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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 PERIODS ENDED SEPTEMBER 30, 2024

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 September 30, 2024, and for the three and nine month periods then ended, together with comparative figures for the three and nine month periods ended September 30, 2023. 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

For the Three Months Ended September 30, 2024, and September 30, 2023

The following table summarizes the consolidated financial results for the three months ended September 30, 2024, and September 30, 2023.

<i>(Expressed in millions of US Dollars, except per share data)</i>	Three months ended September 30,		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽²⁾
	2024	2023 ⁽¹⁾		
Net sales	877.7	957.7	(8.3)%	(6.8)%
Gross profit	520.1	570.9	(8.9)%	(7.0)%
Gross profit margin	59.3 %	59.6 %		
Operating profit	133.0	182.6	(27.2)%	(25.0)%
Profit for the period	71.5	116.5	(38.6)%	(34.1)%
Profit attributable to the equity holders	66.2	108.7	(39.1)%	(34.2)%
Adjusted Net Income ⁽³⁾	79.7	125.7	(36.6)%	(32.6)%
Adjusted EBITDA ⁽⁴⁾	154.6	194.0	(20.3)%	(18.5)%
Adjusted EBITDA margin ⁽⁵⁾	17.6 %	20.3 %		
Basic earnings per share <i>(Expressed in US Dollars per share)</i>	0.046	0.075	(39.5)%	(34.6)%
Diluted earnings per share <i>(Expressed in US Dollars per share)</i>	0.045	0.075	(39.2)%	(34.3)%
Adjusted basic earnings per share ⁽⁶⁾ <i>(Expressed in US Dollars per share)</i>	0.055	0.087	(37.0)%	(33.0)%
Adjusted diluted earnings per share ⁽⁶⁾ <i>(Expressed in US Dollars per share)</i>	0.055	0.086	(36.7)%	(32.7)%

Notes

- (1) Effective since the third quarter of 2024, the Group voluntarily made a change in accounting policy related to the recognition of the subsequent changes in fair value of the put option financial liabilities associated with the non-controlling interests in certain of the Group's majority owned subsidiaries. See Change in Accounting Policy for further discussion on this voluntary change in accounting policy.
- (2) Results stated on a constant currency basis, a non-International Financial Reporting Standards ("IFRS") Accounting Standards measure, are calculated by applying the average exchange rate of the same period in the year under comparison to current period local currency results.
- (3) 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. See Management Discussion and Analysis - For the Three Months Ended September 30, 2024, and September 30, 2023 - Adjusted Net Income for a reconciliation from the Group's profit attributable to the equity holders to Adjusted Net Income.
- (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. Adjusted EBITDA includes the lease interest and amortization expense under IFRS 16, Leases ("IFRS 16") to account for operational rent expenses. 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 - For the Three Months Ended September 30, 2024, and September 30, 2023 - Adjusted EBITDA for a reconciliation from the Group's profit for the period to Adjusted EBITDA.
- (5) Adjusted EBITDA margin, a non-IFRS measure, is calculated by dividing Adjusted EBITDA by net sales.
- (6) 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.

Financial Highlights

- Net sales were US\$877.7 million for the three months ended September 30, 2024, compared to US\$957.7 million for the three months ended September 30, 2023, a decrease of 8.3% (-6.8% constant currency). Global consumer sentiment was softer than the Group anticipated, particularly in China. The Group was also impacted by greater caution from wholesale customers in North America, and the Group continued to experience an elevated promotional environment across its markets, particularly in India.
- Gross profit margin was 59.3% for the three months ended September 30, 2024, compared to 59.6% for the same period in the previous year due to the decrease in net sales from the higher-margin Asia region and *Tumi* brand, partially offset by an increased share of total net sales from the Group's direct-to-consumer ("DTC") channel and continued discipline with respect to promotional discounts.

- The Group spent US\$55.7 million on marketing during the three months ended September 30, 2024, compared to US\$59.4 million for the three months ended September 30, 2023, a decrease of US\$3.7 million, or 6.3% (-4.9% constant currency). As a percentage of net sales, marketing expenses increased by 10 basis points to 6.3% for the three months ended September 30, 2024, from 6.2% for the three months ended September 30, 2023, as the Group continued to invest in marketing to support net sales.
- The Group reported an operating profit of US\$133.0 million for the three months ended September 30, 2024, compared to US\$182.6 million for the same period in the previous year, a decline of US\$49.6 million, or 27.2% (-25.0% constant currency), primarily due to lower gross profit realized on the reduced net sales.
- Profit for the three months ended September 30, 2024, was US\$71.5 million compared to US\$116.5 million for the three months ended September 30, 2023, a decline of US\$45.0 million, or 38.6% (-34.1% constant currency).
- Profit attributable to the equity holders was US\$66.2 million for the three months ended September 30, 2024, compared to US\$108.7 million for the same period in the previous year, a decrease of US\$42.5 million, or 39.1% (-34.2% constant currency).
- Adjusted EBITDA, a non-IFRS measure, was US\$154.6 million for the three months ended September 30, 2024, a decrease of US\$39.4 million, or 20.3% (-18.5% constant currency).
- Adjusted EBITDA margin, a non-IFRS measure, of 17.6% was 270 basis points lower compared to the same period in the previous year due to the decrease in net sales and gross profit, and higher marketing expenses as a percentage of net sales.
- Adjusted Net Income, a non-IFRS measure, decreased by US\$46.0 million, or 36.6% (-32.6% constant currency), to US\$79.7 million for the three months ended September 30, 2024, compared to US\$125.7 million for the three months ended September 30, 2023.
- Free Cash Flow⁽¹⁾, a non-IFRS measure, increased by US\$5.4 million to US\$94.2 million for the three months ended September 30, 2024, compared to US\$88.8 million for the three months ended September 30, 2023, driven by changes in working capital, partially offset by a decrease in profit for the period compared to the corresponding period in 2023.
- On July 16, 2024, the Company paid a cash distribution in the amount of US\$150.0 million to its shareholders.
- In August 2024, the Company began repurchasing its shares under its previously announced share buyback program of up to US\$200.0 million. During the three months ended September 30, 2024, the Company repurchased 29,967,000 shares with an associated cash outflow of US\$72.0 million. The shares purchased are held in treasury. The Company plans to continue share buybacks through the remainder of 2024 and into 2025.
- The Company's preparations for a potential dual listing of its securities in the United States continue to progress. The Company's Board of Directors and management believe this process will enhance value creation over time for its shareholders by increasing trading volumes and making the Company's securities more accessible to investors in the U.S. and globally.

Note

- (1) Free Cash Flow, a non-IFRS measure, is defined as net cash generated from (used in) operating activities less (i) purchases of property, plant and equipment and software ("total capital expenditures") and (ii) principal payments on lease liabilities (each as set forth on the condensed consolidated statements of cash flows).

For the Nine Months Ended September 30, 2024, and September 30, 2023

The following table summarizes the consolidated financial results for the nine months ended September 30, 2024, and September 30, 2023.

<i>(Expressed in millions of US Dollars, except per share data)</i>	Nine months ended September 30,		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽²⁾
	2024	2023 ⁽¹⁾		
Net sales	2,646.2	2,733.9	(3.2)%	(0.6)%
Gross profit	1,584.9	1,614.5	(1.8)%	1.3 %
Gross profit margin	59.9 %	59.1 %		
Operating profit	447.7	494.7	(9.5)%	(5.7)%
Profit for the period	255.6	281.3	(9.1)%	(2.7)%
Profit attributable to the equity holders	235.6	254.6	(7.5)%	(0.4)%
Adjusted Net Income ⁽³⁾	253.7	296.6	(14.5)%	(8.4)%
Adjusted EBITDA ⁽⁴⁾	488.1	528.3	(7.6)%	(4.0)%
Adjusted EBITDA margin ⁽⁵⁾	18.4 %	19.3 %		
Basic earnings per share <i>(Expressed in US Dollars per share)</i>	0.162	0.176	(8.2)%	(1.2)%
Diluted earnings per share <i>(Expressed in US Dollars per share)</i>	0.161	0.175	(8.4)%	(1.4)%
Adjusted basic earnings per share ⁽⁶⁾ <i>(Expressed in US Dollars per share)</i>	0.174	0.205	(15.2)%	(9.2)%
Adjusted diluted earnings per share ⁽⁶⁾ <i>(Expressed in US Dollars per share)</i>	0.173	0.204	(15.4)%	(9.4)%

Notes

- (1) Effective since the third quarter of 2024, the Group voluntarily made a change in accounting policy related to the recognition of the subsequent changes in fair value of the put option financial liabilities associated with the non-controlling interests in certain of the Group's majority owned subsidiaries. See Change in Accounting Policy for further discussion on this voluntary change in accounting policy.
- (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.
- (3) 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. See Management Discussion and Analysis - For the Nine Months Ended September 30, 2024, and September 30, 2023 - Adjusted Net Income for a reconciliation from the Group's profit attributable to the equity holders to Adjusted Net Income.
- (4) 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 under IFRS 16 to account for operational rent expenses. 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 - For the Nine Months Ended September 30, 2024, and September 30, 2023 - Adjusted EBITDA for a reconciliation from the Group's profit for the period to Adjusted EBITDA.
- (5) Adjusted EBITDA margin, a non-IFRS measure, is calculated by dividing Adjusted EBITDA by net sales.
- (6) 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.

Financial Highlights

- Net sales were US\$2,646.2 million for the nine months ended September 30, 2024, compared to US\$2,733.9 million for the nine months ended September 30, 2023, a decrease of 3.2% (-0.6% constant currency). Softer consumer sentiment in certain markets has resulted in reduced spending on discretionary items during the first nine months of 2024. By contrast, the Group's net sales during the first nine months of 2023 were fueled by strong travel demand and consumer spending, as well as large wholesale customers rebuilding their inventory levels following the pandemic.
- Gross profit margin was 59.9% for the nine months ended September 30, 2024, compared to 59.1% for the nine months ended September 30, 2023, driven by an increased share of total net sales from the Group's DTC channel and continued discipline with respect to promotional discounts, partially offset by the decrease in net sales from the higher-margin Asia region and *Tumi* brand.
- The Group spent US\$173.1 million on marketing during the nine months ended September 30, 2024, compared to US\$173.6 million for the nine months ended September 30, 2023. As a percentage of net sales, marketing expenses

increased by 10 basis points to 6.5% for the nine months ended September 30, 2024, as the Group continued to invest in marketing to support net sales.

- The Group reported an operating profit of US\$447.7 million for the nine months ended September 30, 2024, compared to US\$494.7 million for the same period in the previous year, a decline of US\$47.1 million, or 9.5% (-5.7% constant currency), primarily due to lower gross profit realized on the reduction in net sales.
- Profit for the nine months ended September 30, 2024, was US\$255.6 million compared to US\$281.3 million for the nine months ended September 30, 2023, a decline of US\$25.6 million, or 9.1% (-2.7% constant currency).
- Profit attributable to the equity holders was US\$235.6 million for the nine months ended September 30, 2024, compared to US\$254.6 million for the same period in the previous year, a decrease of US\$19.0 million, or 7.5% (-0.4% constant currency).
- Adjusted EBITDA, a non-IFRS measure, was US\$488.1 million for the nine months ended September 30, 2024, a decrease of US\$40.2 million, or 7.6% (-4.0% constant currency).
- Adjusted EBITDA margin, a non-IFRS measure, of 18.4% was 90 basis points lower compared to the same period in the previous year due to the decrease in net sales and gross profit, and higher marketing expenses as a percentage of net sales.
- Adjusted Net Income, a non-IFRS measure, decreased by US\$42.9 million, or 14.5% (-8.4% constant currency), to US\$253.7 million for the nine months ended September 30, 2024, compared to US\$296.6 million for the nine months ended September 30, 2023.
- Free Cash Flow, a non-IFRS measure, increased by US\$23.6 million to US\$175.8 million for the nine months ended September 30, 2024, compared to US\$152.2 million for the nine months ended September 30, 2023, driven by changes in working capital year-over-year.
- As of September 30, 2024, the Group had US\$682.3 million in cash and cash equivalents and outstanding financial debt of US\$1,830.4 million (excluding deferred financing costs of US\$8.5 million), resulting in a net debt position of US\$1,148.1 million compared to a net debt position of US\$1,107.4 million as of December 31, 2023.
- Total liquidity⁽¹⁾ as of September 30, 2024, was US\$1,426.4 million compared to US\$1,562.0 million as of December 31, 2023.
- In April 2024, the Company refinanced its term loan B facility to further enhance its financial flexibility. The Group borrowed US\$100.0 million from its lower interest rate revolving credit facility and used the proceeds of such borrowing and the proceeds from its new term loan B facility to repay the entire principal amount of its outstanding borrowings under the prior term loan B facility, plus transaction expenses. The principal amount of borrowings under the new term loan B facility was US\$500.0 million as of June 30, 2024. In addition, the Company was able to reduce the interest rate payable on its new term loan B borrowings by 75 basis points, with the refinancing expected to reduce the Company's annual cash interest payments in the first full year following the refinancing by approximately US\$4.9 million. See Management Discussion and Analysis - For the Nine Months Ended September 30, 2024, and September 30, 2023 - Indebtedness for further discussion.
- On July 16, 2024, the Company paid a cash distribution in the amount of US\$150.0 million to its shareholders.
- In August 2024, the Company began repurchasing its shares under its previously announced share buyback program of up to US\$200.0 million. During the three months ended September 30, 2024, the Company repurchased 29,967,000 shares with an associated cash outflow of US\$72.0 million. The shares purchased are held in treasury. The Company plans to continue share buybacks through the remainder of 2024 and into 2025.

Note

- (1) Total liquidity is calculated as the sum of cash and cash equivalents per the condensed consolidated statements of financial position plus available capacity under the revolving credit facility.

Disclaimer

Non-IFRS Measures

The Company has presented certain non-IFRS measures in the Summary Financial Results and Financial Highlights and Management Discussion and Analysis 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 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 Accounting Standards.

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, 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 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 effect of political or social unrest and armed conflict; the effects of inflation; a general economic downturn or generally reduced consumer spending; significant changes in consumer spending patterns or preferences; competition; interruptions or delays in the supply of finished goods or key components; the performance of the Group's products within the prevailing retail environment; and financial difficulties encountered by customers and related bankruptcy and collection issues.

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 report have been rounded up or down to the nearest tenth of a 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.

Condensed Consolidated Statements of Income (Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023 ⁽¹⁾	2024	2023 ⁽¹⁾
<i>(Expressed in millions of US Dollars, except per share data)</i>				
Net sales	877.7	957.7	2,646.2	2,733.9
Cost of sales	(357.7)	(386.8)	(1,061.3)	(1,119.4)
Gross profit	520.1	570.9	1,584.9	1,614.5
Distribution expenses	(267.1)	(263.6)	(787.4)	(752.9)
Marketing expenses	(55.7)	(59.4)	(173.1)	(173.6)
General and administrative expenses	(55.7)	(64.6)	(173.9)	(191.7)
Impairment reversals	—	—	5.1	—
Other expense	(8.6)	(0.6)	(8.0)	(1.5)
Operating profit	133.0	182.6	447.7	494.7
Finance income	3.0	4.8	10.9	10.3
Finance costs	(38.1)	(48.5)	(110.5)	(141.5)
Net finance costs	(35.1)	(43.7)	(99.6)	(131.2)
Profit before income tax	98.0	139.0	348.1	363.5
Income tax expense	(26.5)	(22.5)	(92.4)	(82.2)
Profit for the period	71.5	116.5	255.6	281.3
Profit attributable to the equity holders	66.2	108.7	235.6	254.6
Profit attributable to non-controlling interests	5.3	7.8	20.1	26.7
Profit for the period	71.5	116.5	255.6	281.3
Earnings per share:				
Basic earnings per share	0.046	0.075	0.162	0.176
Diluted earnings per share	0.045	0.075	0.161	0.175

Note

- (1) Effective since the third quarter of 2024, the Group voluntarily made a change in accounting policy related to the recognition of the subsequent changes in fair value of the put option financial liabilities associated with the non-controlling interests in certain of the Group's majority owned subsidiaries. See Change in Accounting Policy for further discussion on this voluntary change in accounting policy.

Condensed Consolidated Statements of Comprehensive Income (Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023 ⁽¹⁾	2024	2023 ⁽¹⁾
<i>(Expressed in millions of US Dollars)</i>				
Profit for the period	71.5	116.5	255.6	281.3
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	(8.5)	(1.9)	(15.1)	(5.7)
Foreign currency translation gains (losses) for foreign operations	14.0	(13.5)	(11.7)	(16.6)
Other comprehensive income (loss)	5.5	(15.4)	(26.8)	(22.2)
Total comprehensive income for the period	77.0	101.1	228.9	259.0
Total comprehensive income attributable to the equity holders	69.9	95.2	209.3	234.4
Total comprehensive income attributable to non-controlling interests	7.1	5.9	19.6	24.6
Total comprehensive income for the period	77.0	101.1	228.9	259.0

Note

- (1) Effective since the third quarter of 2024, the Group voluntarily made a change in accounting policy related to the recognition of the subsequent changes in fair value of the put option financial liabilities associated with the non-controlling interests in certain of the Group's majority owned subsidiaries. See Change in Accounting Policy for further discussion on this voluntary change in accounting policy.

