

Dufry One B.V.



DUFERY ONE B.V.  
Amsterdam

Annual Statutory Report  
31 December 2017

25 April 2018

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Dufry One B.V.

## **Management Board Report**

### **Activities of Dufry Financial Services B.V.**

DUFY ONE B.V. was established on 25 September 2017 as a subsidiary of Dufry Financial Services B.V.. The activities of Dufry One B.V., having its legal seat in Amsterdam and office address at Luchthavenweg 53,5357 EA, Eindhoven, the Netherlands, primarily consist of external financing through Bonds.

The company has been incorporated as a Dutch limited company. The company is entirely held by Dufry Financial Services B.V., a fully owned company of Dufry International AG. Dufry AG is the ultimate parent.

The main objective of the company is to attract financing from external parties to finance the Dufry Group.

### **Review of the operations during the period and of the financial position at 31 December 2017**

In October 2017, the company has successfully placed a 800MIO Euro bond through the Jersey stock exchange. The net proceeds have been lend on to Dufry Financial Services BV.

### **Risk and Uncertainties Outlook**

The board foresees no significant risks or uncertainties for the near future.

### **Outlook**

The board expects to extend the external financing through placing another bond in the coming years.

## **Company's Directors**

Andreas Schneider

Mark Thomassen

Julián Díaz

Peter van der Schee

Eindhoven, April 25th 2018

Sjoerd Jacobs

Dufry One B.V.

**Balance Sheet**

for closing as of December 31, 2017

<b>in TEUR after treatment of result</b>	<b>Note</b>	<b>31-12-17</b>
<b>Assets</b>		
Loans Receivable		
- Intercompany	1	795,100
<b>Non-Current Assets</b>		<b>795,100</b>
Receivables		
- Intercompany	2	4,238
<b>Current Assets</b>		<b>4,238</b>
<b>Total Assets</b>		<b>799,338</b>
<b>Liabilities and Shareholders' Equity</b>		
Bank Overdraft		2,021
Payables		
- Third Party	3	307
Accruals	4	3,923
<b>Current Liabilities</b>		<b>6,251</b>
Loans Payable Third Party	5	792,482
<b>Non-Current Liabilities</b>		<b>792,482</b>
Accumulated Deficit		605
<b>Shareholders' equity</b>		<b>605</b>
<b>Total liabilities and shareholders' equity</b>		<b>799,338</b>

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**Income Statement**

for closing as of December 31, 2017

<b>in TEUR</b>	<b>Note</b>	<b>31-12-17</b>
Other Operating Income		-
<b>Total Other Operating Income</b>		-
Auditing Expenses	6	-30
<b>Total Other Operating Expenses</b>		<b>-30</b>
<b>Operational result</b>		<b>-30</b>
Financial Income	7	4,238
Financial Expenses	8	-3,604
<b>Financial Result</b>		<b>635</b>
<b>Result before taxes</b>		<b>605</b>
Income tax		-
<b>Net Earnings</b>		<b>605</b>

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## **Notes to the Financial Statements**

### **General**

The activities of Dufry One B.V., having its legal seat at Luchthavenweg 53, 5657 EA Eindhoven, the Netherlands, primarily consist the supply of financing requirements for its parent and other group companies.

The company has been incorporated as a Dutch limited company on 25 September 2017. The company is entirely held by Dufry Financial Services B.V., a fully owned company of Dufry International AG, Dufry AG being the ultimate parent.

Dufry One B.V. has no subsidiaries.

The accounts are not consolidated with the parent as the company makes use of the exemption granted by article 408 sub 1 of Part 9 of Book 2 of the Dutch Civil Code. The financial statements of the company and the associated companies are consolidated in the financial statements of Dufry (see [www.Dufry.com](http://www.Dufry.com)). A copy of these consolidated financial statements is filed with the Chamber of Commerce.

### **Related parties**

The transactions with related parties are conducted at arm's length in the ordinary course of business and primarily related to the financing of the operations of the subsidiaries.

### **General accounting principles for the preparation of the financial statements**

The financial statements have been prepared according to the stipulations in Part 9 of Book 2 of the Dutch Civil Code.

Valuation of assets and liabilities and determination of the result take place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are valued according to the cost model.

Income and expenses are accounted for on an accrual basis. Profit is only included when realized on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

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## Notes to the Financial Statements (Cont.)

### Translation of foreign currency

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing at balance sheet date. Transactions in foreign currency during the financial year are recognized in the financial statements at the exchange rates prevailing at transaction date. The exchange differences resulting from the translation as at balance sheet date are recorded in the profit and loss account.

The financial statements are drawn up in thousands Euros (TEUR), the functional and presentation currency of the company.

The following exchange rates are used:

	Year-end 31-Dec-17	Average 2017
CAD	0.6626	0.6784
CHF	0.8553	0.8967
USD	0.8333	0.8794
HKD	0.1067	0.1128
GBP	1.1264	1.1439
AUD	0.6502	0.6761

### Cash flow statement

With respect to the cash flow statement the Company applies the exemption as stated in RJ 360.104. Reference is made to the cash flow statement included in the financial statements of Dufry AG, which can be obtained from the Chamber of Commerce.

