

Sams^onite

2024 THIRD QUARTER RESULTS

NOVEMBER 13, 2024

Samsonite International S.A.
Stock Code: 1910

JOURNEY BEYOND
LIMITS





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BUSINESS UPDATE

Q3 2024 top line impacted by softer consumer sentiment and comping against strong prior year; margin profile remained high

- **Net sales were US\$878 million in Q3 2024, a decrease of 6.8%⁽¹⁾ compared to an exceptionally strong Q3 2023, but still up 20.8%⁽¹⁾⁽²⁾ vs. Q3 2019.** Global consumer sentiment was softer than we anticipated, particularly in China, and we were impacted by an elevated promotional environment across our markets, particularly in India. We are seeing an improving trend as we go into Q4.
- **Gross margin for Q3 2024 came in at 59.3%, a 30 basis point decrease compared to Q3 2023 due primarily to regional sales mix.**
- **Maintained discipline on our fixed expenses with our Q3 2024 fixed SG&A of US\$216 million remaining relatively unchanged compared to Q3 2023, however fixed SG&A as a percentage of net sales increased to 24.6% from 22.4% in Q3 2023 due to the lower net sales base.**
- **Achieved Q3 Adjusted EBITDA of US\$155 million, representing an Adjusted EBITDA margin of 17.6%, down 270 basis points due to sales deleverage and higher advertising expenses vs. Q3 2023.**
- **Free Cash Flow⁽³⁾ improved by US\$5 million to US\$94 million in Q3 2024 from US\$89 million in Q3 2023.**



(1) Stated on a constant currency basis.

(2) For comparative purposes, prior period sales are adjusted to exclude Russia, which was disposed of on July 1, 2022, and Speck, which was divested on July 30, 2021.

(3) Free Cash Flow is defined as net cash generated from (used in) operating activities less (i) total capital expenditures and (ii) principal payments on lease liabilities.

Comping against record Q3 2023 sales that were driven by continued revenge travel

Q3 Net Sales Evolution



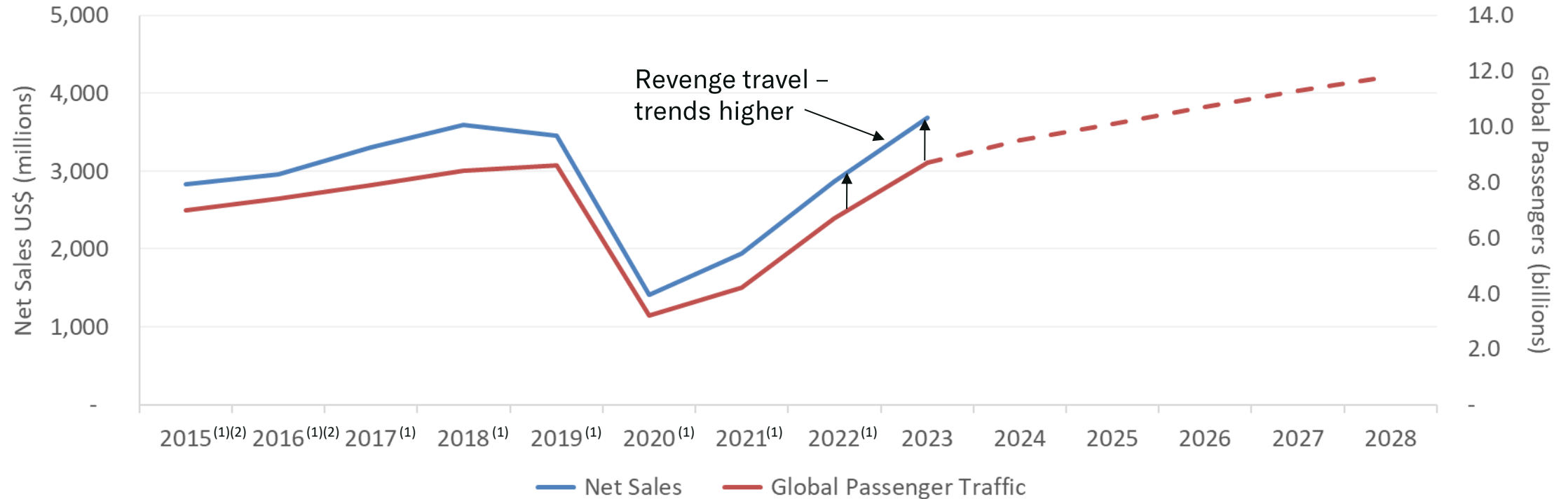
- Net sales were US\$878 million in Q3 2024, a decrease of 6.8%⁽¹⁾ compared to an exceptionally strong Q3 2023, but still up 20.8%⁽¹⁾⁽²⁾ vs. Q3 2019.
 - Q3 2023 was a record third quarter for the Company driven by strong growth in all regions, but particularly in Asia (+44.9%⁽¹⁾ vs. Q3 2022) largely due to extraordinary demand in China (+72.6%⁽¹⁾ vs. Q3 2022).
 - Net sales in China in Q3 2024 decreased 14.9%⁽¹⁾ compared to Q3 2023 as Chinese consumer sentiment continued to soften due to the challenging domestic macroeconomic environment.
- Global consumer spending was softer as we went into Q3 2024, and we faced a more promotional environment. Despite these challenges, we continued to focus on maintaining margins.
- During Q3 2024, our Samsonite brand remained more resilient, particularly in North America with net sales up +3.5%⁽¹⁾ vs Q3 2023.
- Our Tumi brand was impacted by a slowdown in the premium and luxury retail sector, particularly in the United States and Asia, however Tumi branded net sales in Europe showed improvement with net sales up 7.1%⁽¹⁾ in Q3 2024 vs. prior year.

(1) Stated on a constant currency basis.

(2) For comparative purposes, prior period sales are adjusted to exclude Russia, which was disposed of on July 1, 2022, and Speck, which was divested on July 30, 2021.

