategy

We are seeing 3x higher grab & go food sales in stores with open island coolers

26 locations at the end of Q2

On track to have 45 installed by end of 2018



Digital Development Milestones

Expanding mobile payment options

ApplePay, GooglePay and SamsungPay
now available in all U.S. Duty Free stores

Enabling multi-currency payments

Customers can now pay in their
home currency

Streamlined payment systems

Converted all our duty free stores to one point of
sale system, removing previous legacy systems

"Making payments more efficient and getting our customers on their way faster"

2018 YTD 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*	Greater Rochester Int'l Airport *April 2018*
	Phoenix Sky Harbor Int'l Airport *March 2018*	Pittsburgh Int'l Airport *March 2018*	Burlington Int'l Airport *June 2018*
	Boston Logan Int'l Airport *April 2018*	JFK Terminal 7 *March 2018*	Baltimore/Washington Int'l Thurgood Marshall Airport *June 2018*
		Orlando Int'l Airport *April 2018*	LaGuardia Airport Terminal B *June 2018*

- *Denotes Q2 2018*

(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.

Store Openings – Q2 2018: Los Angeles International Airport

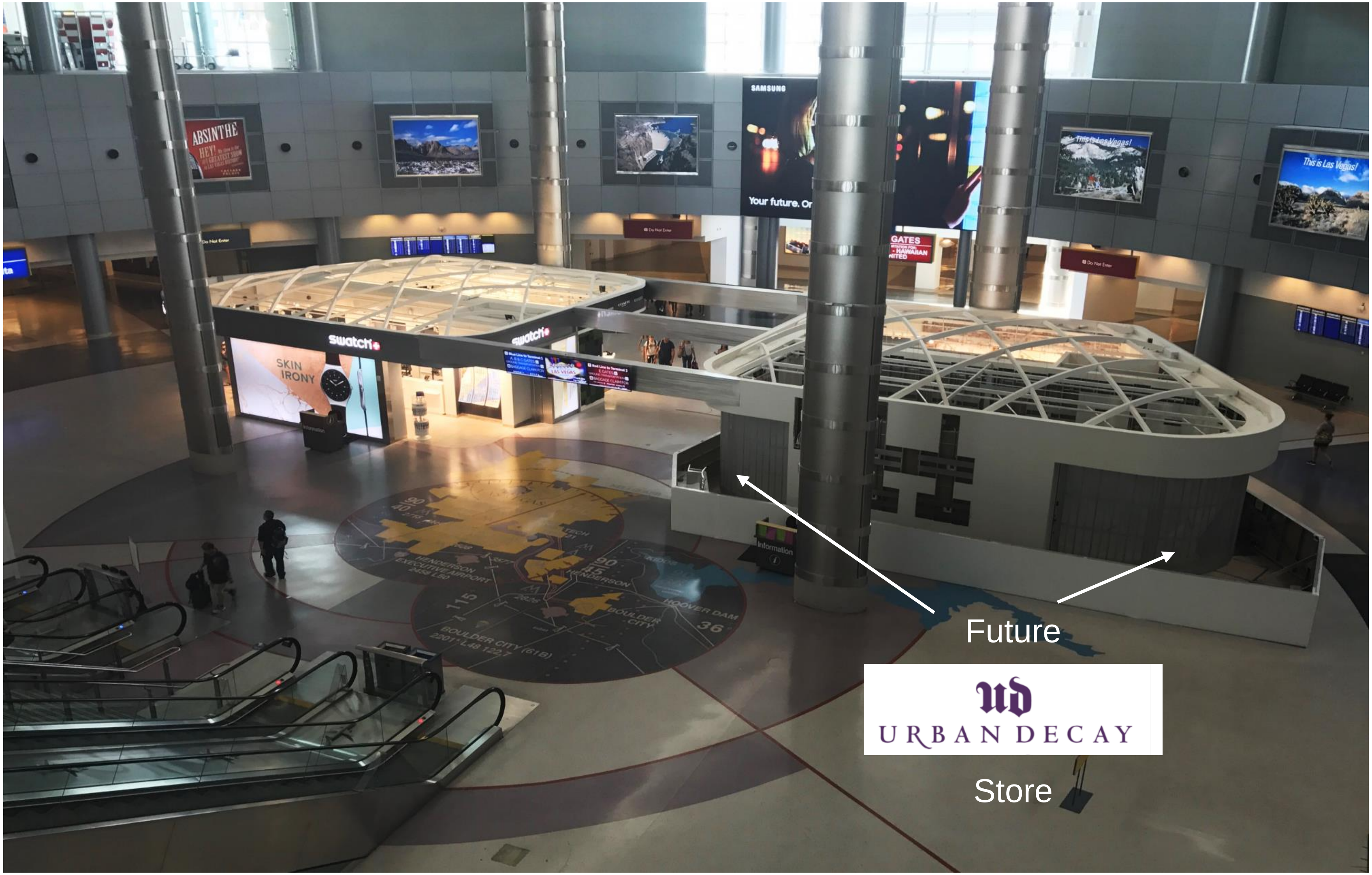
Pier No. 7

Store Openings Q2 2018: Spotlight on McCarran International Airport

Rotunda - Before

Store Openings Q2 2018: Spotlight on McCarran International Airport

Rotunda - After



Store Openings Q2 2018: Spotlight on McCarran International Airport

Rotunda - After

Store Openings Q2 2018: Spotlight on McCarran International Airport

Hudson Group
Retail Specialists
A Dufry Company

Duty Free

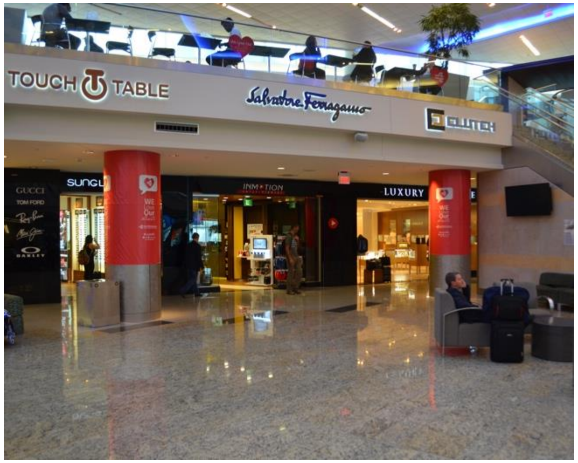
Before

After

After

Store Openings Q2 2018: Spotlight on Hartsfield–Jackson Atlanta International Airport

