SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Hudson Ltd.

Form: 6-K

Date Filed: 2020-08-03

Corporate Issuer CIK: 1714368

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16
OR 15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of August, 2020
Commission File Number: 001-38378

Hudson Ltd.

(Translation of registrant's name into English)

4 New Square
Bedfont Lakes
Feltham, Middlesex TW14 8HA
United Kingdom
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

EXHIBIT INDEX

Exhibit No.	Description
99.1	Hudson Ltd. Interim Report (unaudited) for the six months ended June 30, 2020

Our business is impacted by fluctuations in economic activity and traveler volumes in the continental United States and Canada and, to a lesser extent, economic activity and international tourism from around the world. Our turnover is generated by travel-related retail and food and beverage sales and income from advertising activities. Apart from the cost of sales, our operating expense structure consists of lease expenses, lease-related depreciation and interest, personnel expenses and other expenses associated with our retail operations.

COVID-19 Business Update

COVID-19-related concerns, event cancellations, and business and government-imposed restrictions have led to a significant decrease in passenger travel, which has resulted in sharply reduced customer traffic and sales across Hudson's retail stores in North America. Initially impacting only inbound passenger traffic from Asia during the first two months of 2020, the global spread of the pandemic resulted in a material adverse impact on our results of operations and financial position beginning in March 2020, which continued throughout the second quarter of 2020 and through the date of this report.

In order to preserve liquidity, we have implemented a number of cost saving actions beginning in March 2020:

- Temporarily closed more than 700 of our stores in airports, commuter hubs, landmarks, and tourist locations.
- Reduced a majority of our workforce through both temporary furloughs and permanent lay-offs of both field service and support team members.
- Decreased staffing and store hours in certain locations that have remained open.
- Reached agreements with many landlords to abate or defer rents and other payments; continue to work with landlords for additional rent relief.
- Implemented salary reductions for corporate team members and field leadership.
- Reduced capital spend to minimal levels.
- Managed inventory tightly to better align with lower sales levels and reduced working capital needs.
- Reduced all operating expenses to minimal levels.

In addition, to help minimize exposure to and the spread of COVID-19, we have taken a number of steps, including: adhering to guidance provided by the U.S. Centers for Disease Control and Prevention ("CDC") and local state and federal health officials; equipping stores and warehouses with necessary supplies for enhanced cleaning protocol and personal protection; implementing standardized measures and procedures in stores and offices to enforce social distancing to the fullest extent possible; activating our internal emergency response team to assess and address potential exposure throughout the Company; and enabling the majority of the corporate support team to work remotely.

Beginning in mid-May, as stay-at-home restrictions were lifted in certain areas, airlines began to resume certain flights. As passenger travel started to increase compared to April in airports and commuter hubs, we slowly began reopening stores and bringing back a number of furloughed employees. As of July 31, 2020, over 200 stores have reopened. However, passenger volumes are still significantly below prior year levels, and increases in COVID-19 cases in various parts of the U.S. have led to new travel restrictions and quarantines, and there can be no assurance that such restrictions will not continue or increase in the future.

The current state of the overall North American and global travel industry and uncertainty around future developments relating to COVID-19, including a possible "second wave" of infections, has led to our decision to implement a reduction in workforce. This involves permanent lay-offs of nearly 40% of our team members throughout the Company consisting of both corporate and field staff across many levels of the organization, decided upon and announced during the second quarter and effective as of July 31, 2020. We believe the workforce reductions, extended furloughs, and other cost saving actions detailed above will better align our cost structure with the conditions of the travel industry today.

RESULTS OF OPERATIONS

Comparison of the quarters ended June 30, 2020 and 2019

The following table summarizes changes in financial performance for the quarter ended June 30, 2020, compared to the quarter ended June 30, 2019:

		PERCENTAGE AT
	FOR THE QUARTER ENDED JUNE 30	

Lease (expenses) / income

Lease income was $32.2 million for the quarter ended June 30, 2020 as a result of rent waiver income, compared to an expense of $36.9 million for the prior year period. The $69.1 million change primarily resulted from lower variable rent based on the decline in net sales due to COVID-19 and $42.6 million of rent waivers we secured from numerous airports and commuter terminals in light of challenges associated with COVID-19. Of the total rent waiver income recorded, $3.3 million relates to subsequent rent payments. As the COVID-19 pandemic continues to impact customer traffic and sales, we continue to negotiate new and extended deferrals with our landlords. See Note 2.2 to the interim consolidated financial statements.