Condensed Consolidated Statements of Financial Position

	(Unaudited) September 30, 2024	December 31, 2023
<i>(Expressed in millions of US Dollars)</i>		
Non-current Assets		
Property, plant and equipment	243.0	222.7
Lease right-of-use assets	500.4	435.8
Goodwill	826.9	825.9
Other intangible assets	1,523.1	1,534.4
Deferred tax assets	168.9	190.8
Other assets and receivables	70.4	66.6
Total non-current assets	<u>3,332.6</u>	<u>3,276.2</u>
Current Assets		
Inventories	672.9	695.9
Trade and other receivables	325.0	319.6
Prepaid expenses and other assets	95.5	103.5
Cash and cash equivalents	682.3	716.6
Total current assets	<u>1,775.7</u>	<u>1,835.6</u>
Total assets	<u>5,108.3</u>	<u>5,111.8</u>
Equity and Liabilities		
Equity:		
Share capital	14.6	14.5
Reserves	1,466.2	1,436.5
Total equity attributable to the equity holders	<u>1,480.8</u>	<u>1,451.0</u>
Non-controlling interests	69.5	66.7
Total equity	<u>1,550.4</u>	<u>1,517.7</u>
Non-current Liabilities		
Loans and borrowings	1,725.0	1,730.3
Lease liabilities	419.0	357.8
Employee benefits	28.4	28.4
Non-controlling interest put options	124.7	126.9
Deferred tax liabilities	175.1	186.5
Derivative financial instruments	5.5	—
Other liabilities	6.2	6.8
Total non-current liabilities	<u>2,483.8</u>	<u>2,436.7</u>
Current Liabilities		
Loans and borrowings	67.0	50.7
Current portion of long-term loans and borrowings	30.0	26.0
Current portion of lease liabilities	133.3	131.2
Employee benefits	96.5	135.0
Trade and other payables	689.6	725.1
Current tax liabilities	57.8	89.4
Total current liabilities	<u>1,074.1</u>	<u>1,157.4</u>
Total liabilities	<u>3,557.9</u>	<u>3,594.1</u>
Total equity and liabilities	<u>5,108.3</u>	<u>5,111.8</u>
Net current assets	<u>701.6</u>	<u>678.2</u>
Total assets less current liabilities	<u>4,034.2</u>	<u>3,954.4</u>

Condensed Consolidated Statements of Changes in Equity (Unaudited)

<i>(Expressed in millions of US Dollars, except number of shares)</i>	Reserves						Retained earnings	Total equity attributable to equity holders	Non-controlling interests	Total equity
	Number of shares	Share capital	Additional paid-in capital	Treasury share reserve	Translation reserve	Other reserves				
Three months ended September 30, 2024										
Balance, July 1, 2024	1,462,175,651	14.6	1,150.8	—	(88.3)	95.0	306.6	1,478.9	68.1	1,547.0
Profit for the period	—	—	—	—	—	—	66.2	66.2	5.3	71.5
Other comprehensive income (loss):										
Changes in fair value of hedges, net of tax	—	—	—	—	—	(8.5)	—	(8.5)	(0.0)	(8.5)
Foreign currency translation gains for foreign operations	—	—	—	—	12.1	—	—	12.1	1.9	14.0
Total comprehensive income (loss) for the period	—	—	—	—	12.1	(8.5)	66.2	69.9	7.1	77.0
Transactions with owners recorded directly in equity:										
Share-based compensation expense	—	—	—	—	—	4.0	—	4.0	—	4.0
Exercise of share options	42,148	0.0	0.1	—	—	—	—	0.1	—	0.1
Treasury share repurchases	(29,967,000)	—	—	(72.0)	—	—	—	(72.0)	—	(72.0)
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	(5.7)	(5.7)
Balance, September 30, 2024	1,432,250,799	14.6	1,150.9	(72.0)	(76.2)	90.6	372.8	1,480.8	69.5	1,550.4

Condensed Consolidated Statements of Changes in Equity (Unaudited) (continued)

	Number of shares	Share capital	Reserves			Retained earnings / (Accumulated deficit)	Total equity attributable to equity holders	Non-controlling interests	Total equity
			Additional paid-in capital	Translation reserve	Other reserves				
<i>(Expressed in millions of US Dollars, except number of shares)</i>									
Three months ended September 30, 2023									
Balance, July 1, 2023	1,443,304,662	14.4	1,084.3	(62.0)	114.6	36.1	1,187.4	59.9	1,247.3
Profit for the period	—	—	—	—	—	108.7	108.7	7.8	116.5
Other comprehensive income (loss):									
Changes in fair value of hedges, net of tax	—	—	—	—	(1.9)	—	(1.9)	0.0	(1.9)
Foreign currency translation losses for foreign operations	—	—	—	(11.6)	—	—	(11.6)	(1.9)	(13.5)
Total comprehensive income (loss) for the period	—	—	—	(11.6)	(1.9)	108.7	95.2	5.9	101.1
Transactions with owners recorded directly in equity:									
Share-based compensation expense	—	—	—	—	4.0	—	4.0	—	4.0
Exercise of share options	3,502,219	0.0	11.9	—	(3.1)	—	8.9	—	8.9
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	(3.5)	(3.5)
Balance, September 30, 2023	1,446,806,881	14.5	1,096.2	(73.7)	113.8	144.9	1,295.6	62.2	1,357.8

Condensed Consolidated Statements of Changes in Equity (Unaudited)

<i>(Expressed in millions of US Dollars, except number of shares)</i>	Reserves						Retained earnings	Total equity attributable to the equity holders	Non-controlling interests	Total equity
	Number of shares	Share capital	Additional paid-in capital	Treasury share reserve	Translation reserve	Other reserves				
Nine months ended September 30, 2024										
Balance, January 1, 2024	1,449,692,210	14.5	1,108.0	—	(65.0)	106.2	287.3	1,451.0	66.7	1,517.7
Profit for the period	—	—	—	—	—	—	235.6	235.6	20.1	255.6
Other comprehensive income (loss):										
Changes in fair value of hedges, net of tax	—	—	—	—	—	(15.1)	—	(15.1)	(0.0)	(15.1)
Foreign currency translation losses for foreign operations	—	—	—	—	(11.2)	—	—	(11.2)	(0.5)	(11.7)
Total comprehensive income (loss) for the period	—	—	—	—	(11.2)	(15.1)	235.6	209.3	19.6	228.9
Transactions with owners recorded directly in equity:										
Cash distributions to equity holders	—	—	—	—	—	—	(150.0)	(150.0)	—	(150.0)
Share-based compensation expense	—	—	—	—	—	11.2	—	11.2	—	11.2
Exercise of share options	11,649,397	0.1	40.6	—	—	(9.5)	—	31.3	—	31.3
Vesting of time-based restricted share awards	876,192	0.0	2.3	—	—	(2.4)	—	—	—	—
Treasury share repurchases	(29,967,000)	—	—	(72.0)	—	—	—	(72.0)	—	(72.0)
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	(16.8)	(16.8)
Balance, September 30, 2024	1,432,250,799	14.6	1,150.9	(72.0)	(76.2)	90.6	372.8	1,480.8	69.5	1,550.4

Condensed Consolidated Statements of Changes in Equity (Unaudited) (continued)

<i>(Expressed in millions of US Dollars, except number of shares)</i>	Reserves						Total equity attributable to the equity holders	Non-controlling interests	Total equity
	Number of shares	Share capital	Additional paid-in capital	Translation reserve	Other reserves	Retained earnings / (accumulated deficit)			
Nine months ended September 30, 2023									
Balance, January 1, 2023	1,438,900,432	14.4	1,071.4	(59.2)	115.0	(109.8)	1,031.8	47.8	1,079.6
Profit for the period	—	—	—	—	—	254.6	254.6	26.7	281.3
Other comprehensive income (loss):									
Changes in fair value of hedges, net of tax	—	—	—	—	(5.7)	—	(5.7)	0.1	(5.7)
Foreign currency translation losses for foreign operations	—	—	—	(14.5)	—	—	(14.5)	(2.1)	(16.6)
Total comprehensive income (loss) for the period	—	—	—	(14.5)	(5.7)	254.6	234.4	24.6	259.0
Transactions with owners recorded directly in equity:									
Share-based compensation expense	—	—	—	—	11.0	—	11.0	—	11.0
Exercise of share options	7,906,449	0.1	24.8	—	(6.5)	—	18.4	—	18.4
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	(10.2)	(10.2)
Balance, September 30, 2023	1,446,806,881	14.5	1,096.2	(73.7)	113.8	144.9	1,295.6	62.2	1,357.8

Condensed Consolidated Statements of Cash Flows (Unaudited)

<i>(Expressed in millions of US Dollars)</i>	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Cash flows from operating activities:				
Profit for the period	71.5	116.5	255.6	281.3
Adjustments to reconcile profit for the period to net cash generated from operating activities:				
Depreciation	13.0	9.3	37.0	27.4
Amortization of intangible assets	5.0	4.7	15.2	14.0
Amortization of lease right-of-use assets	38.2	34.2	110.8	98.7
Impairment reversals	—	—	(5.1)	—
Change in fair value of put options included in finance costs	3.7	13.5	(2.2)	28.4
Non-cash share-based compensation expense	4.0	4.0	11.2	11.0
Interest expense on borrowings and lease liabilities	33.5	33.4	97.7	99.9
Non-cash charge to derecognize deferred financing costs	—	—	9.5	4.4
Income tax expense	26.5	22.5	92.4	82.2
	195.3	238.1	622.1	647.1
Changes in operating assets and liabilities:				
Trade and other receivables	26.8	(35.3)	(10.6)	(60.9)
Inventories	(17.6)	(7.5)	20.1	(59.8)
Trade and other payables	4.3	14.1	(74.5)	(37.7)
Other assets and liabilities	0.5	(1.7)	(6.9)	(5.3)
Cash generated from operating activities	209.4	207.7	550.2	483.4
Interest paid on borrowings and lease liabilities	(30.0)	(31.2)	(92.7)	(93.6)
Income tax paid	(29.2)	(29.0)	(114.3)	(85.7)
Net cash generated from operating activities	150.2	147.5	343.1	304.1
Cash flows from investing activities:				
Purchases of property, plant and equipment and software	(20.6)	(23.4)	(61.8)	(49.1)
Net cash used in investing activities	(20.6)	(23.4)	(61.8)	(49.1)
Cash flows from financing activities:				
Proceeds from issuance of the Senior Credit Facilities	—	—	—	1,500.0
Settlement of prior Senior Credit Facilities	—	—	—	(1,565.1)
Proceeds from issuance of 2024 Term Loan B Facility	—	—	500.0	—
Settlement of prior Term Loan B Facility	—	—	(595.5)	—
Proceeds from (payments on) Senior Credit Facilities	(6.3)	(76.5)	82.3	(89.4)
Proceeds from (payments on) other loans and borrowings	(3.8)	(3.8)	16.7	(14.9)
Principal payments on lease liabilities	(35.5)	(35.3)	(105.5)	(102.8)
Payment of financing costs	—	—	(3.1)	(17.1)
Proceeds from the exercise of share options	0.1	8.9	31.3	18.4
Repurchase of treasury shares	(72.0)	—	(72.0)	—
Cash distributions paid to equity holders	(150.0)	—	(150.0)	—
Dividend payments to non-controlling interests	(5.7)	(3.5)	(16.8)	(10.2)
Net cash used in financing activities	(273.1)	(110.2)	(312.6)	(281.2)
Net (decrease) increase in cash and cash equivalents	(143.4)	13.9	(31.3)	(26.2)
Cash and cash equivalents, at beginning of period	815.5	599.0	716.6	635.9
Effect of exchange rate changes	10.2	(9.5)	(3.0)	(6.3)
Cash and cash equivalents, at end of period	682.3	603.4	682.3	603.4

Management Discussion and Analysis

For the Three Months Ended September 30, 2024, and September 30, 2023

Net Sales

The Group's net sales decreased by US\$79.9 million, or 8.3% (-6.8% constant currency), during the three months ended September 30, 2024, compared to the three months ended September 30, 2023. Global consumer sentiment was softer than the Group anticipated, particularly in China. The Group was also impacted by greater caution from wholesale customers in North America, and the Group continued to experience an elevated promotional environment across its markets, particularly in India.

Net Sales by Region

The following table sets forth a breakdown of net sales by region for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total net sales.

	Three months ended September 30,				2024 vs. 2023	
	2024		2023		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 region ⁽¹⁾ :						
Asia	327.6	37.3 %	373.0	39.0 %	(12.2)%	(11.5)%
North America	295.8	33.7 %	321.0	33.5 %	(7.9)%	(7.8)%
Europe	209.2	23.8 %	214.2	22.4 %	(2.3)%	(1.7)%
Latin America	45.1	5.2 %	49.2	5.1 %	(8.3)%	13.7 %
Corporate	0.1	0.0 %	0.3	0.0 %	(72.1)%	(72.1)%
Net sales ⁽²⁾	877.7	100.0 %	957.7	100.0 %	(8.3)%	(6.8)%

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 customers were actually located.
- (2) When excluding the net sales in Argentina and Turkey, which have experienced higher inflation and currency depreciation, the Group's consolidated net sales for the three months ended September 30, 2024, decreased by 8.1% on a constant currency basis, compared to the three months ended September 30, 2023.
- (3) Results stated on a constant currency basis, a non-International Financial Reporting Standards ("IFRS") Accounting Standards 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 September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total net sales.

	Three months ended September 30,				2024 vs. 2023	
	2024		2023		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 brand:						
Samsonite	479.0	54.6 %	498.2	52.0 %	(3.9)%	(2.2)%
Tumi	193.3	22.0 %	213.7	22.3 %	(9.5)%	(8.9)%
American Tourister	144.3	16.4 %	173.8	18.2 %	(17.0)%	(15.1)%
Other ⁽¹⁾	61.1	7.0 %	71.9	7.5 %	(14.9)%	(11.9)%
Net sales	877.7	100.0 %	957.7	100.0 %	(8.3)%	(6.8)%

Notes

- (1) "Other" includes certain other non-core brands owned by the Group, such as *Gregory*, *High Sierra*, *Kamiliant*, *Xtrem*, *Lipault*, *Hartmann*, *Saxoline* and *Secret*, as well as certain third-party brands.
- (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.

Net sales of the *Samsonite* brand decreased during the three months ended September 30, 2024, compared to the three months ended September 30, 2023, due to net sales decreases in Asia, Europe and Latin America, primarily due to consumers reducing discretionary spending, partially offset by an increase in net sales in North America where the Group saw more resilience in consumer demand in the mid-section of the market.

Net sales of the *Tumi* brand decreased year-over-year due to slower retail traffic and decreased consumer spending on premium and luxury brands.

Net sales of the *American Tourister* brand decreased for the three months ended September 30, 2024, compared to the three months ended September 30, 2023, primarily due to lower net sales in India where the Group was impacted by competitors significantly discounting their products, and greater caution from wholesale customers in North America.

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 September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total net sales.

	Three months ended September 30,					
	2024		2023		2024 vs. 2023	
	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 product category:						
Travel	588.7	67.1 %	644.5	67.3 %	(8.7)%	(7.3)%
Non-travel ⁽¹⁾	289.1	32.9 %	313.1	32.7 %	(7.7)%	(5.7)%
Net sales	877.7	100.0 %	957.7	100.0 %	(8.3)%	(6.8)%

Notes

(1) The non-travel product category comprises 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.

Distribution Channels

The Group sells its products through two primary distribution channels: wholesale and direct-to-consumer. The following table sets forth a breakdown of net sales by distribution channel for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total net sales.

	Three months ended September 30,					
	2024		2023		2024 vs. 2023	
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽³⁾
Net sales by distribution channel:						
Wholesale	527.9	60.1 %	596.7	62.3 %	(11.5)%	(10.4)%
DTC ⁽¹⁾	349.6	39.8 %	360.6	37.7 %	(3.1)%	(0.8)%
Other ⁽²⁾	0.3	0.1 %	0.3	0.0 %	7.6 %	7.6 %
Net sales	877.7	100.0 %	957.7	100.0 %	(8.3)%	(6.8)%

Notes

(1) DTC, or direct-to-consumer, includes brick-and-mortar retail and e-commerce sites 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.

For the three months ended September 30, 2024, net sales in the Group's wholesale channel decreased by US\$68.9 million, or 11.5% (-10.4% constant currency), compared to the same period in the previous year. Global consumer sentiment was softer than the Group anticipated, particularly in China. The Group was also impacted by greater caution from wholesale customers in North America, and the Group continued to experience an elevated promotional

environment across its markets, particularly in India. By contrast, the Group's net sales during the third quarter of 2023 was fueled by strong travel demand and consumer spending, as well as large wholesale customers rebuilding their inventory levels following the pandemic.