Before



After

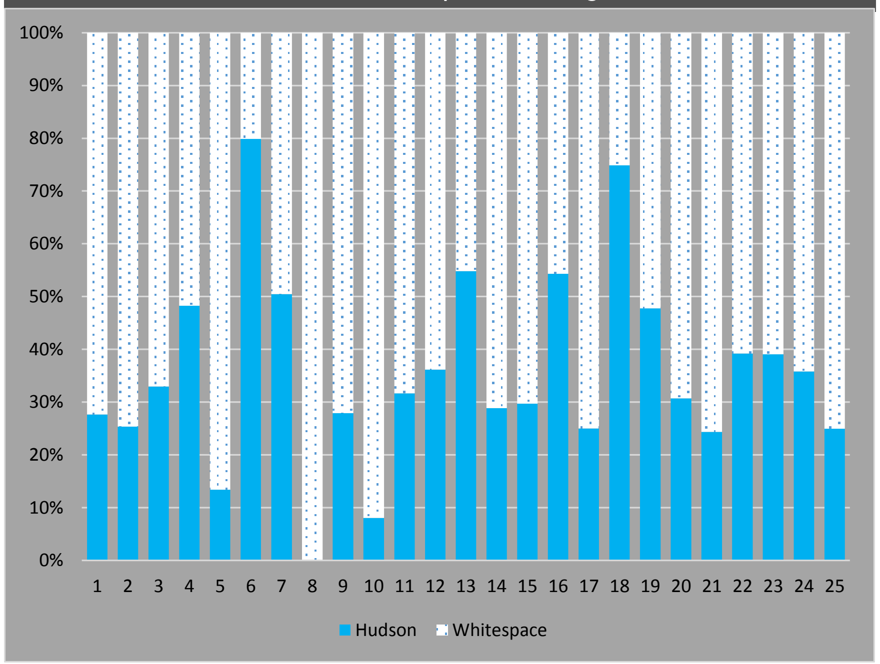
Strong Market Share with Room to Grow

While we are in 24 of the top 25 airports, we are not in every terminal

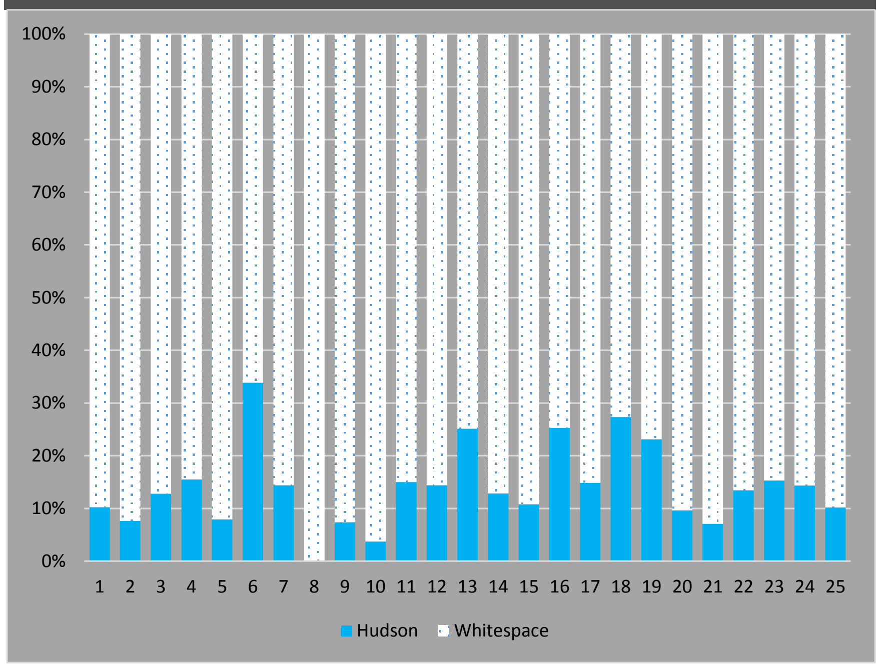
Top 25 airports represent ~59% of total N.A. travel retail market[1]

We have significant room to grow sales, not only in travel retail but also in food & beverage, a category that is a natural extension of our business

Top 25 Airports by Enplanements:
Total Retail Square Footage