Personnel expenses

Personnel expenses decreased to $42.0 million for the quarter ended June 30, 2020, from $108.6 million for the prior year period. As a percentage of turnover, personnel expenses increased to 68.1% for the quarter ended June 30, 2020, compared to 21.3% for the prior year period. The decrease in personnel expense

Income tax benefit/(expense)

Income tax benefit for the quarter ended June 30, 2020 amounted to $22.5 million compared to an expense of $9.9 million for the same period ounfd 8M n pe4

Turnover

Due to the impacts of COVID-19 on the travel industry, key sales metrics were adversely impacted. Turnover decreased by 57.8% to $403.2 million for the six months ended June 30, 2020 compared to $954.9 million for the same period last year. Net sales represented 96.9% of turnover for the 2020 period, with advertising income representing the remainder.

Organic net sales decreased by 58.6% for the six months ended June 30, 2020, representing a $546.9 million decline in net sales. Like-for-like net sales decreased by 47.9% and contributed $331.6 million of the decrease in net sales. On a constant currency basis, like-for-like sales decreased by 47.8%. Net sales from new stores, expansions and store closures, including temporary closures, decreased by $215.3 million compared to the prior year period.

The acquisition of Brookstone stores contributed an additional $3.7 million to net sales for the six months ended June 30, 2020.

Gross profit

Gross profit was $251.3 million for the six months ended June 30, 2020, compared to $611.3 million for the prior year period. Our gross profit margin was 62.3% for the six months ended June 30, 2020, compared to 64.0% for the prior year period. The decrease in gross profit margin was primarily due to a $4.7 million (120 bps) inventory allowance charge for slow-moving or obsolete items, primarily as a result of COVID-19, and higher promotional activity on luxury merchandise.

Lease (expenses) / income

Lease [illegible] six months ended June 30, 2020, compared to lease expenses of $64.6 million for the prior year period. The $83.3 million change primarily resulted from lower variable rent based on the decline in net sales and $45.9 million of rent waivers we secured from numerous airports and commuter terminals in light of challenges associated with COVID-19. The rent waivers are associated with rent payments that were primarily due in March 2020 onward.

Personnel expenses

Personnel expenses decreased to $138.7 million f

Cash flows from operating activities

Net cash flows from operating activities were $13.9 million for the six months ended June 30, 2020, a decrease of $260.7 million compared to the prior year period. The decrease in net cash flows from operating activities is primarily due to the decline in operating performance due to COVID-19 and the timing of increased cash payments for accounts payable and other liabilities.

Cash flows used in investing activities

Net cash used in investing activities decreased to $25.6 million for the six months ended June 30, 2020, compared to $34.3 million for the prior year period, primarily due to reduction in capital expenditures.

Cash flows from/(used in) financing activities

Net cash flows used in financing activities decreased by $73.3 million for the six months ended June 30, 2020 to $100.1, million compared to $173.4 million in the prior year period. The decrease is primarily due to a reduction in lease payments as a result of COVID-19 rent waivers and deferrals.

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INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
for the three and six month periods ended June 30, 2020 and 2019

IN MILLIONS OF USD (EXCEPT PER SHARE AMOUNTS)	NOTE	UNAUDITED Q2 2020	UNAUDITED Q2 2019 RESTATED[1]	UNAUDITED 6M 2020	UNAUDITED 6M 2019 RESTATED[1]
Turnover	4	61.7	509.9	403.2	954.9
Cost of sales		(23.7)	(182.4)	(151.9)	(343.6)
Gross profit		38.0	327.5	251.3	611.3
Lease (expenses) / income	7	32.2	(36.9)	18.7	(64.6)
Personnel expenses		(42.0)	(108.6)	(138.7)	(223.6)
Other expenses		(20.0)	(42.1)	(57.3)	(82.2)
Other income[2]	8	2.0	3.4	4.5	6.1
Depreciation, amortization and impairment	9	(98.2)	(89.4)	(242.8)	(178.0)
Operating profit / (loss)		(88.0)	53.9	(164.3)	69.0
Finance income	10	0.1			

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
for the six month periods ended June 30, 2020 and 2019