Net sales in the DTC channel includes company-operated retail stores and DTC e-commerce. Net sales in the DTC retail channel decreased by US\$11.3 million, or 4.2% (-1.8% constant currency), during the three months ended September 30, 2024, compared to the same period in the previous year. During the three months ended September 30, 2024, the Group added 30 company-operated retail stores. This was partially offset by the permanent closure of 9 company-operated retail stores. This resulted in a net addition of 21 company-operated retail stores during the three months ended September 30, 2024, compared to a net addition of 20 company-operated retail stores during the three months ended September 30, 2023. The total number of company-operated retail stores was 1,104 as of September 30, 2024, compared to 1,021 as of September 30, 2023. On a same store, constant currency basis, retail net sales decreased by 5.7% for the three months ended September 30, 2024, compared to the three months ended September 30, 2023. This was due to constant currency same store net sales decreases of 8.1%, 9.2% and 3.8% in North America, Asia, and Europe, respectively, partially offset by a constant currency same store net sales increase of 12.8% in Latin America. The Group's same store analysis includes existing company-operated retail stores which had been open for at least 12 months before the end of the relevant financial period.

Total DTC e-commerce net sales increased by US\$0.2 million, or 0.2% (+2.1% constant currency), to US\$92.3 million (representing 10.5% of net sales) for the three months ended September 30, 2024, from US\$92.1 million (representing 9.6% of net sales) for the three months ended September 30, 2023.

Regions

Asia

Net sales in Asia decreased by US\$45.4 million, or 12.2% (-11.5% constant currency) for the three months ended September 30, 2024, compared to the three months ended September 30, 2023, with decreases in most major markets experiencing cautious consumer spending.

Countries/Territories

The following table sets forth a breakdown of net sales in Asia by geographic location for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Three months ended September 30,				2024 vs. 2023	
	2024		2023		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽⁴⁾
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales		
Net sales by geographic location ⁽¹⁾ :						
China	76.6	23.4 %	89.2	23.9 %	(14.1)%	(14.9)%
Japan	50.6	15.4 %	51.6	13.9 %	(2.0)%	1.4 %
India	49.0	15.0 %	65.7	17.6 %	(25.3)%	(24.3)%
South Korea	36.9	11.2 %	42.6	11.4 %	(13.5)%	(10.8)%
Australia	23.1	7.0 %	19.0	5.1 %	21.1 %	19.1 %
Hong Kong ^{(2), (3)}	19.2	5.9 %	27.8	7.5 %	(30.9)%	(31.0)%
Singapore ⁽²⁾	18.0	5.5 %	20.6	5.5 %	(12.6)%	(13.7)%
Other	54.2	16.6 %	56.4	15.1 %	(3.9)%	(3.3)%
Net sales	327.6	100.0 %	373.0	100.0 %	(12.2)%	(11.5)%

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 customers were actually located.
- (2) Includes net sales made domestically as well as net sales to distributors in certain other Asian markets.
- (3) Net sales reported for Hong Kong include net sales made in Macau.
- (4) 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.

Most of Asia experienced slower economic growth and softening consumer sentiment during the third quarter of 2024 compared to the same period in the previous year. By comparison, the third quarter of 2023 was a year of robust recovery in the region fueled by a post-pandemic travel resurgence. These net sales decreases were partially offset by constant currency net sales increases in Australia and Japan which were generally driven by further recovery and growth in leisure and business travel.

Total net sales in China decreased by US\$12.6 million, or 14.1% (-14.9% constant currency), for the three months ended September 30, 2024, compared to the three months ended September 30, 2023, resulting from soft demand due to more cautious consumers. After three years of strong growth, the Group's net sales in India decreased by US\$16.7 million, or 25.3% (-24.3% constant currency), for the three months ended September 30, 2024, compared to the same period in the previous year due to intensified promotional activity by competitors while the Company focused on preserving brand equity. Total net sales reported for Hong Kong (which includes net sales made in the domestic Hong Kong market, in Macau, and to distributors in certain other Asian markets) decreased by US\$8.6 million, or 30.9% (-31.0% constant currency), for the three months ended September 30, 2024, compared to the three months ended September 30, 2023, due to softer consumer sentiment.

Brands

The following table sets forth a breakdown of net sales by brand in Asia for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Three months ended September 30,					
	2024		2023		2024 vs. 2023	
	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:						
Samsonite	152.6	46.6 %	171.7	46.0 %	(11.1)%	(10.7)%
American Tourister	87.1	26.6 %	104.5	28.0 %	(16.6)%	(15.8)%
Tumi	60.6	18.5 %	65.6	17.6 %	(7.5)%	(6.6)%
Other ⁽¹⁾	27.2	8.3 %	31.2	8.4 %	(12.9)%	(11.4)%
Net sales	327.6	100.0 %	373.0	100.0 %	(12.2)%	(11.5)%

Notes

- (1) "Other" includes certain other non-core brands owned by the Group, such as *Gregory*, *High Sierra*, *Kamiliant*, *Lipault*, and *Hartmann*.
- (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.

Distribution Channels

The following table sets forth a breakdown of net sales by distribution channel in Asia for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Three months ended September 30,					
	2024		2023		2024 vs. 2023	
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽¹⁾
Net sales by distribution channel:						
Wholesale	222.0	67.8 %	264.4	70.9 %	(16.1)%	(15.4)%
DTC	105.6	32.2 %	108.6	29.1 %	(2.8)%	(1.8)%
Net sales	327.6	100.0 %	373.0	100.0 %	(12.2)%	(11.5)%

Note

- (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.

Net sales in the DTC retail channel in Asia decreased by US\$3.8 million, or 5.1% (-4.0% constant currency), during the three months ended September 30, 2024, compared to the three months ended September 30, 2023. During the three months ended September 30, 2024, the Group added 10 new company-operated retail stores in Asia. This was partially

offset by the permanent closure of 4 company-operated retail stores in Asia. This resulted in a net addition of 6 company-operated retail stores in Asia during the three months ended September 30, 2024, compared to a net addition of 16 company-operated retail stores during the three months ended September 30, 2023. The total number of company-operated retail stores in Asia was 423 as of September 30, 2024, compared to 385 as of September 30, 2023. On a same store, constant currency basis, retail net sales in Asia decreased by 9.2% for the three months ended September 30, 2024, compared to the three months ended September 30, 2023. The Group's same-store analysis includes existing company-operated retail stores that have been open for at least 12 months before the end of the relevant financial period.

Total DTC e-commerce net sales in Asia increased by US\$0.8 million, or 2.2% (+2.6% constant currency), to US\$36.0 million for the three months ended September 30, 2024, from US\$35.3 million for the three months ended September 30, 2023.

North America

Net sales in North America decreased by US\$25.3 million, or 7.9% (-7.8% constant currency), for the three months ended September 30, 2024, compared to the three months ended September 30, 2023.

Countries

The following table sets forth a breakdown of net sales in North America by geographic location for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Three months ended September 30,					
	2024		2023		2024 vs. 2023	
	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 geographic location ⁽¹⁾ :						
United States	279.9	94.6 %	300.3	93.6 %	(6.8)%	(6.8)%
Canada	15.9	5.4 %	20.7	6.4 %	(23.2)%	(21.6)%
Net sales	295.8	100.0 %	321.0	100.0 %	(7.9)%	(7.8)%

Notes

- (1) The geographic location of the Group's net sales generally reflects the country from which its products were sold and does not necessarily indicate the country in which its end customers 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 in North America for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Three months ended September 30,					
	2024		2023		2024 vs. 2023	
	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:						
Samsonite	159.9	54.1 %	154.6	48.1 %	3.4 %	3.5 %
Tumi	104.4	35.3 %	121.8	37.9 %	(14.3)%	(14.2)%
American Tourister	19.9	6.7 %	27.5	8.6 %	(27.6)%	(27.5)%
Other ⁽¹⁾	11.6	3.9 %	17.2	5.4 %	(32.5)%	(32.5)%
Net sales	295.8	100.0 %	321.0	100.0 %	(7.9)%	(7.8)%

Notes

- (1) "Other" includes certain other non-core brands owned by the Group, such as *Gregory*, *High Sierra*, *Lipault*, and *Hartmann*.
- (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.

Distribution Channels

The following table sets forth a breakdown of net sales by distribution channel in North America for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Three months ended September 30,				2024 vs. 2023	
	2024		2023		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 distribution channel:						
Wholesale	167.4	56.6 %	183.7	57.2 %	(8.8)%	(8.8)%
DTC	128.1	43.3 %	137.3	42.8 %	(6.7)%	(6.6)%
Other ⁽¹⁾	0.3	0.1 %	0.1	0.0 %	378.7 %	378.7 %
Net sales	295.8	100.0 %	321.0	100.0 %	(7.9)%	(7.8)%

Notes

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

(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.

Net sales in the DTC retail channel in North America decreased by US\$6.9 million, or 6.7% (-6.6% constant currency), during the three months ended September 30, 2024, compared to the same period in the previous year. During the three months ended September 30, 2024, the Group added 7 new company-operated retail stores in North America. This was partially offset by the permanent closure of 2 company-operated retail stores in North America. This resulted in a net addition of 5 company-operated retail stores in North America during the three months ended September 30, 2024, compared to a net addition of 1 company-operated retail store during the three months ended September 30, 2023. The total number of company-operated retail stores in North America was 282 as of September 30, 2024, compared to 270 as of September 30, 2023. On a same store, constant currency basis, retail net sales in North America decreased by 8.1% for the three months ended September 30, 2024, compared to the three months ended September 30, 2023. The Group's same-store analysis includes existing company-operated retail stores that have been open for at least 12 months before the end of the relevant financial period.

Total DTC e-commerce net sales in North America decreased by US\$2.3 million, or 6.6% (-6.6% constant currency), to US\$32.3 million for the three months ended September 30, 2024, from US\$34.6 million for the three months ended September 30, 2023.

Europe

Net sales in Europe decreased by US\$4.9 million, or 2.3% (-1.7% constant currency), for the three months ended September 30, 2024, compared to the three months ended September 30, 2023, due to softer consumer sentiment reducing demand within the region.

Countries

The following table sets forth a breakdown of net sales in Europe by geographic location for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Three months ended September 30,					
	2024		2023		2024 vs. 2023	
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽⁵⁾
Net sales by geographic location ⁽¹⁾ :						
Belgium ⁽²⁾	54.1	25.9 %	49.0	22.9 %	10.3 %	9.8 %
Germany	25.2	12.1 %	31.6	14.8 %	(20.2)%	(20.6)%
Italy	21.0	10.0 %	23.1	10.8 %	(9.2)%	(9.7)%
Spain	20.0	9.5 %	19.1	8.9 %	4.5 %	3.9 %
United Kingdom ⁽³⁾	19.7	9.4 %	21.1	9.8 %	(6.5)%	(8.5)%
France	18.4	8.8 %	19.9	9.3 %	(7.3)%	(7.7)%
Other	50.9	24.3 %	50.4	23.5 %	1.0 %	5.8 %
Net sales ⁽⁴⁾	209.2	100.0 %	214.2	100.0 %	(2.3)%	(1.7)%

Notes

- (1) The geographic location of the Group's net sales generally reflects the country from which its products were sold and does not necessarily indicate the country in which its end customers were actually located.
- (2) Net sales in Belgium were US\$6.6 million and US\$6.9 million for the three months ended September 30, 2024, and September 30, 2023, respectively, a decrease of US\$0.3 million, or 4.2% (-6.0% constant currency). Remaining sales consisted of direct shipments to distributors, customers and agents in other European countries, including e-commerce.
- (3) Net sales reported for the United Kingdom include net sales made in Ireland.
- (4) When excluding the net sales in Turkey, which experienced higher inflation and currency depreciation, the Group's net sales in Europe for the three months ended September 30, 2024, decreased by 3.9% on a constant currency basis, compared to the three months ended September 30, 2023.
- (5) 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 in Europe for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Three months ended September 30,					
	2024		2023		2024 vs. 2023	
	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>	144.4	69.0 %	148.0	69.1 %	(2.4)%	(1.9)%
<i>American Tourister</i>	30.4	14.5 %	33.3	15.5 %	(8.6)%	(8.0)%
<i>Tumi</i>	24.5	11.7 %	23.1	10.8 %	5.8 %	7.1 %
Other ⁽¹⁾	10.0	4.8 %	9.8	4.6 %	2.0 %	2.1 %
Net sales	209.2	100.0 %	214.2	100.0 %	(2.3)%	(1.7)%

Notes

- (1) "Other" includes certain other non-core brands owned by the Group, such as *Gregory*, *Lipault*, and *Hartmann*, as well as certain third-party brands.
- (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.

Distribution Channels

The following table sets forth a breakdown of net sales by distribution channel in Europe for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Three months ended September 30,					
	2024		2023		2024 vs. 2023	
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽¹⁾
Net sales by distribution channel:						
Wholesale	115.1	55.0 %	121.8	56.9 %	(5.5)%	(5.1)%
DTC	94.1	45.0 %	92.4	43.1 %	1.9 %	2.8 %
Net sales	209.2	100.0 %	214.2	100.0 %	(2.3)%	(1.7)%

Note

(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.

Net sales in the DTC retail channel in Europe decreased by US\$0.1 million, or 0.2%, but increased by 0.8% on a constant currency basis during the three months ended September 30, 2024, compared to the three months ended September 30, 2023. During the three months ended September 30, 2024, the Group added 7 new company-operated retail stores in Europe. This was partially offset by the permanent closure of 1 company-operated retail store in Europe. This resulted in a net addition of 6 company-operated retail stores in Europe during the three months ended September 30, 2024, compared to a net addition of 1 company-operated retail store during the three months ended September 30, 2023. The total number of company-operated retail stores in Europe was 209 as of September 30, 2024, compared to 193 as of September 30, 2023. On a same store, constant currency basis, retail net sales in Europe decreased by 3.8% for the three months ended September 30, 2024, compared to the three months ended September 30, 2023. The Group's same-store analysis includes existing company-operated retail stores that have been open for at least 12 months before the end of the relevant financial period.

Total DTC e-commerce net sales in Europe increased by US\$1.9 million, or 9.5% (+10.2% constant currency), to US\$21.3 million for the three months ended September 30, 2024, from US\$19.5 million for the three months ended September 30, 2023.

Latin America

Net sales in Latin America decreased by US\$4.1 million, or 8.3% but increased by 13.7% on a constant currency basis for the three months ended September 30, 2024, compared to the three months ended September 30, 2023.

Countries

The following table sets forth a breakdown of net sales in Latin America by geographic location for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Three months ended September 30,					
	2024		2023		2024 vs. 2023	
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽⁵⁾
Net sales by geographic location ⁽¹⁾ :						
Mexico	18.8	41.7 %	20.1	40.8 %	(6.4)%	4.6 %
Chile	9.7	21.5 %	10.8	22.0 %	(10.5)%	(2.4)%
Brazil ⁽²⁾	5.7	12.6 %	7.5	15.2 %	(24.0)%	(12.4)%
Other ⁽³⁾	10.9	24.2 %	10.8	22.0 %	1.2 %	64.6 %
Net sales ⁽⁴⁾	45.1	100.0 %	49.2	100.0 %	(8.3)%	13.7 %

Notes

- (1) The geographic location of the Group's net sales generally reflects the country from which its products were sold and does not necessarily indicate the country in which its end customers were actually located.
- (2) Excludes any sales made to distributors in Brazil from outside the country.
- (3) The net sales figure for the "Other" geographic location includes sales in Argentina, Colombia, Panama, Peru, Uruguay and sales to third-party distributors in Brazil from outside of Brazil.
- (4) When excluding the net sales in Argentina, which experienced higher inflation and currency depreciation, the Group's net sales in Latin America for the three months ended September 30, 2024, decreased by 1.9% on a constant currency basis, compared to the three months ended September 30, 2023.
- (5) 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 in Latin America for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Three months ended September 30,				2024 vs. 2023	
	2024		2023		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 brand:						
<i>Samsonite</i>	22.1	49.1 %	23.9	48.7 %	(7.5)%	19.4 %
<i>American Tourister</i>	6.9	15.3 %	8.6	17.5 %	(20.2)%	6.6 %
<i>Tumi</i>	3.8	8.5 %	3.3	6.7 %	17.0 %	27.4 %
Other ⁽¹⁾	12.2	27.1 %	13.3	27.1 %	(8.3)%	4.5 %
Net sales	45.1	100.0 %	49.2	100.0 %	(8.3)%	13.7 %

Notes

- (1) "Other" includes certain other non-core brands owned by the Group, such as *Xtrem*, *Saxoline*, *Secret*, and *Lipault*.
- (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.

Distribution Channels

The following table sets forth a breakdown of net sales by distribution channel in Latin America for the three months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Three months ended September 30,				2024 vs. 2023	
	2024		2023		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽¹⁾
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales		
Net sales by distribution channel:						
Wholesale	23.4	51.8 %	26.9	54.6 %	(13.1)%	4.1 %
DTC	21.7	48.2 %	22.3	45.4 %	(2.5)%	25.2 %
Net sales	45.1	100.0 %	49.2	100.0 %	(8.3)%	13.7 %

Note

- (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.

