



Samsonite International S.A. Announces Results for the Three Month Period Ended March 31, 2023

**Consolidated net sales^{1, 2, 3} surpassed pre-COVID levels
during the first quarter of 2023 with significantly improved profitability**

HONG KONG, May 11, 2023 – Samsonite International S.A. (“Samsonite” or “the Company”, together with its consolidated subsidiaries, “the Group”; SEHK stock code: 1910), a leader in the global lifestyle bag industry and the world’s best-known and largest travel luggage company, today announced its unaudited consolidated financial results for the three-month period ended March 31, 2023.

In this press release, certain financial results for the three months ended March 31, 2023, are compared to both the three months ended March 31, 2022, and the three months ended March 31, 2019. Comparisons to the three months ended March 31, 2019, are provided because it is the most recent comparable quarter during which the Company’s results were not affected by COVID-19.

Overview

Commenting on the results, Mr. Kyle Gendreau, Chief Executive Officer, said, “We are thrilled with Samsonite’s performance in the first quarter and strong start to the year. For the three months ended March 31, 2023, the Group achieved consolidated net sales of US\$852.1 million, an increase of 57.4%^{1, 2} year-on-year, with solid progress across all regions. During the first quarter of 2023, net sales in Asia increased by 89.4%¹, with net sales in China increasing by 39.1%¹ as COVID-related restrictions were lifted, and net sales in the rest of Asia increasing by 105.9%¹, compared to the same period in 2022. Net sales in North America, Europe and Latin America also increased by 32.3%¹, 62.0%^{1, 2} and 33.9%¹, year-on-year, respectively. Our strong net sales performance underscores not only consumers’ enduring enthusiasm for travel, but also the potential upside for the business as travel continues to recover in China.”

With China reopening and the rest of Asia rebounding, as well as continued improvements across its other regions, Samsonite’s first quarter 2023 net sales increased by 18.0%^{1, 2, 3} compared to the same period in 2019, a significant improvement compared to the fourth quarter of 2022, when net sales were lower than the same period in 2019 by 2.2%^{1, 2, 3}. The Group’s comparable constant currency^{1, 2, 3} net sales surpassed pre-COVID levels across all regions during the first quarter of 2023, rising in Asia by 16.5%¹, in North America by 3.6%^{1, 3}, in Europe by 29.4%^{1, 2} and in Latin America by 73.9%¹, when compared to the first quarter of 2019. During the first quarter of 2023, net sales decreased by 11.4%¹ in China and increased by 24.4%¹ in the rest of Asia compared to the same period in 2019. This represents a meaningful improvement versus the fourth quarter of 2022, when net sales were down by 54.4%¹ in China and by 1.5%¹ in the rest of Asia compared to the fourth quarter of 2019.

Mr. Gendreau continued, “Our positive net sales momentum has continued from the first quarter into April 2023. In particular, our net sales in China rapidly recovered to pre-COVID levels, rising by 425.5%¹ and by 9.7%¹ in April 2023 compared to April 2022 and April 2019, respectively. Overall, the Group’s net sales in April 2023 increased by 45.4%^{1, 2} and by 15.9%^{1, 2, 3} compared to April 2022 and April 2019, respectively.”

Samsonite's gross profit margin expanded to 58.0% for the three months ended March 31, 2023, 330 basis points higher than the 54.7% for the first quarter of 2022, mainly driven by Asia, the region with the highest gross profit margin, increasing its share of net sales, as well as changes in brand and channel net sales mix. The Group increased its investment in marketing to 5.9% of net sales in the first quarter of 2023 to support new product launches and drive net sales growth, which was 170 basis points higher than the 4.2% during the same period in 2022. Meanwhile, fixed selling, general and administrative ("SG&A") expenses as a percentage of net sales were 23.5% for the first quarter of 2023, which was 430 basis points lower than the 27.8% in the first quarter of 2022, and 620 basis points lower than the 29.7% in the first quarter of 2019.