IN MILLIONS OF USD	UNAUDITED 6M 2020	UNAUDITED 6M 2019 RESTATED[1]
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before tax	(208.1)	28.4
ADJUSTMENTS FOR		
Depreciation, amortization and impairment	242.8	178.0
Loss / (gain) on sale of non-current assets	1.1	0.2
Increase / (decrease) in allowances and provisions	8.0	4.4
Loss / (gain) on foreign exchange differences	0.1	-
Rent waivers	(40.6)	-
Other non-cash items	0.3	2.7
Finance income	(1.1)	(2.4)
Finance expenses	44.8	43.0
Cash flows before working capital changes	47.3	254.3
Decrease / (increase) in trade and other accounts receivable	0.7	(10.0)
Decrease / (increase) in inventories	7.7	(2.5)
Increase / (decrease) in trade and other accounts payable	(40.9)	41.1
Cash generated from operations	14.8	282.9
Income tax paid	(0.9)	(8.3)
Net cash flows from operating activities	13.9	274.6
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(24.4)	(32.8)
Purchase of intangible assets	(2.8)	(2.4)
Contributions to associates	-	(2.1)
Proceeds from sale of property, plant and equipment	-	0.4
Interest received	0.4	1.0
Repayments of loans receivable from non-controlling interest holders	-	0.3
Sublease receivable payments	1.4	1.3
Business combinations, net of cash	(0.2)	-
Net cash flows used in investing activities	(25.6)	(34.3)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Lease payments[2]	(87.6)	(148.5)
Dividends paid to non-controlling interests	(9.8)	(15.0)
Purchase of treasury shares	(2.3)	(2.7)
Contributions from / (purchase of) non-controlling interests	-	0.4
Interest paid	(0.4)	(7.6)
Net cash flows from / (used in) financing activities	(100.1)	(173.4)
Currency translation on cash	(1.7)	1.4
Increase / (decrease) in cash and cash equivalents	(113.5)	68.3
CASH AND CASH EQUIVALENTS AT THE		
- beginning of the period	318.0	234.2
- end of the period	204.5	302.5

1 The amounts presented for the six month period ended June 30, 2019 and the related notes differ from the information reported in the interim consolidated financial statements for the six month period ended June 30, 2019 due to correction

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Hudson Ltd. and its subsidiaries (“Hudson” or “the Company”) is a travel experience leader with 1,010 stores in 87 locations in airports, commuter hubs and tourist destinations throughout the continental United States and Canada, under the travel convenience, specialty retail, duty free and food and beverage concepts.

Hudson Ltd., the parent company which is an exempt company limited by shares, was incorporated on May 30, 2017 in Hamilton, Bermuda with registered office at 2 Church Street, Hamilton HM11, Bermuda. Our Class A common shares began trading on the New York Stock Exchange on February 1, 2018, under the ticker symbol “HUD”. Hudson Ltd. is controlled by a subsidiary of Dufry AG (“Dufry”), the world’s leading travel retail company headquartered in Basel, Switzerland.

2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements (unaudited) for the period ended June 30, 2020 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with Hudson’s annual consolidated financial statements as of December 31, 2019. As of June 30, 2020, the purchase price allocation for the Brookstone acquisition remains preliminary. Refer to note 6 of Hudson’s annual consolidated financial statements for more information on the acquisition.

The interim consolidated financial statements include financial assets and liabilities presented at carrying value, which is generally consistent when compared to fair value.

The interim consolidated financial statements were authorized for issue on July 28, 2020 by the board of directors of Hudson Ltd.

COVID-19-Related Rent Concessions (Amendment to IFRS 16)

On May 28, 2020, the International Accounting Standards Board (IASB) issued COVID-19 Related Rent Concessions – amendment to IFRS 16 Leases. The IASB amended the standard to provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. Hudson elected to apply this practical expedient to all locations that provide waivers of rent payments. On the date that a rent waiver is unconditionally granted by the landlord for a specified period of time, Hudson de-recognizes the lease obligation for all future payments that have been waived and records the aggregate amount as lease income in the Consolidated Statement of Comprehensive Income. Alternatively, if the landlord places conditions on the rent waiver or provides the waiver for an undetermined period of time (e.g. until the occurrence of an event or milestone), Hudson de-recognizes the liability and records lease income each month when the lease obligation is relieved without payment. For the six months ended June 30, 2020, Hudson recorded net rent waiver lease income of USD 40.6 million, related to leases capitalized under IFRS 16. In addition, Hudson recorded USD 5.3 million of rent waivers to offset fixed rent on leases that did not meet the criteria to be capitalized under IFRS 16 (e.g. with short-term or undefined lease terms), resulting in total rent waiver income of USD 45.9 million for the six months ended June 30, 2020.