Top 25 Airports by Enplanements:
Total Retail + F&B square footage



For illustrative purposes only. Revenue opportunities in particular airports may be limited by airport policies

(1) Based on square feet available for retail and food & beverage operations
Source: ARN, company data and N.A. airport data

3 FINANCIAL RESULTS

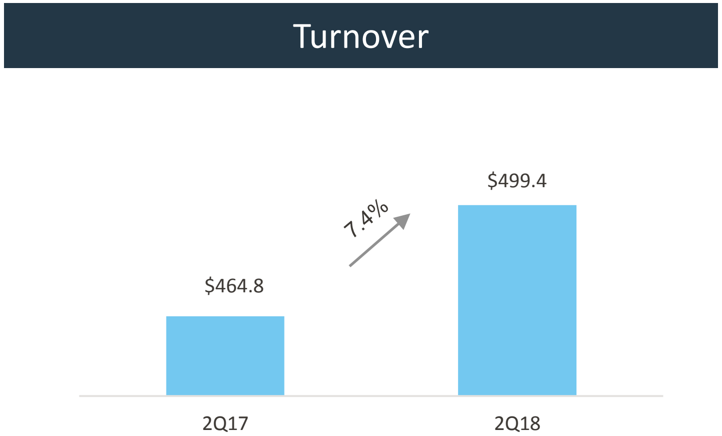
Financial Highlights Q2 2018

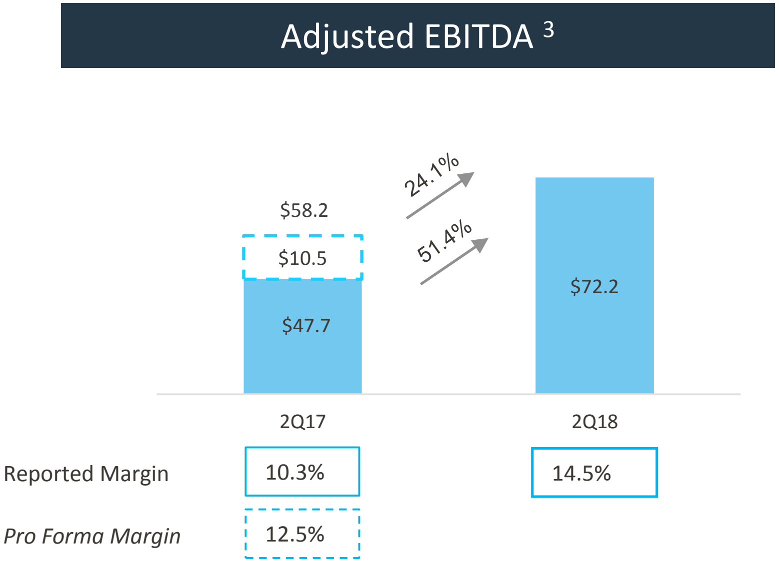
Strong turnover growth 7.4% and 8.2% organic net sales growth [1]

