

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SAMSONITE INTERNATIONAL S.A.

新秀麗國際有限公司

13-15 avenue de la Liberté, L-1931 Luxembourg

R.C.S. LUXEMBOURG: B 159.469

(Incorporated in Luxembourg with limited liability)

(Stock code: 1910)

QUARTERLY REPORT FOR THE PERIOD ENDED MARCH 31, 2021

The Board of Directors of Samsonite International S.A. (the “Company”), together with its consolidated subsidiaries (the “Group”), is pleased to present the unaudited consolidated financial and business review of the Group as of March 31, 2021 and for the three month period then ended, together with comparative figures for the three month period ended March 31, 2020. This announcement is made pursuant to the Inside Information Provisions of Part XIVA of the Securities and Futures Ordinance and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Summary Financial Results and Financial Highlights

Summary Financial Results

During the three months ended March 31, 2021 the impacts of COVID-19 on the Company’s business remained significant due to the continuation or re-imposition of certain government-mandated restrictions and lockdowns that led to temporary closures of certain retail stores in which the Company’s products are sold, quarantines and social-distancing required or recommended by governments, and continued significant reductions in travel and discretionary spending among consumers, leading to reduced demand for many of the Group’s products (collectively, the “COVID-19 Impacts”).

During 2020, the Group’s management took steps to enhance the Company’s liquidity and further improve its resilience in response to the COVID-19 Impacts. In addition to strengthening the Company’s liquidity, the Group aggressively reduced its operating expenses to mitigate the impact of lower sales on profit and cash flow as well as to right-size the business for the future. Management continues to tightly manage the Group’s operating expenses (see Management Discussion and Analysis - Impact of COVID-19 for further discussion).

In this announcement, certain financial results for the three months ended March 31, 2021 are compared to both the three months ended March 31, 2020 and the three months ended March 31, 2019. Comparisons to the first quarter of 2019 are provided because it is the most recently ended comparable quarter during which the Company’s results were not affected by COVID-19. During the first quarter of 2020 the COVID-19 Impacts did not have a significant effect on the Company’s financial results until the month ended February 29, 2020, with the most pronounced effects occurring during the month ended March 31, 2020 as the virus spread worldwide. The effects of COVID-19 on the Group’s financial results during the first quarter of 2020 were most pronounced in the Asia region, which was significantly impacted beginning with the Chinese New Year in late January 2020, followed by Europe, North America and Latin America during March 2020 with the spread of COVID-19 to these regions.

The following table sets forth summary financial results for the three months ended March 31, 2021 and March 31, 2020.

<i>(Expressed in millions of US Dollars, except per share data)</i>	Three months ended March 31,		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽¹⁾
	2021	2020		
Net sales	354.7	601.2	(41.0)%	(42.4)%
Operating loss ⁽²⁾	(47.0)	(842.0)	<i>nm</i>	<i>nm</i>
Operating loss excluding impairment charges and restructuring charges ^{(2),(3)}	(43.2)	(15.6)	<i>nm</i>	<i>nm</i>
Loss for the period ⁽²⁾	(71.2)	(785.2)	<i>nm</i>	<i>nm</i>
Loss attributable to the equity holders ⁽²⁾	(72.7)	(787.3)	<i>nm</i>	<i>nm</i>
Adjusted Net Loss ⁽⁴⁾	(67.4)	(38.6)	<i>nm</i>	<i>nm</i>
Adjusted EBITDA ⁽⁵⁾	(28.5)	4.9	<i>nm</i>	<i>nm</i>
Adjusted EBITDA margin ⁽⁶⁾	(8.0)%	0.8 %		
Basic and diluted loss per share ⁽²⁾ <i>(Expressed in US Dollars per share)</i>	(0.051)	(0.550)	<i>nm</i>	<i>nm</i>
Adjusted basic and diluted loss per share ⁽⁷⁾ <i>(Expressed in US Dollars per share)</i>	(0.047)	(0.027)	<i>nm</i>	<i>nm</i>

Notes

- (1) Results stated on a constant currency basis, a non-International Financial Reporting Standards ("IFRS") measure, are calculated by applying the average exchange rate of the same period in the year under comparison to current period local currency results.
- (2) Results for the three months ended March 31, 2021 included total restructuring charges of US\$3.8 million. Results for the three months ended March 31, 2020 included total restructuring charges of US\$6.7 million and total non-cash impairment charges of US\$819.7 million attributable to intangible assets (goodwill and tradenames) and lease right-of-use assets and property, plant and equipment due to the under-performance of certain retail locations. See Impairment Charges and Restructuring Charges sections, respectively, in Management Discussion and Analysis for further discussion.
- (3) Operating loss excluding total non-cash impairment charges and total restructuring charges is a non-IFRS measure and as calculated herein may not be comparable to similarly named measures used by other companies and should not be considered comparable to operating loss for the period in the Group's consolidated statements of income (loss).
- (4) Adjusted Net Loss, a non-IFRS measure, eliminates the effect of a number of costs, charges and credits and certain other non-cash charges, along with their respective tax effects, that impact the Group's reported loss for the period, which the Group believes helps to give securities analysts, investors and other interested parties a better understanding of the Group's underlying financial performance. See Management Discussion and Analysis - Adjusted Net Loss for a reconciliation from the Group's loss for the period to Adjusted Net Loss.
- (5) Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), a non-IFRS measure, eliminates the effect of a number of costs, charges and credits and certain other non-cash charges. The Group believes these measures provide additional information that is useful in gaining a more complete understanding of its operational performance and of the underlying trends of its business. See Management Discussion and Analysis - Adjusted EBITDA for a reconciliation from the Group's loss for the period to Adjusted EBITDA.
- (6) Adjusted EBITDA margin, a non-IFRS measure, is calculated by dividing Adjusted EBITDA by net sales.
- (7) Adjusted basic and diluted loss per share, both non-IFRS measures, are calculated by dividing Adjusted Net Loss by the weighted average number of shares used in the basic and diluted loss per share calculations, respectively.

nm Not meaningful.

Summary Financial Highlights

- Net sales were US\$354.7 million for the three months ended March 31, 2021, compared to US\$601.2 million for the three months ended March 31, 2020, a decrease of 41.0% (-42.4% constant currency). The net sales decrease was due to the effects of the COVID-19 Impacts. Net sales decreased by 57.4% (-57.3% constant currency) compared to the corresponding period in 2019.
- Gross profit margin, as reported, decreased to 48.7% for the three months ended March 31, 2021 from 54.8% for the corresponding period in the previous year. The decrease in the gross profit margin was primarily related to a decrease in gross profit as a result of the decrease in net sales year-on-year caused primarily by the COVID-19 Impacts, including the effects of fixed sourcing and manufacturing expenses on a lower net sales base, a shift in distribution channel sales mix, increased discounting and promotional activity and higher freight and raw material costs, as well as the expiration of the Generalized System of Preferences program in the United States ("GSP") in January 2021. The expiration of GSP has resulted in increased duty costs on goods imported to the United States from countries that were beneficiaries of GSP. See Management Discussion and Analysis - Cost of Sales and Gross Profit for further discussion).
- The Group spent US\$10.7 million on marketing during the three months ended March 31, 2021 compared to US\$34.7 million for the three months ended March 31, 2020, a decrease of US\$24.1 million, or 69.3% (-69.9% constant currency), as the Group continued to tightly manage its advertising expenses in an effort to help conserve cash and to mitigate the effects of the COVID-19 Impacts on the Group's business. As a percentage of net sales,

marketing expenses decreased by 280 basis points to 3.0% for the three months ended March 31, 2021 from 5.8% for the three months ended March 31, 2020.

- There were no impairment charges recognized during the three months ended March 31, 2021. During the first quarter of 2020, the Group recognized total non-cash impairment charges (the "1Q 2020 Impairment Charges") of US\$819.7 million as a result of the COVID-19 Impacts. The non-cash 1Q 2020 Impairment Charges were comprised of (i) US\$496.0 million for goodwill, (ii) US\$236.0 million for certain tradenames and, based on an evaluation of loss-making stores, (iii) US\$68.4 million for the write-off of lease right-of-use assets and (iv) US\$19.3 million for the write-off of certain property, plant and equipment, including leasehold improvements. See Management Discussion and Analysis - Impairment Charges for further discussion.
- During 2020, the Group aggressively reduced its operating expenses to mitigate the impact of lower sales on profit and cash flow as well as to right-size the business for the future in response to the COVID-19 Impacts (see Management Discussion and Analysis - Impact of COVID-19 for further discussion). In conjunction with these cost saving actions and other restructuring initiatives, the Group recognized charges related to these restructuring initiatives (the "Restructuring Charges"). During the three months ended March 31, 2021 and March 31, 2020, the Group recognized the Restructuring Charges of US\$3.8 million and US\$6.7 million, respectively. The Restructuring Charges consisted primarily of severance associated with permanent headcount reductions, store closure costs and certain other costs incurred to implement profit improvement initiatives (see Management Discussion and Analysis - Restructuring Charges for further discussion).
- The Group incurred an operating loss of US\$47.0 million for the three months ended March 31, 2021, compared to an operating loss of US\$842.0 million for the corresponding period in the previous year. The Group incurred an operating loss of US\$43.2 million⁽¹⁾ for the three months ended March 31, 2021 when excluding the Restructuring Charges recognized during the three months ended March 31, 2021, compared to an operating loss of US\$15.6 million⁽¹⁾ for the corresponding period in the previous year when excluding the non-cash 1Q 2020 Impairment Charges and the Restructuring Charges recognized during the three months ended March 31, 2020.
- The Group incurred a loss for the three months ended March 31, 2021 of US\$71.2 million, compared to a loss for the three months ended March 31, 2020 of US\$785.2 million. The Group incurred a loss for the three months ended March 31, 2021 of US\$69.8 million⁽¹⁾ when excluding the Restructuring Charges recognized during the three months ended March 31, 2021, net of the related tax impact, compared to a loss for the three months ended March 31, 2020 of US\$40.6 million⁽¹⁾ when excluding the non-cash 1Q 2020 Impairment Charges and the Restructuring Charges recognized during the three months ended March 31, 2020, both of which are net of the related tax impact.
- The Group incurred a loss attributable to the equity holders of US\$72.7 million for the three months ended March 31, 2021, compared to a loss attributable to the equity holders of US\$787.3 million for the corresponding period in the previous year. For the three months ended March 31, 2021, the Group incurred a loss attributable to the equity holders of US\$71.3 million⁽¹⁾ when excluding the Restructuring Charges recognized during the three months ended March 31, 2021, net of the related tax impact, compared to a loss attributable to the equity holders of US\$42.7 million⁽¹⁾ for the corresponding period in the previous year when excluding the non-cash 1Q 2020 Impairment Charges and the Restructuring Charges recognized during the three months ended March 31, 2020, both of which are net of the related tax impact.
- The Group used US\$18.2 million of cash in operating activities during the three months ended March 31, 2021 compared to US\$57.1 million of cash used in operating activities for the corresponding period in the previous year. As of March 31, 2021, the Group had cash and cash equivalents of US\$1,417.9 million and outstanding financial debt of US\$3,200.6 million (excluding deferred financing costs of US\$37.4 million), resulting in a net debt position of US\$1,782.7 million compared to a net debt position of US\$1,735.5 million as of December 31, 2020. As a result of the Group taking meaningful actions during 2020 to reduce its fixed cost base, reduce marketing expenditures, improve working capital and put a virtual freeze on capital expenditures in response to the COVID-19 Impacts, total cash burn⁽²⁾ was (US\$64.6) million during the first quarter of 2021 compared to (US\$122.2) million during the first quarter of 2020. The year-on-year improvement in cash burn was primarily due to the cost reductions implemented in 2020 and continued tight expense management during the first quarter of 2021. The Company continues to remain focused on cash preservation by tightly managing capital expenditures, marketing activities and discretionary spending. Total liquidity⁽³⁾ as of March 31, 2021 was US\$1,445.9 million versus US\$1,518.3 million as of December 31, 2020.

Notes

(1) See reconciliations in Management Discussion and Analysis below.

(2) Total cash burn is calculated as the total increase (decrease) in cash and cash equivalents per the consolidated statements of cash flows less total cash flow attributable to (i) total loans and borrowings and (ii) deferred financing costs.

(3) Total liquidity is calculated as the sum of cash and cash equivalents per the consolidated statements of financial position plus available capacity on the Amended Revolving Credit Facility (as defined in Management Discussion and Analysis - Indebtedness - Second Amended Credit Agreement).

Disclaimer

Non-IFRS Measures

The Company has presented certain non-IFRS⁽¹⁾ measures in the summary financial results and financial highlights above and Management Discussion and Analysis section below because each of these measures provides additional information that management believes is useful in gaining a more complete understanding of the Group's operational performance and of the trends impacting its business to securities analysts, investors and other interested parties. These non-IFRS financial measures, as calculated herein, may not be comparable to similarly named measures used by other companies, and should not be considered comparable to IFRS measures. Non-IFRS measures have limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, an analysis of the Group's financial results as reported under IFRS.