### Judgments and Estimates

The management of the company makes various judgments and estimates when applying the accounting policies and rules for preparing the financial statements. The main judgments and estimates including underlying assumptions are set out in the notes below.

### Off-balance-sheet obligations

As per end of 2017 Dufry One BV has no Off-balance obligations.

### Fiscal Unity

The company is part of a fiscal unity for corporate income tax (VPB). As a result of sections 49 and 43 respectively of the Collection of State Taxes Act 1990 (Invorderingswet 1990), the company is jointly and severally liable for the corporate income tax of the fiscal unity.

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## **Principles of valuation of assets and liabilities**

### **Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand or current bank accounts.

### **Receivables and loan receivables**

Upon initial recognition the receivables are recorded at the fair value and subsequently valued at the amortized cost. The fair value and amortized cost equal the face value. Provisions deemed necessary for doubtful accounts are deducted. These provisions are determined by individual assessment of the receivables.

### **Accounts and loan payables**

All account payables are recorded at amortized costs.

### **Financial instruments**

Financial instruments can be both primary financial instruments, such as receivables and payables, and financial derivatives. The notes to the specific items of the balance sheet disclose the fair value of the related instrument if this deviates from the carrying amount.

At balance sheet date no financial derivatives are held by the company.

Financial instruments are recorded at delivery date.

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## **Principles of Determination of Result**

### **General**

The result represents the difference between the value of income derived from investments/loans receivables and the costs and other charges for the year. The results on transactions are recognized in the year they are realized; losses are taken as soon as they are foreseeable.

### **Interest Income**

Interest income is recognized pro rata in the profit and loss account, taking into account the effective interest rate for the asset concerned, provided the income can be measured and the income is probable to be received.

### **Interest Expense**

Interest is allocated to successive financial reporting periods in proportion to the outstanding principal. Premiums and discounts are treated as annual interest charges so that the effective interest rate, together with the interest payable on the loan, is recognized in the profit and loss account, with the amortized cost of the liabilities being recognized in the balance sheet. Period interest charges and similar charges are recognized in the year in which they fall due.

### **Legal and Consulting Expense**

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognized if they are known before the financial statements are prepared and provided all other conditions for forming provisions are met.

### **Income Tax**

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes, and with which deferred tax assets (if applicable) are solely valued insofar as their realization is likely.

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## Notes to the Statutory Financial Statements

### 1. Loans Receivable

The loans receivables consist of:

Loans receivable from affiliates	Principal (in TEUR)	Interest rate	Date repayment	Denominated in
Dufry Financial Services BV	795,100	2.8200%	15-10-24	EUR
	<b>795,100</b>			

### 2. Receivables - Intercompany

The receivables consist of:

Interest Receivable	4,238
<b>Total</b>	<b>4,238</b>

### 3. Payables - Third Party

VAT not reclaimable	307
<b>Total</b>	<b>307</b>

### 4. Accruals

Bond Issuance Fee	560
Audit	30
Bond Interest	3,333
<b>Total</b>	<b>3,923</b>

### 5. Non-Current Liabilities - Third Party

The non-current liability consists of:

Bond Payable to	Principal (in	Interest rate	Date repayment	Denominated in
Deutsche Bank AG, London Branch	800,000	2.5000%	15-10-24	EUR
<b>Total</b>	<b>800,000</b>			

Arrangement Fees	7,518
<b>Total</b>	<b>7,518</b>

### 6. Auditing Expenses

Auditing Accrual	30
<b>Total</b>	<b>30</b>

### 7. Interest Income

Interest Income Parent	4,238
<b>Total</b>	<b>4,238</b>

### 8. Interest Expense & Bank Charges

Interest Expense Bond	3,604
<b>Total</b>	<b>3,604</b>

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**Signing of the Financial Statements** Eindhoven, April 25th 2018

Board of Directors

Andreas Schneider

Mark Thomassen

Julián Díaz

Peter van der Schee

Sjoerd Jacobs

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**Independent auditor's report**

Reference is made to the independent auditor's report as included hereinafter.

**Profit appropriation according to the Articles of Association**

According to article 20 of the Articles of Association the result for the year is at the free disposal of the General Meeting.

**Proposed appropriation of result for the financial year 2017**

The Board of Directors proposes that the gain for the financial year 2017 amounting TEUR 605 should be transferred to retained earnings.

The financial statements reflect the proposed appropriation of result for financial year 2017.

**Subsequent events**

No significant events appeared after balance sheet date.

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ACCOUNTANTS EN ADVISEURS

## INDEPENDENT AUDITOR'S REPORT

To: the shareholders of Dufry One B.V.

### A. Report on the audit of the financial statements 2017 included in the annual report

#### Our opinion

We have audited the financial statements 2017 of Dufry One B.V., based in Eindhoven.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Dufry One B.V. as at 31 December 2017 and of its result for 2017 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the balance sheet as at 31 December 2017;
2. the profit and loss account for 2017 and
3. the notes comprising a summary of the accounting policies and other explanatory information.

#### Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Dufry One B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijk van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the management board's report;
- other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the management board's report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

### **C. Description of responsibilities regarding the financial statements**

#### **Responsibilities of management for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

#### **Our responsibilities for the audit of the financial statements**

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Tilburg, 25 April 2018

ABAB Accountants B.V.



W.J.C.J. Pullens RA