Global travel demand remains robust, and global passenger growth is forecasted to remain strong into the future

Samsonite Net Sales vs. Global Passenger Traffic



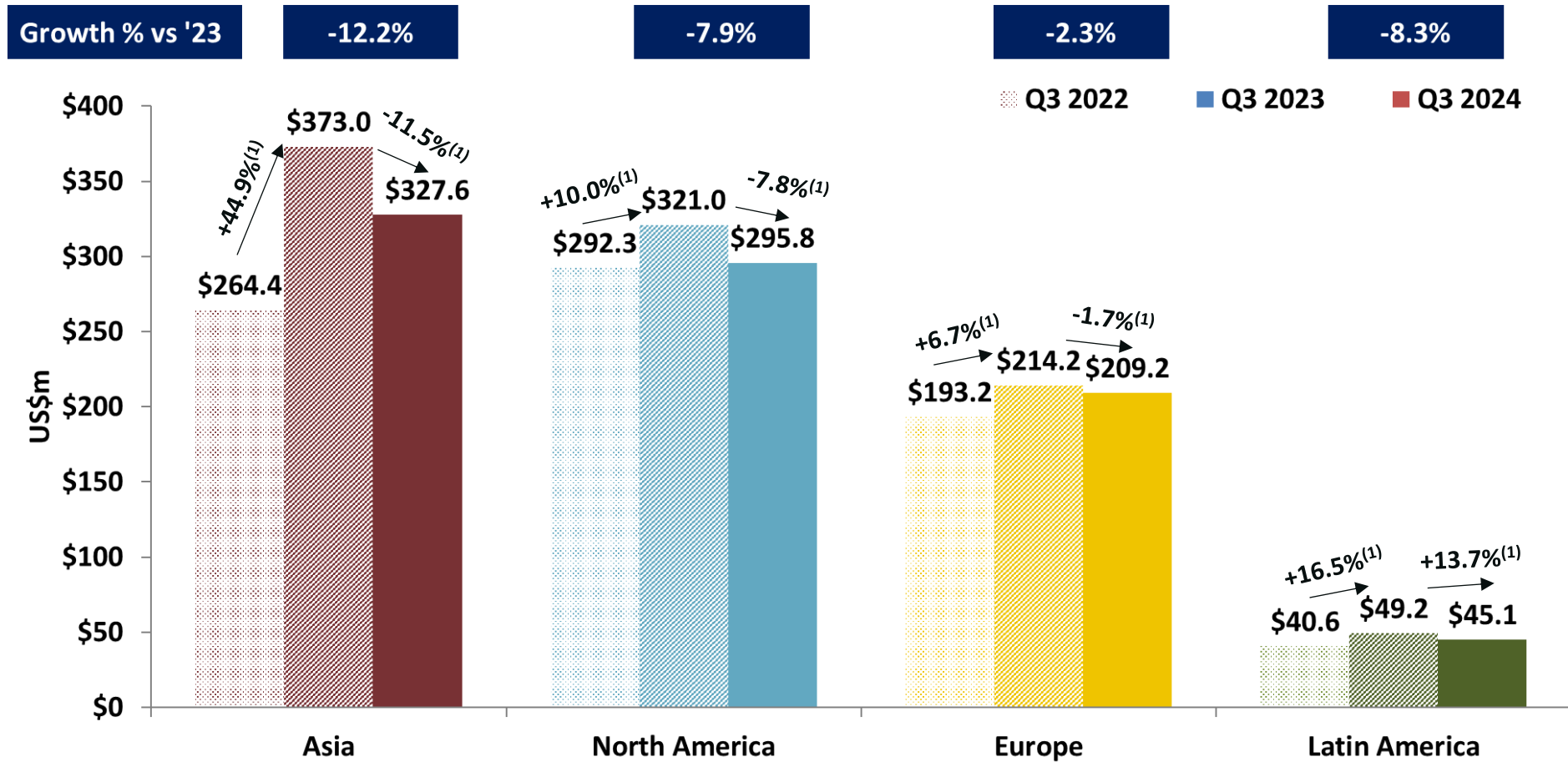
Source Airports Council International, Company financials

(1) For comparative purposes, prior period sales are adjusted to exclude Russia, which was disposed of on July 1, 2022, and Speck, which was divested on July 30, 2021.

(2) 2015 and 2016 includes Tumi sales prior to acquisition of \$547.7m in 2015 and \$317.0m in 2016 according to Tumi's internal management reporting.

Our net sales have correlated well with global passenger traffic. With global passenger growth forecasted to remain strong into the future, our business is well positioned to capitalize on this trend and achieve sustained growth.

Q3 2024 top line impact more pronounced in Asia with China demand remaining weak in Q3



Constant Currency Growth vs '23

Our business in Asia was impacted by softer than expected consumer sentiment, particularly in China (-14.9%⁽¹⁾), exacerbated by the increased promotional activity by competitors in India (-24.3%⁽¹⁾). Excluding China and India, Asia net sales would have been -6.2%⁽¹⁾ vs. prior year.

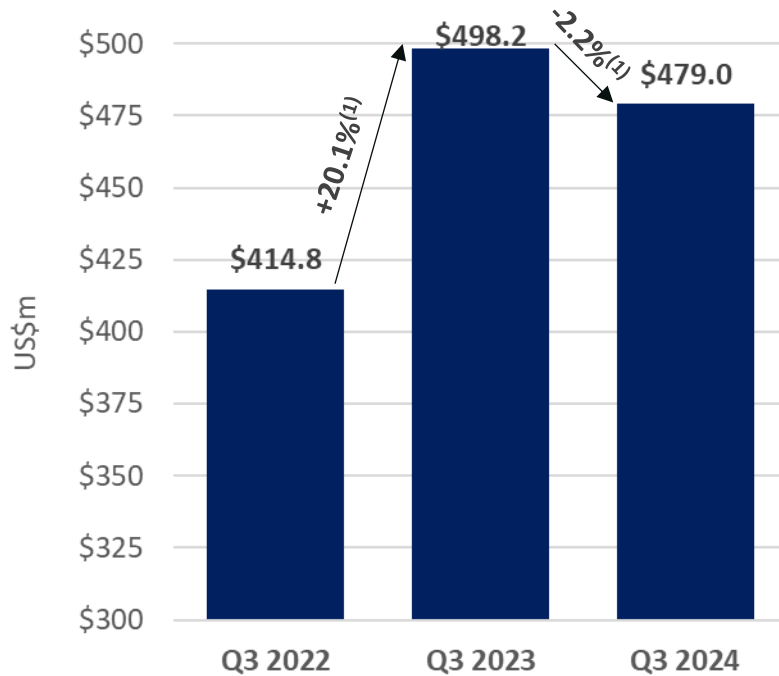
Our business in North America was largely impacted by slower retail traffic and decreased consumer spending on premium and luxury brands (Tumi brand -14.2%⁽¹⁾).