Net sales in the DTC retail channel in Latin America decreased by US\$0.5 million, or 2.4%, but increased by 22.1% on a constant currency basis, during the three months ended September 30, 2024, compared to the same period in the previous year. During the three months ended September 30, 2024, the Group added 6 new company-operated retail stores in Latin America. This was partially offset by the permanent closure of 2 company-operated retail stores in Latin America. This resulted in a net addition of 4 company-operated retail stores in Latin America during the three months ended September 30, 2024, compared to a net addition of 2 company-operated retail stores during the three months ended September 30, 2023. The total number of company-operated retail stores in Latin America was 190 as of September 30, 2024, compared to 173 as of September 30, 2023. On a same store, constant currency basis, retail net

sales in Latin America increased by 12.8% for the three months ended September 30, 2024, compared to the three months ended September 30, 2023. The Group's same-store analysis includes existing company-operated retail stores that have been open for at least 12 months before the end of the relevant financial period.

Total DTC e-commerce net sales in Latin America decreased by US\$0.1 million, or 3.6% but increased by 47.8% on a constant currency basis, to US\$2.6 million for the three months ended September 30, 2024, from US\$2.7 million for the three months ended September 30, 2023.

Cost of Sales and Gross Profit

Cost of sales decreased by US\$29.1 million, or 7.5% (-6.4% constant currency), to US\$357.7 million (representing 40.7% of net sales) for the three months ended September 30, 2024, from US\$386.8 million (representing 40.4% of net sales) for the three months ended September 30, 2023.

Gross profit decreased by US\$50.8 million, or 8.9% (-7.0% constant currency), to US\$520.1 million for the three months ended September 30, 2024, from US\$570.9 million for the three months ended September 30, 2023, due to the decrease in net sales. The gross profit margin was 59.3% for the three months ended September 30, 2024, compared to 59.6% for the same period in the previous year due to the decrease in net sales from the higher-margin Asia region and *Tumi* brand, partially offset by an increased share of total net sales from the Group's DTC channel and continued discipline with respect to promotional discounts.

Distribution Expenses

Distribution expenses increased by US\$3.5 million, or 1.3% (+3.3% constant currency), to US\$267.1 million (representing 30.4% of net sales) for the three months ended September 30, 2024, from US\$263.6 million (representing 27.5% of net sales) for the three months ended September 30, 2023. Distribution expenses as a percentage of net sales increased primarily due to higher depreciation and amortization of lease right-of-use assets in relation to the 83 net new company-operated retail stores opened since September 30, 2023 (including 52 net new company-operated retail stores opened during the first nine months of 2024), as well as other expenses to support net sales.

Marketing Expenses

The Group spent US\$55.7 million on marketing during the three months ended September 30, 2024, compared to US\$59.4 million for the three months ended September 30, 2023, a decrease of US\$3.7 million, or 6.3% (-4.9% constant currency). As a percentage of net sales, marketing expenses increased by 10 basis points to 6.3% for the three months ended September 30, 2024, from 6.2% for the three months ended September 30, 2023, as the Group continued to invest in marketing to support net sales.

General and Administrative Expenses

General and administrative expenses decreased by US\$9.0 million, or 13.9% (-12.5% constant currency), to US\$55.7 million (representing 6.3% of net sales) for the three months ended September 30, 2024, from US\$64.6 million (representing 6.7% of net sales) for the three months ended September 30, 2023. The decrease in general and administrative expenses as a percentage of net sales reflects continued discipline with respect to the fixed cost structure of the business.

Other Expense

The Group recorded other expense of US\$8.6 million for the three months ended September 30, 2024, compared to other expense of US\$0.6 million for the three months ended September 30, 2023. Other expense for the three months ended September 30, 2024, included costs associated with the preparation for a potential dual listing of the Company's securities and complying with related increased regulatory requirements of US\$5.1 million as well as losses on the disposal of property, plant and equipment and certain other miscellaneous expense items, partially offset by gains from lease exits/remeasurements.

Operating Profit

The Group reported an operating profit of US\$133.0 million for the three months ended September 30, 2024, compared to US\$182.6 million for the same period in the previous year, a decline of US\$49.6 million, or 27.2% (-25.0% constant currency), primarily due to lower gross profit realized on the reduced net sales.

Net Finance Costs

Net finance costs decreased by US\$8.6 million, or 19.7% (-22.2% constant currency), to US\$35.1 million for the three months ended September 30, 2024, from US\$43.7 million for the three months ended September 30, 2023. This decrease was primarily attributable to a decrease in the non-cash charge associated with redeemable non-controlling interest put options of US\$9.9 million year-over-year and a US\$3.1 million decrease in interest expense on the Group's Senior Credit Facilities (as defined below in Management Discussion and Analysis - For the Nine Months Ended September 30, 2024, and September 30, 2023 - Indebtedness). These decreases were partially offset by an increase in interest expenses on lease liabilities of US\$1.7 million and an increase in the amortization of deferred financing costs of US\$1.5 million.

The following table sets forth a breakdown of total finance costs for the three months ended September 30, 2024, and September 30, 2023.

<i>(Expressed in millions of US Dollars)</i>	Three Months Ended September 30,	
	2024	2023 ⁽¹⁾
Recognized in profit or loss:		
Interest income	3.0	4.8
Total finance income	3.0	4.8
Interest expense on loans and borrowings	(22.2)	(25.3)
Amortization of deferred financing costs	(2.3)	(0.8)
Interest expense on lease liabilities	(9.0)	(7.2)
Change in fair value of put options ⁽¹⁾	(3.7)	(13.5)
Net foreign exchange gain (loss)	0.1	(0.3)
Other finance costs	(1.0)	(1.4)
Total finance costs	(38.1)	(48.5)
Net finance costs recognized in profit or loss	(35.1)	(43.7)

Note

- (1) Effective since the third quarter of 2024, the Group voluntarily made a change in accounting policy related to the recognition of the subsequent changes in fair value of the put option financial liabilities associated with the non-controlling interests in certain of the Group's majority owned subsidiaries. See Change in Accounting Policy for further discussion on this voluntary change in accounting policy.

Profit before Income Tax

The Group recorded a profit before income tax of US\$98.0 million for the three months ended September 30, 2024, compared to US\$139.0 million for the same period in the previous year, a decrease of US\$41.0 million, or 29.5% (-25.8% constant currency).

Income Tax Expense

The Group recorded income tax expense of US\$26.5 million for the three months ended September 30, 2024, compared to income tax expense of US\$22.5 million for the three months ended September 30, 2023.

The Group's consolidated effective tax rate for operations was 27.0% and 16.2% for the three months ended September 30, 2024, and September 30, 2023, respectively. The Group's effective tax rate during the three months ended September 30, 2023, was impacted by the tax benefit associated with outstanding share options during the period. Excluding the effect of the tax benefit related to share-based compensation recognized during the three months ended September 30, 2023, the Group's effective tax rate for operations would have been 26.9% compared to 27.0% for the three months ended September 30, 2024.

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 for the period adjusted for certain discrete items for the period.

Profit

Profit for the Period

Profit for the three months ended September 30, 2024, was US\$71.5 million compared to US\$116.5 million for the three months ended September 30, 2023, a decline of US\$45.0 million, or 38.6% (-34.1% constant currency).

Profit Attributable to the Equity Holders

Profit attributable to the equity holders was US\$66.2 million for the three months ended September 30, 2024, compared to US\$108.7 million for the same period in the previous year, a decrease of US\$42.5 million, or 39.1% (-34.2% constant currency).

Basic and Diluted Earnings per Share

Basic earnings per share were US\$0.046 for the three months ended September 30, 2024, compared to US\$0.075 for the three months ended September 30, 2023. The weighted average number of shares used in the basic earnings per share calculation was 1,453,738,074 shares for the three months ended September 30, 2024, compared to 1,444,854,150 shares for the three months ended September 30, 2023.

Diluted earnings per share were US\$0.045 for the three months ended September 30, 2024, compared to US\$0.075 for the three months ended September 30, 2023. The weighted average number of shares outstanding used in the diluted earnings per share calculation was 1,459,814,273 shares for the three months ended September 30, 2024, compared to 1,457,129,766 shares for the three months ended September 30, 2023.

Adjusted EBITDA

Adjusted earnings before interest, taxes, depreciation and amortization of intangible assets ("Adjusted EBITDA"), a non-IFRS measure, was US\$154.6 million for the three months ended September 30, 2024, a decrease of US\$39.4 million, or 20.3% (-18.5% constant currency), compared to the three months ended September 30, 2023. Adjusted EBITDA margin, a non-IFRS measure, of 17.6% was 270 basis points lower compared to the same period in the previous year due to the decrease in net sales and gross profit, and higher marketing expenses as a percentage of net sales.

The following table presents the reconciliation from the Group's profit for the period to Adjusted EBITDA for the three months ended September 30, 2024, and September 30, 2023.

<i>(Expressed in millions of US Dollars)</i>	Three Months Ended September 30,		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽⁴⁾
	2024	2023		
Profit for the period	71.5	116.5	(38.6)%	(34.1)%
Plus (Minus):				
Income tax expense	26.5	22.5	17.8 %	17.0 %
Finance costs	38.1	48.5	(21.4)%	(22.8)%
Finance income	(3.0)	(4.8)	(37.1)%	(28.1)%
Depreciation	13.0	9.3	39.1 %	40.4 %
Total amortization	43.3	38.9	11.4 %	12.8 %
EBITDA	189.3	230.8	(18.0)%	(16.0)%
Plus (Minus):				
Share-based compensation expense	4.0	4.0	(1.6)%	(1.7)%
Amortization of lease right-of-use assets	(38.2)	(34.2)	11.8 %	13.3 %
Interest expense on lease liabilities	(9.0)	(7.2)	24.0 %	26.5 %
Other adjustments ⁽¹⁾	8.6	0.6	1303.5 %	1308.8 %
Adjusted EBITDA ⁽²⁾	154.6	194.0	(20.3)%	(18.5)%
Adjusted EBITDA margin ⁽³⁾	17.6 %	20.3 %		

Notes

- (1) Other adjustments primarily comprised 'Other income (expense)' per the condensed consolidated statements of income.
- (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 under IFRS 16 to account for operational rent expenses.
- (3) Adjusted EBITDA margin, a non-IFRS measure, is calculated by dividing Adjusted EBITDA by net sales.
- (4) 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.

The Company 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 Accounting Standards and with the reconciliation to profit (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 measures and as calculated herein may not be comparable to similarly named measures used by other companies and should not be considered comparable to profit (loss) for the period in the Company's condensed consolidated statements of income. 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 Company's results of operations as reported under IFRS Accounting Standards.

Adjusted Net Income

Adjusted Net Income, a non-IFRS measure, decreased by US\$46.0 million, or 36.6% (-32.6% constant currency), to US\$79.7 million for the three months ended September 30, 2024, compared to US\$125.7 million for the three months ended September 30, 2023.

The following table presents the reconciliation from the Group's profit attributable to the equity holders to Adjusted Net Income for the three months ended September 30, 2024, and September 30, 2023.

	Three Months Ended September 30,		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽³⁾
	2024	2023		
<i>(Expressed in millions of US Dollars)</i>				
Profit attributable to the equity holders	66.2	108.7	(39.1)%	(34.2)%
Plus (Minus):				
Change in fair value of put options included in finance costs	3.7	13.5	(72.8)%	(72.8)%
Amortization of intangible assets	5.0	4.7	8.3 %	8.6 %
U.S. dual listing preparedness costs	5.1	—	<i>nm</i>	<i>nm</i>
Tax adjustments ⁽¹⁾	(0.3)	(1.2)	(70.6)%	(83.4)%
Adjusted Net Income ⁽²⁾	79.7	125.7	(36.6)%	(32.6)%

Notes

(1) Tax adjustments represent the tax effect of the reconciling line items as included in the condensed consolidated statements of income based on the applicable tax rate in the jurisdiction where such costs were incurred.

(2) Represents Adjusted Net Income 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.

Adjusted basic earnings per share, which is a non-IFRS measure, was US\$0.055 per share for the three months ended September 30, 2024, compared to US\$0.087 for the three months ended September 30, 2023. Adjusted diluted earnings per share, which is a non-IFRS measure, was US\$0.055 per share for the three months ended September 30, 2024, compared to US\$0.086 for the three months ended September 30, 2023. Adjusted basic and diluted earnings per share 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.

The Company has presented Adjusted Net Income and adjusted basic and diluted earnings per share because it believes these measures help to give securities analysts, investors and other interested parties a more complete understanding of the Company's underlying financial performance. By presenting Adjusted Net Income and the related adjusted basic and diluted earnings 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 profit attributable to the equity holders.

Adjusted Net Income and adjusted basic and diluted earnings per share are non-IFRS measures and as calculated herein may not be comparable to similarly named measures used by other companies and should not be considered comparable to profit attributable to the equity holders or basic and diluted earnings per share presented in the Company's condensed consolidated statements of income. Adjusted Net Income and the related adjusted basic and diluted earnings 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 Accounting Standards.

Cash Flows

Cash flows generated from operating activities improved by 1.9% to US\$150.2 million for the three months ended September 30, 2024, compared to US\$147.5 million for the three months ended September 30, 2023. This US\$2.8 million increase is primarily attributable to changes in working capital, partially offset by a decrease in profit for the period compared to the three months ended September 30, 2023.

For the three months ended September 30, 2024, net cash flows used in investing activities were US\$20.6 million attributable to capital expenditures (comprised of US\$18.6 million for the purchase of property, plant and equipment and US\$1.9 million for software purchases). The Group selectively remodeled certain existing retail locations, added new retail locations and made investments in machinery and equipment to support new product innovation. For the three months ended September 30, 2023, net cash flows used in investing activities were US\$23.4 million (comprised of US\$20.9 million for the purchase of property, plant and equipment and US\$2.5 million for software purchases).

Net cash flows used in financing activities were US\$273.1 million for the three months ended September 30, 2024, and were largely attributable to the US\$150.0 million of annual cash distribution paid to the Company's shareholders in July 2024, treasury shares acquired of US\$72.0 million, and US\$35.5 million in principal payments on lease liabilities.

Net cash flows used in financing activities were US\$110.2 million for the three months ended September 30, 2023, and were largely attributable to cash flows associated with a refinancing of the Senior Credit Facilities in June 2023 (see Management Discussion and Analysis - For the Nine Months Ended September 30, 2024, and September 30, 2023 - Indebtedness). Net cash flows used in financing activities included repayments of US\$76.5 million of outstanding borrowings under its Senior Credit Facilities and US\$35.3 million in principal payments on lease liabilities. The cash flows used in financing activities during the three months ended September 30, 2023, were partially offset by proceeds from share option exercises of US\$8.9 million.

Free Cash Flow, a non-IFRS measure, increased by US\$5.4 million to US\$94.2 million for the three months ended September 30, 2024, compared to US\$88.8 million for the three months ended September 30, 2023, driven by changes in working capital, partially offset by a decrease in profit for the period compared to the corresponding period in 2023. As of September 30, 2024, the Group had US\$682.3 million in cash and cash equivalents, compared to US\$716.6 million as of December 31, 2023. Cash and cash equivalents are generally denominated in the functional currency of the applicable Group entity.

The following table presents the reconciliation from the Group's net cash generated from operating activities per the condensed consolidated statements of cash flows to Free Cash Flow for the three months ended September 30, 2024, and September 30, 2023:

<i>(Expressed in millions of US Dollars)</i>	Three months ended September 30,		US\$ increase (decrease)	Percentage increase (decrease)
	2024	2023		
Net cash generated from operating activities	150.2	147.5	2.8	1.9 %
Less:				
Purchases of property, plant and equipment and software	(20.6)	(23.4)	2.8	(12.1)%
Principal payments on lease liabilities	(35.5)	(35.3)	(0.2)	0.5 %
Free Cash Flow	94.2	88.8	5.4	6.1 %

The Company has presented Free Cash Flow because it believes that, when viewed with its condensed consolidated cash flows as prepared in accordance with IFRS Accounting Standards, this measure provides additional information that is useful in gaining a more complete understanding of its cash flows. Free Cash Flow is an important metric the Group uses to evaluate its consolidated cash flows and cash flow generation.

Free Cash Flow is a non-IFRS financial measure and as calculated herein may not be comparable to similarly named measures used by other companies and should not be considered comparable to the net increase/(decrease) in cash and cash equivalents in the Company's condensed consolidated statements of cash flows. This measure has limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, an analysis of the Company's condensed consolidated cash flows as reported under IFRS Accounting Standards.

For the Nine Months Ended September 30, 2024, and September 30, 2023

Net Sales

The Group's net sales decreased by US\$87.6 million, or 3.2% (-0.6% constant currency), during the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023. Softer consumer sentiment in certain markets has resulted in reduced spending on discretionary items during the first nine months of 2024. By contrast, the Group's net sales during the first nine months of 2023 were fueled by strong travel demand and consumer spending, as well as large wholesale customers rebuilding their inventory levels following the pandemic.

Global travel and tourism trends have continued to reach record levels, however consumers have become more selective and intentional with their spending habits. The year-over-year net sales decline was primarily due softening sentiment among Chinese consumers, a more competitive pricing environment in India, lower consumer confidence and retail traffic in many markets and greater caution from wholesale customers in North America.