Other amendments and interpretations

Any other amendments and interpretations that apply for the first time in 2020, do not have a material impact on the interim consolidated financial statements.

3. IMPACT OF COVID-19 ON THE CONSOLIDATED FINANCIAL STATEMENTS

COVID-19-related concerns, event cancellations, and business and government-imposed restrictions have led to a significant decrease in passenger travel, which has resulted in sharply reduced customer traffic and sales across Hudson’s retail stores in North America. Initially impacting only inbound passenger traffic from Asia during the first two months of the year, the global spread of the pandemic resulted in a material adverse impact on our results of operations and financial position toward the end of the first quarter and continuing into the second quarter

The effects of COVID-19 resulted in the following significant changes in the financial statements during the six month period ended June 30, 2020:

- Recorded USD 45.9 million of rent waivers as a result of rent payment relief we received from numerous airports and landlords (see note 7).
- Recorded employee separation restructuring expenses of USD 8.6 million in personnel expense.
- Recorded USD 4.5 million of income related to employee retention tax credits from the U.S. Government (CARES Act) and subsidies from Canadian Government (Canada Emergency Wage Subsidy "CEWS" program).
- Recorded a goodwill impairment of USD 52.3 million (see notes 9 and 14).
- Recorded an impairment of property, plant and equipment of USD 6.0 million (see notes 9 and 12).
- Recorded an impairment of right-of-use assets of USD 3.7 million (see notes 9 and 13).
- Recorded USD 4.7 million of additional inventory allowance for slow-moving and obsolete items (see note 15).

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5. SEGMENT INFORMATION

Hudson consists of one operating segment “Travel Retail Operations” for which reports are submitted to the Group Executive Committee, being the Chief Operating Decision Maker (CODM). These reports form the basis for the evaluation of performance and allocation of resources.

Hudson generates turnover from selling a wide range of products in its duty paid and duty free stores that are mainly located at airports, commuter terminals, hotels, landmarks or tourist destinations. Refer to note 4 for a split of net sales by product category, market sector and sales channel.

Net sales by Country

IN MILLIONS OF USD

8. OTHER INCOME

IN MILLIONS OF USD	UNAUDITED Q2 2020	UNAUDITED Q2 2019	UNAUDITED 6M 2020	UNAUDITED 6M 2019
Sales-related income	0.4	1.3	1.3	2.8
Franchise and management fee income	0.2	0.9	0.8	1.8
Other operational income	1.4	1.2	2.4	1.5
Total	2.0	3.4	4.5	6.1

9. DEPRECIATION, AMORTIZATION AND IMPAIRMENT

IN MILLIONS OF USD	UNAUDITED Q2 2020	UNAUDITED Q2 2019 RESTATED	UNAUDITED 6M 2020	UNAUDITED 6M 2019 RESTATED
Depreciation RoU assets	(60.5)	(61.1)	(124.6)	(121.9)
Impairment RoU assets	(3.7)	-	(3.7)	-
Subtotal (Right-of-Use Assets, see note 13)	(64.2)	(61.1)	(128.3)	(121.9)
Depreciation Property, Plant and Equipment	(16.8)	(16.7)	(33.6)	(33.2)
Impairment Property, Plant and Equipment	(6.8			

10. FINANCE INCOME AND EXPENSES

IN MILLIONS OF USD	UNAUDITED Q2 2020	UNAUDITED Q2 2019 RESTATED	UNAUDITED 6M 2020	UNAUDITED 6M 2019 RESTATED

12. PROPERTY, PLANT AND EQUIPMENT

UNAUDITED 2020 IN MILLIONS OF USD	BUILDINGS & LEASEHOLD IMPROVEMENTS	FURNITURE FIXTURES	COMPUTER HARDWARE	VEHICLES	WORK IN PROGRESS	TOTAL
AT COST						
Balance at January 1	277.6	210.7	53.9	4.8	16.4	563.4
Additions	3.1	2.1	1.5	-	12.2	18.9
Disposals	(11.8)	(9.8)	(0.5)	(0.2)	-	(22.3)
Reclassification within classes	7.8	4.8	0.4	-	(13.0)	-
Reclassification to intangibl[illegible]						