Within our Europe business, growth of 7.1%⁽¹⁾ in Tumi helped offset decrease of 1.9%⁽¹⁾ in Samsonite and 8.0%⁽¹⁾ in American Tourister in Q3 2024 vs. Q3 2023.

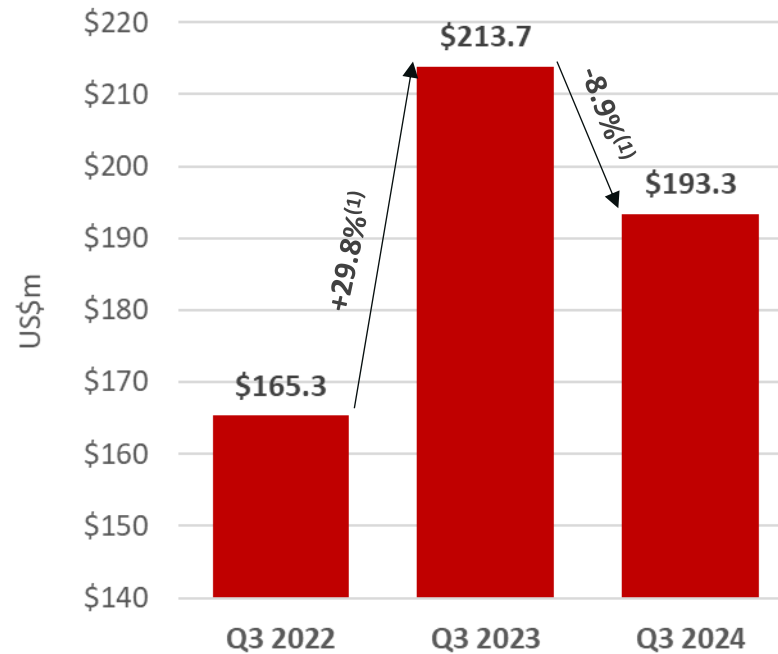
(1) Stated on a constant currency basis.

Our Samsonite brand showed the most sales resilience in Q3 2024

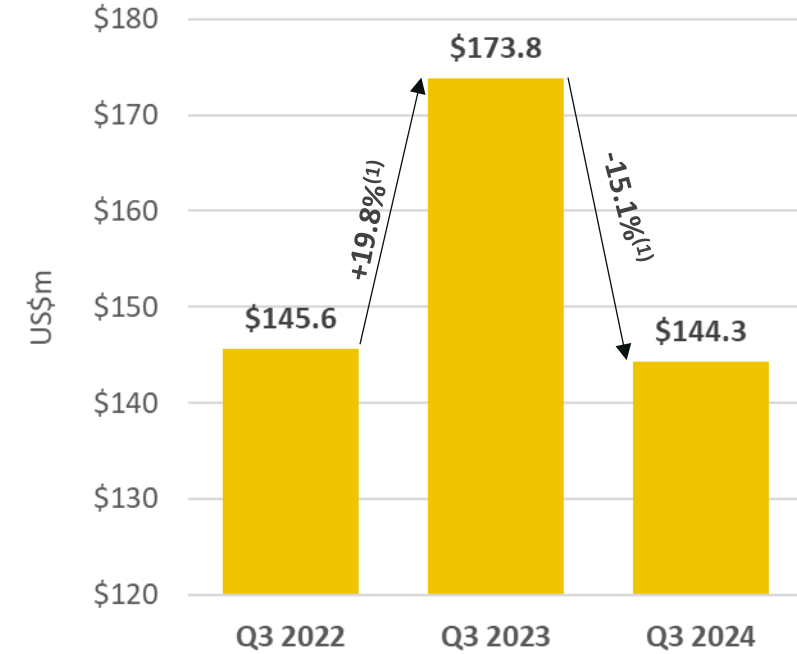
Samsonite



TUMI



AMERICAN TOURISTER



- Amongst our three core brands, our Samsonite brand was the most resilient due to its elevated brand positioning coupled with the value proposition.
- YTD September Samsonite brand net sales were +2.9%⁽¹⁾ vs. prior year.

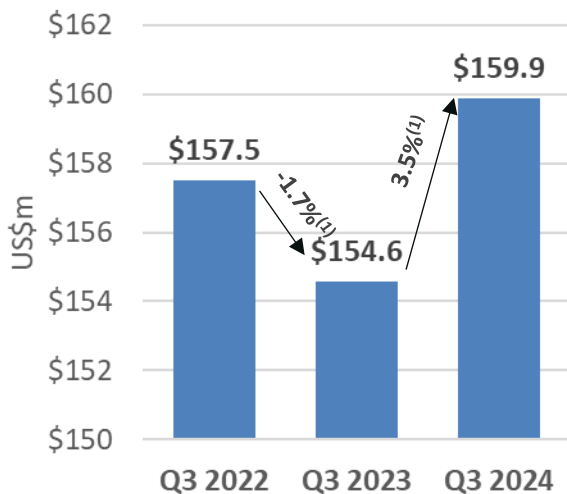
- Our Tumi brand was impacted by a slowdown in the premium and luxury retail sector, particularly in the United States and Asia.
- YTD September Tumi brand net sales were -2.8%⁽¹⁾ vs. prior year.

- American Tourister was impacted by greater caution from wholesale customers in North America and a more promotional environment in India driven mainly by our competitors.
- YTD September American Tourister brand net sales were -5.9%⁽¹⁾ vs. prior year.

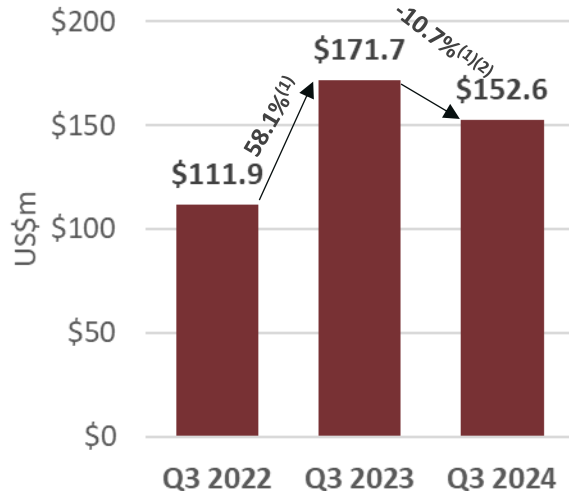
(1) Stated on a constant currency basis.