Mr. Gendreau remarked, "Samsonite achieved Adjusted EBITDA⁴ of US\$156.4 million for the three months ended March 31, 2023, an increase of US\$83.2 million compared to US\$73.2 million for the first quarter of 2022. Our Adjusted EBITDA margin⁵ expanded to 18.4% for the first quarter of 2023, which was 560 basis points higher than the 12.8% for the first quarter of 2022. Furthermore, compared to the first quarter of 2019, our Adjusted EBITDA⁴ for the first quarter of 2023 increased by US\$71.7 million on reported net sales that were only US\$20.1 million higher, while our Adjusted EBITDA margin⁵ increased by 820 basis points. This remarkable improvement from 2019 highlights the Group's strong positive operating leverage and fundamentally enhanced margin profile due to a highly efficient operating expense structure combined with robust net sales growth. The Company historically paid cash distributions to its shareholders every year following its listing on the Hong Kong Stock Exchange, from 2012 through 2019. The Company discontinued distributions from 2020 through 2023 as it navigated the pandemic. The Company's intent is to resume annual cash distributions in 2024, subject to its Dividend and Distribution Policy."

As a result, the Group registered Adjusted Net Income⁶ of US\$81.2 million for the three months ended March 31, 2023, which was US\$58.0 million higher than the US\$23.3 million for the first quarter of 2022, and US\$54.0 million higher compared to the US\$27.3 million for the first quarter of 2019.

The Group continued to invest in working capital to support net sales growth, with net working capital increasing by US\$147.7 million during the three months ended March 31, 2023 from US\$395.3 million as of December 31, 2022. The Group judiciously increased spending on capital expenditures and software purchases by US\$3.9 million year-on-year to US\$9.7 million⁷ during the first quarter of 2023 to upgrade and expand its retail store fleet, selectively opening 11 new company-operated retail stores during the quarter, as well as investing in core strategic functions to support continued sales growth.

Driven by the strong increase in Adjusted EBITDA⁴, the Group lowered its net leverage ratio⁸ to 2.53:1 as of March 31, 2023, from 2.85:1 as of December 31, 2022. With approximately US\$1.4 billion⁹ in liquidity as of March 31, 2023, Samsonite is well positioned to continue investing in the business to drive long-term growth.

Mr. Gendreau continued, "With China's reopening and increased international travel by Chinese consumers expected to drive continued net sales increases in Asia, Europe and North America, we are excited about the opportunities for continued strong growth in the rest of the year. We will continue to invest in the business to capitalize on this recovery, including in product innovation and sustainability initiatives, further improvements on our retail store fleet, as well as in marketing to support new product launches. In addition, we remain focused on diligently managing discounting and promotional activity, as well as our non-marketing SG&A expenses, to drive positive operating leverage and an enhanced margin profile."

Mr. Gendreau concluded, "On April 20, we published our 2022 Environmental, Social and Governance Report that shares our progress in making our products more sustainable, reducing the environmental impact of our operations, and creating a more supportive environment for our people. These initiatives are key elements of our

long-term strategy, and we will continue to prioritize embedding sustainability across the business in 2023 and beyond."

Table 1: Key Consolidated Financial Highlights for the Three Months Ended March 31, 2023

US\$ millions, except per share data	Three months ended March 31, 2023	Three months ended March 31, 2022	Percentage increase 2023 vs. 2022	Percentage increase 2023 vs. 2022 excl. foreign currency effects ¹
Net sales	852.1	573.6	48.5%	55.3%
Operating profit	144.7	58.1	149.1%	160.3%
Profit attributable to the equity holders	73.8	16.4	348.4%	376.1%
Adjusted Net Income ⁶	81.2	23.3	249.0%	268.9%
Adjusted EBITDA ⁴	156.4	73.2	113.6%	126.6%
Adjusted EBITDA margin ⁵	18.4%	12.8%		
Basic and diluted earnings per share – US\$ per share	0.051	0.011	346.5%	374.1%
Adjusted basic and diluted earnings per share ¹⁰ – US\$ per share	0.056	0.016	246.3%	266.0%

The Group's performance for the three months ended March 31, 2023, is discussed in greater detail below.