Forward-looking Statements

This document contains forward-looking statements. Forward-looking statements reflect the Company's current views with respect to future events and performance. These statements may discuss, among other things, the Company's net sales, operating profit (loss), Adjusted Net Income (Loss), Adjusted EBITDA⁽²⁾, Adjusted EBITDA margin, cash flow, liquidity and capital resources, potential impairments, growth, strategies, plans, achievements, distributions, organizational structure, future store openings or closings, market opportunities and general market and industry conditions. The Company generally identifies forward-looking statements by words such as "expect", "seek", "believe", "plan", "intend", "estimate", "project", "anticipate", "may", "will", "would" and "could" or similar words or statements. Forward-looking statements are based on beliefs and assumptions made by management using currently available information. These statements are only predictions and are not guarantees of future performance, actions or events. Forward-looking statements are subject to risks and uncertainties. These risks, uncertainties and other factors also include the potential effects of the COVID-19 pandemic on the Company's future financial and operational results, which could vary significantly depending on the duration and severity of the COVID-19 pandemic worldwide and the pace and extent of recovery following the COVID-19 pandemic.

If one or more of these risks or uncertainties materialize, or if management's underlying beliefs and assumptions prove to be incorrect, actual results may differ materially from those contemplated by a forward-looking statement. Among the factors that could cause actual results to differ materially are: the effect of worldwide economic conditions; the length and severity of the COVID-19 pandemic; lower levels of consumer spending resulting from COVID-19; a general economic downturn or generally reduced consumer spending, including as a result of COVID-19; the pace and extent of recovery following COVID-19; significant changes in consumer spending patterns or preferences; interruptions or delays in the supply of key components; the performance of the Group's products within the prevailing retail environment; financial difficulties encountered by customers and related bankruptcy and collection issues; and risks related to the success of the Group's restructuring programs. Given the inherent uncertainty about the future impacts of COVID-19, it is not possible for the Company to reliably predict the extent to which its business, results of operations, financial condition or liquidity will ultimately be impacted (see Management Discussion and Analysis - Impact of COVID-19 for further discussion).

Forward-looking statements speak only as of the date on which they are made. The Company's shareholders, potential investors and other interested parties should not place undue reliance on these forward-looking statements. The Company expressly disclaims any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable securities laws and regulations.

Rounding

Certain amounts presented in this document have been rounded up or down to the nearest million, unless otherwise indicated. There may therefore be discrepancies between the actual totals of the individual amounts in the tables and the totals shown, between the amounts in the tables and the amounts given in the corresponding analyses in the text of this document and between amounts in this document and other publicly available documents. All percentages and key figures were calculated using the underlying data in whole US Dollars.

Notes

(1) International Financial Reporting Standards as issued by the International Accounting Standards Board.

(2) Earnings before interest, taxes, depreciation and amortization.

Consolidated Statements of Income (Loss) (Unaudited)

	Three months ended March 31,	
<i>(Expressed in millions of US Dollars, except per share data)</i>	2021	2020
Net sales	354.7	601.2
Cost of sales	(182.0)	(272.0)
Gross profit	172.7	329.2
Distribution expenses	(160.2)	(259.8)
Marketing expenses	(10.7)	(34.7)
General and administrative expenses	(47.2)	(49.2)
Impairment Charges	—	(819.7)
Restructuring Charges	(3.8)	(6.7)
Other income (expenses)	2.2	(1.1)
Operating loss	(47.0)	(842.0)
Finance income	0.9	0.8
Finance costs	(35.7)	(27.6)
Net finance costs	(34.8)	(26.8)
Loss before income tax	(81.8)	(868.8)
Income tax benefit	10.6	83.6
Loss for the period	(71.2)	(785.2)
Loss attributable to equity holders	(72.7)	(787.3)
Profit attributable to non-controlling interests	1.5	2.1
Loss for the period	(71.2)	(785.2)
Earnings (loss) per share		
Basic and diluted loss per share		
<i>(Expressed in US Dollars per share)</i>	(0.051)	(0.550)

Consolidated Statements of Comprehensive Income (Loss) (Unaudited)

<i>(Expressed in millions of US Dollars)</i>	Three months ended March 31,	
	2021	2020
Loss for the period	(71.2)	(785.2)
Other comprehensive income (loss):		
Items that are or may be reclassified subsequently to profit or loss:		
Changes in fair value of hedges, net of tax	10.7	(18.1)
Foreign currency translation gains (losses) for foreign operations	7.1	(34.2)
Other comprehensive income (loss)	17.8	(52.3)
Total comprehensive loss for the period	(53.4)	(837.5)
Total comprehensive loss attributable to equity holders	(54.2)	(835.2)
Total comprehensive income (loss) attributable to non-controlling interests	0.8	(2.3)
Total comprehensive loss for the period	(53.4)	(837.5)

Consolidated Statements of Financial Position

(Unaudited)

March 31,

2021

December 31,

2020

(Expressed in millions of US Dollars)

	March 31, 2021	December 31, 2020
Non-Current Assets		
Property, plant and equipment	171.8	187.8
Lease right-of-use assets	385.1	399.6
Goodwill	846.1	849.6
Other intangible assets	1,408.6	1,418.3
Deferred tax assets	50.9	54.5
Derivative financial instruments	1.1	—
Other assets and receivables	78.6	78.1
Total non-current assets	2,942.2	2,987.9
Current Assets		
Inventories	434.9	455.9
Trade and other receivables	127.9	141.0
Prepaid expenses and other assets	80.3	82.4
Cash and cash equivalents	1,417.9	1,495.0
Total current assets	2,061.0	2,174.3
Total assets	5,003.2	5,162.2
Equity and Liabilities		
Equity:		
Share capital	14.3	14.3
Reserves	567.3	619.8
Total equity attributable to equity holders	581.6	634.1
Non-controlling interests	35.7	34.9
Total equity	617.3	669.0
Non-Current Liabilities		
Loans and borrowings	3,082.5	3,110.1
Lease liabilities	365.0	386.2
Employee benefits	26.9	25.2
Non-controlling interest put options	32.5	35.1
Deferred tax liabilities	165.4	174.5
Derivative financial instruments	14.4	24.3
Other liabilities	6.0	6.5
Total non-current liabilities	3,692.7	3,761.9
Current Liabilities		
Loans and borrowings	47.9	47.8
Current portion of long-term loans and borrowings	32.8	32.8
Current portion of lease liabilities	138.0	145.3
Employee benefits	67.3	57.4
Trade and other payables	386.8	412.9
Current tax liabilities	20.4	35.1
Total current liabilities	693.2	731.3
Total liabilities	4,385.9	4,493.2
Total equity and liabilities	5,003.2	5,162.2
Net current assets	1,367.8	1,443.0
Total assets less current liabilities	4,310.0	4,430.9

Consolidated Statements of Changes in Equity (Unaudited)

<i>(Expressed in millions of US Dollars, except number of shares)</i>	Number of shares	Share capital	Reserves			Retained earnings	Total equity attributable to equity holders	Non-controlling interests	Total equity
			Additional paid-in capital	Translation reserve	Other reserves				
Three months ended March 31, 2021									
Balance, January 1, 2021	1,434,880,447	14.3	1,061.1	(77.2)	48.6	(412.7)	634.1	34.9	669.0
Profit (loss) for the period	—	—	—	—	—	(72.7)	(72.7)	1.5	(71.2)
Other comprehensive income (loss):									
Changes in fair value of hedges, net of tax	—	—	—	—	10.7	—	10.7	0.0	10.7
Foreign currency translation gains (losses) for foreign operations	—	—	—	7.8	—	—	7.8	(0.7)	7.1
Total comprehensive income (loss) for the period	—	—	—	7.8	10.7	(72.7)	(54.2)	0.8	(53.4)
Transactions with owners recorded directly in equity:									
Change in fair value of put options included in equity	—	—	—	—	—	0.3	0.3	—	0.3
Share-based compensation expense	—	—	—	—	1.4	—	1.4	—	1.4
Balance, March 31, 2021	1,434,880,447	14.3	1,061.1	(69.4)	60.7	(485.1)	581.6	35.7	617.3

<i>(Expressed in millions of US Dollars, except number of shares)</i>	Number of shares	Share capital	Reserves			Retained earnings	Total equity attributable to equity holders	Non-controlling interests	Total equity
			Additional paid-in capital	Translation reserve	Other reserves				
Three months ended March 31, 2020									
Balance, January 1, 2020	1,432,569,771	14.3	1,055.2	(51.6)	80.9	852.2	1,951.0	50.5	2,001.5
Profit (loss) for the period	—	—	—	—	—	(787.3)	(787.3)	2.1	(785.2)
Other comprehensive income (loss):									
Changes in fair value of hedges, net of tax	—	—	—	—	(18.1)	—	(18.1)	0.0	(18.1)
Foreign currency translation losses for foreign operations	—	—	—	(29.8)	—	—	(29.8)	(4.4)	(34.2)
Total comprehensive loss for the period	—	—	—	(29.8)	(18.1)	(787.3)	(835.2)	(2.3)	(837.5)
Transactions with owners recorded directly in equity:									
Change in fair value of put options included in equity	—	—	—	—	—	2.1	2.1	—	2.1
Share-based compensation expense	—	—	—	—	0.2	—	0.2	—	0.2
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	(3.5)	(3.5)
Balance, March 31, 2020	1,432,569,771	14.3	1,055.2	(81.4)	63.0	67.0	1,118.1	44.7	1,162.8

Consolidated Statements of Cash Flows (Unaudited)

<i>(Expressed in millions of US Dollars)</i>	Three months ended March 31,	
	2021	2020
Cash flows from operating activities:		
Loss for the period	(71.2)	(785.2)
Adjustments to reconcile loss for the period to net cash used in operating activities:		
Depreciation	13.0	18.5
Amortization of intangible assets	8.2	7.9
Amortization of lease right-of-use assets	30.8	48.6
Impairment Charges	—	819.7
Change in fair value of put options included in finance costs	(2.3)	(1.9)
Non-cash share-based compensation	1.4	0.2
Interest expense on borrowings and lease liabilities	36.2	22.0
Income tax benefit	(10.6)	(83.6)
	5.5	46.2
Changes in operating assets and liabilities:		
Trade and other receivables	11.8	114.3
Inventories	13.1	(25.6)
Other current assets	(2.0)	5.5
Trade and other payables	(11.9)	(158.9)
Other assets and liabilities	7.1	(5.8)
Cash generated from (used in) operating activities	23.6	(24.3)
Interest paid on borrowings and lease liabilities	(29.4)	(16.6)
Income tax paid	(12.4)	(16.2)
Net cash used in operating activities	(18.2)	(57.1)
Cash flows from investing activities:		
Purchases of property, plant and equipment	(1.9)	(17.9)
Other intangible asset additions	(0.2)	(1.3)
Other proceeds	—	0.1
Net cash used in investing activities	(2.1)	(19.1)
Cash flows from financing activities:		
Proceeds from issuance of Amended Term Loan A Facility	—	800.0
Proceeds from drawdown on Amended Revolving Credit Facility	—	810.3
Payment and settlement of Term Loan A Facility	—	(797.0)
Payments on term loan facilities	(8.2)	(1.7)
Proceeds from current loans and borrowings, net	1.9	25.2
Principal payments on lease liabilities	(44.2)	(42.4)
Payment of deferred financing costs	—	(2.8)
Dividend payments to non-controlling interests	—	(3.5)
Net cash provided by (used in) financing activities	(50.5)	788.1
Net increase (decrease) in cash and cash equivalents	(70.8)	711.9
Cash and cash equivalents, at beginning of period	1,495.0	462.6
Effect of exchange rate changes	(6.3)	(6.4)
Cash and cash equivalents, at end of period	1,417.9	1,168.1

MANAGEMENT DISCUSSION AND ANALYSIS

For the Three Months Ended March 31, 2021

Impact of COVID-19

During the three months ended March 31, 2021 the impacts of COVID-19 on the Company's business remained significant due to the continuation or re-imposition of certain government-mandated restrictions and lockdowns that led to temporary closures of certain retail stores in which the Company's products are sold, quarantines and social-distancing required or recommended by governments, and continued significant reductions in travel and discretionary spending among consumers, leading to reduced demand for many of the Group's products (collectively, the "COVID-19 Impacts").

While navigating through the challenges caused by COVID-19, the health and safety of the Group's employees and their families, as well as its customers and business partners, has been and will continue to be the Group's top priority. While the extent and duration of the COVID-19 pandemic remain uncertain, it has had, and it will continue to have, adverse impacts on the Group's business, financial condition and results of operations.