Samsonite brand posted Q3 constant currency growth in North America and Latin America, offset by declines in Asia and Europe

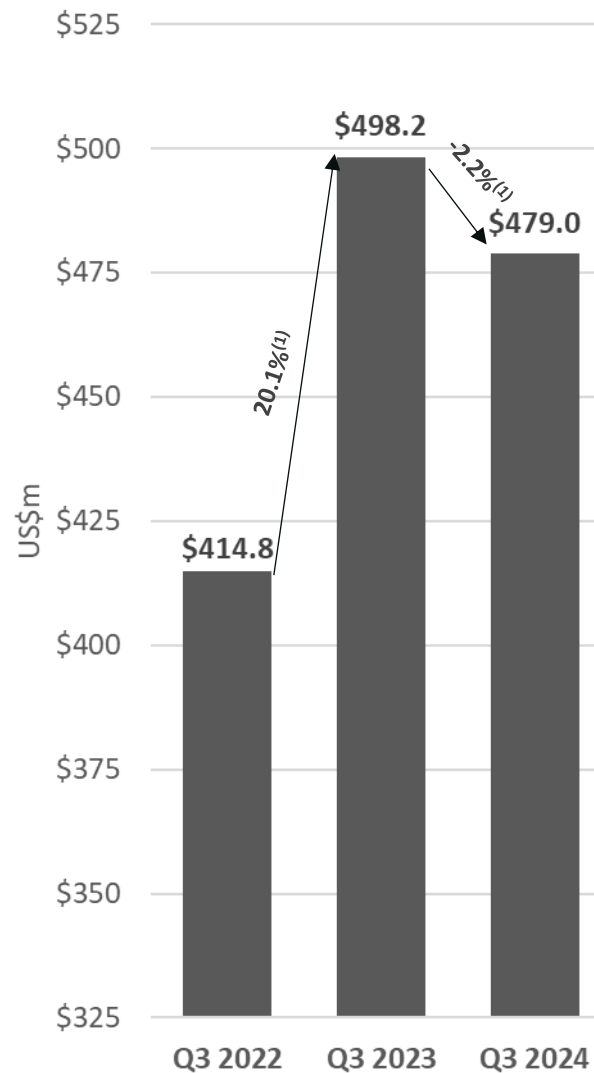
North America – Samsonite sales



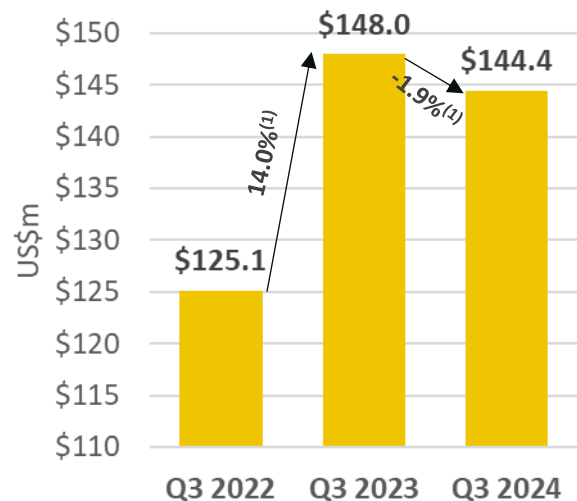
Asia – Samsonite sales



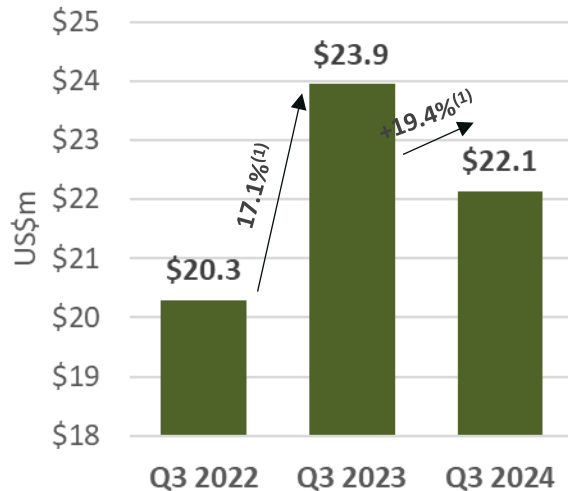
Consolidated – Samsonite sales



Europe – Samsonite sales



Latin America – Samsonite sales

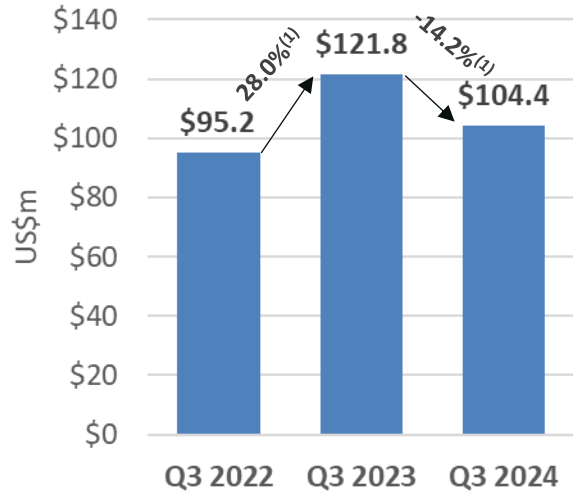


(1) Stated on a constant currency basis.

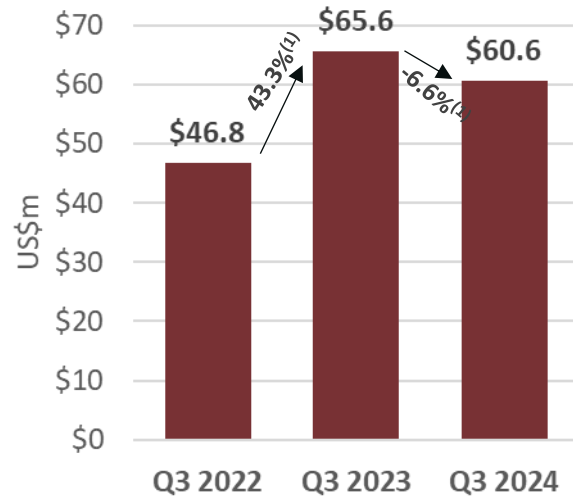
(2) Samsonite net sales growth in Asia was impacted by softer consumer sentiment in China (-21.1%⁽¹⁾). Excluding China, Samsonite net sales in Asia would have been -5.0%⁽¹⁾ vs. prior year.