170 bps gross margin improvement [2]

Adjusted EBITDA growth QoQ of 51.4% (24.1% assuming lower franchise fee structure was in place in 2Q17)

Adjusted EBITDA margin of 14.5% and 420 bps Adjusted EBITDA margin improvement (200 bps improvement pro forma)





(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.

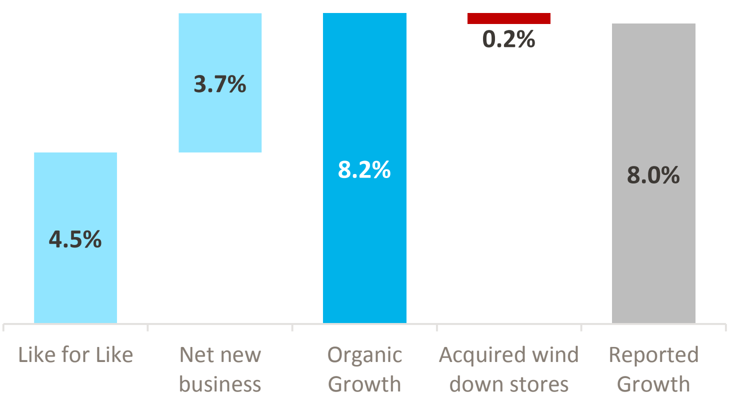
(2) Includes 70 bps attributable to Q1 2018 as change in vendor terms retroactive to Jan 1 2018

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

Net Sales Growth Components 2018

Growth components

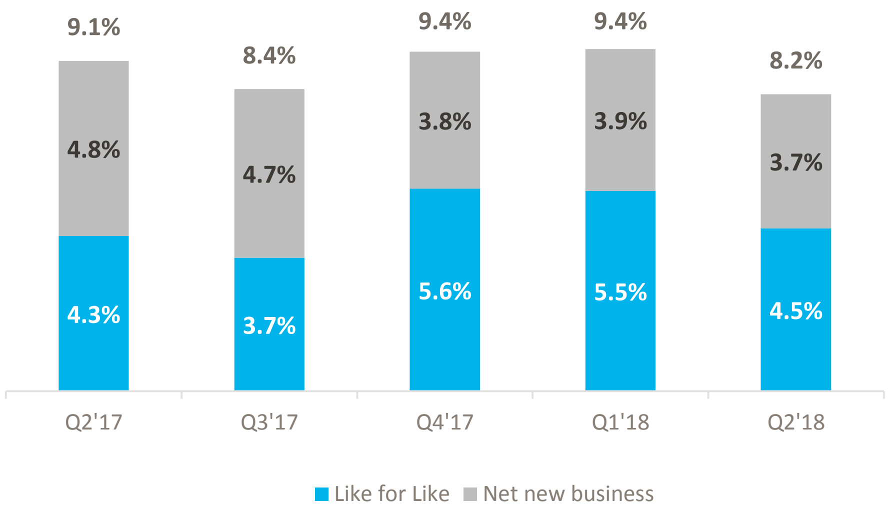
Net Sales growth components	Q2'18 / Q2'17
Like for Like @ constant FX	3.8%
Like for Like FX effect	0.7%
Like for Like @ reported rates	4.5%
Net new business	3.7%
Organic Growth @ reported rates	**8.2%**
Acquired wind down stores	-0.2%
Reported Growth	8.0%



Quarterly evolution

Q2'18 Solid like for like results driven by healthy results in the US and continued growth in Canada, despite the Easter shift.