During the year ended December 31, 2020, the Group's net sales were significantly impacted by the COVID-19 pandemic, with full-year 2020 consolidated net sales decreasing by US\$2,102.1 million, or 57.8% (-57.5% constant currency). During the three months ended March 31, 2021, net sales decreased by US\$246.5 million, or 41.0% (-42.4% constant currency), compared to the three months ended March 31, 2020 when the COVID-19 Impacts first affected the Group. The Group's management took steps beginning in the first quarter of 2020 to enhance the Company's liquidity and further improve its resilience in response to the COVID-19 Impacts. In addition to strengthening the Company's liquidity, the Group aggressively reduced its operating expenses to mitigate the impact of lower sales on profit and cash flow as well as to right-size the business for the future. Management continues to tightly manage the Group's operating expenses. The Group's actions to enhance and preserve liquidity and reduce expenses are discussed in greater detail below.

During 2020, in order to strengthen the Company's financial flexibility in response to the COVID-19 Impacts, the Company and certain of its direct and indirect wholly-owned subsidiaries entered into amendments to the Group's credit agreement that increased the maximum borrowings under the Group's revolving credit facility by US\$200.0 million to US\$850.0 million and provided for the 2020 Incremental Term Loan B Facility (as defined in the Management Discussion and Analysis - Indebtedness section below) in the aggregate principal amount of US\$600.0 million. The Group borrowed US\$810.3 million (USD equivalent at the applicable exchange rate on the borrowing date) under its Amended Revolving Credit Facility (as defined in the Management Discussion and Analysis - Indebtedness section below) on March 20, 2020 and US\$600.0 million under the 2020 Incremental Term Loan B Facility on May 7, 2020. The amendment to the Group's credit agreement entered into on April 29, 2020 suspended the requirement for the Group to test certain financial covenants under its credit agreement from the beginning of the second quarter of 2020 through the end of the second quarter of 2021 and, for each of the three quarters beginning with the third quarter of 2021 and ending with the first quarter of 2022, the Company may elect to use Consolidated Adjusted EBITDA (as defined in the Third Amended Credit Agreement) from the first two quarters of 2019 and fourth quarter of 2019 (the "Historical EBITDA") (instead of actual Consolidated Adjusted EBITDA from the fourth quarter of 2020 and the first two quarters of 2021) to calculate compliance with the Financial Covenants (as defined in the Third Amended Credit Agreement). During the Suspension Period (as defined in the Management Discussion and Analysis - Indebtedness section below), the Company is required to comply with a minimum liquidity covenant of US\$500.0 million and the Group is subject to additional restrictions on its ability to incur indebtedness and make restricted payments (including payments of distributions or dividends to the Company's shareholders) and investments. See Management Discussion and Analysis - Indebtedness for further description of the Group's credit agreement.

As of March 31, 2021, the carrying amount of the Group's loans and borrowings was US\$3,163.3 million, net of US\$37.4 million in deferred financing costs. Cash and cash equivalents held by the Group amounted to US\$1,417.9 million as of March 31, 2021. Along with US\$28.1 million available to be borrowed on the Group's Amended Revolving Credit Facility (as defined in the Management Discussion and Analysis - Indebtedness section below), the Group had total liquidity of US\$1,445.9 million as of March 31, 2021 and was therefore in compliance with the US\$500.0 million minimum liquidity required under the Company's credit agreement during the Suspension Period.

The Group has taken further measures during 2021 to conserve cash, including continuing the temporary suspension of the annual cash distribution to shareholders and maintaining a virtual freeze on its capital expenditures and other discretionary spending.

The Group continued to realize fixed cost savings from a combination of permanent and temporary actions. Permanent actions consisted primarily of headcount reductions and savings from closing stores. Temporary actions consisted primarily of furloughs, temporary headcount reductions, eliminating bonuses, salary reductions, temporary rent reductions and other expense reductions, such as travel and entertainment and professional services. These fixed cost savings have been reflected as reductions in the Group's cost of sales, distribution expenses and general and administrative expenses reported in the consolidated statements of income (loss).

In addition to these permanent and temporary actions taken, the Group continues to work to maximize the Company's participation in applicable government or other initiatives available to businesses or employees impacted by the COVID-19 pandemic. The Group also continues to engage with landlords to further negotiate rent deferrals or other rent concessions and to evaluate additional areas of cost savings in response to the COVID-19 Impacts. See Management Discussion and Analysis - Restructuring Charges for further discussion.

Given the inherent uncertainty about the future impacts of COVID-19, it is not possible for the Company to reliably predict the extent to which the Group's business, results of operations, financial condition or liquidity will ultimately be impacted, however the Group's financial condition and results of operations have been, and will continue to be, adversely affected.

Given the Group's experience with prior disruptions to travel, the Company believes the Group will be able to effectively manage through the current environment, although the anticipated recovery has taken longer than prior disruptions. The Company believes that its existing cash and estimated cash flows will be adequate to meet the foreseeable future operating and capital requirements of the Group at least through May 31, 2022; however, there can be no assurances that the Group's liquidity will be sufficient or that the Group may not need to access additional financing.

Net Sales

Net sales decreased by US\$246.5 million, or 41.0% (-42.4% constant currency), during the three months ended March 31, 2021 compared to the three months ended March 31, 2020 due to the COVID-19 Impacts.

The Group's net sales performance continued to improve during the first quarter of 2021. After decreasing by 78.2% (-77.9% constant currency) year-on-year during the second quarter of 2020, when most of the Group's markets were subject to government-mandated lockdowns, the year-on-year decline in the Group's net sales narrowed to 64.6% (-64.7% constant currency) during the third quarter of 2020 and by 57.6% (-58.1% constant currency) during the fourth quarter of 2020 as governments began to relax social-distancing restrictions and markets around the world began to reopen. This encouraging trend continued into the first quarter of 2021, with the decline in the Group's net sales further narrowing to 57.4% (-57.3% constant currency) when compared to the first quarter of 2019, despite a resurgence in COVID-19 cases and the resulting reinstatement of travel restrictions and social distancing measures in certain markets, particularly in Europe, Latin America and India, which slowed the pace of sales recovery.

Net sales for the month ended April 30, 2021 increased by 143.2% (+136.4% constant currency) compared to the month ended April 30, 2020, when most of the Group's wholesale and retail points-of-sale in many of its key markets around the world were temporarily closed due to government mandated lockdowns. Compared to the month ended April 30, 2019, the Group's April 2021 net sales decreased by 54.2% (-54.1% constant currency) due to continued challenging conditions in most markets and particularly in Europe due to continued government-mandated lockdowns, and in Latin America and India, which have experienced a resurgence in COVID-19 cases.

Net Sales by Region

The following table sets forth a breakdown of net sales by region for the three months ended March 31, 2021 and March 31, 2020, both in absolute terms and as a percentage of total net sales.

	Three months ended March 31,					
	2021		2020		2021 vs 2020	
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽²⁾
Net sales by region ⁽¹⁾ :						
North America	127.2	35.9 %	229.5	38.2 %	(44.6)%	(44.6)%
Asia	156.4	44.1 %	203.1	33.8 %	(23.0)%	(25.9)%
Europe	51.5	14.5 %	130.1	21.6 %	(60.4)%	(62.1)%
Latin America	19.3	5.4 %	37.7	6.3 %	(48.8)%	(48.8)%
Corporate	0.3	0.1 %	0.9	0.1 %	(66.5)%	(66.5)%
Net sales	354.7	100.0 %	601.2	100.0 %	(41.0)%	(42.4)%

Notes

- (1) The geographic location of the Group's net sales generally reflects the country/territory from which its products were sold and does not necessarily indicate the country/territory in which its end consumers were actually located.
- (2) Results stated on a constant currency basis, a non-IFRS measure, are calculated by applying the average exchange rate of the same period in the year under comparison to current period local currency results.

Brands

The following table sets forth a breakdown of net sales by brand for the three months ended March 31, 2021 and March 31, 2020, both in absolute terms and as a percentage of total net sales.

	Three months ended March 31,					
	2021		2020		2021 vs 2020	
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽²⁾
Net sales by brand:						
<i>Samsonite</i>	149.9	42.3 %	275.7	45.9 %	(45.6)%	(47.1)%
<i>Tumi</i>	81.7	23.0 %	120.8	20.1 %	(32.4)%	(33.8)%
<i>American Tourister</i>	59.0	16.6 %	104.4	17.4 %	(43.5)%	(44.5)%
<i>Gregory</i>	15.8	4.5 %	16.0	2.6 %	(1.6)%	(3.6)%
<i>Speck</i>	14.7	4.1 %	18.0	3.0 %	(18.6)%	(18.6)%
<i>High Sierra</i>	4.3	1.2 %	6.0	1.0 %	(28.0)%	(29.8)%
Other ⁽¹⁾	29.5	8.3 %	60.3	10.0 %	(51.1)%	(52.9)%
Net sales	354.7	100.0 %	601.2	100.0 %	(41.0)%	(42.4)%

Notes

- (1) "Other" includes certain other brands owned by the Group, such as *Kamiliant*, *ebags*, *Xtrem*, *Lipault*, *Hartmann*, *Saxoline* and *Secret*, as well as third-party brands sold through the Group's Rolling Luggage and Chic Accent retail stores.
- (2) Results stated on a constant currency basis, a non-IFRS measure, are calculated by applying the average exchange rate of the same period in the year under comparison to current period local currency results.

All of the Group's brands recorded year-on-year net sales decreases during the three months ended March 31, 2021 due to the COVID-19 Impacts. Net sales of the *Samsonite* brand during the three months ended March 31, 2021 decreased by US\$125.8 million, or 45.6% (-47.1% constant currency), compared to the same period in the previous year. Net sales of the *Tumi* brand during the three months ended March 31, 2021 decreased by US\$39.1 million, or 32.4% (-33.8% constant currency), year-on-year. Net sales of the *American Tourister* brand decreased by US\$45.5 million, or 43.5% (-44.5% constant currency), for the three months ended March 31, 2021 compared to the three months ended March 31, 2020.

Net sales of the *Gregory* brand decreased by US\$0.2 million, or 1.6% (-3.6% constant currency), compared to the same period in the previous year. Net sales of the *Speck* brand decreased by US\$3.3 million, or 18.6% (-18.6% constant currency), for the three months ended March 31, 2021 compared to the same period in the previous year. Net sales of the *High Sierra* brand decreased by US\$1.7 million, or 28.0% (-29.8% constant currency), year-on-year.

Product Categories

The Group sells products in two principal product categories: travel and non-travel. The following table sets forth a breakdown of net sales by product category for the three months ended March 31, 2021 and March 31, 2020, both in absolute terms and as a percentage of total net sales.

	Three months ended March 31,				2021 vs 2020	
	2021		2020		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽²⁾
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales		
Net sales by product category:						
Travel	173.8	49.0 %	346.8	57.7 %	(49.9)%	(50.7)%
Non-travel ⁽¹⁾	180.9	51.0 %	254.4	42.3 %	(28.9)%	(31.1)%
Net sales	354.7	100.0 %	601.2	100.0 %	(41.0)%	(42.4)%

Notes

(1) The non-travel category includes business, casual, accessories and other products.

(2) Results stated on a constant currency basis, a non-IFRS measure, are calculated by applying the average exchange rate of the same period in the year under comparison to current period local currency results.

All of the Group's product categories recorded year-on-year net sales decreases during the three months ended March 31, 2021 due to the COVID-19 Impacts. Net sales in the travel product category during the three months ended March 31, 2021 decreased by US\$173.0 million, or 49.9% (-50.7% constant currency), compared to the three months ended March 31, 2020 as a result of the significant reduction in travel caused by COVID-19. Total non-travel category net sales, which includes business, casual, accessories and other products, decreased by US\$73.5 million, or 28.9% (-31.1% constant currency), for the three months ended March 31, 2021 compared to the three months ended March 31, 2020. Net sales of business products decreased by US\$25.1 million, or 21.8% (-24.2% constant currency), for the three months ended March 31, 2021 compared to the same period in the previous year. Net sales of casual products during the three months ended March 31, 2021 decreased by US\$25.6 million, or 32.9% (-35.2% constant currency), compared to the same period in the previous year. Net sales of accessories during the three months ended March 31, 2021 decreased by US\$19.1 million, or 36.7% (-38.0% constant currency), year-on-year.

Distribution Channels

The Group sells products through two primary distribution channels: wholesale and direct-to-consumer ("DTC"). The following table sets forth a breakdown of net sales by distribution channel for the three months ended March 31, 2021 and March 31, 2020, both in absolute terms and as a percentage of total net sales.