Net Sales

The Group's net sales continued to improve as the effects of the COVID-19 pandemic further receded, which led to a robust recovery in leisure and business travel and increased demand for the Group's products. Furthermore, with the lifting of COVID-related restrictions across Asia, the Group's net sales recovery in the region noticeably accelerated during the first quarter of 2023 compared to the first quarter of 2022, when most of the region was still under strict lockdowns. For the three months ended March 31, 2023, the Group recorded net sales of US\$852.1 million, an increase of 53.3%¹ compared to the US\$573.6 million recorded during the first quarter of 2022. When excluding the net sales in Russia, the Group's net sales increased by US\$286.2 million, or 57.4%^{1, 2}, year-on-year, during the first quarter of 2023.

Compared to the same period in 2019, the Group's net sales for the three months ended March 31, 2023, increased by 12.8%¹, and by 18.0%^{1, 2, 3} when excluding the net sales in Russia and by Speck. This is a significant improvement compared to the fourth quarter of 2022, when the Group's net sales declined by 6.6%¹ versus the fourth quarter of 2019, and by 2.2%^{1, 2, 3} when excluding the net sales in Russia and by Speck.

The Group's positive net sales momentum continued into April 2023, with net sales increasing by 45.4%^{1, 2} during April 2023 compared to April 2022 when excluding the net sales in Russia. Compared to April 2019, the Group's net sales for April 2023 increased by 15.9%^{1, 2, 3} when excluding net sales in Russia and by Speck.

Net Sales Performance by Region

Asia

For the three months ended March 31, 2023, the Group recorded net sales of US\$329.1 million in Asia, an increase of US\$143.4 million, or 89.4%¹, compared to net sales of US\$185.7 million in the first quarter of 2022. With the lifting of COVID-related restrictions across Asia, the Group's net sales recovery in the region noticeably accelerated during the first quarter of 2023 compared to the first quarter of 2022, when most of the region was still under strict lockdowns. During the first quarter of 2023, the Group's net sales in China increased by 39.1%¹, while net

sales in the rest of Asia increased by 105.9%¹, driven by net sales increases of 95.1%¹ in South Korea, 94.9%¹ in Japan, 52.7%¹ in India, 91.9%¹ in Hong Kong¹¹, and 103.5%¹ in Australia, year-on-year.

Compared to the first quarter of 2019, the Group's net sales for the first quarter of 2023 in Asia increased by 16.5%¹, a significant improvement relative to the 14.2%¹ decline during the fourth quarter of 2022 when compared to the fourth quarter of 2019. The Group's net sales performance in China meaningfully improved due to the Chinese government lifting travel restrictions and relaxing social distancing measures. Compared to the same periods in 2019, the Group's net sales in China for the first quarter of 2023 decreased by 11.4%¹ versus a decline of 54.4%¹ during the fourth quarter of 2022. Net sales in the rest of Asia continued to rebound during the first quarter of 2023, increasing by 24.4%¹ compared to the first quarter of 2019, versus a decline of 1.5%¹ for the fourth quarter of 2022 when compared to the same period in 2019.

The Group's net sales performance in Asia continued to improve during April 2023, with net sales increasing by 106.3%¹ year-on-year, and by 23.5%¹ compared to April 2019. During April 2023, net sales in China increased by 425.5%¹ year-on-year, and by 9.7%¹ compared to April 2019. Net sales in the rest of Asia increased by 78.4%¹ and by 27.3%¹ in April 2023 compared to April 2022 and April 2019, respectively.

North America

For the three months ended March 31, 2023, the Group recorded net sales of US\$284.3 million in North America, an increase of 32.3%¹ year-on-year. The Group's net sales in the United States and Canada increased by 30.6% and 69.8%¹, respectively, in the first quarter of 2023 compared to the same period in 2022.

For the three months ended March 31, 2023, the Group recorded a net sales increase of 3.6%^{1, 3} in North America versus the first quarter of 2019 when excluding the net sales by Speck, and a decrease of 5.7%¹ when such net sales are included. This represents steady improvement compared to the fourth quarter of 2022, when net sales in North America decreased by 1.5%^{1, 3} compared to 2019 when excluding the net sales by Speck, and by 9.3%¹ when such net sales are included. Further adjusting for the discontinuation of third-party brand sales on the ebags e-commerce platform in 2020, net sales in North America for the first quarter of 2023 increased by 10.1%^{1, 3} compared to the same period in 2019.