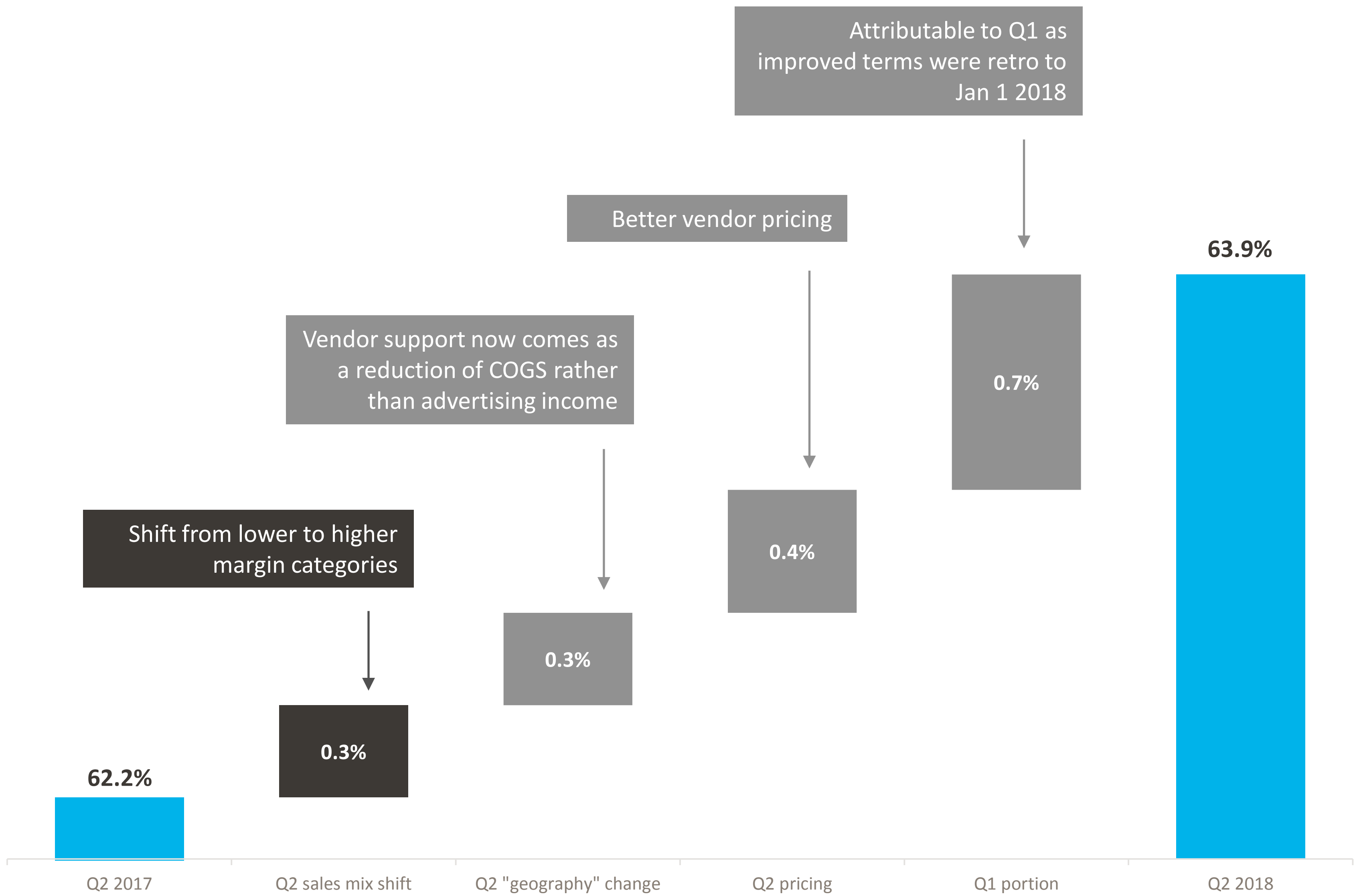
Net new business includes new shops in Ft Lauderdale, Seattle, JFK, Vancouver, & Des Moines



(1) Percentages reflect the amount of sales growth attributable to like for like growth and net new business relative to the same period in the prior year

(2) Acquired wind down stores consist of eight stores acquired in the 2014 acquisition of Nuance and 46 stores acquired stores in the 2015 acquisition of World Duty Free Group that management expected, at the time of the applicable acquisition, to wind down.