Softer Q3 Tumi sales in North America and Asia, offset in part by growth in Europe and Latin America

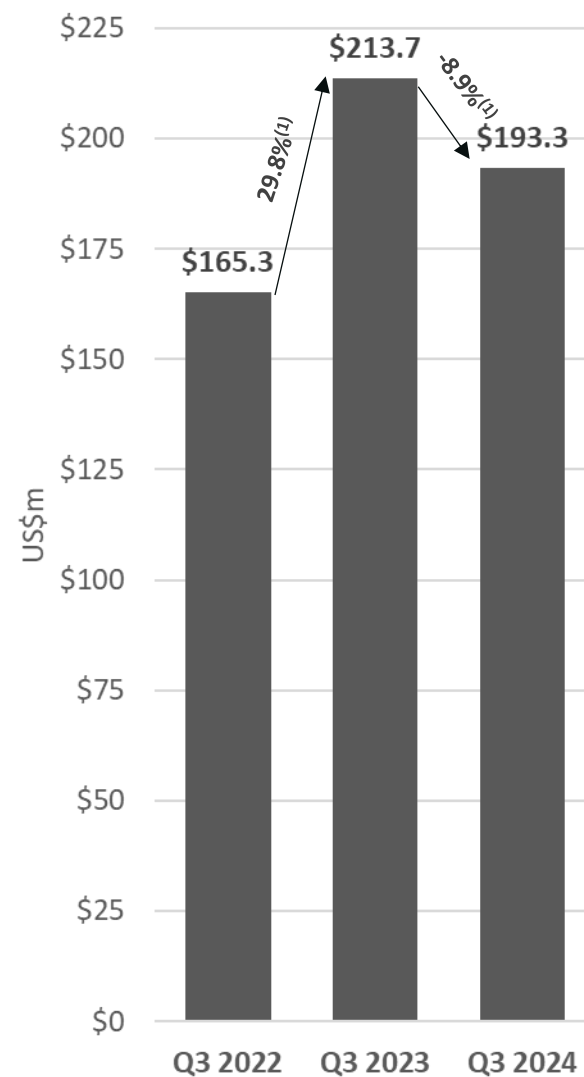
North America – Tumi sales



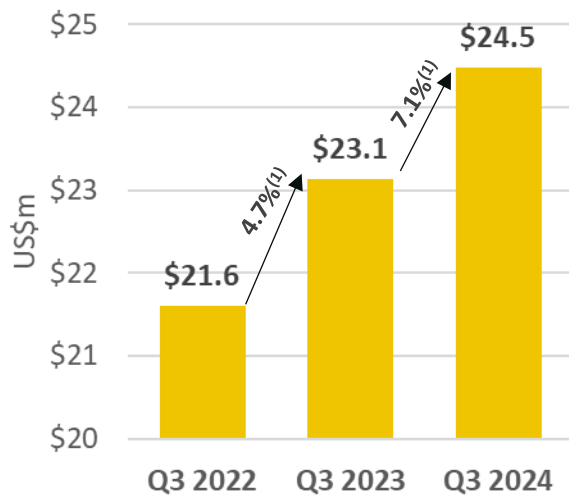
Asia – Tumi sales



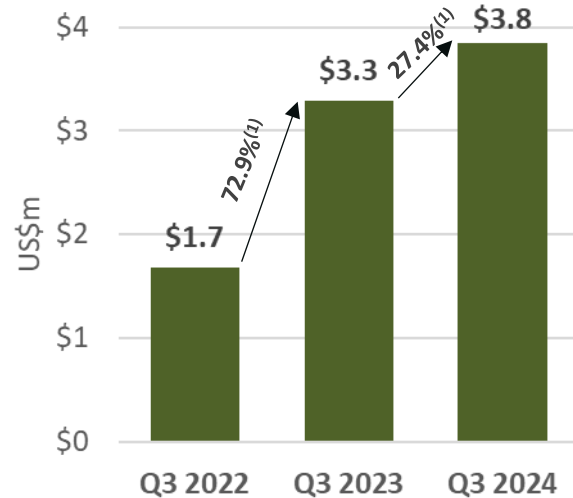
Consolidated – Tumi sales



Europe – Tumi sales



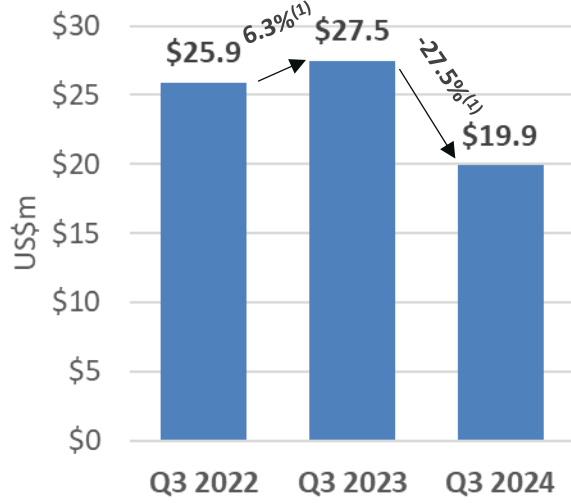
Latin America – Tumi sales



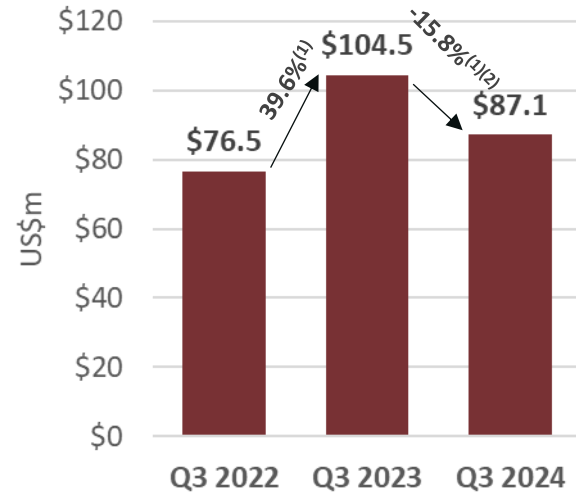
(1) Stated on a constant currency basis.