The Group's net sales performance in North America continued to improve in April 2023, with net sales increasing by 26.3%¹ and by 6.4%^{1, 3} compared to April 2022 and April 2019, respectively. Further adjusting for the discontinuation of third-party brand sales on the ebags e-commerce platform in 2020, net sales in North America for April 2023 increased by 13.1%^{1, 3} compared to April 2019.

Europe

For the three months ended March 31, 2023, the Group recorded net sales of US\$179.9 million in Europe, an increase of 52.1%¹ (+62.0%^{1, 2} when excluding the net sales in Russia) compared to the same period in 2022, driven by year-on-year net sales increases of 70.4%¹ in Germany, 66.6%¹ in Italy, 53.8%¹ in France, 52.7%¹ in the United Kingdom¹², and 40.5%¹ in Spain.

For the three months ended March 31, 2023, the Group's net sales in Europe were 22.3%¹ above the first quarter of 2019 (+29.4%^{1, 2} when excluding the net sales in Russia), versus an increase of 4.5%¹ (+11.5%^{1, 2} when excluding the net sales in Russia) during the fourth quarter of 2022 when compared to the fourth quarter of 2019. When further excluding the net sales in Turkey, which experienced higher inflation and currency depreciation since 2019, the Group's net sales in Europe for the three months ended March 31, 2023, increased by 13.5%^{1, 2} when compared to the three months ended March 31, 2019.

When excluding the net sales in Russia, net sales in Europe increased by 8.0%^{1, 2} and by 7.1%^{1, 2} in April 2023 compared to April 2022 and April 2019, respectively. The slower growth in April 2023 compared to the first quarter of 2023 was due to the implementation of new warehouse software which temporarily slowed shipments.

Latin America

For the three months ended March 31, 2023, the Group recorded net sales of US\$58.4 million in Latin America, an increase of 33.9%¹ compared to the same period in 2022, driven by year-on-year net sales increases of 26.0%¹ in Chile, 32.0%¹ in Mexico, and 45.2%¹ in Brazil.

Samsonite's net sales in Latin America for the first quarter of 2023 increased by 73.9%¹ compared to the same period in 2019. This represents a noticeable improvement relative to the 23.0%¹ increase recorded in the fourth quarter of 2022 when compared to the fourth quarter of 2019. When further excluding the net sales in Argentina, which experienced higher inflation and currency depreciation since 2019, the Group's net sales in Latin America for the three months ended March 31, 2023, increased by 42.6%¹ when compared to the three months ended March 31, 2019.

Net sales in Latin America increased by 12.9%¹ and by 75.8%¹ for April 2023 compared to April 2022 and April 2019, respectively.

Table 2: Net Sales by Region

Region¹³	Three months ended March 31, 2023 US\$ millions	Three months ended March 31, 2022 US\$ millions	Percentage increase 2023 vs. 2022	Percentage increase 2023 vs. 2022 excl. foreign currency effects ¹
Asia	329.1	185.7	77.2%	89.4%
North America	284.3	215.8	31.8%	32.3%
Europe	179.9	126.5	42.2%	52.1%
Latin America	58.4	45.3	29.0%	33.9%

Net Sales Performance by Brand and Product Category

The Group's core brands *Samsonite*, *Tumi* and *American Tourister* achieved strong year-on-year net sales gains during the first quarter of 2023.

For the three months ended March 31, 2023, net sales of the *Samsonite* brand increased by US\$153.5 million, or 64.3%¹, year-on-year, mainly driven by Asia (up US\$67.0 million, or 100.8%¹), North America (up US\$47.3 million, or 50.7%¹) and Europe (up US\$35.6 million, or 52.9%¹), with Latin America (up US\$3.6 million, or 30.8%¹) also registering strong year-on-year net sales gains.