Gross Margin Components

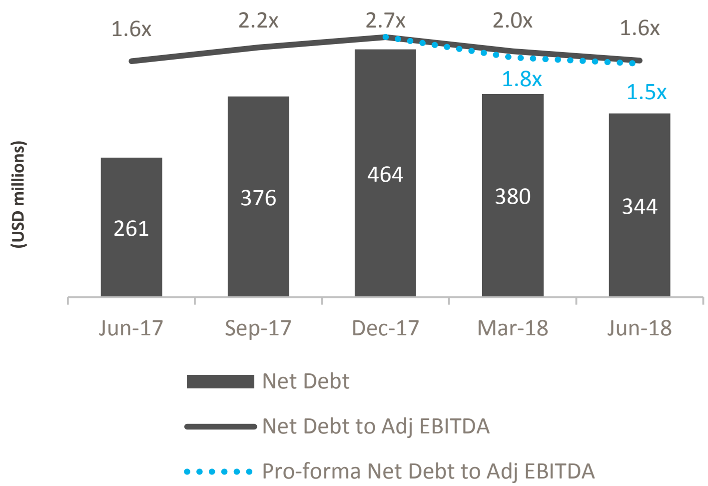


Quarterly Summary

(in millions USD)	Q2 2018 *% of turnover*	Q2 2017 *% of turnover*	% Change
Turnover	**$499.4** ***100%***	**$464.8** ***100%***	**7.4%**
Gross Profit	$319.3 *63.9%*	$288.9 *62.2%*	10.5%
Selling Expenses	$114.1 *22.8%*	$107.2 *23.1%*	6.4%
Personnel expenses	$100.8 *20.2%*	$92.1 *19.8%*	9.4%
General and administrative expenses	$32.1 *6.4%*	$41.8 *9.0%*	(23.2%)
Share result of associates	$(0.1) -	$(0.1) -	NM
Adjusted EBITDA	**$72.2** ***14.5%***	**$47.7** ***10.3%***	**51.4%**
Depreciation & Amortization	$30.6 *6.1%*	$26.3 *5.7%*	16.3%
Other Operational Result	$2.4 *0.5%*	$4.5 *1.0%*	(46.7%)
Operating Profit (EBIT)	$39.2 *7.8%*	$16.9 *3.6%*	132.0%

Balance Sheet and Cash Flow

Net Debt and Leverage[1] Evolution



- Increase in net debt in Q3 '17 linked to pre-IPO restructuring in Canada and new $195m CAD financing in Canada
- Increase in net-debt in Q4 '17 driven by payment of $100m outstanding Franchise fees to Dufry
- Reduction in Q1'18 net debt due to receipt of $60m pre-IPO restructuring proceeds from sales of non-Hudson US assets to Dufry International
- Pro Forma leverage based on Adjusted EBITDA, which reflects reduced franchise fee to Dufry

Cash Flow Statement

	Quarter Ended	
IN MILLIONS OF USD	**6/30/2018**	**6/30/2017**
Net cash flows from operating activities	$71.4	$58.4
Net cash flows used in investing activities	(19.8)	(34.3)
Net cash flows (used in) / from financing activities	(22.7)	8.6
Currency translation on cash	4.8	(2.6)
(Decrease) / increase in cash and cash equivalents	33.7	30.1
Cash and cash equivalents at the		
– beginning of the period	205.3	189.0
– end of the period	239.0	219.1

(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. For a reconciliation to the nearest IFRS measure, see Appendix.

Components of Target Revenue Growth and Long-Term Financial Framework

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

4 APPENDIX

Turnover to Organic Net Sales Growth Reconciliation

	Organic	Acquired Wind Down Stores	Reported Growth
Like for Like	4.5%	0.0%	4.5%
Net New Business	3.7%	(0.3%)	3.4%
Organic Net Sales Growth	8.2%	(0.3%)	7.9%
Advertising Income			(0.5%)
Total Turnover Growth			7.4%

Adjusted EBITDA Reconciliation

	QUARTER ENDED	QUARTER ENDED	SIX MONTHS ENDED	SIX MONTHS ENDED
IN MILLIONS OF USD	**6/30/2018**	**6/30/2017**	**6/30/2018**	**6/30/2017**
Net earnings	26.2	7.1	26.2	1.7
Income tax expense	5.8	3.2	3.4	(3.0)
Earnings before taxes (EBT)	32.0	10.3	29.6	(1.3)
Foreign exchange gain / (loss)	0.1	(0.2)	0.5	(0.4)
Interest income	(0.6)	(0.5)	(1.1)	(1.0)
Interest expenses	7.7	7.3	15.6	14.5
Operating Profit (EBIT)	39.2	16.9	44.6	11.8
Depreciation, amortization and impairment	30.6	26.3	59.4	53.3
Other operational result (1)	2.4	4.5	5.0	6.3
Adjusted EBITDA	**72.2**	**47.7**	**109.0**	**71.4**