	Three months ended March 31,				2021 vs 2020	
	2021		2020		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽³⁾
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales		
Net sales by distribution channel:						
Wholesale	238.1	67.1 %	381.3	63.5 %	(37.6)%	(39.1)%
DTC ⁽¹⁾	116.4	32.8 %	219.0	36.4 %	(46.9)%	(48.0)%
Other ⁽²⁾	0.3	0.1 %	0.9	0.1 %	(66.5)%	(66.5)%
Net sales	354.7	100.0 %	601.2	100.0 %	(41.0)%	(42.4)%

Notes

(1) DTC, or direct-to-consumer, includes bricks-and-mortar retail and e-commerce sites owned and operated by the Group.

(2) "Other" primarily consists of licensing revenue.

(3) Results stated on a constant currency basis, a non-IFRS measure, are calculated by applying the average exchange rate of the same period in the year under comparison to current period local currency results.

All of the Group's distribution channels recorded year-on-year net sales decreases during the three months ended March 31, 2021 due to the COVID-19 Impacts. Net sales in the wholesale channel decreased by US\$143.2 million, or 37.6% (-39.1% constant currency), during the three months ended March 31, 2021 compared to the three months ended March 31, 2020. Net sales to e-retailers, which are included in the Group's wholesale channel, decreased by US\$5.2 million, or 15.0% (-18.0% constant currency), during the three months ended March 31, 2021 compared to the same period in the previous year as net sales through the Group's e-retailer customers were impacted less by lockdowns.

Net sales in the DTC channel, which includes company-operated retail stores and DTC e-commerce, decreased by US\$102.7 million, or 46.9% (-48.0% constant currency), to US\$116.4 million (representing 32.8% of net sales) for the three months ended March 31, 2021 from US\$219.0 million (representing 36.4% of net sales) for the three months ended March 31, 2020.

Net sales in the DTC retail channel decreased by US\$80.5 million, or 51.5% (-52.2% constant currency), during the three months ended March 31, 2021 compared to the same period in the previous year due to a continuation of temporary store closures in certain markets and reduced consumer demand resulting from the COVID-19 pandemic. During the three months ended March 31, 2021, the Group permanently closed 59 company-operated stores. This was partially offset by the addition of 4 stores. This resulted in a net reduction of 55 company-operated stores closed during the three months ended March 31, 2021, compared to a net reduction of 18 company-operated stores closed during the three months ended March 31, 2020. The total number of company-operated retail stores was 1,041 as of March 31, 2021, compared to 1,276 company-operated retail stores as of March 31, 2020. As a result of the temporary closure of many of its company-operated stores during the second, third and fourth quarters of 2020 and continuing into the first quarter of 2021 due to the COVID-19 Impacts, the Group believes the Company's year-to-date 2021 comparable store sales metrics are not representative of the underlying trends of its business. The Group has not included these metrics in its discussion and analysis of net sales.

Total DTC e-commerce net sales decreased by US\$22.1 million, or 35.4% (-37.4% constant currency), to US\$40.4 million (representing 11.4% of net sales) for the three months ended March 31, 2021 from US\$62.6 million (representing 10.4% of net sales) for the three months ended March 31, 2020 as net sales through the Group's DTC e-commerce channels were impacted less by lockdowns than net sales through its bricks-and-mortar retail stores.

During the three months ended March 31, 2021, US\$69.8 million of the Group's net sales were through e-commerce channels (comprising US\$40.4 million of net sales from the Group's DTC e-commerce website, which are included within the DTC channel, and US\$29.4 million of net sales to e-retailers, which are included within the wholesale channel). This represented a year-on-year decrease of US\$27.4 million, or 28.2% (-30.5% constant currency), compared to the three months ended March 31, 2020, when e-commerce comprised US\$97.2 million of the Group's net sales. During the three months ended March 31, 2021, the Group's net sales through e-commerce channels represented 19.7% of total net sales compared to 16.2% of total net sales for the three months ended March 31, 2020, as the shift in consumers' shopping behavior towards e-commerce channels accelerated as a result of the COVID-19 pandemic.

Regions

North America

The Group's net sales in North America decreased by US\$102.2 million, or 44.6% (-44.6% constant currency), for the three months ended March 31, 2021 compared to the three months ended March 31, 2020 due to a continuation of reduced consumer demand resulting from the COVID-19 pandemic.

After decreasing by 74.0% (-74.0% constant currency) year-on-year during the second quarter of 2020, the decline in the Group's net sales in North America steadily improved to a year-on-year decline of 64.4% (-64.3% constant currency) during the third quarter of 2020, and further narrowed to a year-on-year decline of 56.6% (-56.6% constant currency) during the fourth quarter of 2020. The recovery was temporarily slowed by a resurgence in COVID-19 cases in early 2021, with the Group recording a net sales decline of 61.9% (-61.9% constant currency) in North America for the first two months of 2021 compared to the corresponding period in 2019. However, with continued progress in the vaccination rollout and increased demand for domestic travel, the Group's recovery began to accelerate in March, and the positive trend has continued into April. For the month ended March 31, 2021, the decline in the Group's net sales in North America improved to 50.4% (-50.4% constant currency) when compared to the corresponding month in 2019. Overall, for the three months ended March 31, 2021, the Group recorded a net sales decline of 57.8% (-57.9% constant currency) in North America, when compared to the first quarter of 2019. For the month ended April 30, 2020, the decline in the Group's net sales in North America further narrowed to 46.4% (-46.5% constant currency) when compared to the month ended April 30, 2019.

Most of the Group's brands in North America recorded year-on-year net sales decreases during the three months ended March 31, 2021 due to the COVID-19 Impacts. For the three months ended March 31, 2021, net sales of the *Samsonite* brand in North America decreased by US\$44.7 million, or 46.9% (-46.9% constant currency), compared to the same period in the previous year. Net sales of the *Tumi* brand during the three months ended March 31, 2021 decreased by US\$32.7 million, or 46.2% (-46.3% constant currency), year-on-year. Net sales of the *American Tourister* brand during the three months ended March 31, 2021 decreased by US\$8.2 million, or 41.8% (-41.9% constant currency), compared to the three months ended March 31, 2020. Net sales of the *Speck* brand for the three months ended March 31, 2021 decreased by US\$3.3 million, or 18.6% (-18.6% constant currency), compared to the same period in the previous year. Net sales of the *High Sierra* brand for the three months ended March 31, 2021 decreased by US\$1.0 million, or 24.8%

(-24.9% constant currency), year-on-year. Net sales of other brands for the three months ended March 31, 2021 decreased by US\$15.7 million, or 85.7% (-85.7% constant currency), compared to the same period in the previous year. These net sales decreases were partially offset by increased net sales of the *Gregory* brand which resulted primarily from increased demand for backpacks and other outdoor-related products. Net sales of the *Gregory* brand for the three months ended March 31, 2021 increased by US\$3.4 million, or 102.4% (+102.4% constant currency), year-on-year.

For the three months ended March 31, 2021, net sales in the United States decreased by US\$95.9 million, or 43.6%, year-on-year and net sales in Canada decreased by US\$6.3 million, or 66.6% (-68.2% constant currency), year-on-year due to the COVID-19 Impacts. Compared to the first quarter of 2019, first quarter 2021 net sales in the United States and Canada decreased by 56.9% (-56.9% constant currency) and by 77.3% (-78.3% constant currency), respectively.

Asia

The Group's net sales in Asia decreased by US\$46.7 million, or 23.0% (-25.9% constant currency), for the three months ended March 31, 2021 compared to the three months ended March 31, 2020 due to the COVID-19 Impacts.

The Group's net sales performance in Asia continued to improve during the first quarter of 2021. Compared to the first quarter of 2019, the Group recorded a net sales decline of 49.2% (-49.9% constant currency) in Asia during the first quarter of 2021. This represents a third consecutive quarter of improvement, with the decline in the Group's net sales in Asia steadily narrowing from a year-on-year decline of 76.2% (-75.6% constant currency) in the second quarter of 2020, to a year-on-year decline of 63.1% (-63.4% constant currency) in the third quarter of 2020, and a year-on-year decline of 54.7% (-56.1% constant currency) in the fourth quarter of 2020.

China continued to drive the Group's net sales recovery in Asia. After decreasing by 62.2% (-60.7% constant currency) year-on-year during the second quarter of 2020, the decline in the Group's net sales in China narrowed to a 46.2% (-47.9% constant currency) year-on-year decline during the third quarter of 2020, a 29.8% (-33.7% constant currency) year-on-year decline during the fourth quarter of 2020, and further improved to a 24.7% (-27.6% constant currency) decline during the first quarter of 2021 when compared to the first quarter of 2019.

Most of the Group's brands in Asia recorded year-on-year net sales decreases during the three months ended March 31, 2021 due to the COVID-19 Impacts. For the three months ended March 31, 2021, net sales of the *Samsonite* brand in Asia decreased by US\$24.7 million, or 28.2% (-32.1% constant currency), compared to the same period in the previous year. Net sales of the *American Tourister* brand during the three months ended March 31, 2021 decreased by US\$19.0 million, or 32.9% (-34.4% constant currency), compared to the three months ended March 31, 2020. Net sales of the *Gregory* brand decreased by US\$3.7 million, or 35.5% (-36.9% constant currency), compared to the same period in the previous year. These net sales decreases were partially offset by increased net sales of the *Tumi* brand. Net sales of the *Tumi* brand during the three months ended March 31, 2021 increased by US\$2.5 million, or 7.8% (+3.8% constant currency), year-on-year.

Most of the Group's main markets in Asia experienced year-on-year net sales declines during the three months ended March 31, 2021 due to the COVID-19 Impacts. Japan's net sales decreased by US\$20.8 million, or 48.0% (-49.0% constant currency), year-on-year. Net sales in South Korea decreased by US\$11.3 million, or 38.5% (-42.5% constant currency), year-on-year. Total net sales reported for Hong Kong (which comprises net sales made in the domestic Hong Kong market, Macau and to distributors in certain other Asian markets) decreased by US\$1.1 million, or 7.9% (-8.0% constant currency), year-on-year. These net sales decreases were partially offset by increased net sales in China and India compared to the same period in the previous year, as business operations in these countries were partially or fully shut down during part of the first quarter of 2020 due to COVID-19. Net sales in China increased by US\$13.2 million, or 35.1% (+25.5% constant currency), for the three months ended March 31, 2021 compared to the same period in the previous year. Net sales in India increased by US\$1.4 million, or 4.5% (+5.7% constant currency), for the three months ended March 31, 2021 year-on-year.

All of the Group's main markets in Asia recorded net sales decreases during the first quarter of 2021 compared to the first quarter of 2019 including: Japan (-55.9%; -57.5% constant currency), South Korea (-66.7%; -66.8% constant currency), Hong Kong (-67.8%; -68.0% constant currency), China (-24.7%; -27.6% constant currency) and India (-4.6%; -0.6% constant currency).

Europe

The Group's net sales in Europe decreased by US\$78.6 million, or 60.4% (-62.1% constant currency), for the three months ended March 31, 2021 compared to the three months ended March 31, 2020 as governments across the region continued to impose lockdown restrictions resulting from the resurgence of COVID-19 cases in late 2020 and early 2021.

After decreasing by 86.0% (-85.7% constant currency) year-on-year during the second quarter of 2020, the decline in the Group's net sales in Europe improved to a year-on-year decline of 64.8% (-65.7% constant currency) during the third quarter of 2020. This recovery was interrupted by a resurgence in COVID-19 cases in late 2020 and early 2021, with the Group recording a year-on-year net sales decline of 66.3% (-67.1% constant currency) in Europe during the fourth quarter of 2020, and a net sales decline of 70.5% (-70.9% constant currency) during the first quarter of 2021 when compared to the first quarter of 2019.

All of the Group's brands in Europe recorded year-on-year net sales decreases during the three months ended March 31, 2021 due to the COVID-19 Impacts. For the three months ended March 31, 2021, net sales of the *Samsonite* brand in Europe decreased by US\$50.0 million, or 61.4% (-62.9% constant currency), compared to the same period in the previous year. Net sales of the *Tumi* brand during the three months ended March 31, 2021 decreased by US\$8.8 million, or 53.7% (-56.0% constant currency), year-on-year. Net sales of the *American Tourister* brand during the three months ended March 31, 2021 decreased by US\$15.9 million, or 69.5% (-70.8% constant currency), compared to the three months ended March 31, 2020.

All of the Group's key markets in Europe recorded year-on-year net sales decreases during the three months ended March 31, 2021 due to the COVID-19 Impacts. Net sales in Germany decreased by US\$14.0 million, or 70.1% (-72.6% constant currency), for the three months ended March 31, 2021 compared to the same period in the previous year. Italy's net sales decreased by US\$6.7 million, or 54.7% (-58.4% constant currency), compared to the three months ended March 31, 2020. Net sales in France decreased by US\$7.8 million, or 59.3% (-62.7% constant currency), compared to the same period in the previous year. Net sales in Russia decreased by US\$1.6 million, or 19.2% (-9.4% constant currency), year-on-year. Net sales in the United Kingdom decreased by US\$9.9 million, or 83.0% (-84.1% constant currency), year-on-year.