Net sales of the *Tumi* brand increased by US\$65.4 million, or 55.0%¹, year-on-year, in the first quarter of 2023, with strong growth across all regions: North America (up US\$31.2 million, or 42.0%¹), Asia (up US\$23.8 million, or 67.6%¹), Europe (up US\$9.7 million, or 97.6%¹) and Latin America (up US\$0.6 million, or 38.2%¹).

Net sales of the *American Tourister* brand increased by US\$42.9 million, or 47.2%¹, year-on-year, during the three months ended March 31, 2023, mainly driven by strong growth in Asia (up US\$44.2 million, or 105.9%¹), with Europe (up US\$7.3 million, or 39.1%¹) and Latin America (up US\$1.6 million, or 29.3%¹) also recording robust year-on-year net sales gains. Net sales of the *American Tourister* brand in North America decreased by US\$10.2 million,

or 32.0%¹, year-on-year due to a shift in timing of shipments to certain wholesale customers in the first quarter of 2022.

The Group's net sales in the travel product category continued to improve as the effects of the COVID-19 pandemic further receded, which led to a robust recovery in leisure and business travel and increased demand for the Group's products. Net sales in the travel product category increased by 65.6%¹ year-on-year and accounted for 65.2% of total net sales in the first quarter of 2023, up from 61.1% of total net sales in the first quarter of 2022. Total non-travel¹⁴ product category net sales increased by 39.0%¹ year-on-year and accounted for 34.8% of total net sales in first quarter of 2023, compared to 38.9% of total net sales in the first quarter of 2022.

Table 3: Net Sales by Brand

Brand	Three months ended March 31, 2023 US\$ millions	Three months ended March 31, 2022 US\$ millions	Percentage increase 2023 vs. 2022	Percentage increase 2023 vs. 2022 excl. foreign currency effects ¹
<i>Samsonite</i>	424.2	270.7	56.7%	64.3%
<i>Tumi</i>	194.5	129.0	50.7%	55.0%
<i>American Tourister</i>	151.2	108.3	39.6%	47.2%
<i>Gregory</i>	19.3	15.1	27.7%	34.9%
Other ¹⁵	62.9	50.5	24.7%	30.7%

Table 4: Net Sales by Product Category

Product Category	Three months ended March 31, 2023 US\$ millions	Three months ended March 31, 2022 US\$ millions	Percentage increase 2023 vs. 2022	Percentage increase 2023 vs. 2022 excl. foreign currency effects ¹
Travel	555.7	350.4	58.6%	65.6%
Non-travel ¹⁴	296.5	223.3	32.8%	39.0%

Net Sales Performance by Distribution Channel

The Group's wholesale net sales increased by 51.7%¹ to US\$543.9 million (representing 63.8% of net sales) for the three months ended March 31, 2023, from US\$375.2 million (representing 65.4% of net sales) in the first quarter of 2022. Net sales to e-retailers, which are included in the Group's wholesale channel, increased by 46.2%¹ during the first quarter of 2023 compared to the same period in 2022.

During the three months ended March 31, 2023, the Group's net sales in the direct-to-consumer ("DTC") channel, which includes company-operated retail stores and DTC e-commerce, increased by 62.1%¹ to US\$307.9 million (representing 36.1% of net sales) from US\$198.0 million (representing 34.5% of net sales) in the first quarter of 2022. The Group's DTC retail net sales increased by 63.7%¹ year-on-year to US\$226.6 million and comprised 26.6% of first quarter 2023 net sales, compared to 25.2% of net sales during the first quarter of 2022. Meanwhile, DTC e-commerce net sales increased by 57.8%¹ to US\$81.2 million (representing 9.5% of net sales) during the first quarter of 2023, compared US\$53.6 million (representing 9.3% of net sales) during the first quarter of 2022.

During the three months ended March 31, 2023, the Group added 11 company-operated retail stores, partially offset by the closure of 7 company-operated retail stores. This resulted in a net increase of 4 company-operated retail stores during the first quarter of 2023, compared to a net reduction of 13 company-operated retail stores during first quarter of 2022. The total number of company-operated retail stores was 989 as of March 31, 2023, compared to 992 company-operated retail stores as of March 31, 2022, and 1,260 as of March 31, 2019.