Net Sales by Region

The following table sets forth a breakdown of net sales by region for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total net sales.

	Nine months ended September 30,				2024 vs. 2023	
	2024		2023		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 region ⁽¹⁾ :						
Asia	1,007.6	38.1 %	1,066.9	39.1 %	(5.6)%	(2.7)%
North America	904.0	34.1 %	932.3	34.1 %	(3.0)%	(3.0)%
Europe	581.5	22.0 %	579.9	21.2 %	0.3 %	2.3 %
Latin America	152.6	5.8 %	153.8	5.6 %	(0.8)%	18.2 %
Corporate	0.5	0.0 %	0.9	0.0 %	(47.0)%	(47.0)%
Net sales ⁽²⁾	2,646.2	100.0 %	2,733.9	100.0 %	(3.2)%	(0.6)%

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 customers were actually located.
- (2) When excluding the net sales in Argentina and Turkey, which have experienced higher inflation and currency depreciation, the Group's consolidated net sales for the nine months ended September 30, 2024, decreased by 2.0% on a constant currency basis, compared to the nine months ended September 30, 2023.
- (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.

Brands

The following table sets forth a breakdown of net sales by brand for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total net sales.

	Nine months ended September 30,				2024 vs. 2023	
	2024		2023		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 brand:						
Samsonite	1,382.8	52.3 %	1,378.5	50.4 %	0.3 %	2.9 %
Tumi	607.2	22.9 %	634.8	23.2 %	(4.3)%	(2.8)%
American Tourister	451.8	17.1 %	494.6	18.1 %	(8.7)%	(5.9)%
Other ⁽¹⁾	204.5	7.7 %	225.9	8.3 %	(9.5)%	(4.1)%
Net sales	2,646.2	100.0 %	2,733.9	100.0 %	(3.2)%	(0.6)%

Notes

- (1) "Other" includes certain other non-core brands owned by the Group, such as *Gregory*, *High Sierra*, *Kamiliant*, *Xtrem*, *Lipault*, *Hartmann*, *Saxoline* and *Secret*, as well as certain third-party brands.
- (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.

The industry-leading *Samsonite* brand achieved net sales growth during the nine months ended September 30, 2024, even when compared to a period of exceptionally high sell-in to wholesale customers during the nine months ended September 30, 2023.

Net sales of the *Tumi* brand decreased during the nine months ended September 30, 2024, compared to the corresponding period in the previous year due to slower retail traffic and decreased consumer spending on premium and luxury brands, as well as a high net sales base in the first nine months of 2023 that was driven by elevated demand for its key core collections and supported by the arrival of delayed inventory.

Net sales of the *American Tourister* brand decreased during the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023, primarily due to lower net sales in India where the Group was impacted by competitors significantly discounting their products, and greater caution from wholesale customers in North America.

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 nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total net sales.

	Nine months ended September 30,				2024 vs. 2023	
	2024		2023		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	1,749.4	66.1 %	1,818.4	66.5 %	(3.8)%	(1.7)%
Non-travel ⁽¹⁾	896.8	33.9 %	915.5	33.5 %	(2.0)%	1.6 %
Net sales	2,646.2	100.0 %	2,733.9	100.0 %	(3.2)%	(0.6)%

Notes

- (1) The non-travel product category comprises 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.

Distribution Channels

The Group sells its products through two primary distribution channels: wholesale and direct-to-consumer. The following table sets forth a breakdown of net sales by distribution channel for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total net sales.

	Nine months ended September 30,				2024 vs. 2023	
	2024		2023		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	1,621.8	61.3 %	1,703.2	62.3 %	(4.8)%	(2.6)%
DTC ⁽¹⁾	1,023.1	38.7 %	1,029.6	37.7 %	(0.6)%	2.8 %
Other ⁽²⁾	1.4	0.0 %	1.1	0.0 %	25.6 %	25.6 %
Net sales	2,646.2	100.0 %	2,733.9	100.0 %	(3.2)%	(0.6)%

Notes

- (1) DTC, or direct-to-consumer, includes brick-and-mortar retail and e-commerce sites 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.

For the nine months ended September 30, 2024, net sales in the Group's wholesale channel decreased by US\$81.4 million, or 4.8% (-2.6% constant currency), compared to the same period in the previous year. The year-over-year net sales decrease was due to softer consumer sentiment and greater caution from wholesale customers in North America during the nine months ended September 30, 2024, compared to the comparable period in 2023 when wholesale customers rebuilt their inventory levels following the pandemic.

Net sales in the DTC channel includes company-operated retail stores and DTC e-commerce. Net sales in the DTC retail channel decreased by US\$17.5 million, or 2.3%, but increased by 1.2% on a constant currency basis during the nine months ended September 30, 2024, compared to the same period in the previous year. During the nine months ended September 30, 2024, the Group added 78 company-operated retail stores. This was partially offset by the permanent closure of 26 company-operated retail stores. This resulted in a net addition of 52 company-operated retail stores during the nine months ended September 30, 2024, compared to a net addition of 36 company-operated retail stores during the nine months ended September 30, 2023. The total number of company-operated retail stores was 1,104 as of September 30, 2024, compared to 1,021 as of September 30, 2023. On a same store, constant currency basis, retail net sales decreased by 2.9% for the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023. This was due to constant currency same store net sales decreases of 6.3%, 4.7% and 0.1% in North America, Asia and Europe, respectively, partially offset by a constant currency same store net sales increase of 11.7% in Latin America. The Group's same store analysis includes existing company-operated retail stores which had been open for at least 12 months before the end of the relevant financial period.

Total DTC e-commerce net sales increased by US\$11.0 million, or 4.0% (+7.3% constant currency), to US\$283.1 million (representing 10.7% of net sales) for the nine months ended September 30, 2024, from US\$272.1 million (representing 10.0% of net sales) for the nine months ended September 30, 2023.

Regions

Asia

Net sales in Asia decreased by US\$59.3 million, or 5.6% (-2.7% constant currency) for the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023.

Countries/Territories

The following table sets forth a breakdown of net sales in Asia by geographic location for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Nine months ended September 30,					
	2024		2023		2024 vs. 2023	
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽⁴⁾
Net sales by geographic location ⁽¹⁾ :						
China	222.8	22.1 %	230.1	21.6 %	(3.2)%	(1.1)%
India	160.5	15.9 %	191.9	18.0 %	(16.4)%	(15.3)%
Japan	147.0	14.6 %	142.7	13.4 %	3.0 %	12.6 %
South Korea	116.2	11.5 %	121.6	11.4 %	(4.4)%	(0.8)%
Hong Kong ^{(2), (3)}	71.1	7.1 %	87.3	8.2 %	(18.6)%	(18.7)%
Australia	62.7	6.2 %	54.9	5.1 %	14.1 %	15.1 %
Singapore ⁽²⁾	55.9	5.6 %	60.7	5.7 %	(7.9)%	(8.0)%
Other	171.4	17.0 %	177.6	16.6 %	(3.5)%	(0.5)%
Net sales	1,007.6	100.0 %	1,066.9	100.0 %	(5.6)%	(2.7)%

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 customers were actually located.
- (2) Includes net sales made domestically as well as net sales to distributors in certain other Asian markets.
- (3) Net sales reported for Hong Kong include net sales made in Macau.
- (4) 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.

Several countries in Asia experienced slower economic growth and softening consumer sentiment during the first nine months of 2024 compared to the same period in the previous year. By comparison, the first nine months of 2023 was a period of robust recovery throughout the region fueled by a post-pandemic travel resurgence. These net sales decreases in China, India, South Korea, Hong Kong and Singapore were partially offset by net sales increases in Japan and Australia during the first nine months of 2024 compared to the first nine months of 2023. These net sales increases in Japan and Australia year-over-year were generally driven by further recovery and growth in leisure and business travel and the resulting increased demand for the Group's products.

After three years of strong growth, the Group's net sales in India decreased by US\$31.4 million, or 16.4% (-15.3% constant currency), for the nine months ended September 30, 2024, compared to the same period in the previous year due to intensified promotional activity by competitors while the Company focused on preserving brand equity. Total net sales reported for Hong Kong (which includes net sales made in the domestic Hong Kong market, in Macau, and to distributors in certain other Asian markets) decreased by US\$16.2 million, or 18.6% (-18.7% constant currency), for the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023, due to softer consumer sentiment.

Brands

The following table sets forth a breakdown of net sales by brand in Asia for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Nine months ended September 30,				2024 vs. 2023	
	2024		2023		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 brand:						
<i>Samsonite</i>	458.3	45.5 %	473.4	44.4 %	(3.2)%	(0.2)%
<i>American Tourister</i>	276.7	27.5 %	299.7	28.1 %	(7.7)%	(5.5)%
<i>Tumi</i>	193.7	19.2 %	201.7	18.9 %	(4.0)%	(0.3)%
Other ⁽¹⁾	78.8	7.8 %	92.2	8.6 %	(14.5)%	(11.3)%
Net sales	1,007.6	100.0 %	1,066.9	100.0 %	(5.6)%	(2.7)%

Notes

- (1) "Other" includes certain other non-core brands owned by the Group, such as *Gregory*, *High Sierra*, *Kamiliant*, *Lipault*, and *Hartmann*.
- (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.

Distribution Channels

The following table sets forth a breakdown of net sales by distribution channel in Asia for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Nine months ended September 30,				2024 vs. 2023	
	2024		2023		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽¹⁾
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales		
Net sales by distribution channel:						
Wholesale	694.3	68.9 %	752.4	70.5 %	(7.7)%	(5.3)%
DTC	313.3	31.1 %	314.5	29.5 %	(0.4)%	3.5 %
Net sales	1,007.6	100.0 %	1,066.9	100.0 %	(5.6)%	(2.7)%

Note

- (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.

Net sales in the DTC retail channel in Asia decreased by US\$3.5 million, or 1.7% but increased by 2.6% on a constant currency basis during the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023. During the nine months ended September 30, 2024, the Group added 32 new company-operated retail stores in Asia. This was partially offset by the permanent closure of 14 company-operated retail stores in Asia. This resulted in a net addition of 18 company-operated retail stores in Asia during the nine months ended September 30, 2024, compared to a net addition of 24 company-operated retail stores during the nine months ended September 30, 2023. The total number of company-operated retail stores in Asia was 423 as of September 30, 2024, compared to 385 as of September 30, 2023. On a same store, constant currency basis, retail net sales in Asia decreased by 4.7% for the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023. The Group's same-store analysis includes existing company-operated retail stores that have been open for at least 12 months before the end of the relevant financial period.

Total DTC e-commerce net sales in Asia increased by US\$2.3 million, or 2.2% (+5.3% constant currency), to US\$106.2 million for the nine months ended September 30, 2024, from US\$103.9 million for the nine months ended September 30, 2023.

North America

Net sales for the first nine months of 2024 experienced a slight decrease compared with the corresponding period in the previous year. The Group's business in North America during the first nine months of 2023 was exceptionally strong driven by strong sales of the *Tumi* brand from elevated demand for its key core collections. In comparison, the first nine months of 2024 was impacted by moderating retail customer traffic and generally softer consumer sentiment, as well as greater caution from wholesale customers in North America.

Countries

The following table sets forth a breakdown of net sales in North America by geographic location for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Nine months ended September 30,				2024 vs. 2023	
	2024		2023		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 geographic location ⁽¹⁾ :						
United States	854.8	94.6 %	876.6	94.0 %	(2.5)%	(2.5)%
Canada	49.2	5.4 %	55.7	6.0 %	(11.7)%	(10.8)%
Net sales	904.0	100.0 %	932.3	100.0 %	(3.0)%	(3.0)%

Notes

- (1) The geographic location of the Group's net sales generally reflects the country from which its products were sold and does not necessarily indicate the country in which its end customers 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 in North America for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Nine months ended September 30,					
	2024		2023		2024 vs. 2023	
	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:						
Samsonite	460.7	51.0 %	448.0	48.1 %	2.8 %	2.9 %
Tumi	336.3	37.2 %	357.3	38.3 %	(5.9)%	(5.8)%
American Tourister	63.1	7.0 %	76.6	8.2 %	(17.5)%	(17.5)%
Other ⁽¹⁾	43.9	4.8 %	50.5	5.4 %	(13.0)%	(13.0)%
Net sales	904.0	100.0 %	932.3	100.0 %	(3.0)%	(3.0)%

Notes

- (1) "Other" includes certain other non-core brands owned by the Group, such as *Gregory*, *High Sierra*, *Lipault*, and *Hartmann*.
- (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.

Distribution Channels

The following table sets forth a breakdown of net sales by distribution channel in North America for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Nine months ended September 30,					
	2024		2023		2024 vs. 2023	
	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 distribution channel:						
Wholesale	504.0	55.7 %	520.4	55.8 %	(3.2)%	(3.1)%
DTC	399.2	44.2 %	411.8	44.2 %	(3.1)%	(3.0)%
Other ⁽¹⁾	0.9	0.1 %	0.2	0.0 %	446.4 %	446.4 %
Net sales	904.0	100.0 %	932.3	100.0 %	(3.0)%	(3.0)%

Notes

- (1) "Other" primarily consists of licensing revenue.
- (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.

Net sales in the DTC retail channel in North America decreased by US\$15.9 million, or 5.2% (-5.2% constant currency), during the nine months ended September 30, 2024, compared to the same period in the previous year. During the nine months ended September 30, 2024, the Group added 14 new company-operated retail stores in North America. This was partially offset by the permanent closure of 6 company-operated retail stores in North America. This resulted in a net addition of 8 company-operated retail stores in North America during the nine months ended September 30, 2024, compared to a net addition of 2 company-operated retail stores during the nine months ended September 30, 2023. The total number of company-operated retail stores in North America was 282 as of September 30, 2024, compared to 270 as of September 30, 2023. On a same store, constant currency basis, retail net sales in North America decreased by 6.3% for the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023. The Group's same-store analysis includes existing company-operated retail stores that have been open for at least 12 months before the end of the relevant financial period.

Total DTC e-commerce net sales in North America increased by US\$3.3 million, or 3.0% (+3.1% constant currency), to US\$112.1 million for the nine months ended September 30, 2024, from US\$108.8 million for the nine months ended September 30, 2023.

Europe

Net sales in Europe increased by US\$1.6 million, or 0.3% (+2.3% constant currency) for the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023, with net sales increases in Belgium and Spain, offset by net sales decreases in Germany, Italy, the United Kingdom and France. The year-over-year comparison was impacted by the post-pandemic surge in travel in Europe in 2023. The Group continued to invest in new products and brand marketing to support future sales growth.

Countries

The following table sets forth a breakdown of net sales in Europe by geographic location for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Nine months ended September 30,				2024 vs. 2023	
	2024		2023		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽⁵⁾
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales		
Net sales by geographic location ⁽¹⁾ :						
Belgium ⁽²⁾	149.7	25.7 %	134.2	23.1 %	11.5 %	11.4 %
Germany	72.5	12.5 %	80.8	13.9 %	(10.3)%	(10.4)%
Italy	58.6	10.1 %	62.4	10.8 %	(6.1)%	(6.3)%
United Kingdom ⁽³⁾	54.2	9.3 %	55.0	9.5 %	(1.4)%	(3.5)%
Spain	53.0	9.1 %	50.4	8.7 %	5.2 %	5.0 %
France	52.4	9.0 %	56.7	9.8 %	(7.6)%	(7.7)%
Other	141.0	24.3 %	140.3	24.2 %	0.5 %	10.0 %
Net sales ⁽⁴⁾	581.5	100.0 %	579.9	100.0 %	0.3 %	2.3 %

Notes

- (1) The geographic location of the Group's net sales generally reflects the country from which its products were sold and does not necessarily indicate the country in which its end customers were actually located.
- (2) Net sales in Belgium were US\$19.2 million and US\$19.0 million for the nine months ended September 30, 2024, and September 30, 2023, respectively, an increase of US\$0.2 million, or 1.2% (+0.6% constant currency). Remaining sales consisted of direct shipments to distributors, customers and agents in other European countries, including e-commerce.
- (3) Net sales reported for the United Kingdom include net sales made in Ireland.
- (4) When excluding the net sales in Turkey, which experienced higher inflation and currency depreciation, the Group's net sales in Europe for the nine months ended September 30, 2024, decreased by 0.4% on a constant currency basis, compared to the nine months ended September 30, 2023.
- (5) 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 in Europe for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Nine months ended September 30,				2024 vs. 2023	
	2024		2023		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 brand:						
<i>Samsonite</i>	397.6	68.4 %	391.5	67.5 %	1.6 %	3.5 %
<i>American Tourister</i>	89.1	15.3 %	94.0	16.2 %	(5.2)%	(3.8)%
<i>Tumi</i>	66.6	11.5 %	67.6	11.7 %	(1.4)%	1.7 %
Other ⁽¹⁾	28.1	4.8 %	26.8	4.6 %	5.2 %	6.2 %
Net sales	581.5	100.0 %	579.9	100.0 %	0.3 %	2.3 %

Notes

- (1) "Other" includes certain other non-core brands owned by the Group, such as *Gregory*, *Lipault*, and *Hartmann*, as well as certain third-party

brands.

- (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.