All of the Group's key markets in Europe recorded net sales decreases during the first quarter of 2021 compared to the first quarter of 2019 including: Germany (-78.4%; -79.6% constant currency), Italy (-72.2%; -73.8% constant currency), France (-70.4%; -72.1% constant currency), Russia (-29.5%; -20.3% constant currency) and United Kingdom (-88.0%; -88.6% constant currency).

Latin America

The Group's net sales in Latin America decreased by US\$18.4 million, or 48.8% (-48.8% constant currency), for the three months ended March 31, 2021 compared to the three months ended March 31, 2020 as governments across the region imposed lockdown restrictions in January 2021 resulting from the resurgence of COVID-19 cases in late 2020 and early 2021.

After decreasing by 95.4% (-94.3% constant currency) year-on-year during the second quarter of 2020, the decline in the Group's net sales in Latin America improved to a year-on-year decline of 77.8% (-74.2% constant currency) during the third quarter of 2020, and a year-on-year decline of 46.9% (-43.2% constant currency) during the fourth quarter of 2020. This recovery was interrupted by a resurgence in COVID-19 cases in early 2021, with the Group recording a net sales decline in Latin America of 58.8% (-51.1% constant currency) during the first quarter of 2021 when compared to the first quarter of 2019.

Most of the Group's brands in Latin America recorded year-on-year net sales decreases during the three months ended March 31, 2021 due to the COVID-19 Impacts. For the three months ended March 31, 2021, net sales of the *Samsonite* brand in Latin America decreased by US\$6.4 million, or 57.4% (-52.5% constant currency), compared to the same period in the previous year. Net sales of the *American Tourister* brand during the three months ended March 31, 2021 decreased by US\$2.3 million, or 57.1% (-53.8% constant currency), compared to the three months ended March 31, 2020. For the three months ended March 31, 2021, net sales of the *Tumi* brand in Latin America decreased by US\$0.2 million, or 17.0% (-12.9% constant currency), compared to the same period in the previous year. Net sales of the *Xtrem* brand decreased by US\$8.8 million, or 64.5% (-65.5% constant currency), compared to the same period in the previous year. Net sales of the *Saxoline* brand decreased by US\$0.7 million, or 12.4% (-19.8% constant currency), year-on-year. These decreases were partially offset by a US\$0.3 million, or 13.9% (+3.7% constant currency) increase in net sales of the *Secret* brand compared to the corresponding period in 2020.

Net sales in Chile decreased by US\$6.3 million, or 35.2% (-40.9% constant currency), during the three months ended March 31, 2021 compared to the same period in the previous year. Net sales in Mexico decreased by US\$4.4 million, or 58.9% (-57.8% constant currency), year-on-year. Compared to the first quarter of 2019, net sales in Chile and Mexico decreased by 47.5% (-43.0% constant currency) and by 73.4% (-71.7% constant currency), respectively.

Cost of Sales and Gross Profit

Cost of sales decreased by US\$90.0 million, or 33.1%, to US\$182.0 million (representing 51.3% of net sales) for the three months ended March 31, 2021 from US\$272.0 million (representing 45.2% of net sales) for the three months ended March 31, 2020 due to the decrease in net sales.

Gross profit decreased by US\$156.5 million, or 47.5%, to US\$172.7 million for the three months ended March 31, 2021 from US\$329.2 million for the three months ended March 31, 2020 as a result of the decrease in net sales year-on-year caused by the COVID-19 Impacts. Gross profit margin decreased to 48.7% for the three months ended March 31, 2021 from 54.8% for the corresponding period in the previous year. The decrease in the gross profit margin was primarily related to a decrease in gross profit as a result of the decrease in net sales year-on-year caused primarily by the COVID-19 Impacts, including the effects of fixed sourcing and manufacturing expenses on a lower net sales base, a shift in distribution channel sales mix, increased discounting and promotional activity and higher freight and raw material costs, as well as the expiration of the Generalized System of Preferences program in the United States ("GSP") in January 2021. The expiration of GSP has resulted in increased duty costs on goods imported to the United States from countries that were beneficiaries of GSP. When compared to the first quarter of 2019, gross profit margin decreased to 48.7% for the three months ended March 31, 2021 from 56.6% for the three months ended March 31, 2019.

Distribution Expenses

Distribution expenses decreased by US\$99.6 million, or 38.3%, to US\$160.2 million (representing 45.2% of net sales) for the three months ended March 31, 2021 from US\$259.8 million (representing 43.2% of net sales) for the three months ended March 31, 2020, primarily due to reduced variable distribution expenses as a result of the decrease in net sales and actions taken by management to reduce the fixed and variable cost structure of the business. Distribution expenses as a percentage of net sales increased primarily due to the impact of lower net sales. See Management Discussion and Analysis - Impact of COVID-19 for further discussion. When compared to the first quarter of 2019, distribution expenses decreased by 47.5% for the three months ended March 31, 2021.

Marketing Expenses

The Group spent US\$10.7 million on marketing during the three months ended March 31, 2021 compared to US\$34.7 million for the three months ended March 31, 2020, a decrease of US\$24.1 million, or 69.3%. As a percentage of net sales, marketing expenses decreased by 280 basis points to 3.0% for the three months ended March 31, 2021 from 5.8% for the three months ended March 31, 2020. When compared to the first quarter of 2019, marketing expenses decreased by 78.4%, and as a percentage of net sales decreased by 290 basis points to 3.0% for the three months ended March 31, 2021 from 5.9% for the three months ended March 31, 2019. The Group has continued to tightly manage its advertising expenses in an effort to help conserve cash and to mitigate the effects of the COVID-19 Impacts on the Group's business.

General and Administrative Expenses

General and administrative expenses decreased by US\$1.9 million, or 3.9%, to US\$47.2 million (representing 13.3% of net sales) for the three months ended March 31, 2021 from US\$49.2 million (representing 8.2% of net sales) for the three months ended March 31, 2020. The decrease in general and administrative expenses reflects actions taken by management to reduce the fixed and variable cost structure of the business, including headcount reductions and other savings initiatives, to help mitigate the negative impacts on the Group's profitability caused by COVID-19. See Management Discussion and Analysis - Impact of COVID-19 for further discussion. Such savings were partially offset by the return of certain expenses that had been temporarily suspended at the onset of the pandemic including certain employee compensation costs. General and administrative expenses as a percentage of net sales increased by 510 basis points due to the decrease in net sales year-on-year. When compared to the first quarter of 2019, general and administrative expenses decreased by 17.6% for the three months ended March 31, 2021.

Impairment Charges

There were no impairment charges recorded during the three months ended March 31, 2021. The following table sets forth a breakdown of the non-cash impairment charges for the three months ended March 31, 2020 (the "1Q 2020 Impairment Charges").

<i>(Expressed in millions of US Dollars)</i>		Three Months Ended March 31, 2020
Impairment charges recognized on:	Functional Area	1Q 2020 Impairment Charges
Goodwill		496.0
Tradenames		236.0
Lease right-of-use assets	Distribution	68.4
Property, plant and equipment	Distribution	19.3
Total impairment charges		819.7

In accordance with International Accounting Standards ("IAS") 36, *Impairment of Assets* ("IAS 36"), the Group is required to evaluate its intangible assets with indefinite lives at least annually or when an event has occurred or circumstances change that would more likely than not reduce the recoverable amount of a cash generating unit ("CGU") below its carrying value. The Group is also required to perform a review for impairment indicators at least quarterly on its tangible and intangible assets with finite useful lives. If there is any indication that an asset may be impaired, the Group must estimate the recoverable amount of the asset or CGU.

During the three months ended March 31, 2021, the Group determined there were no triggering events that indicated that its indefinite-lived intangible assets or other assets with finite lives were impaired.

1Q 2020 Impairment Charges

Due to the negative impacts resulting from the COVID-19 pandemic, certain indefinite-lived intangible assets identified by the Group were tested for impairment during the first quarter of 2020. Based on valuations performed by a third-party specialist engaged by the Company, management determined that the carrying value of certain intangible assets exceeded their recoverable amounts, resulting in non-cash impairment charges recognized during the first quarter of 2020 totaling US\$732.0 million, comprised of US\$496.0 million for goodwill and US\$236.0 million for certain tradenames.

Further, based on an evaluation of loss-making stores during the three months ended March 31, 2020, and also due to reduced traffic and under-performance caused by the COVID-19 pandemic during the first quarter of 2020, the Group determined that the carrying amounts of certain retail stores, which represent individual CGUs, respectively, exceeded their corresponding recoverable amounts. During the three months ended March 31, 2020 the Group recognized non-cash impairment charges totaling US\$87.7 million, comprised of US\$68.4 million for lease right-of-use assets and US\$19.3 million for property, plant and equipment, including leasehold improvements.

Restructuring Charges

The following table sets forth a breakdown of the restructuring charges for the three months ended March 31, 2021 and March 31, 2020.

<i>(Expressed in millions of US Dollars)</i>	Three Months Ended March 31,	
	2021	2020
Functional Area		
Restructuring charges attributable to distribution function	0.7	4.4
Restructuring charges attributable to general and administrative function	3.1	2.3
Restructuring charges (exclusive of amounts included in cost of sales)	3.8	6.7
Total restructuring charges	3.8	6.7

During 2020, the Group aggressively reduced its operating expenses to mitigate the impact of lower sales on profit and cash flow as well as to right-size the business for the future in response to the COVID-19 Impacts. In conjunction with these cost saving actions and other restructuring initiatives, the Group recognized charges related to these restructuring initiatives (the "Restructuring Charges"). During the three months ended March 31, 2021 and March 31, 2020, the Group recognized the Restructuring Charges of US\$3.8 million and US\$6.7 million, respectively. The Restructuring Charges

consisted primarily of severance associated with permanent headcount reductions, store closure costs and certain other costs incurred to implement profit improvement initiatives. The Group continues to evaluate additional areas to further reduce operating expenses in response to the COVID-19 Impacts.

Operating Loss

The following table presents the reconciliation from the Group's operating loss, as reported, to operating loss, as adjusted, for the three months ended March 31, 2021 and March 31, 2020.

<i>(Expressed in millions of US Dollars)</i>	OPERATING LOSS		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽¹⁾
	Three Months Ended March 31,			
	2021	2020		
Operating loss, as reported	(47.0)	(842.0)	<i>nm</i>	<i>nm</i>
Impairment Charges	—	819.7	<i>nm</i>	<i>nm</i>
Restructuring Charges	3.8	6.7	<i>nm</i>	<i>nm</i>
Operating loss, as adjusted	(43.2)	(15.6)	<i>nm</i>	<i>nm</i>

Notes

(1) Results stated on a constant currency basis, a non-IFRS measure, are calculated by applying the average exchange rate of the same period in the year under comparison to current period local currency results.

nm Not meaningful.

The Group incurred an operating loss of US\$47.0 million for the three months ended March 31, 2021, compared to an operating loss of US\$842.0 million for the corresponding period in the previous year. The Group incurred an operating loss of US\$43.2 million for the three months ended March 31, 2021 when excluding the Restructuring Charges recognized during the three months ended March 31, 2021, compared to an operating loss of US\$15.6 million for the corresponding period in the previous year when excluding the non-cash 1Q 2020 Impairment Charges and the Restructuring Charges recognized during the three months ended March 31, 2020.

Net Finance Costs

Net finance costs increased by US\$8.0 million, or 29.8%, to US\$34.8 million for the three months ended March 31, 2021 from US\$26.8 million for the three months ended March 31, 2020, primarily due to an increase in interest expense on loans and borrowings of US\$14.0 million year-on-year as a result of increased borrowings during 2020 to ensure adequate liquidity as the Group navigated the challenges from COVID-19, partially offset by a decrease in net foreign exchange losses of US\$5.9 million year-on-year.

The following table sets forth a breakdown of total finance costs for the three months ended March 31, 2021 and March 31, 2020.

<i>(Expressed in millions of US Dollars)</i>	Three months ended March 31,	
	2021	2020
Recognized in income or loss:		
Interest income	0.9	0.8
Total finance income	0.9	0.8
Interest expense on loans and borrowings	(28.0)	(14.0)
Amortization of deferred financing costs associated with the Amended Senior Credit Facilities	(2.5)	(0.8)
Interest expense on lease liabilities	(5.7)	(7.2)
Change in fair value of put options	2.3	1.9
Net foreign exchange gain (loss)	(1.6)	(7.5)
Other finance costs	(0.2)	0.0
Total finance costs	(35.7)	(27.6)
Net finance costs recognized in profit or loss	(34.8)	(26.8)

Loss before Income Tax

The following table presents the reconciliation from the Group's loss before income tax, as reported, to loss before income tax, as adjusted, for the three months ended March 31, 2021 and March 31, 2020.