During the three months ended March 31, 2023, US\$148.7 million of the Group's net sales were through e-commerce channels (comprising US\$81.2 million of net sales from the Group's DTC e-commerce website, which are included within the DTC channel, and US\$67.5 million of net sales to e-retailers, which are included within the wholesale channel), a 52.3%¹ increase compared to the US\$101.4 million during the first quarter of 2022. E-commerce comprised 17.5% of the Group's first quarter 2023 net sales, compared to 17.7% in the first quarter of 2022.

Table 5: Net Sales by Distribution Channel

Distribution Channel	Three months ended March 31, 2023 US\$ millions	Three months ended March 31, 2022 US\$ millions	Percentage increase 2023 vs. 2022	Percentage increase 2023 vs. 2022 excl. foreign currency effects ¹
Wholesale	543.9	375.2	44.9%	51.7%
DTC	307.9	198.0	55.5%	62.1%

Gross Profit

The Group's gross profit increased by US\$180.8 million, or 57.6%, to US\$494.5 million for the three months ended March 31, 2023, from US\$313.7 million for the first quarter of 2022. Gross profit margin increased by 330 basis points to 58.0% for the first quarter of 2023 from 54.7% for the same period in 2022. The increase in gross profit margin was mainly driven by Asia, the region with the highest gross profit margin, increasing its share of net sales, as well as changes in brand and channel net sales mix.

Operating Profit

Samsonite substantially increased its investment in marketing across all regions to capitalize on the robust recovery in travel and drive net sales growth. The Group spent US\$50.0 million on marketing during the three months ended March 31, 2023, an increase of US\$25.9 million, or 107.1%, compared to the US\$24.1 million spent in the first quarter of 2022. Marketing expenses made up 5.9% of net sales in the first quarter of 2023, 170 basis points higher than the 4.2% during the same period in 2022.

Distribution expenses increased by US\$52.7 million, or 29.0%, to US\$234.7 million for the three months ended March 31, 2023, compared to US\$182.0 million in the first quarter of 2022. Distribution expenses represented 27.5% of net sales in the first quarter of 2023, 420 basis points lower compared to 31.7% during the same period in 2022, primarily due to improved net sales as well as disciplined expense management.

General and administrative expenses increased by US\$16.4 million, or 34.4%, to US\$64.1 million (representing 7.5% of net sales) for the three months ended March 31, 2023, from US\$47.7 million (representing 8.3% of net sales) in the first quarter of 2022, with the decrease in general and administrative expenses as a percentage of net sales reflecting the increase in net sales year-on-year.

The Group reported an operating profit of US\$144.7 million for the three months ended March 31, 2023, compared to an operating profit of US\$58.1 million for the same period in 2022, an increase of US\$86.6 million, or 149.1%, year-on-year.

Net Finance Costs and Income Tax Expense

Net finance costs increased by US\$9.4 million, or 32.5%, to US\$38.3 million for the three months ended March 31, 2023, from US\$28.9 million for the same period in 2022. This was primarily due to an increase in interest expense on loans and borrowings of US\$4.0 million, an increase in foreign exchange losses of US\$3.6 million, and an

increase in redeemable non-controlling interest put option expenses of US\$2.4 million due to improved financial performance of the Group's subsidiaries with non-controlling interests that are subject to put options, year-on-year.

The Group recorded an income tax expense of US\$22.5 million for the three months ended March 31, 2023, compared to an income tax expense of US\$8.0 million for the first quarter of 2022.

Profit Attributable to the Equity Holders

The Group recorded profit attributable to the equity holders of US\$73.8 million for the three months ended March 31, 2023, an increase of US\$57.3 million, or 348.4%, compared to US\$16.4 million for the first quarter of 2022.

Adjusted EBITDA and Adjusted Net Income

For the three months ended March 31, 2023, the Group recorded Adjusted EBITDA⁴ of US\$156.4 million, an increase of US\$83.2 million, or 113.6%, compared to US\$73.2 million in the first quarter of 2022. Adjusted EBITDA margin⁵ was 18.4% for the three months ended March 31, 2023, compared to 12.8% for the first quarter of 2022. Adjusted Net Income⁶ was US\$81.2 million for the three months ended March 31, 2023, an increase of US\$58.0 million, or 249.0%, year-on-year, compared to US\$23.3 million for the first quarter of 2022. The year-on-year increase in Adjusted EBITDA⁴ and Adjusted Net Income⁶ was primarily due to improved net sales and gross profit, as well as disciplined expense management.