UNAUDITED 2019 RESTATED IN MILLIONS OF USD	BUILDINGS & LEASEHOLD IMPROVEMENTS	FURNITURE FIXTURES	COMPUTER HARDWARE	VEHICLES	WORK IN PROGRESS	TOTAL
AT COST						
Balance at January 1	270.4	203.5	47.6	4.4	22.1	548.0
Additions	5.4	3.2	2.1	0.4	15.0	26.1
Disposals	(4.6)	(3.0)	(0.7)	(0.2)	-	(8.5)
Reclassification within classes	15.5	6.9	1.3	-	(23.7)	-
Currency translation adjustments	2.5	0.8	0.1	(0.1)	-	3.3
Balance at June 30	289.2	211.4	50.4	4.5	13.4	568.9
ACCUMULATED DEPRECIATION						
Balance at January 1	(138.1)	(115.8)	(28.6)	(3.1)	-	(285.6)
Additions (note 9)	(15.8)	(13.6)	(3.6)	(0.2)	-	(33.2)
Disposals	4.3	2.8	0.7	0.1	-	7.9
Currency translation adjustments	(1.4)	(0.7)	(0.2)	-	-	(2.3)
Balance at June 30	(151.0)	(127.3)	(31.7)	(3.2)	-	(313.2)
IMPAIRMENT						
Balance at January 1	(11.5)	(7.6)	(0.3)	-	-	(19.4)
Impairment (note 9)	(0.6)	(0.3)	-	-	-	(0.9)
Balance at June 30	(12.1)	(7.9)	(0.3)	-	-	(20.3)
CARRYING AMOUNT						
At June 30, 2019	126.1	76.2	18.4	1.3	13.4	235.4

14. INTANGIBLE ASSETS AND GOODWILL

UNAUDITED

2020 IN MILLIONS OF USD	CONCESSION RIGHTS[1]	OTHER	TOTAL	GOODWILL
AT COST				
Balance at January 1	525.7	61.5	587.2	324.7
Additions	0.1	2.7	2.8	-
Disposals	(0.7)	(0.1)	(0.8)	-
Reclassification from property, plant & equipment	-	0.7	0.7	-
Currency translation adjustments	(10.0)	0.2	(9.8)	(8.8)
Balance at June 30	515.1	65.0	580.1	315.9

14.1.2 Key assumptions used for value-in-use calculations

The calculation of value-in-use is most sensitive to the following assumptions:

- Sales growth
- Growth rate used to extrapolate
- Gross margin and supplier prices
- Lease expense and lease payments
- Discount rates

Sales growth

Although there is significant uncertainty regarding estimates of the duration of the low level of air traffic, the lock-downs imposed by most countries, or business performance, management assumed for the impairment test that sales will be severely impacted in 2020 and the domestic and international air traffic will start recovering during the second half of 2020. By 2023, we assume sales will reach the level of 2019, based on forecasts published by third party industry experts.

Growth rates used to extrapolate

For the period after 5 years, Hudson has used a growth rate of 1.0% (2019: 1.0%) to determine the residual value.

Gross margins

The expected gross margins are based on historical results achieved on average product assortment values. These values are maintained over the planning period except for 2020 where specific actions are planned and consider a decrease by up to 1.0% compared to the historical results. The gross margin is also affected by supplier prices.

Management remains in negotiations with key product suppliers in order to plan the promotions and advertising policies to be applied during the air traffic recovery period.

Lease payments

The company uses a lease database to extract the future fixed payments and estimate variable lease payments based on expected sales developments. Where the contractual terms of certain operations come to an end during the projected period, the company has analyzed the renewal conditions and the market situation and assumed renewals where the situation/conditions are favorable.

Discount rates

Several factors affect the discount rates:

- For the debt part, the rate is based on the average interest rate of the past 5 years of the 10-year U.S. treasury bonds and is increased by Hudson’s effective bank spread and adjusted by the effective tax rate and country risk of the CGU.
- For the equity part, a 5% equity risk premium is added to the base rate described above and adjusted by the beta of Hudson’s peer group.

The same methodology is used by management to determine the discount rate used in discounted cash flow (DCF) valuations, when assessing the business potent n eins 5

17. FOREIGN EXCHANGE RATES APPLIED FOR VALUATION AND TRANSLATION

	AVERAGE RATES		CLOSING RATES	
IN USD	Q2 2020	6M 2020	06.30.2020	
1 CAD	0.7217	0.7336	0.7368	
IN USD	Q2 2019	6M 2019	06.30.2019	12.31.2019
1 CAD	0.7478	0.7501	0.7639	0.7701

18. ACQUSITION OF BUSINESSES

On April 2, 2020, Hudson exercised its right to terminate its agreement with OHM Concession Group LLC, as a result of the closing not having occurred prior to the end date provided in the agreement.