American Tourister Q3 sales soft across nearly all regions

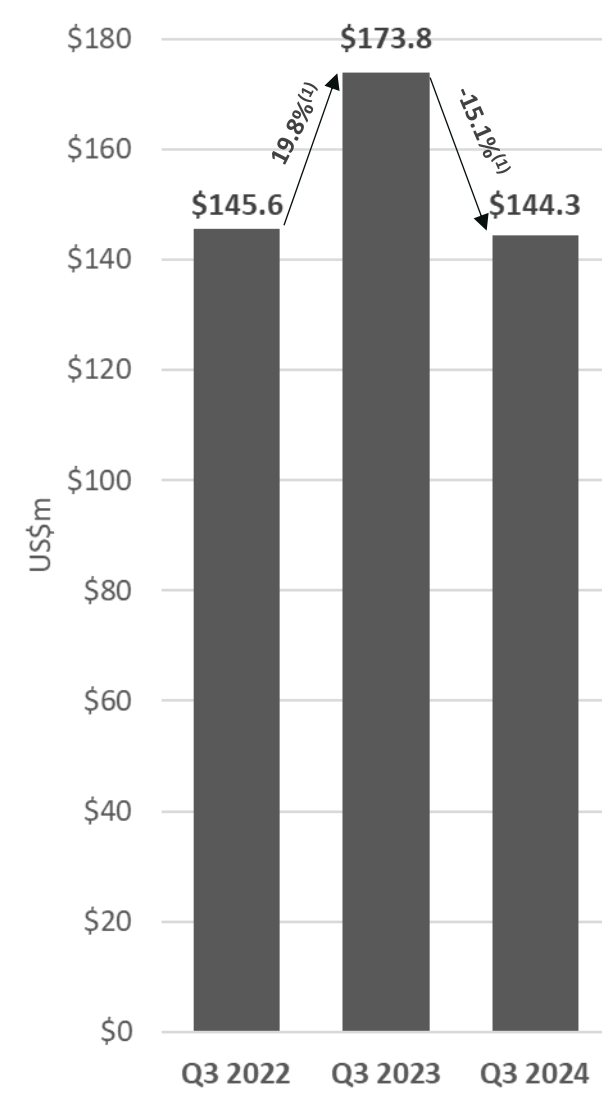
North America – American Tourister sales



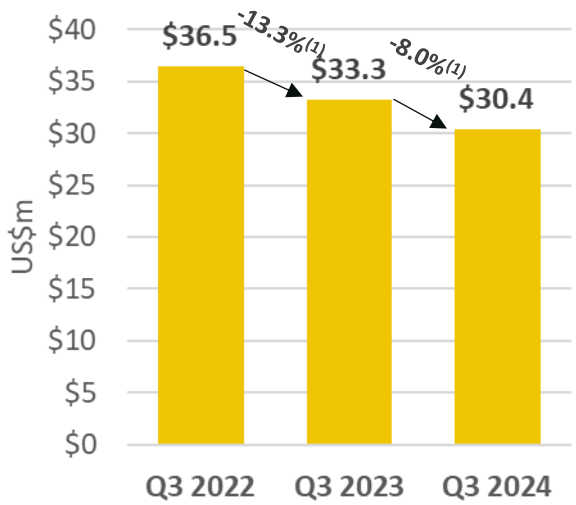
Asia – American Tourister sales



Consolidated – American Tourister sales



Europe – American Tourister sales



Latin America – American Tourister sales



(1) Stated on a constant currency basis.

(2) American Tourister net sales growth in Asia was impacted by a more promotional environment in India (-28.7%) driven mainly by our competitors. Excluding India, American Tourister net sales in Asia would have been -7.9% vs. prior year.

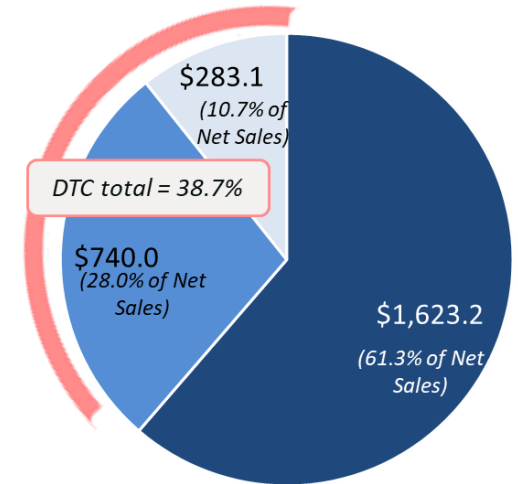
YTD net sales growth in DTC channels, led by DTC e-commerce and new store openings

Comparison of net sales by channel

- Total YTD DTC growth of 2.8%⁽¹⁾.
 - DTC E-Commerce growth of +7.3%⁽¹⁾.
 - Retail growth of +1.2%⁽¹⁾, driven by 83 net new stores since September 2023, offset by YTD September comp store growth of -2.9%⁽¹⁾ reflecting reduced store traffic.
 - YTD DTC net sales mix up 100 basis points compared to YTD Sep 2023.
- Wholesale net sales decreased 2.6%⁽¹⁾ vs. prior year compared to a high net sales base in YTD Sep 2023.