Balance Sheet and Cash Flows

During the three months ended March 31, 2023, the Group continued to invest in working capital to support net sales growth. Inventories increased by US\$13.2 million to US\$700.8 million as of March 31, 2023, compared to US\$687.6 million at the end of 2022. Trade and other receivables increased by US\$15.8 million to US\$306.7 million as of March 31, 2023, compared to US\$290.9 million at the end of 2022. Meanwhile, trade payables decreased by US\$118.7 million to US\$464.6 million as of March 31, 2023, from US\$583.3 million at the end of 2022 due to the timing of payments to suppliers. As a result, net working capital was US\$543.0 million as of March 31, 2023, an increase of US\$147.7 million from US\$395.3 million as of December 31, 2022.

Even as the Group continued to invest in working capital, with its strong Adjusted Net Income performance it recorded cash flows used in operating activities of US\$18.2 million for the three months ended March 31, 2023. In comparison, cash flows used in operating activities amounted to US\$15.0 million for the three months ended March 31, 2022.

The Group spent US\$9.7 million⁷ on capital expenditures and software purchases during the three months ended March 31, 2023, an increase of US\$3.9 million compared to the US\$5.8 million⁷ spent in the first quarter of 2022. The Group intends to continue to increase spending on capital expenditures and software during the rest of 2023 to upgrade and expand its retail store fleet and to invest in core strategic functions to support continued sales growth.

As of March 31, 2023, the Group had a net debt position of US\$1,439.6 million¹⁶ compared to a net debt position of US\$1,383.7 million¹⁶ at the end of 2022. The Group's net leverage ratio⁸ was 2.53:1 as of March 31, 2023, compared to 2.85:1 as of December 31, 2022. The Group had total liquidity of US\$1,416.5 million⁹ as of March 31, 2023, compared to US\$1,481.3 million⁹ as of December 31, 2022.

2023 First Quarter Results – Earnings Call for Analysts and Investors:

Date: Thursday, May 11, 2023

Time: 09:00 New York / 14:00 London / 21:00 Hong Kong

Webcast Link: http://webcast.live.wisdomir.com/samsonite_23q1/index_en.php

Dial-in Details: [https://corporate.samsonite.com/on/demandware.static/-/Sites-InvestorRelations-Library/default/dwfe466b3a/PDF/press-release/2023/E_Samsonite_1Q2023%20Results%20Date%20&%20Conference%20Call%20\(2023-05-04%20FINAL\).pdf](https://corporate.samsonite.com/on/demandware.static/-/Sites-InvestorRelations-Library/default/dwfe466b3a/PDF/press-release/2023/E_Samsonite_1Q2023%20Results%20Date%20&%20Conference%20Call%20(2023-05-04%20FINAL).pdf)

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About Samsonite

With a heritage dating back more than 110 years, Samsonite International S.A. (“Samsonite” or the “Company”, together with its consolidated subsidiaries the “Group”), is a leader in the global lifestyle bag industry and is the world’s best-known and largest travel luggage company. The Group is principally engaged in the design, manufacture, sourcing and distribution of luggage, business and computer bags, outdoor and casual bags and travel accessories throughout the world, primarily under the *Samsonite*®, *Tumi*®, *American Tourister*®, *Gregory*®, *High Sierra*®, *Kamiliant*®, *ebags*®, *Lipault*® and *Hartmann*® brand names as well as other owned and licensed brand names. The Company’s ordinary shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (“SEHK”).