Distribution Channels

The following table sets forth a breakdown of net sales by distribution channel in Europe for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Nine months ended September 30,				2024 vs. 2023	
	2024		2023		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽¹⁾
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales		
Net sales by distribution channel:						
Wholesale	335.6	57.7 %	343.2	59.2 %	(2.2)%	(0.6)%
DTC	245.9	42.3 %	236.7	40.8 %	3.9 %	6.4 %
Net sales	581.5	100.0 %	579.9	100.0 %	0.3 %	2.3 %

Note

- (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.

Net sales in the DTC retail channel in Europe increased by US\$3.9 million, or 2.1% (+4.9% constant currency), during the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023. During the nine months ended September 30, 2024, the Group added 15 new company-operated retail stores in Europe. This was partially offset by the permanent closure of 1 company-operated retail store in Europe. This resulted in a net addition of 14 company-operated retail stores in Europe during the nine months ended September 30, 2024, compared to a net addition of 6 company-operated retail stores during the nine months ended September 30, 2023. The total number of company-operated retail stores in Europe was 209 as of September 30, 2024, compared to 193 as of September 30, 2023. On a same store, constant currency basis, retail net sales in Europe decreased by 0.1% for the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023. The Group's same-store analysis includes existing company-operated retail stores that have been open for at least 12 months before the end of the relevant financial period.

Total DTC e-commerce net sales in Europe increased by US\$5.3 million, or 10.2% (+11.9% constant currency), to US\$56.6 million for the nine months ended September 30, 2024, from US\$51.3 million for the nine months ended September 30, 2023.

Latin America

Net sales in Latin America decreased by US\$1.2 million, or 0.8%, but increased by 18.2% on a constant currency basis during the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023. Net sales continued to grow on a constant currency basis in Latin America for the nine months ended September 30, 2024, fueled by strong growth in Mexico through all sales channels. This growth was partially offset by continued soft consumer demand in Chile where constant currency net sales were down year-over-year.

Countries

The following table sets forth a breakdown of net sales in Latin America by geographic location for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Nine months ended September 30,					
	2024		2023		2024 vs. 2023	
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽⁵⁾
Net sales by geographic location ⁽¹⁾ :						
Mexico	59.2	38.8 %	52.7	34.3 %	12.3 %	12.4 %
Chile	41.8	27.4 %	47.9	31.1 %	(12.7)%	(1.0)%
Brazil ⁽²⁾	18.9	12.4 %	19.8	12.9 %	(4.6)%	0.7 %
Other ⁽³⁾	32.7	21.4 %	33.4	21.7 %	(2.1)%	64.9 %
Net sales ⁽⁴⁾	152.6	100.0 %	153.8	100.0 %	(0.8)%	18.2 %

Notes

- (1) The geographic location of the Group's net sales generally reflects the country from which its products were sold and does not necessarily indicate the country in which its end customers were actually located.
- (2) Excludes any sales made to distributors in Brazil from outside the country.
- (3) The net sales figure for the "Other" geographic location includes sales in Argentina, Colombia, Panama, Peru, Uruguay and sales to third-party distributors in Brazil from outside of Brazil.
- (4) When excluding the net sales in Argentina, which experienced higher inflation and currency depreciation, the Group's net sales in Latin America for the nine months ended September 30, 2024, increased by 3.3% on a constant currency basis, compared to the nine months ended September 30, 2023.
- (5) 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 in Latin America for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Nine months ended September 30,					
	2024		2023		2024 vs. 2023	
	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>	66.1	43.3 %	65.7	42.7 %	0.6 %	22.2 %
<i>American Tourister</i>	22.8	15.0 %	24.3	15.8 %	(6.2)%	17.8 %
<i>Tumi</i>	10.6	6.9 %	8.2	5.3 %	28.9 %	30.1 %
Other ⁽¹⁾	53.1	34.8 %	55.6	36.2 %	(4.5)%	11.7 %
Net sales	152.6	100.0 %	153.8	100.0 %	(0.8)%	18.2 %

Notes

- (1) "Other" includes certain other non-core brands owned by the Group, such as *Xtrem*, *Saxoline*, *Secret*, and *Lipault*.
- (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.

Distribution Channels

The following table sets forth a breakdown of net sales by distribution channel in Latin America for the nine months ended September 30, 2024, and September 30, 2023, both in absolute terms and as a percentage of total regional net sales.

	Nine months ended September 30,					
	2024		2023		2024 vs. 2023	
	US\$ millions	Percentage of net sales	US\$ millions	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽¹⁾
Net sales by distribution channel:						
Wholesale	88.0	57.6 %	87.2	56.7 %	0.8 %	14.7 %
DTC	64.7	42.4 %	66.6	43.3 %	(2.9)%	22.6 %
Net sales	152.6	100.0 %	153.8	100.0 %	(0.8)%	18.2 %

Note

(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.

Net sales in the DTC retail channel in Latin America decreased by US\$2.1 million, or 3.5%, but increased by 17.3% on a constant currency basis during the nine months ended September 30, 2024, compared to the same period in the previous year. During the nine months ended September 30, 2024, the Group added 17 new company-operated retail stores in Latin America. This was partially offset by the permanent closure of 5 company-operated retail stores in Latin America. This resulted in a net addition of 12 company-operated retail stores in Latin America during the nine months ended September 30, 2024, compared to a net addition of 4 company-operated retail stores during the nine months ended September 30, 2023. The total number of company-operated retail stores in Latin America was 190 as of September 30, 2024, compared to 173 as of September 30, 2023. On a same store, constant currency basis, retail net sales in Latin America increased by 11.7% for the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023. The Group's same-store analysis includes existing company-operated retail stores that have been open for at least 12 months before the end of the relevant financial period.

Total DTC e-commerce net sales in Latin America increased by US\$0.1 million, or 1.6% (+60.9% constant currency), to US\$8.2 million for the nine months ended September 30, 2024, from US\$8.1 million for the nine months ended September 30, 2023.

Cost of Sales and Gross Profit

Cost of sales decreased by US\$58.1 million, or 5.2% (-3.3% constant currency), to US\$1,061.3 million (representing 40.1% of net sales) for the nine months ended September 30, 2024, from US\$1,119.4 million (representing 40.9% of net sales) for the nine months ended September 30, 2023. The decrease in cost of sales was primarily due to lower net sales year-over-year.

Gross profit decreased by US\$29.5 million, or 1.8% but increased by 1.3% on a constant currency basis, to US\$1,584.9 million for the nine months ended September 30, 2024, from US\$1,614.5 million for the nine months ended September 30, 2023, due to the decrease in net sales, partially offset by higher gross profit margin. The gross profit margin was 59.9% for the nine months ended September 30, 2024, compared to 59.1% for the same period in the previous year, driven by an increased share of total net sales from the Group's DTC channel and continued discipline with respect to promotional discounts, partially offset by the decrease in net sales from the higher-margin Asia region and *Tumi* brand.

Distribution Expenses

Distribution expenses increased by US\$34.5 million, or 4.6% (+7.9% constant currency), to US\$787.4 million (representing 29.8% of net sales) for the nine months ended September 30, 2024, from US\$752.9 million (representing 27.5% of net sales) for the nine months ended September 30, 2023. Distribution expenses as a percentage of net sales increased primarily due to higher depreciation and amortization of lease right-of-use assets in relation to the 83 net new company-operated retail stores opened since September 30, 2023 (including 52 net new company-operated retail stores opened during the first nine months of 2024), as well as other expenses to support net sales. Additionally, many company-operated retail stores were operating with reduced staff and temporary rental concessions during the first nine months of 2023, both of which had normalized by the end of 2023. The Group remains focused on managing its distribution expenses to drive operating leverage.

Marketing Expenses

The Group spent US\$173.1 million on marketing during the nine months ended September 30, 2024, compared to US\$173.6 million for the nine months ended September 30, 2023, a decrease of US\$0.5 million, or 0.3% but an increase of 1.9% on a constant currency basis. As a percentage of net sales, marketing expenses increased by 10 basis points to 6.5% for the nine months ended September 30, 2024, as the Group continued to invest in marketing to support net sales.

General and Administrative Expenses

General and administrative expenses decreased by US\$17.8 million, or 9.3% (-7.4% constant currency), to US\$173.9 million (representing 6.6% of net sales) for the nine months ended September 30, 2024, from US\$191.7 million (representing 7.0% of net sales) for the nine months ended September 30, 2023. The decrease in general and administrative expenses as a percentage of net sales reflects continued discipline with respect to the fixed cost structure of the business.

Impairment Reversals

The following table sets forth a breakdown of the non-cash impairment reversals for the nine months ended September 30, 2024. There were no impairment charges or reversals for the nine months ended September 30, 2023.

<i>(Expressed in millions of US Dollars)</i>		Nine months ended September 30,	
Impairment reversals recognized on:	Functional Area	2024	2023
Lease right-of-use assets	Distribution	(5.1)	—
Total impairment reversals		(5.1)	—

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. The Group reviews the carrying amounts of its intangible assets with indefinite lives to determine whether there is any indication of impairment below its carrying value (resulting in an impairment charge), or when an event has occurred or circumstances change that would result in the recoverable amount of intangible assets, excluding goodwill, exceeding its net impaired carrying value (resulting in an impairment reversal). The Group is also required to perform a review for impairment indicators at the end of each reporting period on its tangible and intangible assets with finite useful lives. If there is any indication that an asset may be impaired or there may be an impairment reversal, the Group must estimate the recoverable amount of the asset or cash generating unit ("CGU").

Based on an evaluation of company-operated retail stores during the nine months ended September 30, 2024, the Group determined that the recoverable amount of certain stores within its retail store fleet, each of which represents an individual CGU, exceeded its corresponding net impaired carrying amount, resulting in an impairment reversal being recorded during the nine months ended September 30, 2024.

During the nine months ended September 30, 2023, the Group determined there were no triggering events that indicated that its indefinite-lived intangible assets or other assets with finite lives were impaired or required review for potential reversal of previous impairments.

Other Expense

The Group recorded other expense of US\$8.0 million and US\$1.5 million for the nine months ended September 30, 2024, and September 30, 2023, respectively. Other expense for the nine months ended September 30, 2024, included costs associated with the preparation for a potential dual listing of the Company's securities and complying with related increased regulatory requirements of US\$5.1 million as well as losses on the disposal of property, plant and equipment and certain other miscellaneous expense items, partially offset by gains from lease exits/remeasurements. Other expense for the nine months ended September 30, 2023, included losses on the disposal of property, plant and equipment along with certain other miscellaneous expense items.

Operating Profit

The Group reported an operating profit of US\$447.7 million for the nine months ended September 30, 2024, compared to US\$494.7 million for the same period in the previous year, a decline of US\$47.1 million, or 9.5% (-5.7% constant currency), primarily due to lower gross profit realized on the reduction in net sales.

The following table presents the reconciliation from the Group's operating profit, as reported, to operating profit, as adjusted, for the nine months ended September 30, 2024, and September 30, 2023.

OPERATING PROFIT

<i>(Expressed in millions of US Dollars)</i>	Nine months ended September 30,		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽¹⁾
	2024	2023		
Operating profit, as reported	447.7	494.7	(9.5)%	(5.7)%
Impairment reversals	(5.1)	—	nm	nm
Restructuring reversals	—	(0.3)	(100.0)%	(100.0)%
Operating profit, as adjusted	442.5	494.4	(10.5)%	(6.7)%

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.

Net Finance Costs

Net finance costs decreased by US\$31.6 million, or 24.1% (-23.0% constant currency), to US\$99.6 million for the nine months ended September 30, 2024, from US\$131.2 million for the nine months ended September 30, 2023. This decrease was primarily attributable to a decrease in the non-cash charge associated with redeemable non-controlling interest put options of US\$30.6 million year-over-year and a US\$9.1 million decrease in interest expense on the Group's Senior Credit Facilities (as defined below in Management Discussion and Analysis - For the Nine Months Ended September 30, 2024, and September 30, 2023 - Indebtedness). Total loans and borrowings were US\$1,830.4 million as of September 30, 2024, compared to US\$1,842.5 million as of September 30, 2023. This decrease in net finance costs was partially offset by an increase in interest expense on lease liabilities of US\$5.7 million and a US\$9.5 million non-cash charge to derecognize certain deferred financing costs upon the refinancing of the Term Loan B Facility (as defined below in Management Discussion and Analysis - For the Nine Months Ended September 30, 2024, and September 30, 2023 - Indebtedness).

The following table sets forth a breakdown of total finance costs for the nine months ended September 30, 2024, and September 30, 2023.

<i>(Expressed in millions of US Dollars)</i>	Nine months ended September 30,	
	2024	2023 ⁽¹⁾
Recognized in profit or loss:		
Interest income	10.9	10.3
Total finance income	10.9	10.3
Interest expense on loans and borrowings	(67.9)	(77.1)
Derecognition of deferred financing costs associated with refinancing	(9.5)	(4.4)
Amortization of deferred financing costs associated with the Senior Credit Facilities	(3.9)	(2.6)
Interest expense on lease liabilities	(25.9)	(20.2)
Change in fair value of put options ⁽¹⁾	2.2	(28.4)
Net foreign exchange loss	(3.0)	(6.0)
Other finance costs	(2.6)	(2.8)
Total finance costs	(110.5)	(141.5)
Net finance costs recognized in profit or loss	(99.6)	(131.2)

Note

(1) Effective since the third quarter of 2024, the Group voluntarily made a change in accounting policy related to the recognition of the subsequent changes in fair value of the put option financial liabilities associated with the non-controlling interests in certain of the Group's majority owned subsidiaries. See Change in Accounting Policy for further discussion on this voluntary change in accounting policy.

Profit before Income Tax

The Group recorded a profit before income tax of US\$348.1 million for the nine months ended September 30, 2024,

compared to US\$363.5 million for the same period in the previous year, a decrease of US\$15.4 million, or 4.2%, but increased by 0.6% on a constant currency basis.

The following table presents the reconciliation from the Group's profit before income tax, as reported, to profit before income tax, as adjusted, for the nine months ended September 30, 2024, and September 30, 2023.

<i>(Expressed in millions of US Dollars)</i>	Nine months ended September 30,		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽¹⁾
	2024	2023		
Profit before income tax, as reported	348.1	363.5	(4.2)%	0.6 %
Impairment reversals	(5.1)	—	<i>nm</i>	<i>nm</i>
Restructuring reversals	—	(0.3)	(100.0)%	(100.0)%
Derecognition of deferred financing costs associated with refinancing	9.5	4.4	113.9 %	113.9 %
Profit before income tax, as adjusted	352.4	367.6	(4.1)%	0.5 %

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.

Income Tax Expense

The Group recorded income tax expense of US\$92.4 million for the nine months ended September 30, 2024, compared to income tax expense of US\$82.2 million for the nine months ended September 30, 2023.

The Group's consolidated effective tax rate for operations was 26.6% and 22.6% for the nine months ended September 30, 2024, and September 30, 2023, respectively. The Group's effective tax rate during the nine months ended September 30, 2023, was impacted by the tax benefit associated with outstanding share options during the period. Excluding the effect of the tax benefit related to share-based compensation recognized during the nine months ended September 30, 2023, the Group's effective tax rate for operations would have been 26.2% compared to 26.6% for the nine months ended September 30, 2024.

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 for the period adjusted for certain discrete items for the period.

Profit

Profit for the Period

Profit for the nine months ended September 30, 2024, was US\$255.6 million compared to US\$281.3 million for the nine months ended September 30, 2023, a decline of US\$25.6 million, or 9.1% (-2.7% constant currency).

The following table presents the reconciliation from the Group's profit for the period, as reported, to profit for the period, as adjusted, for the nine months ended September 30, 2024, and September 30, 2023.

PROFIT FOR THE PERIOD

<i>(Expressed in millions of US Dollars)</i>	Nine months ended September 30,		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽²⁾
	2024	2023		
Profit for the period, as reported	255.6	281.3	(9.1)%	(2.7)%
Impairment reversals	(5.1)	—	<i>nm</i>	<i>nm</i>
Restructuring reversals	—	(0.3)	(100.0)%	(100.0)%
Derecognition of deferred financing costs associated with refinancing	9.5	4.4	113.9 %	113.9 %
Tax adjustments ⁽¹⁾	(1.5)	(1.0)	45.5 %	45.5 %
Profit for the period, as adjusted	258.5	284.4	(9.1)%	(2.9)%

Notes

- (1) Tax adjustments represent the tax effect of the reconciling line items as included in the condensed consolidated statements of income based on the applicable tax rate in the jurisdiction where such costs were incurred.
 - (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.
- nm* Not meaningful.

Profit Attributable to the Equity Holders

Profit attributable to the equity holders was US\$235.6 million for the nine months ended September 30, 2024, compared to US\$254.6 million for the same period in the previous year, a decrease of US\$19.0 million, or 7.5% (-0.4% constant currency).

The following table presents the reconciliation from the Group's profit attributable to the equity holders, as reported, to profit attributable to the equity holders, as adjusted, for the nine months ended September 30, 2024, and September 30, 2023.