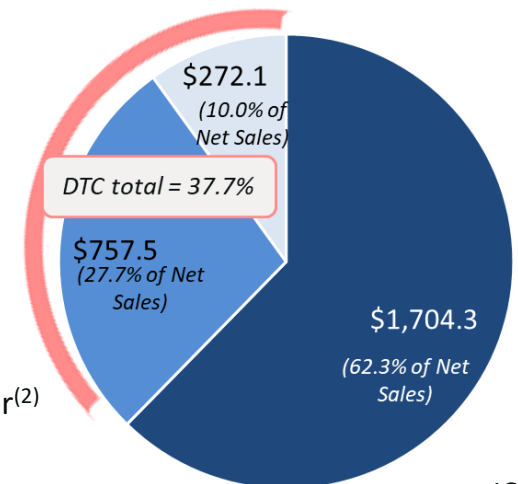
YTD Sep 2024

US\$2,646.2 million



YTD Sep 2023

US\$2,733.9 million



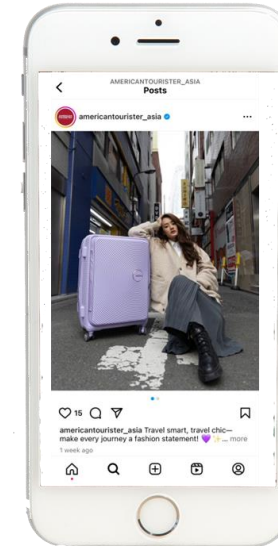
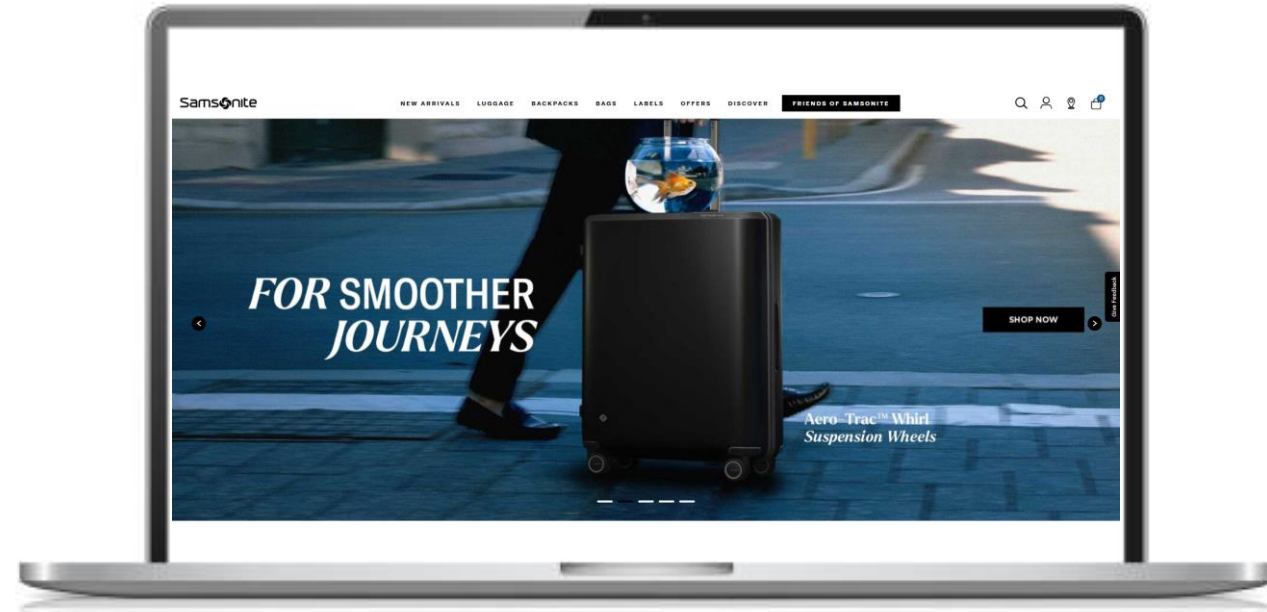
- Wholesale and Other⁽²⁾
- Retail
- DTC E-Commerce

(1) Stated on a constant currency basis.

(2) Other primarily consists of licensing revenue of US\$1.4 million for YTD Sep 2024 and US\$1.1 million for YTD Sep 2023.

Continued to drive growth in our DTC e-commerce business across all our regions

- We continued to invest in DTC e-commerce across all our regions and brands.
- Net sales from our DTC e-commerce channel now represent 10.7% of total net sales for YTD September 2024, up from 10.0% in YTD September 2023.
- DTC e-commerce net sales grew +7.3%⁽¹⁾ in YTD September 2024 vs. prior year, driven by positive growth in all regions (+5.3%⁽¹⁾ growth in Asia, +3.1%⁽¹⁾ growth in North America, +11.9%⁽¹⁾ growth in Europe, and 60.9%⁽¹⁾ growth in Latin America.

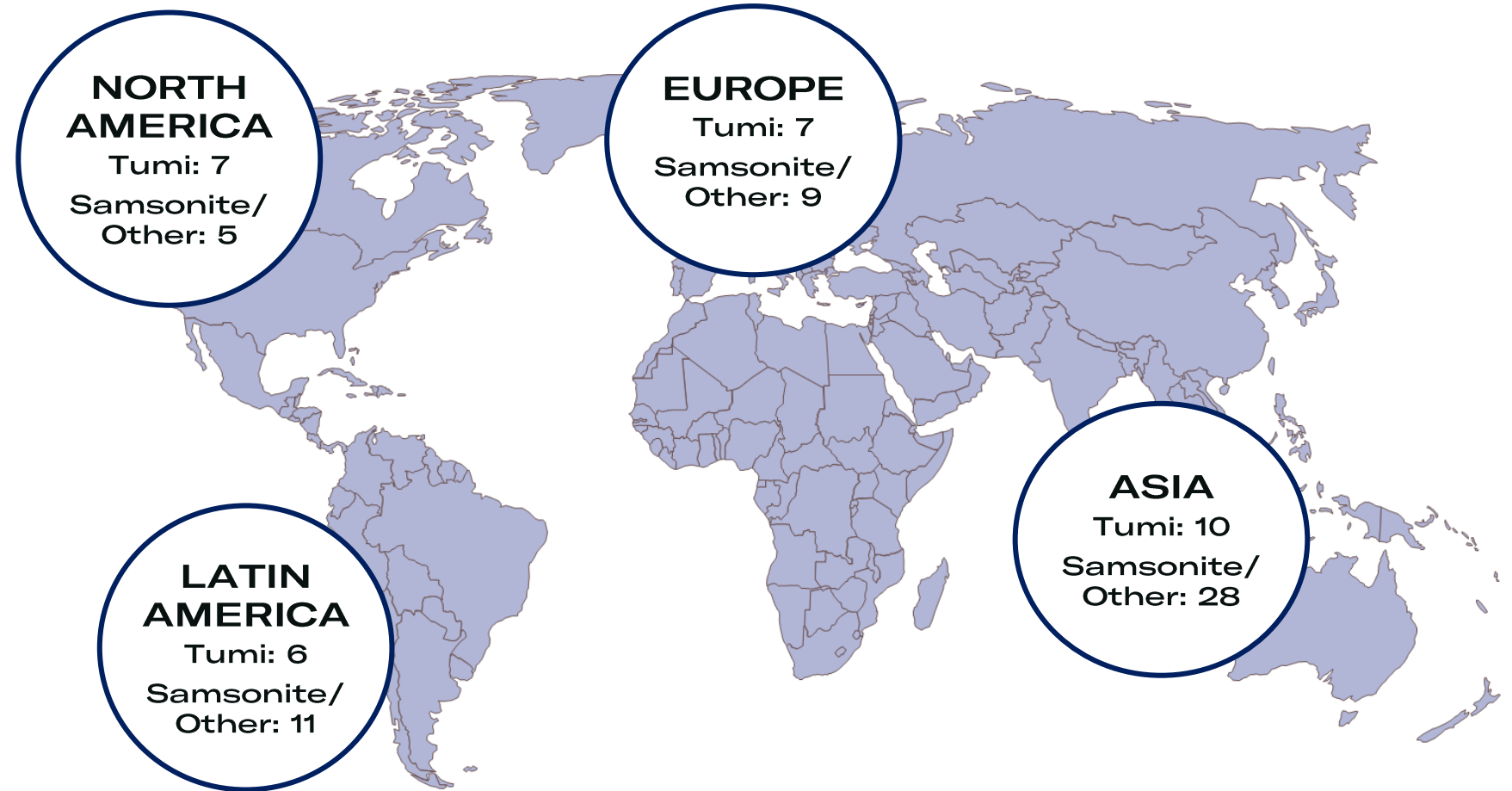


(1) Stated on a constant currency basis.