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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 On March 14, 2022, the Group suspended all commercial activities in Russia due to the armed conflict in Ukraine, and the Group subsequently completed the disposition of its Russian operations on July 1, 2022. As such, when comparing the Group's net sales for the three months ended March 31, 2023, with its net sales for the same periods in 2022 and 2019, net sales of the Group's former Russian operations for the first quarters of 2022 and 2019 are excluded.
- ³ On July 30, 2021, a wholly owned subsidiary of the Company sold Speculative Product Design, LLC ("Speck"), including the *Speck* brand. As such, when comparing the Group's net sales for the three months ended March 31, 2023, with its net sales for the same period in 2019, net sales of Speck for the first quarter of 2019 are excluded.
- ⁴ Adjusted earnings before interest, taxes, depreciation and amortization of intangible assets ("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.
- ⁵ Adjusted EBITDA margin, a non-IFRS measure, is calculated by dividing Adjusted EBITDA by net sales.
- ⁶ Adjusted Net Income, 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 profit attributable to the equity holders, which the Group believes helps to give securities analysts, investors and other interested parties a more complete understanding of the Group's underlying financial performance.
- ⁷ For the three months ended March 31, 2023, the Group spent US\$7.4 million and US\$2.3 million on capital expenditures and software purchases, respectively. In comparison, for the three months ended March 31, 2022, the Group spent US\$4.8 million and US\$1.0 million on capital expenditures and software purchases, respectively.
- ⁸ The total net leverage ratio is calculated by dividing total consolidated net debt minus the aggregate amount of unrestricted cash by the consolidated Adjusted EBITDA for the trailing four fiscal quarters on a pro forma basis as defined in the credit agreement.
- ⁹ As of March 31, 2023, the Group had total liquidity US\$1,416.5 million, comprising cash and cash equivalents of US\$571.1 million and US\$845.4 million available to be borrowed on the Group's revolving credit facility. In comparison, as of December 31, 2022, the Group had total liquidity US\$1,481.3 million, comprising cash and cash equivalents of US\$635.9 million and US\$845.4 million available to be borrowed on the Group's revolving credit facility.
- ¹⁰ Adjusted basic and diluted earnings per share, both non-IFRS measures, are calculated by dividing Adjusted Net Income by the weighted average number of shares used in the basic and diluted earnings per share calculations, respectively.
- ¹¹ Net sales reported for Hong Kong include net sales made in the domestic market and Macau as well as net sales to distributors in certain other Asian markets where the Group does not have a direct presence.
- ¹² Net sales reported for the United Kingdom include net sales made in Ireland.
- ¹³ 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 customers were actually located.
- ¹⁴ The non-travel product category includes business, casual, accessories and other products.
- ¹⁵ Other includes certain other brands owned by the Group, such as *High Sierra, Kamiliant, ebags, Xtrem, Lipault, Hartmann, Saxoline* and *Secret*, as well as third party brands sold through the Rolling Luggage and Chic Accent retail stores.
- ¹⁶ As of March 31, 2023, the Group had cash and cash equivalents of US\$571.1 million and outstanding financial debt of US\$2,010.7 million (excluding deferred financing costs of US\$6.7 million), resulting in a net debt position of US\$1,439.6 million. In comparison, as of December 31, 2022, the Group had cash and cash equivalents of US\$635.9 million and outstanding financial debt of US\$2,019.6 million (excluding deferred financing costs of US\$7.8 million), resulting in a net debt position of US\$1,383.7 million.

Non-IFRS Measures

The Company has presented certain non-IFRS measures in this press release because each of these measures provides additional information that management believes is useful for securities analysts, investors and other interested parties to gain a more complete understanding of the Group's operational performance and of the trends impacting its business. 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. Refer to the relevant announcement/report published by the Company for the corresponding period for reconciliations of the Group's non-IFRS financial information. 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 press release 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, gross profit margin, operating profit, Adjusted Net Income, Adjusted EBITDA, 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.

If one or more of these risks or uncertainties materialize, or if management's underlying beliefs and assumptions prove 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 effect of political or social unrest and armed conflict; the effects of inflation; a general economic downturn or generally reduced consumer spending; the pace and extent of recovery following COVID-19; significant changes in consumer spending patterns or preferences; interruptions or delays in the supply of finished goods or 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.

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 press release 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 press release and between amounts in this press release and other publicly available documents. All percentages and key figures were calculated using the underlying data in whole US Dollars.