(1) For the quarter ended June 30, 2018, other operational result consisted of $1.0 million of litigation reserve, $0.4 million of IPO transaction costs, $0.2 million of restructuring expenses and $0.8 million of the non-recurring items. For the quarter ended June 30, 2017, other operational result included $2.3 million of restructuring expenses, $1.5 million of asset write-offs related to conversions and store closings and $0.7 million of other non-recurring items. For the six months ended June 30, 2018, other operational result consisted of $1.0 million of litigation reserve, $0.8 million of asset write-offs related to conversions and store closings, $0.7 million of IPO transaction costs, $0.7 million of uncollected receivables, $0.6 million of restructuring and $1.2 million of other non-recurring items. For the six months ended June 30, 2017, other operational results included $3.3 million of restructuring expenses, $1.5 million of asset write-offs and $1.5 million of other non-recurring items.

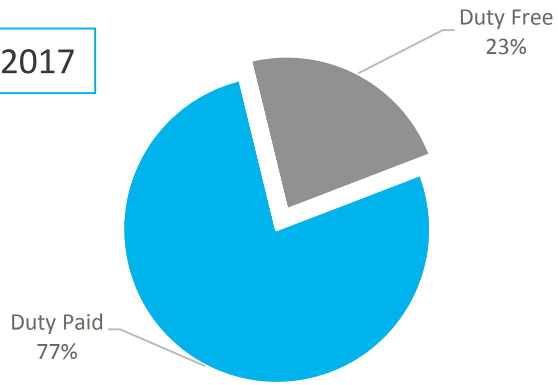
Pro Forma Net Debt Reconciliation

MILLIONS OF USD	QUARTER ENDED 6/30/18
Financial debt	583
Less: Cash and cash equivalents	(239)
Net debt	344
Adj. EBITDA (Trailing 12 mo)	210
Add: reduction in franchise fees to Dufry	19
Pro forma Adj EBITDA (Trailing 12 mo)	229
Pro forma net debt / Adj. EBITDA ratio	1.5

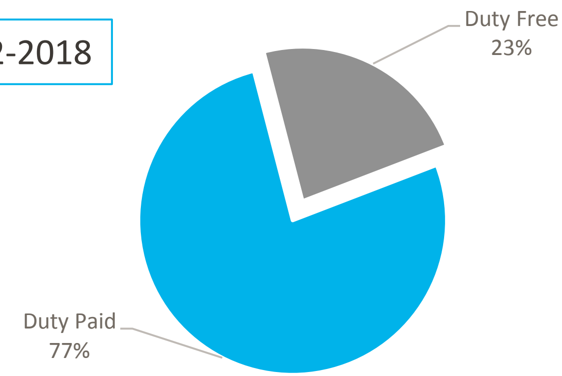
Sales Breakdown – By Sector - QTD

Net Sales By Sector

Q2-2017

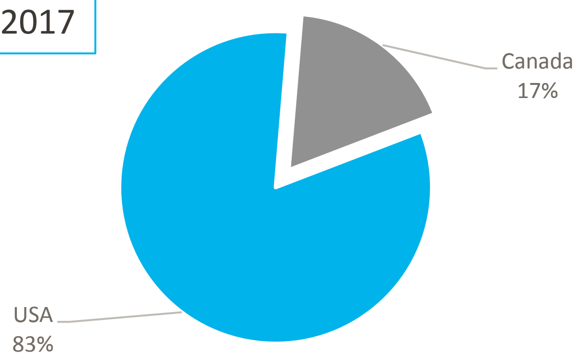


Q2-2018

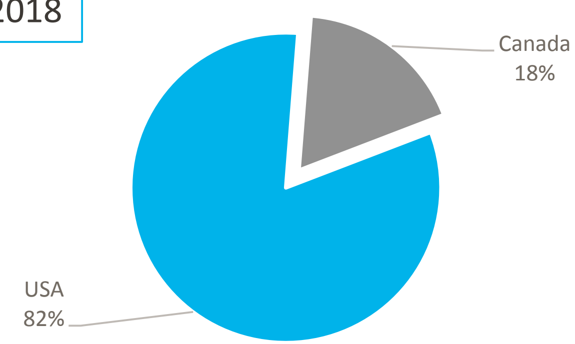


Turnover By Country

Q2-2017



Q2-2018



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Q & A