PROFIT ATTRIBUTABLE TO THE EQUITY HOLDERS

<i>(Expressed in millions of US Dollars)</i>	Nine months ended September 30,		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽²⁾
	2024	2023		
Profit attributable to the equity holders, as reported	235.6	254.6	(7.5)%	(0.4)%
Impairment reversals	(5.1)	—	<i>nm</i>	<i>nm</i>
Restructuring reversals	—	(0.3)	(100.0)%	(100.0)%
Derecognition of deferred financing costs associated with refinancing	9.5	4.4	113.9 %	113.9 %
Tax adjustments ⁽¹⁾	(1.5)	(1.0)	45.5 %	45.5 %
Profit attributable to the equity holders, as adjusted	238.4	257.7	(7.5)%	(0.6)%

Notes

- (1) Tax adjustments represent the tax effect of the reconciling line items as included in the condensed consolidated statements of income based on the applicable tax rate in the jurisdiction where such costs were incurred.
 - (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.
- nm* Not meaningful.

Basic and Diluted Earnings per Share

Basic earnings per share were US\$0.162 for the nine months ended September 30, 2024, compared to US\$0.176 for the nine months ended September 30, 2023. The weighted average number of shares used in the basic earnings per

share calculation was 1,455,563,986 shares for the nine months ended September 30, 2024, compared to 1,443,614,494 shares for the nine months ended September 30, 2023. Diluted earnings per share were US\$0.161 for the nine months ended September 30, 2024, compared to US\$0.175 for the nine months ended September 30, 2023. The weighted average number of shares outstanding used in the diluted earnings per share calculation was 1,467,345,665 shares for the nine months ended September 30, 2024, compared to 1,451,878,460 shares for the nine months ended September 30, 2023.

Adjusted EBITDA

Adjusted EBITDA, a non-IFRS measure, was US\$488.1 million for the nine months ended September 30, 2024, a decrease of US\$40.2 million, or 7.6% (-4.0% constant currency). Adjusted EBITDA margin, a non-IFRS measure, of 18.4% was 90 basis points lower compared to the same period in the previous year due to the decrease in net sales and gross profit, and higher marketing expenses as a percentage of net sales.

The following table presents the reconciliation from the Group's profit for the period to Adjusted EBITDA for the nine months ended September 30, 2024, and September 30, 2023.

<i>(Expressed in millions of US Dollars)</i>	Nine months ended September 30,		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽⁴⁾
	2024	2023		
Profit for the period	255.6	281.3	(9.1)%	(2.7)%
Plus (minus):				
Income tax expense	92.4	82.2	12.4 %	11.7 %
Finance costs	110.5	141.5	(21.9)%	(18.8)%
Finance income	(10.9)	(10.3)	6.3 %	35.0 %
Depreciation	37.0	27.4	35.2 %	37.9 %
Total amortization	126.0	112.6	11.9 %	14.0 %
EBITDA	610.7	634.7	(3.8)%	(0.3)%
Plus (minus):				
Share-based compensation expense	11.2	11.0	2.4 %	2.2 %
Impairment reversals	(5.1)	—	<i>nm</i>	<i>nm</i>
Amortization of lease right-of-use assets	(110.8)	(98.7)	12.3 %	14.6 %
Interest expense on lease liabilities	(25.9)	(20.2)	28.2 %	31.3 %
Other adjustments ⁽¹⁾	8.0	1.5	429.2 %	441.5 %
Adjusted EBITDA ⁽²⁾	488.1	528.3	(7.6)%	(4.0)%
Adjusted EBITDA margin ⁽³⁾	18.4 %	19.3 %		

Notes

- (1) Other adjustments primarily comprised 'Other income (expense)' per the condensed consolidated statements of income.
 - (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 under IFRS 16 to account for operational rent expenses.
 - (3) Adjusted EBITDA margin, a non-IFRS measure, is calculated by dividing Adjusted EBITDA by net sales.
 - (4) 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 EBITDA, Adjusted EBITDA and Adjusted EBITDA margin because it believes that, when viewed with its results of operations as prepared in accordance with IFRS Accounting Standards and with the reconciliation to profit (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 measures and as calculated herein may not be comparable to similarly named measures used by other companies and should not be considered comparable to profit (loss) for the period in the Company's condensed consolidated statements of income. 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 Company's results of operations as reported under IFRS Accounting Standards.

Adjusted Net Income

Adjusted Net Income, a non-IFRS measure, decreased by US\$42.9 million, or 14.5% (-8.4% constant currency), to US\$253.7 million for the nine months ended September 30, 2024, compared to US\$296.6 million for the nine months ended September 30, 2023. The decrease in Adjusted Net Income was primarily due to the decrease in net sales, partially offset by the increase in gross profit margin.

The following table presents the reconciliation from the Group's profit attributable to the equity holders to Adjusted Net Income for the nine months ended September 30, 2024, and September 30, 2023.

<i>(Expressed in millions of US Dollars)</i>	Nine months ended September 30,		Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects ⁽³⁾
	2024	2023		
Profit attributable to the equity holders	235.6	254.6	(7.5)%	(0.4)%
Plus (minus):				
Change in fair value of put options included in finance costs	(2.2)	28.4	<i>nm</i>	<i>nm</i>
Amortization of intangible assets	15.2	14.0	8.8 %	9.5 %
Derecognition of deferred financing costs associated with refinancing	9.5	4.4	113.9 %	113.9 %
Impairment reversals	(5.1)	—	<i>nm</i>	<i>nm</i>
Restructuring reversals	—	(0.3)	(100.0)%	(100.0)%
U.S. dual listing preparedness costs	5.1	—	<i>nm</i>	<i>nm</i>
Tax adjustments ⁽¹⁾	(4.3)	(4.5)	(3.8)%	(6.6)%
Adjusted Net Income ⁽²⁾	253.7	296.6	(14.5)%	(8.4)%

Notes

- (1) Tax adjustments represent the tax effect of the reconciling line items as included in the condensed consolidated statements of income based on the applicable tax rate in the jurisdiction where such costs were incurred.
- (2) Represents Adjusted Net Income 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.

Adjusted basic and diluted earnings per share, which are non-IFRS measures, were US\$0.174 and US\$0.173 per share, respectively, for the nine months ended September 30, 2024, compared to US\$0.205 and US\$0.204 per share, respectively, for the nine months ended September 30, 2023. Adjusted basic and diluted earnings per share 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.

The Company has presented Adjusted Net Income and adjusted basic and diluted earnings per share because it believes these measures help to give securities analysts, investors and other interested parties a more complete understanding of the Company's underlying financial performance. By presenting Adjusted Net Income and the related adjusted basic and diluted earnings 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 profit attributable to the equity holders.

Adjusted Net Income and adjusted basic and diluted earnings per share are non-IFRS measures and as calculated herein may not be comparable to similarly named measures used by other companies and should not be considered comparable to profit attributable to the equity holders or basic and diluted earnings per share presented in the Company's condensed consolidated statements of income. Adjusted Net Income and the related adjusted basic and diluted earnings 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 Accounting Standards.

Cash Flows

Cash flows generated from operating activities improved by US\$39.0 million, or 12.8%, to US\$343.1 million for the nine months ended September 30, 2024, compared to US\$304.1 million for the nine months ended September 30, 2023. This increase is primarily attributable to changes in working capital, partially offset by a decrease in profit for the period and an increase in income taxes paid.

For the nine months ended September 30, 2024, net cash flows used in investing activities were US\$61.8 million attributable to capital expenditures (comprised of US\$57.8 million for the purchase of property, plant and equipment and US\$4.0 million for software purchases). The Group selectively remodeled certain existing retail locations, added new retail locations and made investments in machinery and equipment to support new product innovation. For the nine months ended September 30, 2023, net cash flows used in investing activities were US\$49.1 million attributable to capital expenditures (comprised of US\$41.8 million for the purchase of property, plant and equipment and US\$7.3 million for software purchases). The Group intends to continue to spend on property, plant and equipment to upgrade and expand its retail store fleet as well as to invest in core strategic functions to support continued sales growth during the rest of 2024.

Net cash flows used in financing activities were US\$312.6 million for the nine months ended September 30, 2024, and were largely attributable to the US\$150.0 million of annual cash distribution paid to the Company's shareholders in July 2024, US\$105.5 million in principal payments on lease liabilities, treasury shares acquired of US\$72.0 million, dividend payments to non-controlling interests of US\$16.8 million and repayments of US\$17.8 million of outstanding borrowings under the Group's Senior Credit Facilities (as defined in Management Discussion and Analysis - For the Nine Months Ended September 30, 2024, and September 30, 2023 - Indebtedness). The cash flows used in financing activities during the nine months ended September 30, 2024, were partially offset by proceeds from share option exercises of US\$31.3 million and proceeds from other loans and borrowings of US\$16.7 million. The Group refinanced its Term Loan B Facility (as defined in Management Discussion and Analysis - For the Nine Months Ended September 30, 2024, and September 30, 2023 - Indebtedness) in April 2024. In conjunction with the April 2024 refinancing of the Group's Term Loan B Facility under the Senior Credit Facilities, the Group paid US\$3.1 million in deferred financing costs that will be recognized over the term of the borrowings.

Net cash flows used in financing activities were US\$281.2 million for the nine months ended September 30, 2023, and were largely attributable to cash flows associated with a refinancing of the Senior Credit Facilities in June 2023 (see Management Discussion and Analysis - For the Nine Months Ended September 30, 2024, and September 30, 2023 - Indebtedness). In conjunction with the June 2023 refinancing, the Group paid US\$17.1 million in deferred financing costs that will be recognized over the term of the borrowings. Net cash flows used in financing activities also included US\$102.8 million in principal payments on lease liabilities and repayments of US\$89.4 million of outstanding borrowings under its Senior Credit Facilities. The cash flows used in financing activities during the nine months ended September 30, 2023, were partially offset by proceeds from share option exercises of US\$18.4 million.

Free Cash Flow, a non-IFRS measure, increased by US\$23.6 million to US\$175.8 million for the nine months ended September 30, 2024, compared to US\$152.2 million for the nine months ended September 30, 2023, driven by changes in working capital year-over-year. As of September 30, 2024, the Group had US\$682.3 million in cash and cash equivalents, compared to US\$716.6 million as of December 31, 2023. Cash and cash equivalents are generally denominated in the functional currency of the applicable Group entity.

The following table presents the reconciliation from the Group's net cash generated from operating activities per the condensed consolidated statements of cash flows to Free Cash Flow for the nine months ended September 30, 2024, and September 30, 2023:

<i>(Expressed in millions of US Dollars)</i>	Nine months ended September 30,		US\$ increase (decrease)	Percentage increase (decrease)
	2024	2023		
Net cash generated from operating activities	343.1	304.1	39.0	12.8 %
Less:				
Purchases of property, plant and equipment and software	(61.8)	(49.1)	(12.7)	25.9 %
Principal payments on lease liabilities	(105.5)	(102.8)	(2.7)	2.7 %
Free Cash Flow	175.8	152.2	23.6	15.5 %

The Company has presented Free Cash Flow because it believes that, when viewed with its condensed consolidated cash flows as prepared in accordance with IFRS Accounting Standards, this measure provides additional information that is useful in gaining a more complete understanding of its cash flows. Free Cash Flow is an important metric the Group uses to evaluate its consolidated cash flows and cash flow generation.

Free Cash Flow is a non-IFRS financial measure and as calculated herein may not be comparable to similarly named measures used by other companies and should not be considered comparable to the net increase/(decrease) in cash and cash equivalents in the Company's condensed consolidated statements of cash flows. This measure has limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, an analysis of the Company's condensed consolidated cash flows as reported under IFRS Accounting Standards.

Indebtedness

The following table sets forth the carrying amount of the Group's loans and borrowings as of September 30, 2024, and December 31, 2023.

<i>(Expressed in millions of US Dollars)</i>	September 30, 2024	December 31, 2023
Term Loan A Facility	775.0	790.0
Term Loan B Facility	—	597.0
2024 Term Loan B Facility	498.8	—
Revolving Credit Facility	100.0	—
Senior Credit Facilities	1,373.8	1,387.0
Senior Notes ⁽¹⁾	389.7	386.3
Other borrowings and obligations	67.0	50.7
Total loans and borrowings	1,830.4	1,824.0
Less deferred financing costs	(8.5)	(17.0)
Total loans and borrowings less deferred financing costs	1,821.9	1,807.0

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

On June 21, 2023 (the "Closing Date"), the Company and certain of its direct and indirect wholly-owned subsidiaries entered into the Second Amended and Restated Credit Agreement (the "Credit Agreement"). The Credit Agreement amended and restated in its entirety the Amended and Restated Credit Agreement dated April 25, 2018 (as amended from time to time prior to the Closing Date, the "Prior Credit Agreement"), and provided for (1) a US\$800.0 million senior secured term loan A facility (the "Term Loan A Facility"), (2) a US\$600.0 million senior secured term loan B facility (the "Term Loan B Facility") and (3) a US\$850.0 million revolving credit facility (the "Revolving Credit Facility"). The credit facilities provided under the Credit Agreement are referred to herein as the "Senior Credit Facilities."

On the Closing Date, the Group borrowed US\$100.0 million under the Revolving Credit Facility and used the proceeds of such borrowing, plus the proceeds from the Term Loan A Facility and the Term Loan B Facility, along with cash on hand, to repay the entire principal amount of its outstanding borrowings under the Prior Credit Agreement, plus transaction expenses (the transactions entered into on the Closing Date pursuant to and in connection with the Credit Agreement are collectively referred to herein as the "2023 Refinancing"). The US\$100.0 million borrowed on the Revolving Credit Facility for this 2023 Refinancing was repaid in 2023.

Amended Senior Credit Facilities Agreement

On April 12, 2024 (the "Effective Date"), the Company and certain of its direct and indirect wholly-owned subsidiaries entered into an amendment to the Credit Agreement (the "Amendment"). Under the Amendment, the applicable margin used to calculate the interest rate payable on the refinanced Term Loan B Facility (the "2024 Term Loan B Facility") was reduced by 75 basis points from the applicable margin under the prior Term Loan B Facility.

On the Effective Date, the Group borrowed US\$100.0 million under the Revolving Credit Facility and used the proceeds of such borrowing and the proceeds from the 2024 Term Loan B Facility to repay the entire principal amount of its outstanding borrowings under the prior Term Loan B Facility, plus transaction expenses (the transactions entered into on the Effective Date pursuant to and in connection with the Amendment are collectively referred to herein as the "2024 Refinancing"). The principal amount of the borrowings under the 2024 Term Loan B Facility as of September 30, 2024, was US\$500.0 million. The other terms of the 2024 Term Loan B Facility are the same as under the prior Term Loan B

Facility. As of September 30, 2024, US\$100.0 million of borrowings remained outstanding under the Revolving Credit Facility.

Interest Rate and Fees

In respect of the Term Loan A Facility and the Revolving Credit Facility, the interest rate payable on borrowings thereunder is based on the Secured Overnight Financing Rate (“SOFR”), with a SOFR floor of 0%, plus a 10 basis-point credit spread adjustment, plus an applicable margin which can vary and 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 of September 30, 2024, the applicable margin under the Term Loan A Facility and the Revolving Credit Facility was 1.125% (or a base rate plus 0.125%).

In respect of the Term Loan B Facility, the interest rate payable with effect from the Closing Date was based on SOFR, with a SOFR floor of 0.50%, plus 2.75% per annum (or a base rate plus 1.75% per annum). The interest rate payable on the 2024 Term Loan B Facility is based on SOFR plus 2.00% per annum with a SOFR floor of 0.50%.

As the Company’s Term Loan A Facility, Revolving Credit Facility and 2024 Term Loan B Facility have floating interest rates, the Company calculates interest expense based on the actual benchmark interest rate plus the applicable margin in effect for the relevant period.

In addition to paying interest on the outstanding principal amount of borrowings 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 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 of September 30, 2024, the commitment fee was equal to 0.2% per annum.

Amortization and Final Maturity

The Term Loan A Facility requires scheduled quarterly payments with an annual amortization of 2.5% of the original principal amount of the loans under the Term Loan A Facility 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 maturity date for the Term Loan A Facility. There is no scheduled amortization of any principal amounts outstanding under the Revolving Credit Facility. The balance then outstanding under the Term Loan A Facility and the Revolving Credit Facility will be due and payable on June 21, 2028.

If (i) on the date that is 91 days prior to the maturity date of the Senior Notes (as defined below), more than €150.0 million in aggregate principal amount of the Senior Notes has not been repaid and/or refinanced with indebtedness having a maturity date at least 90 days later than the then-stated maturity date of the Term Loan A Facility and the Revolving Credit Facility and the total net leverage ratio of the Company and its restricted subsidiaries on such date is greater than 3.00:1.00 or (ii) on the date that is 90 days prior to the maturity date of the Senior Notes, more than US\$150 million in aggregate principal amount of the loans outstanding under the 2024 Term Loan B Facility have matured pursuant to the Term Loan B Maturity Springer (as defined below), then the maturity date with respect to the Term Loan A Facility and the Revolving Credit Facility will spring to a date that is 90 days prior to the maturity date of the Senior Notes.