<i>(Expressed in millions of US Dollars)</i>	LOSS BEFORE INCOME TAX		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽¹⁾
	Three months ended March 31,			
	2021	2020		
Loss before income tax, as reported	(81.8)	(868.8)	<i>nm</i>	<i>nm</i>
Impairment Charges	—	819.7	<i>nm</i>	<i>nm</i>
Restructuring Charges	3.8	6.7	<i>nm</i>	<i>nm</i>
Loss before income tax, as adjusted	(78.0)	(42.4)	<i>nm</i>	<i>nm</i>

Notes

(1) Results stated on a constant currency basis, a non-IFRS measure, are calculated by applying the average exchange rate of the same period in the year under comparison to current period local currency results.

nm Not meaningful.

The Group incurred a loss before income tax of US\$81.8 million for the three months ended March 31, 2021, compared to a loss before income tax of US\$868.8 million for the corresponding period in the previous year. The Group incurred a loss before income tax of US\$78.0 million for the three months ended March 31, 2021 when excluding the Restructuring Charges recognized during the three months ended March 31, 2021, compared to a loss before income tax of US\$42.4 million for the corresponding period in the previous year when excluding the non-cash 1Q 2020 Impairment Charges and the Restructuring Charges recognized during the three months ended March 31, 2020.

Income Tax Benefit

The Group recorded an income tax benefit of US\$10.6 million for the three months ended March 31, 2021 compared to an income tax benefit of US\$83.6 million for the three months ended March 31, 2020. The income tax benefit recorded during the first quarter of 2021 was due mainly to the US\$81.8 million reported loss before income tax caused by the COVID-19 Impacts and changes in unrecognized deferred tax assets. The income tax benefit recorded during the first quarter of 2020 was due mainly to the US\$868.8 million reported loss before income tax caused by the COVID-19 Impacts, changes in reserves and changes in unrecognized deferred tax assets.

The Group's consolidated effective tax rate for operations was 12.9% and 9.6% for the three months ended March 31, 2021 and March 31, 2020, respectively. The reported effective tax rate was calculated using a weighted average income tax rate from those jurisdictions in which the Group is subject to tax, adjusted for permanent book/tax differences, tax incentives, changes in tax reserves and changes in unrecognized deferred tax assets. The effective tax rate for each period was recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income (loss) for the period adjusted for certain discrete items for the period. The increase in the Group's effective tax rate was mainly the result of changes in the profit mix between high and low tax jurisdictions and also the tax impact of the non-cash Impairment Charges.

To proactively address the risk of changes in applicable tax legislation, the Company is actively working on a restructuring initiative in an effort to maintain the Company's effective tax rate within a range that is reasonably consistent with its historical effective tax rate.

Profit (Loss)

Loss for the period

The following table presents the reconciliation from the Group's loss for the period, as reported, to loss for the period, as adjusted, for the three months ended March 31, 2021 and March 31, 2020.

<i>(Expressed in millions of US Dollars)</i>	LOSS FOR THE PERIOD		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽¹⁾
	Three months ended March 31,			
	2021	2020		
Loss for the period, as reported	(71.2)	(785.2)	<i>nm</i>	<i>nm</i>
Impairment Charges	—	819.7	<i>nm</i>	<i>nm</i>
Restructuring Charges	3.8	6.7	(43.8)%	(44.8)%
Tax impact	(2.4)	(81.8)	<i>nm</i>	<i>nm</i>
Loss for the period, as adjusted	(69.8)	(40.6)	72.0 %	66.7 %

Notes

(1) Results stated on a constant currency basis, a non-IFRS measure, are calculated by applying the average exchange rate of the same period in the year under comparison to current period local currency results.

nm Not meaningful.

The Group incurred a loss for the three months ended March 31, 2021 of US\$71.2 million, compared to a loss for the three months ended March 31, 2020 of US\$785.2 million. The Group incurred a loss for the three months ended March 31, 2021 of US\$69.8 million when excluding the Restructuring Charges recognized during the three months ended March 31, 2021, net of the related tax impact, compared to a loss for the three months ended March 31, 2020 of US\$40.6 million when excluding the non-cash 1Q 2020 Impairment Charges and the Restructuring Charges recognized during the three months ended March 31, 2020, both of which are net of the related tax impact.

Loss attributable to the equity holders

The following table presents the reconciliation from the Group's loss attributable to the equity holders, as reported, to loss attributable to the equity holders, as adjusted, for the three months ended March 31, 2021 and March 31, 2020.

<i>(Expressed in millions of US Dollars)</i>	LOSS ATTRIBUTABLE TO THE EQUITY HOLDERS		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽¹⁾
	Three months ended March 31,			
	2021	2020		
Loss attributable to the equity holders, as reported	(72.7)	(787.3)	<i>nm</i>	<i>nm</i>
Impairment Charges	—	819.7	<i>nm</i>	<i>nm</i>
Restructuring Charges	3.8	6.7	(43.8)%	(44.8)%
Tax impact	(2.4)	(81.8)	<i>nm</i>	<i>nm</i>
Loss attributable to the equity holders, as adjusted	(71.3)	(42.7)	67.1 %	62.1 %

Notes

(1) Results stated on a constant currency basis, a non-IFRS measure, are calculated by applying the average exchange rate of the same period in the year under comparison to current period local currency results.

nm Not meaningful.

The Group incurred a loss attributable to the equity holders of US\$72.7 million for the three months ended March 31, 2021, compared to a loss attributable to the equity holders of US\$787.3 million for the corresponding period in the previous year. For the three months ended March 31, 2021, the Group incurred a loss attributable to the equity holders of US\$71.3 million when excluding the Restructuring Charges recognized during the three months ended March 31, 2021, net of the related tax impact, compared to a loss attributable to the equity holders of US\$42.7 million for the corresponding period in the previous year when excluding the non-cash 1Q 2020 Impairment Charges and the Restructuring Charges recognized during the three months ended March 31, 2020, both of which are net of the related tax impact.

Basic and diluted loss per share

Basic and diluted loss per share was US\$0.051 for the three months ended March 31, 2021, compared to basic and diluted loss per share of US\$0.550 for the three months ended March 31, 2020. The weighted average number of shares utilized in the basic loss per share calculation was 1,434,880,447 shares for the three months ended March 31, 2021 compared to 1,432,569,771 shares for the three months ended March 31, 2020. The weighted average number of shares outstanding utilized in the diluted loss per share calculation was 1,434,880,447 shares for the three months ended March 31, 2021 compared to 1,432,569,771 shares for the three months ended March 31, 2020.

Basic and diluted loss per share, as adjusted, was US\$0.050 for the three months ended March 31, 2021 when excluding the Restructuring Charges recognized during the three months ended March 31, 2021, net of the related tax impact, compared to basic and diluted loss per share, as adjusted, of US\$0.030 for the three months ended March 31, 2020 when excluding the non-cash 1Q 2020 Impairment Charges and the Restructuring Charges recognized during the three months ended March 31, 2020, both of which are net of the related tax impact. The year-on-year decrease was caused by the COVID-19 Impacts on the Group's business.

Adjusted EBITDA

Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), a non-IFRS measure, decreased by US\$33.3 million to a loss of US\$28.5 million for the three months ended March 31, 2021, compared to earnings of US\$4.9 million for the three months ended March 31, 2020. This represents a third consecutive quarter of improvement in the Group's Adjusted EBITDA from a loss of US\$127.8 million for the second quarter of 2020, when the COVID-19 Impacts on the Company's business were most pronounced, to a loss of US\$50.7 million for the third quarter of 2020, a loss of US\$45.1 million for the fourth quarter of 2020, and a loss of US\$28.5 million for the first quarter of 2021.

Adjusted EBITDA margin was (8.0%) for the three months ended March 31, 2021 compared to 0.8% for the three months ended March 31, 2020, due primarily to the COVID-19 Impacts.

The following table presents the reconciliation from the Group's loss for the period to Adjusted EBITDA for the three months ended March 31, 2021 and March 31, 2020:

<i>(Expressed in millions of US Dollars)</i>	Three months ended March 31,		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽³⁾
	2021	2020		
Loss for the period	(71.2)	(785.2)	<i>nm</i>	<i>nm</i>
Plus (Minus):				
Income tax benefit	(10.6)	(83.6)	<i>nm</i>	<i>nm</i>
Finance costs	35.7	27.6	29.6 %	28.4 %
Finance income	(0.9)	(0.8)	20.8 %	20.6 %
Depreciation	13.0	18.5	(29.6)%	(31.8)%
Total amortization	39.0	56.5	(31.0)%	(32.3)%
EBITDA	5.0	(767.0)	<i>nm</i>	<i>nm</i>
Plus (Minus):				
Share-based compensation expense	1.4	0.2	<i>nm</i>	<i>nm</i>
Impairment Charges	—	819.7	<i>nm</i>	<i>nm</i>
Restructuring Charges	3.8	6.7	(43.8)%	(44.8)%
Other adjustments ⁽¹⁾	(2.2)	1.1	<i>nm</i>	<i>nm</i>
Amortization of lease right-of-use assets	(30.8)	(48.6)	(36.6)%	(37.9)%
Interest expense on lease liabilities	(5.7)	(7.2)	(20.5)%	(20.8)%
Adjusted EBITDA ⁽²⁾	(28.5)	4.9	<i>nm</i>	<i>nm</i>
Adjusted EBITDA margin	(8.0)%	0.8 %		

Notes

- (1) Other adjustments primarily comprised 'Other income (expenses)' per the consolidated statements of income (loss).
 - (2) Adjusted EBITDA, a non-IFRS measure, eliminates the effect of a number of costs, charges and credits and certain other non-cash charges. Adjusted EBITDA includes the lease interest and amortization expense as a result of the Group's adoption of IFRS 16, *Leases* ("IFRS 16") on January 1, 2019 to account for operational rent expenses.
 - (3) Results stated on a constant currency basis, a non-IFRS measure, are calculated by applying the average exchange rate of the same period in the year under comparison to current period local currency results.
- nm* Not meaningful.

The Group has presented EBITDA, Adjusted EBITDA and Adjusted EBITDA margin because it believes that, when viewed with its results of operations as prepared in accordance with IFRS and with the reconciliation to loss for the period, these measures provide additional information that is useful in gaining a more complete understanding of its operational performance and of the trends impacting its business. EBITDA, Adjusted EBITDA and Adjusted EBITDA margin are important metrics the Group uses to evaluate its operating performance and cash generation.

EBITDA, Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS financial measures and as calculated herein may not be comparable to similarly named measures used by other companies and should not be considered comparable to loss for the period in the Group's consolidated statements of income (loss). These measures have limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, an analysis of the Group's results of operations as reported under IFRS.

Adjusted Net Loss

Adjusted Net Loss, a non-IFRS measure, was US\$67.4 million for the three months ended March 31, 2021, compared to an Adjusted Net Loss of US\$38.6 million for the three months ended March 31, 2020 due to the COVID-19 Impacts. Adjusted basic and diluted loss per share, non-IFRS measures, was a loss of US\$0.047 per share for the three months ended March 31, 2021, compared to an adjusted basic and diluted loss per share of US\$0.027 for the three months ended March 31, 2020. Adjusted basic and diluted loss per share is calculated by dividing Adjusted Net Loss by the weighted average number of shares used in the basic and diluted loss per share calculations, respectively.

The following table presents the reconciliation from the Group's loss attributable to the equity holders to Adjusted Net Loss for the three months ended March 31, 2021 and March 31, 2020:

<i>(Expressed in millions of US Dollars)</i>	Three months ended March 31,		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽³⁾
	2021	2020		
Loss attributable to the equity holders	(72.7)	(787.3)	<i>nm</i>	<i>nm</i>
Plus (Minus):				
Change in fair value of put options included in finance costs	(2.3)	(1.9)	19.5 %	19.5 %
Amortization of intangible assets	8.2	7.9	3.9 %	2.4 %
Impairment Charges	—	819.7	<i>nm</i>	<i>nm</i>
Restructuring Charges	3.8	6.7	(43.8)%	(44.8)%
Tax adjustments ⁽¹⁾	(4.4)	(83.7)	<i>nm</i>	<i>nm</i>
Adjusted Net Loss⁽²⁾	(67.4)	(38.6)	<i>nm</i>	<i>nm</i>

Notes

- (1) Tax adjustments represent the tax effect of the reconciling line items as included in the consolidated statements of income (loss) based on the applicable tax rate in the jurisdiction where such costs were incurred.
 - (2) Represents Adjusted Net Loss attributable to the equity holders of the Company.
 - (3) Results stated on a constant currency basis, a non-IFRS measure, are calculated by applying the average exchange rate of the same period in the year under comparison to current period local currency results.
- nm* Not meaningful.