The 2024 Term Loan B Facility requires scheduled quarterly payments commencing on September 30, 2024, each equal to 0.25% of the original principal amount of the loans under the 2024 Term Loan B Facility, with the balance due and payable on June 21, 2030.

If (i) on the date that is 91 days prior to the maturity date of Senior Notes, more than €150.0 million in aggregate principal amount of the Senior Notes has not been repaid and/or refinanced with indebtedness having a maturity date at least 90 days later than the then-stated maturity date of the Term Loan B Facility and after giving effect to a refinancing of the Senior Notes, the Company and its restricted subsidiaries have liquidity of less than US\$350 million during the period from the 91st day prior to the maturity date applicable to the Senior Notes until the maturity date applicable to the Senior Notes, the maturity date with respect to the Term Loan B Facility will spring to the date that is 90 days prior to the maturity date of the Senior Notes (such circumstances resulting in the such earlier maturity date being the “Term Loan B Maturity Springer”).

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 organized in Luxembourg, Belgium, Canada, Hong Kong, Hungary, Mexico, the United States and Singapore, and are required to be guaranteed by certain future direct or indirect wholly-owned material restricted subsidiaries organized in such jurisdictions (except Singapore) (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 the assets of the borrowers and the Credit Facility Guarantors (including the Shared Collateral (as defined below)).

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. The Company and its subsidiaries are required to maintain (i) a pro forma total net leverage ratio of not greater than 4.50:1.00; provided that such maximum pro forma total net leverage ratio is subject to a step up of 0.50x from the otherwise applicable ratio 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 was in compliance with the Financial Covenants for the test period ended on September 30, 2024. 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).

Other Information

The Group incurred US\$3.1 million of financing costs in conjunction with the 2024 Refinancing and US\$17.1 million of financing costs in conjunction with the 2023 Refinancing. Such costs were deferred and offset against loans and borrowings. Deferred financing costs are amortized using the effective interest method over the life of the Senior Credit Facilities and Senior Notes. Total deferred financing costs included within total loans and borrowings amounted to US\$8.5 million and US\$17.0 million as of September 30, 2024, and December 31, 2023, respectively.

The amortization of deferred financing costs, which is included in interest expense, amounted to US\$3.9 million and US\$2.6 million for the nine months ended September 30, 2024, and September 30, 2023, respectively.

During the nine months ended September 30, 2024, the Group recorded a non-cash charge in interest expense in the amount of US\$9.5 million related to unamortized deferred financing costs which were part of the net carrying value of the Term Loan B Facility settled with the 2024 Refinancing. During the nine months ended September 30, 2023, the Group recorded a non-cash charge in interest expense in the amount of US\$4.4 million related to unamortized deferred financing costs which were part of the net carrying value of the Senior Credit Facilities settled with the 2023 Refinancing.

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 June 18, 2024, the Group entered into new interest rate swap agreements that became effective on August 30, 2024, and will terminate on February 27, 2026 (the "2024 Swaps"). Under the 2024 Swaps SOFR has been effectively fixed at approximately 4.5685% with respect to an amount equal to approximately 29% of the principal amount of the Senior Credit Facilities as of September 30, 2024, which reduces a portion of the Company's exposure to interest rate increases. The 2024 Swaps have fixed payments due monthly that commenced September 30, 2024. The 2024 Swaps qualify as cash flow hedges. As of September 30, 2024, the 2024 Swaps were marked-to-market, resulting in a net liability position to the Group in the amount of US\$5.5 million, which was recorded as a liability with the effective portion of the gain (loss) deferred to other comprehensive income.

On September 4, 2019, the Group entered into interest rate swap agreements that became effective on September 6, 2019, and terminated on August 31, 2024 (the "2019 Swaps"). As of December 31, 2023, the 2019 Swaps were marked-to-market, resulting in a net asset position to the Group in the amount of US\$14.1 million which was recorded as an asset with the effective portion of the gain (loss) deferred to other comprehensive income.

€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.

The Issuer may redeem all, or from time to time a part, of the Senior Notes at a redemption price equal to 100.000% of the principal amount of the Senior Notes redeemed 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).

Upon 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 borrowings under the Credit Agreement 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 such credit lines are uncommitted facilities. The total aggregate amount of other loans and borrowings was US\$67.0 million and US\$50.7 million as of September 30, 2024, and December 31, 2023, respectively.

The following represents the contractual maturity dates of the Group's loans and borrowings as of September 30, 2024, and December 31, 2023.

<i>(Expressed in millions of US Dollars)</i>	September 30, 2024	December 31, 2023
On demand or within one year	97.0	76.7
After one year but within two years	434.7	36.0
After two years but within five years	825.0	1,144.3
More than five years	473.8	567.0
Total loans and borrowings	1,830.4	1,824.0

Purchases of Property, Plant and Equipment

Purchases of property, plant and equipment amounted to US\$57.8 million for the nine months ended September 30, 2024. The Group selectively remodeled certain existing retail locations, added new retail locations and made investments in machinery and equipment to support new product innovation. Purchases of property, plant and equipment were US\$41.8 million for the nine months ended September 30, 2023, and were primarily related to new retail locations, remodeling certain existing retail locations and investments in machinery and equipment to support new product innovation. The Group intends to continue to spend on property, plant and equipment to upgrade and expand its retail store fleet as well as to invest in core strategic functions to support continued sales growth during the rest of 2024.

Change in Accounting Policy

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, 2023, except for the following change in accounting policy. The Group voluntarily made a change in accounting policy related to the recognition of the subsequent changes in fair value of the put option financial liabilities associated with the non-controlling interests in certain of the Group's majority owned subsidiaries. Previously, for agreements entered into prior to the adoption of IFRS 3, *Business Combinations*, on January 1, 2008, subsequent changes in liabilities were recognized in profit or loss and for agreements entered into after January 1, 2008, subsequent changes in liabilities were recognized through equity. Effective since the third quarter of 2024, subsequent changes in liabilities for all agreements are recognized as finance costs in profit or loss for the period. The Group believes this approach provides a more consistent presentation in the financial statements by applying a consistent methodology in the accounting regardless of when such agreements were entered into. The impact of the adoption of this change in accounting policy has been applied retrospectively and comparative periods have been adjusted in accordance with IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

This change in accounting policy had the following impacts for the three months ended September 30, 2024, and September 30, 2023:

Condensed Consolidated Statements of Income (Unaudited)

<i>Expressed in millions of USD, except per share data</i>	For the three months ended					
	September 30, 2024			September 30, 2023		
	Prior to Adjustment	Adjustment for Change in Accounting Policy	As Adjusted	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted
Operating profit	133.0	—	133.0	182.6	—	182.6
Finance income	3.0	—	3.0	4.8	—	4.8
Finance costs	(36.4)	(1.7)	(38.1)	(41.8)	(6.7)	(48.5)
Net finance costs	(33.4)	(1.7)	(35.1)	(37.0)	(6.7)	(43.7)
Profit before income tax	99.7	(1.7)	98.0	145.6	(6.7)	139.0
Income tax expense	(26.5)	—	(26.5)	(22.5)	—	(22.5)
Profit for the period	73.2	(1.7)	71.5	123.2	(6.7)	116.5
Profit attributable to the equity holders	67.9	(1.7)	66.2	115.4	(6.7)	108.7
Profit attributable to non-controlling interests	5.3	—	5.3	7.8	—	7.8
Profit for the period	73.2	(1.7)	71.5	123.2	(6.7)	116.5
Earnings per share:						
Basic earnings per share	0.047	(0.001)	0.046	0.080	(0.005)	0.075
Diluted earnings per share	0.047	(0.002)	0.045	0.079	(0.004)	0.075

Condensed Consolidated Statements of Comprehensive Income (Unaudited)

<i>Expressed in millions of USD</i>	For the three months ended					
	September 30, 2024			September 30, 2023		
	Prior to Adjustment	Adjustment for Change in Accounting Policy	As Adjusted	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted
Profit for the period	73.2	(1.7)	71.5	123.2	(6.7)	116.5
Total comprehensive income for the period	78.7	(1.7)	77.0	107.8	(6.7)	101.1
Total comprehensive income attributable to the equity holders	71.6	(1.7)	69.9	101.9	(6.7)	95.2

Condensed Consolidated Statements of Changes in Equity (Unaudited)

For the three months ended

<i>Expressed in millions of USD</i>	September 30, 2024			September 30, 2023		
	Prior to Adjustment	Adjustment for Change in Accounting Policy	As Adjusted	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted
Retained earnings / (accumulated deficit):						
Profit for the period	67.9	(1.7)	66.2	115.4	(6.7)	108.7
Total comprehensive income for the period	67.9	(1.7)	66.2	115.4	(6.7)	108.7
Change in fair value of put options included in equity	(1.7)	1.7	—	(6.7)	6.7	—
Total equity attributable to the equity holders:						
Profit for the period	67.9	(1.7)	66.2	115.4	(6.7)	108.7
Total comprehensive income for the period	71.6	(1.7)	69.9	101.9	(6.7)	95.2
Change in fair value of put options included in equity	(1.7)	1.7	—	(6.7)	6.7	—
Total equity:						
Profit for the period	73.2	(1.7)	71.5	123.2	(6.7)	116.5
Total comprehensive income for the period	78.7	(1.7)	77.0	107.8	(6.7)	101.1
Change in fair value of put options included in equity	(1.7)	1.7	—	(6.7)	6.7	—

Condensed Consolidated Statements of Cash Flows (Unaudited)

For the three months ended

<i>Expressed in millions of USD</i>	September 30, 2024			September 30, 2023		
	Prior to Adjustment	Adjustment for Change in Accounting Policy	As Adjusted	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted
Profit for the period	73.2	(1.7)	71.5	123.2	(6.7)	116.5
Change in fair value of put options included in finance costs	2.0	1.7	3.7	6.9	6.7	13.5
Net cash generated from operating activities	150.2	—	150.2	147.5	—	147.5

This change in accounting policy had the following impacts for the nine months ended September 30, 2024, and September 30, 2023:

Condensed Consolidated Statements of Income (Unaudited)

<i>Expressed in millions of USD, except per share data</i>	For the nine months ended					
	September 30, 2024			September 30, 2023		
	Prior to Adjustment	Adjustment for Change in Accounting Policy	As Adjusted	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted
Operating profit	447.7	—	447.7	494.7	—	494.7
Finance income	10.9	—	10.9	10.3	—	10.3
Finance costs	(113.9)	3.4	(110.5)	(128.3)	(13.3)	(141.5)
Net finance costs	(103.0)	3.4	(99.6)	(118.0)	(13.3)	(131.2)
Profit before income tax	344.7	3.4	348.1	376.7	(13.3)	363.5
Income tax expense	(92.4)	—	(92.4)	(82.2)	—	(82.2)
Profit for the period	252.2	3.4	255.6	294.5	(13.3)	281.3
Profit attributable to the equity holders	232.2	3.4	235.6	267.9	(13.3)	254.6
Profit attributable to non-controlling interests	20.1	—	20.1	26.7	—	26.7
Profit for the period	252.2	3.4	255.6	294.5	(13.3)	281.3
Earnings per share:						
Basic earnings per share	0.160	0.002	0.162	0.186	(0.010)	0.176
Diluted earnings per share	0.158	0.003	0.161	0.184	(0.009)	0.175

Condensed Consolidated Statements of Comprehensive Income (Unaudited)

<i>Expressed in millions of USD</i>	For the nine months ended					
	September 30, 2024			September 30, 2023		
	Prior to Adjustment	Adjustment for Change in Accounting Policy	As Adjusted	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted
Profit for the period	252.2	3.4	255.6	294.5	(13.3)	281.3
Total comprehensive income for the period	225.5	3.4	228.9	272.3	(13.3)	259.0
Total comprehensive income attributable to the equity holders	205.9	3.4	209.3	247.7	(13.3)	234.4

Condensed Consolidated Statements of Changes in Equity (Unaudited)

For the nine months ended

<i>Expressed in millions of USD</i>	September 30, 2024			September 30, 2023		
	Prior to Adjustment	Adjustment for Change in Accounting Policy	As Adjusted	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted
Retained earnings / (accumulated deficit):						
Profit for the period	232.2	3.4	235.6	267.9	(13.3)	254.6
Total comprehensive income for the period	232.2	3.4	235.6	267.9	(13.3)	254.6
Change in fair value of put options included in equity	3.4	(3.4)	—	(13.3)	13.3	—
Total equity attributable to the equity holders:						
Profit for the period	232.2	3.4	235.6	267.9	(13.3)	254.6
Total comprehensive income for the period	205.9	3.4	209.3	247.7	(13.3)	234.4
Change in fair value of put options included in equity	3.4	(3.4)	—	(13.3)	13.3	—
Total equity:						
Profit for the period	252.2	3.4	255.6	294.5	(13.3)	281.3
Total comprehensive income for the period	225.5	3.4	228.9	272.3	(13.3)	259.0
Change in fair value of put options included in equity	3.4	(3.4)	—	(13.3)	13.3	—

Condensed Consolidated Statements of Cash Flows (Unaudited)

For the nine months ended

<i>Expressed in millions of USD</i>	September 30, 2024			September 30, 2023		
	Prior to Adjustment	Adjustment for Change in Accounting Policy	As Adjusted	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted
Profit for the period	252.2	3.4	255.6	294.5	(13.3)	281.3
Change in fair value of put options included in finance costs	1.2	(3.4)	(2.2)	15.1	13.3	28.4
Net cash generated from operating activities	343.1	—	343.1	304.1	—	304.1

This change in accounting policy had the following impacts for the years ended December 31, 2023, and December 31, 2022:

Consolidated Statements of Income

<i>Expressed in millions of USD, except per share data</i>	For the years ended					
	December 31, 2023			December 31, 2022		
	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted
Operating profit	743.7	—	743.7	492.1	—	492.1
Finance income	14.3	—	14.3	8.8	—	8.8
Finance costs	(173.0)	(20.1)	(193.1)	(138.3)	(19.8)	(158.1)
Net finance costs	(158.7)	(20.1)	(178.8)	(129.5)	(19.8)	(149.3)
Profit before income tax	584.9	(20.1)	564.9	362.6	(19.8)	342.8
Income tax expense	(134.6)	—	(134.6)	(24.3)	—	(24.3)
Profit for the year	450.3	(20.1)	430.3	338.3	(19.8)	318.5
Profit attributable to the equity holders	417.0	(20.1)	396.9	312.7	(19.8)	292.9
Profit attributable to non-controlling interests	33.3	—	33.3	25.6	—	25.6
Profit for the year	450.3	(20.1)	430.3	338.3	(19.8)	318.5
Earnings per share:						
Basic earnings per share	0.289	(0.014)	0.275	0.218	(0.014)	0.204
Diluted earnings per share	0.287	(0.014)	0.273	0.217	(0.014)	0.203

Consolidated Statements of Comprehensive Income

<i>Expressed in millions of USD</i>	For the years ended					
	December 31, 2023			December 31, 2022		
	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted
Profit for the year	450.3	(20.1)	430.3	338.3	(19.8)	318.5
Total comprehensive income for the year	429.1	(20.1)	409.0	367.7	(19.8)	348.0
Total comprehensive income attributable to the equity holders	397.5	(20.1)	377.5	345.8	(19.8)	326.0

Consolidated Statements of Changes in Equity

<i>Expressed in millions of USD</i>	For the years ended					
	December 31, 2023			December 31, 2022		
	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted
Retained earnings / (accumulated deficit):						
Profit for the year	417.0	(20.1)	397.0	312.7	(19.8)	293.0
Total comprehensive income for the year	417.0	(20.1)	397.0	312.7	(19.8)	293.0
Change in fair value of put options included in equity	(20.1)	20.1	—	(19.8)	19.8	—
Total equity attributable to the equity holders:						
Profit for the year	417.0	(20.1)	397.0	312.7	(19.8)	293.0
Total comprehensive income for the year	397.5	(20.1)	377.5	345.8	(19.8)	326.0
Change in fair value of put options included in equity	(20.1)	20.1	—	(19.8)	19.8	—
Total equity:						
Profit for the year	450.3	(20.1)	430.3	338.3	(19.8)	318.5
Total comprehensive income for the year	429.1	(20.1)	409.0	367.7	(19.8)	348.0
Change in fair value of put options included in equity	(20.1)	20.1	—	(19.8)	19.8	—

Consolidated Statements of Cash Flows

<i>Expressed in millions of USD</i>	For the years ended					
	December 31, 2023			December 31, 2022		
	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted	Previously Reported	Adjustment for Change in Accounting Policy	As Adjusted
Profit for the year	450.3	(20.1)	430.3	338.3	(19.8)	318.5
Change in fair value of put options included in finance costs	21.8	20.1	41.9	18.0	19.8	37.8
Net cash generated from operating activities	534.2	—	534.2	277.7	—	277.7

There is no impact to the associated liability, retained earnings, or cash provided by operating activities as a result of this change in accounting policy.

General

This financial and business review as of and for the three and nine months ended September 30, 2024, 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 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, November 13, 2024

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 Claire Marie Bennett, Angela Iris Brav, Paul Kenneth Etchells, Jerome Squire Griffith, Tom Korbas and Ying Yeh.