The Company has presented Adjusted Net Loss and adjusted basic and diluted loss per share because it believes these measures help to give securities analysts, investors and other interested parties a better understanding of the Company's underlying financial performance. By presenting Adjusted Net Loss and the related adjusted basic and diluted loss per share calculations, the Company eliminates the effect of a number of costs, charges and credits and certain other non-cash charges, along with their respective tax effects, that impact reported loss attributable to the equity holders.

Adjusted Net Loss and adjusted basic and diluted loss per share are non-IFRS financial measures and as calculated herein may not be comparable to similarly named measures used by other companies and should not be considered comparable to loss attributable to the equity holders or basic and diluted loss per share presented in the Company's consolidated statements of income (loss). Adjusted Net Loss and the related adjusted basic and diluted loss per share calculations have limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, an analysis of the Company's results of operations as reported under IFRS.

Purchases of Property, Plant and Equipment

Purchases of property, plant and equipment of US\$1.9 million for the three months ended March 31, 2021 were primarily related to required renovations and improvements of certain existing retail locations. Purchases of property, plant and equipment of US\$17.9 million for the three months ended March 31, 2020 were primarily related to a warehouse expansion project in India that began in 2019. The Group continues to tightly manage capital expenditures in response to the impacts on the Group's business from the COVID-19 pandemic.

Indebtedness

The following table sets forth the carrying amount of the Group's loans and borrowings as of March 31, 2021 and December 31, 2020:

<i>(Expressed in millions of US Dollars)</i>	March 31, 2021	December 31, 2020
Amended Term Loan A Facility	780.0	785.0
Term Loan B Facility	546.6	548.2
2020 Incremental Term Loan B Facility	595.5	597.0
Amended Revolving Credit Facility	817.3	822.2
Total Amended Senior Credit Facilities	2,739.4	2,752.4
Senior Notes ⁽¹⁾	410.6	427.5
Other borrowings and obligations	50.7	50.6
Total loans and borrowings	3,200.6	3,230.5
Less deferred financing costs	(37.4)	(39.9)
Total loans and borrowings less deferred financing costs	3,163.3	3,190.6

Note

(1) The value of the Senior Notes, when translated from Euros into US Dollars, will change relative to the fluctuation in the exchange rate between the Euro and US Dollar at stated points in time.

Senior Credit Facilities Agreement

In conjunction with the offering of the Senior Notes (as defined below), on April 25, 2018, the Company and certain of its direct and indirect wholly-owned subsidiaries entered into an amended and restated credit and guaranty agreement (the "Credit Agreement") with certain lenders and financial institutions. The Credit Agreement provided for (1) a US\$828.0 million senior secured term loan A facility (the "Term Loan A Facility"), (2) a US\$665.0 million senior secured term loan B facility (the "Term Loan B Facility" and, together with the Term Loan A Facility, the "Term Loan Credit Facilities") and (3) a US\$650.0 million revolving credit facility (the "Revolving Credit Facility," and, together with the Term Loan Credit Facilities, the "Senior Credit Facilities").

Interest Rate and Fees

Interest on the borrowings under the Term Loan Credit Facilities and the Revolving Credit Facility began to accrue on April 25, 2018 when the closing on the Senior Credit Facilities occurred (the "Closing Date"). Under the terms of the Senior Credit Facilities:

(a) in respect of the Term Loan A Facility and the Revolving Credit Facility, (i) prior to the Second Amended Credit Agreement (discussed further below), the interest rate payable was set with effect from the Closing Date until the delivery of the consolidated financial statements for the fiscal quarter ended September 30, 2018 at the London Interbank Offered Rate ("LIBOR") plus 1.50% per annum (or a base rate plus 0.50% per annum) and thereafter is based on the lower rate derived from either the first lien net leverage ratio of the Company and its restricted subsidiaries at the end of each fiscal quarter or the Company's corporate ratings and (ii) after the Second Amended Credit Agreement, the interest rate payable was set with effect from the date of the Second Amended Credit Agreement until the delivery of the consolidated financial statements for the fiscal quarter ended June 30, 2020 at LIBOR plus 1.375% per annum (or a base rate plus 0.375% per annum) and thereafter is based on the lower rate derived from either the first lien net leverage ratio of the Company and its restricted subsidiaries at the end of each fiscal quarter or the Company's corporate ratings (subject to the terms of the Third Amended Credit Agreement as described below); and

(b) in respect of the Term Loan B Facility, the interest rate payable was set with effect from the Closing Date at LIBOR plus 1.75% per annum with a LIBOR floor of 0.00% (or a base rate plus 0.75% per annum) (subject to the terms of the Third Amended Credit Agreement as described below).

In addition to paying interest on outstanding principal under the Senior Credit Facilities, the borrowers pay customary agency fees and a commitment fee in respect of the unutilized commitments under the Revolving Credit Facility. The commitment fee payable with effect from the Closing Date until the delivery of the consolidated financial statements for the fiscal quarter ended September 30, 2018 was 0.20% per annum. The commitment fee payable thereafter is based on the lower rate derived from either the first lien net leverage ratio of the Company and its restricted subsidiaries at the end of each fiscal quarter or the Company's corporate ratings, as applicable. After the Second Amended Credit Agreement, the commitment fee payable with effect from the effective date of the Second Amended Credit Agreement until the delivery of the consolidated financial statements for the fiscal quarter ended June 30, 2020 is 0.20% per annum and the commitment fee payable thereafter may step up based on the lower rate derived from either the first lien net leverage ratio of the Company and its restricted subsidiaries at the end of each fiscal quarter or the Company's corporate ratings, as applicable (subject to the terms of the Third Amended Credit Agreement as described below).

Amortization and Final Maturity

Prior to the Second Amended Credit Agreement, the Term Loan A Facility required scheduled quarterly payments commencing on the first full fiscal quarter ended after the Closing Date, with an annual amortization of 2.5% of the original principal amount of the loans under the Term Loan A Facility made during each of the first and second years, with a step-up to 5.0% annual amortization during each of the third and fourth years and 7.5% annual amortization during the fifth year, with the balance due and payable on the fifth anniversary of the Closing Date.

The Second Amended Credit Agreement requires scheduled quarterly payments commencing on the first full fiscal quarter ended after the Second Amendment Closing Date (as defined below), with an annual amortization of 2.5% of the original principal amount of the loans under the Amended Term Loan A Facility (as defined below) made during each of the first and second years, with a step-up to 5.0% annual amortization during each of the third and fourth years and 7.5% annual amortization during the fifth year, with the balance due and payable on the fifth anniversary of the Second Amendment Closing Date (as defined below).

The Term Loan B Facility requires scheduled quarterly payments commencing on the quarter ended September 30, 2018, each equal to 0.25% of the original principal amount of the loans under the Term Loan B Facility, with the balance due and payable on the seventh anniversary of the Closing Date.

There is no scheduled amortization of the principal amounts of the loans outstanding under the Revolving Credit Facility. Prior to the Second Amended Credit Agreement, any principal amount outstanding under the Revolving Credit Facility was due and payable on the fifth anniversary of the Closing Date. After the Second Amended Credit Agreement, any principal amount outstanding under the Amended Revolving Credit Facility (as defined below) is due and payable on the fifth anniversary of the Second Amendment Closing Date (as defined below).

If, on the date that is 91 days prior to the maturity date of the Term Loan B Facility, more than US\$50.0 million of the Term Loan B Facility has not been repaid or refinanced pursuant to the terms provided for in the Credit Agreement, then the Amended Term Loan A Facility (as defined below) and Amended Revolving Credit Facility (as defined below) shall mature on the date that is 90 days prior to the maturity date of the Term Loan B Facility.

Guarantees and Security

The obligations of the borrowers under the Senior Credit Facilities are unconditionally guaranteed by the Company and certain of the Company's existing direct or indirect wholly-owned material restricted subsidiaries, and are required to be guaranteed by certain future direct or indirect wholly-owned material restricted subsidiaries organized in the jurisdictions of Luxembourg, Belgium, Canada, Hong Kong, Hungary, Mexico and the United States (the "Credit Facility Guarantors"). All obligations under the Senior Credit Facilities, and the guarantees of those obligations, are secured, subject to certain exceptions, by substantially all of the assets of the borrowers and the Credit Facility Guarantors (including the Shared Collateral).

Certain Covenants and Events of Default

The Senior Credit Facilities contain a number of customary negative covenants that, among other things and subject to certain exceptions, may restrict the ability of the Company and each of its restricted subsidiaries to: (i) incur additional indebtedness; (ii) pay dividends or distributions on its capital stock or redeem, repurchase or retire its capital stock or its other indebtedness; (iii) make investments, loans and acquisitions; (iv) engage in transactions with its affiliates; (v) sell assets, including capital stock of its subsidiaries; (vi) consolidate or merge; (vii) materially alter the business it conducts; (viii) incur liens; and (ix) prepay or amend any junior debt or subordinated debt.

In addition, the Credit Agreement requires the Company and its subsidiaries to meet certain quarterly financial covenants. Commencing with the fiscal quarter ended September 30, 2018, the Company and its subsidiaries are required to maintain (i) a pro forma total net leverage ratio of not greater than 5.50:1.00, which ratio will decrease to 5.25:1.00 for test periods ending in 2020, 5.00:1.00 for test periods ending in 2021 and 4.50:1.00 for test periods ending in 2022; provided that such maximum pro forma total net leverage ratio is subject to a step up of 0.50x from the otherwise applicable ratio, up to a pro forma total net leverage ratio not to exceed 6.00:1.00 for the six fiscal quarter period following the fiscal quarter in which a permitted acquisition has been consummated, and (ii) a pro forma consolidated cash interest coverage ratio of not less than 3.00:1.00 (collectively, the “Financial Covenants”). The Financial Covenants only apply for the benefit of the lenders under the Term Loan A Facility and the lenders under the Revolving Credit Facility. The Company’s requirement to comply with the Financial Covenants has been temporarily suspended during the Suspension Period (as defined below) pursuant to the Third Amended Credit Agreement (see below for further discussion). The Credit Agreement also contains certain customary representations and warranties, affirmative covenants and provisions relating to events of default (including upon a change of control).

Second Amended Credit Agreement

On March 16, 2020 (the “Second Amendment Closing Date”), the Company and certain of its direct and indirect wholly-owned subsidiaries entered into the Second Amended Credit Agreement. The Second Amended Credit Agreement provides for (1) an amended US\$800.0 million senior secured term loan A facility (the “Amended Term Loan A Facility”) and (2) an amended US\$850.0 million revolving credit facility (the “Amended Revolving Credit Facility”). Under the Second Amended Credit Agreement, the maturity for both the Amended Term Loan A Facility and the Amended Revolving Credit Facility were extended by approximately two years with remaining balances on both facilities due to be paid in full on the fifth anniversary of the Second Amendment Closing Date. Interest on the borrowings under the Amended Term Loan A Facility and the Amended Revolving Credit Facility began to accrue on the Second Amendment Closing Date.

The Amended Term Loan A Facility requires scheduled quarterly payments commencing on the first full fiscal quarter ended after the Second Amendment Closing Date, with an annual amortization of 2.5% of the original principal amount of the loans under the Amended Term Loan A Facility made during each of the first and second years, with a step-up to 5.0% annual amortization during each of the third and fourth years and 7.5% annual amortization during the fifth year, with the balance due and payable on the fifth anniversary of the Second Amendment Closing Date. Any principal amount outstanding under the Amended Revolving Credit Facility is due and payable on the fifth anniversary of the Second Amendment Closing Date. If, on the date that is 91 days prior to the maturity date of the Term Loan B Facility, more than US\$50.0 million of the Term Loan B Facility has not been repaid or refinanced pursuant to the terms provided for in the Credit Agreement, then the Amended Term Loan A Facility and the Amended Revolving Credit Facility shall mature on the date that is 90 days prior to the maturity date of the Term Loan B Facility.

Under the terms of the Second Amended Credit Agreement, the interest rate payable on the Amended Term Loan A Facility and the Amended Revolving Credit Facility was reduced with effect from the Second Amendment Closing Date until the delivery of the financial statements for the first full fiscal quarter commencing on or after the Second Amendment Closing Date from an adjusted rate based on LIBOR plus 1.50% per annum (or a base rate plus 0.50% per annum) to LIBOR plus 1.375% per annum (or a base rate plus 0.375% per annum) and thereafter is based on the lower rate derived from either the first lien net leverage ratio of the Company and its restricted subsidiaries at the end of each fiscal quarter or the Company’s corporate ratings. The interest rate payable on the Amended Term Loan A Facility and the Amended Revolving Credit Facility was subsequently increased on a temporary basis pursuant to the Third Amended Credit Agreement (see below for further discussion).

The Second Amended Credit Agreement did not affect the terms of the Term Loan B Facility.

The borrowers pay customary agency fees and a commitment fee equal to 0.20% per annum in respect of the unutilized commitments under the Amended Revolving Credit Facility, which commitment fee may step up based on the lower rate derived from either the first lien net leverage ratio of the Company and its restricted subsidiaries at the end of each fiscal quarter or the Company’s corporate ratings, as applicable commencing with the first full fiscal quarter ended after the Second Amendment Closing Date. Such commitment fee was temporarily increased pursuant to the Third Amended Credit Agreement (see below for further discussion).

Third Amended Credit Agreement

On April 29, 2020, the Company and certain of its direct and indirect wholly-owned subsidiaries entered into the Third Amended Credit Agreement with certain lenders and financial institutions. The terms of the Third Amended Credit Agreement further strengthened the Company's financial flexibility in order to navigate the challenges from COVID-19. Under the terms of the Third Amended Credit Agreement:

- (1) The Company's requirement to test the maximum total net leverage ratio and minimum interest coverage ratio under its Financial Covenants is suspended from the beginning of the second quarter of 2020 through the end of the second quarter of 2021 (the "Suspension Period"). Following the Suspension Period, the Company will resume testing compliance with the total net leverage ratio and interest coverage ratio covenants beginning with the end of the third quarter of 2021.
- (2) During the Suspension Period, the Company is required to comply with a minimum liquidity covenant of US\$500.0 million and the Group is subject to additional restrictions on its ability to incur indebtedness and make restricted payments and investments.
- (3) During the Suspension Period, the interest rate applicable to the Amended Term Loan A Facility and the Amended Revolving Credit Facility, as defined in the Second Amended Credit Agreement, was increased to LIBOR plus 2.00% per annum with a LIBOR floor of 0.75% and the commitment fee in respect of the unutilized commitments under the Amended Revolving Credit Facility was increased to 0.35% per annum.
- (4) The Company may elect to reinstate the pre-amendment covenants and pricing terms prior to the end of the Suspension Period.
- (5) From September 30, 2021 until March 31, 2022, the Company may at its election use Consolidated Adjusted EBITDA (as defined in the Third Amended Credit Agreement) from the first two quarters of 2019 and fourth quarter of 2019 (the "Historical EBITDA") (instead of actual Consolidated Adjusted EBITDA from the fourth quarter of 2020 and the first two quarters of 2021) to calculate compliance with the Financial Covenants under the Third Amended Credit Agreement. So long as the Company uses Historical EBITDA to calculate compliance with the Financial Covenants, the minimum liquidity covenant and the Suspension Period pricing terms will remain in effect.

Fourth Amended Credit Agreement - Incremental US\$600.0 Million Term Loan B Facility

On May 7, 2020 (the "2020 Incremental Term Loan B Facility Closing Date"), the Company and certain of its direct and indirect wholly-owned subsidiaries entered into the Fourth Amended Credit Agreement with certain lenders and financial institutions. The Fourth Amended Credit Agreement provides for an additional term loan B facility in an aggregate principal amount of US\$600.0 million (the "2020 Incremental Term Loan B Facility"), which was borrowed by certain indirect, wholly-owned subsidiaries of the Company on May 7, 2020. The 2020 Incremental Term Loan B Facility was issued with original issue discount with an issue price of 97.00%. The proceeds from the borrowing under the 2020 Incremental Term Loan B Facility were used to (i) provide the Group with additional cash resources (which may be used for general corporate purposes and for working capital needs) and (ii) pay certain fees and expenses in connection thereto.

Interest Rate and Fees

Interest on the borrowings under the 2020 Incremental Term Loan B Facility began to accrue on the 2020 Incremental Term Loan B Facility Closing Date. Under the terms of the 2020 Incremental Term Loan B Facility, the interest rate payable was set with effect from the 2020 Incremental Term Loan B Facility Closing Date at LIBOR plus 4.50% per annum with a LIBOR floor of 1.00% (or a base rate plus 3.50% per annum).

Amortization and Final Maturity

The 2020 Incremental Term Loan B Facility requires scheduled quarterly payments equal to 0.25% of the original principal amount of the loans thereunder beginning with the fiscal quarter ending September 30, 2020, with the balance due and payable on April 25, 2025.

Optional Prepayment

If the Group prepays the 2020 Incremental Term Loan B Facility in whole or in part on or prior to May 7, 2021, the Group will be required to pay to the lenders a "make-whole" premium on the amount of the 2020 Incremental Term Loan B Facility that is prepaid. If the Group prepays the 2020 Incremental Term Loan B Facility in whole or in part after May 7, 2021 and on or before May 7, 2022, the Group will be required to pay to the lenders a fee equal to 1.00% of the aggregate principal amount of the amount of the 2020 Incremental Term Loan B Facility that is prepaid.

Minimum Liquidity Covenant

The 2020 Incremental Term Loan B Facility requires the Company to comply with a minimum liquidity covenant of US\$200.0 million through the third quarter of 2021, stepping down to US\$100.0 million thereafter until repayment in full of the 2020 Incremental Term Loan B Facility.

Other Terms

Except as described above, the other terms of the 2020 Incremental Term Loan B Facility are the same as the terms of the Term Loan B Facility.

Amended Revolving Credit Facility

On March 20, 2020, the Company borrowed US\$810.3 million (USD equivalent at the applicable exchange rate on the borrowing date) under the Amended Revolving Credit Facility to ensure access to the Group's liquidity given the uncertainties and challenges caused by the COVID-19 pandemic. As of March 31, 2021, US\$28.1 million was available to be borrowed on the Amended Revolving Credit Facility as a result of US\$817.3 million of outstanding borrowings and the utilization of US\$4.6 million of the facility for outstanding letters of credit extended to certain creditors. As of December 31, 2020, US\$23.4 million was available to be borrowed under the US\$850.0 million Amended Revolving Credit Facility as a result of US\$822.2 million of outstanding borrowings and utilization of US\$4.5 million of the facility for outstanding letters of credit extended to certain creditors.

Deferred Financing Costs

In conjunction with the second, third and fourth amendments to the Senior Credit Facilities, the Group incurred US\$34.8 million of deferred financing costs. All such costs have been deferred and are being offset against loans and borrowings. The deferred financing costs are being amortized using the effective interest method over the life of the Amended Term Loan A Facility, Amended Revolving Credit Facility and Incremental Term Loan B Facility. The amortization of deferred financing costs, which is included in interest expense, amounted to US\$2.5 million and US\$0.8 million for the three months ended March 31, 2021 and March 31, 2020, respectively.

Interest Rate Swaps

The Group maintains interest rate swaps to hedge a portion of its interest rate exposure under the floating-rate Senior Credit Facilities by swapping certain US Dollar floating-rate bank borrowings with fixed-rate agreements. On September 4, 2019, the Group entered into new interest rate swap agreements that became effective on September 6, 2019 and will terminate on August 31, 2024. The notional amounts of the interest rate swap agreements decrease over time. As a result of the Group's interest rate swaps, LIBOR has been fixed at approximately 1.208% with respect to an amount equal to approximately 23% of the principal amount of the Amended Senior Credit Facilities at March 31, 2021, which reduces a portion of the Company's exposure to interest rate increases. The interest rate swap agreements have fixed payments due monthly that commenced September 30, 2019. The interest rate swap transactions qualify as cash flow hedges. As of March 31, 2021, the interest rate swaps were marked-to-market, resulting in a net liability position to the Group in the amount of US\$13.4 million, which was recorded as a liability with the effective portion of the gain (loss) deferred to other comprehensive income (loss). As of December 31, 2020, the interest rate swaps were marked-to-market, resulting in a net liability position to the Group in the amount of US\$21.2 million, which was recorded as a liability with the effective portion of the gain (loss) deferred to other comprehensive income (loss).

€350.0 Million 3.500% Senior Notes Due 2026

On April 25, 2018 (the "Issue Date"), Samsonite Finco S.à r.l., a wholly-owned, indirect subsidiary of the Company (the "Issuer"), issued €350.0 million aggregate principal amount of its 3.500% senior notes due 2026 (the "Senior Notes"). The Senior Notes were issued at par pursuant to an indenture (the "Indenture"), dated the Issue Date, among the Issuer, the Company and certain of its direct or indirect wholly-owned subsidiaries (together with the Company, the "Guarantors").

Maturity, Interest and Redemption

The Senior Notes will mature on May 15, 2026. Interest on the aggregate outstanding principal amount of the Senior Notes accrues at a fixed rate of 3.500% per annum, payable semi-annually in cash in arrears on May 15 and November 15 each year.

At any time prior to May 15, 2021, the Issuer may redeem some or all of the Senior Notes at a price equal to 100% of the principal amount of the Senior Notes redeemed plus accrued and unpaid interest to (but excluding) the redemption date at a "make-whole" premium, which is the present value of all remaining scheduled interest payments to the redemption date using the discount rate (as specified in the Indenture) as of the redemption date plus 50 basis points.

On or after May 15, 2021, the Issuer may redeem all, or from time to time a part, of the Senior Notes at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and additional amounts, if any, to the applicable redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the twelve-month period commencing on May 15 of the years set forth below:

Year	Redemption Price
2021	101.750 %
2022	100.875 %
2023 and thereafter	100.000 %

In addition, at any time prior to May 15, 2021, the Issuer may redeem up to 40% of the Senior Notes with the net proceeds of one or more specified equity offerings at a redemption price of 103.500% of the principal amount of the Senior Notes redeemed, plus accrued and unpaid interest and additional amounts, if any, to the date of redemption. Furthermore, in the event of certain events defined as constituting a change of control, the Issuer may be required to make an offer to purchase the Senior Notes.

Guarantee and Security

The Senior Notes are guaranteed by the Guarantors on a senior subordinated basis. The Senior Notes are secured by a second-ranking pledge over the shares of the Issuer and a second-ranking pledge over the Issuer's rights in the proceeds loan in respect of the proceeds of the offering of the Senior Notes (the "Shared Collateral"). The Shared Collateral also secures the Amended Senior Credit Facilities on a first-ranking basis.

Certain Covenants and Events of Default

The Indenture contains a number of customary negative covenants that, among other things and subject to certain exceptions, may restrict the ability of the Company and its restricted subsidiaries (including the Issuer) to: (i) incur or guarantee additional indebtedness, (ii) make investments or other restricted payments, (iii) create liens, (iv) sell assets and subsidiary stock, (v) pay dividends or make other distributions or repurchase or redeem the capital stock or subordinated debt of the Company or its restricted subsidiaries, (vi) engage in certain transactions with affiliates, (vii) enter into agreements that restrict the payment of dividends by subsidiaries or the repayment of inter-company loans and advances, (viii) engage in mergers or consolidations and (ix) impair the security interests in the Shared Collateral. The Indenture also contains certain customary provisions relating to events of default.

Other Loans and Borrowings

Certain consolidated subsidiaries of the Company maintain credit lines and other loans with various third-party lenders in the regions in which they operate. Other loans and borrowings are generally variable rate instruments denominated in the functional currency of the borrowing Group entity. These credit lines provide short-term financing and working capital for the day-to-day business operations of certain Group entities, including overdraft, bank guarantees, and trade finance facilities. The majority of the credit lines included in other loans and borrowings are uncommitted facilities. The total aggregate amount of other loans and borrowings was US\$47.9 million and US\$47.8 million as of March 31, 2021 and December 31, 2020, respectively.

The following represents the contractual maturity dates of the Group's loans and borrowings as of March 31, 2021 and December 31, 2020:

<i>(Expressed in millions of US Dollars)</i>	March 31, 2021	December 31, 2020
On demand or within one year	80.7	80.6
After one year but within two years	52.8	47.8
After two years but within five years	2,656.5	2,674.6
More than five years	410.6	427.5
	3,200.6	3,230.5

General

This financial and business review as of and for the three months ended March 31, 2021 is being published to provide shareholders, potential investors, lenders, bondholders and other interested parties with an update of the performance of the Group.

The Company's shareholders, potential investors, lenders, bondholders and other interested parties should note that all figures contained in this announcement are based on the Group's management accounts which have not been audited or reviewed by the Company's auditors. The accounting policies applied in the preparation of the Group's management accounts are consistent with those used in the preparation of the Company's audited financial statements for the year ended December 31, 2020.

The Company's shareholders, potential investors, lenders, bondholders and other interested parties are urged to exercise caution in dealing in the securities of the Company and are recommended to consult their own professional advisers if they are in doubt as to their investment positions.

By Order of the Board
Samsonite International S.A.
Timothy Charles Parker
Chairman

Hong Kong, May 13, 2021

As of the date of this announcement, the Executive Director is Kyle Francis Gendreau, the Non-Executive Director is Timothy Charles Parker and the Independent Non-Executive Directors are Paul Kenneth Etchells, Jerome Squire Griffith, Keith Hamill, Tom Korbas, Bruce Hardy McLain (Hardy) and Ying Yeh.