Driving DTC growth: Selectively expanding our global retail footprint

- Continued to expand our global retail footprint with strategically selected store openings in key markets, with a particular focus on Asia and Europe, enhancing brand visibility and customer experience.
- 83 net new stores since September 2023.

Net new store openings since September 2023 by Region



Continued to invest in brand elevation through brand enhancing store openings across the world



Tumi Store @ Lenox Square in Atlanta, GA

- Our Lenox store expansion was part of our Retail Evolution strategy whereby we expanded the square footage of flagship stores in key cities to further drive retail productivity through enhanced consumer engagement and optimized in-store product assortments.
- Our Lenox store went from ~1,450 square feet to ~2,940 square feet.



Tumi Store @ Lenox Square in Atlanta, GA

• Selective retail store expansion in Europe will be one of the drivers for future growth



Tumi Store @ Helsinki, Finland



• Selective retail store expansion in Europe will be one of the drivers for future growth (cont'd)



Samsonite Store @ Berlin, Germany



• Selective retail store expansion in Asia will be one of the drivers for future growth



Tumi Store @ Shanghai Jing'an Kerry Centre, China



⌚ **A powerful testament to “Our Responsible Journey” ethos with the flagship Samsonite store opening in Suntec City, Singapore, a store designed with sustainability in mind**



Samsonite Store @ Suntec City, Singapore

• Our Responsible Journey: New ambitious Climate Target

- We recently announced a near-term science-based climate target in alignment with the criteria of the Science Based Targets initiative (SBTi).
- We committed to continuing to use 100% renewable electricity in all our own operations and reducing our Scope 3 emissions from purchased goods and services 52% by 2030 from a 2022 base year on an intensity basis per unit gross profit.
- Our new target was submitted to SBTi for validation last month and applies collectively to all the Group's brands worldwide.
- To achieve our target, we are focused on reducing material-related emissions in our global value chain by **significantly increasing recycled content** of the various types of plastics, aluminum and other materials of which our products are made.
- We are partnering with our suppliers to significantly expand the use of recycled, lower-carbon materials while **maintaining our long-standing commitment to durability**.
- For additional information, please reference our press release on our website.



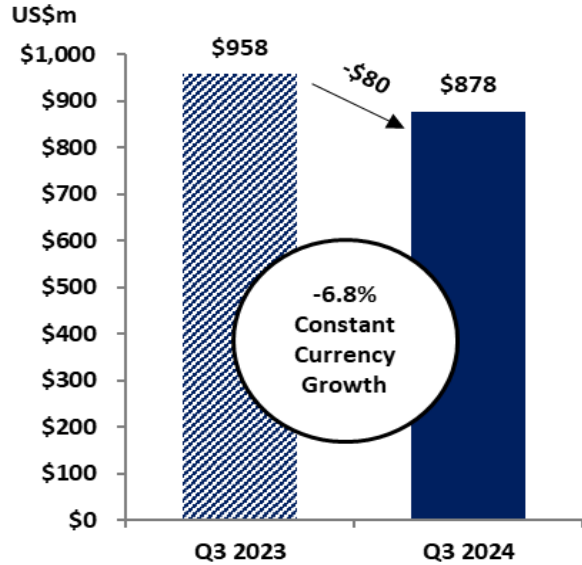
Tumi Vidalia Headquarters Solar Panel Installation

FINANCIAL HIGHLIGHTS

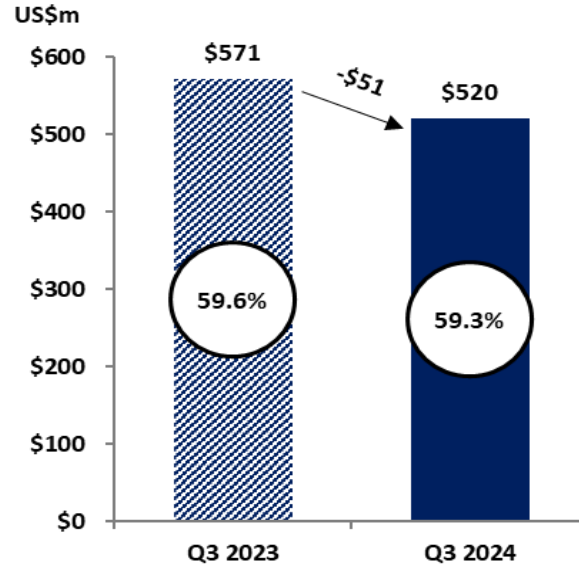


Q3 2024 Results Highlights

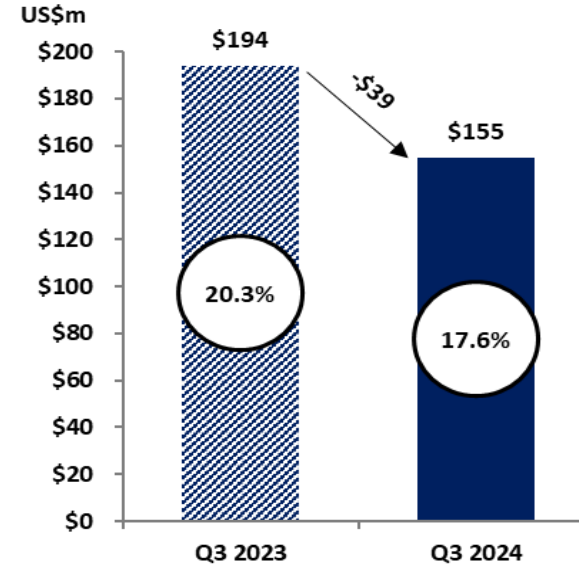
Net Sales



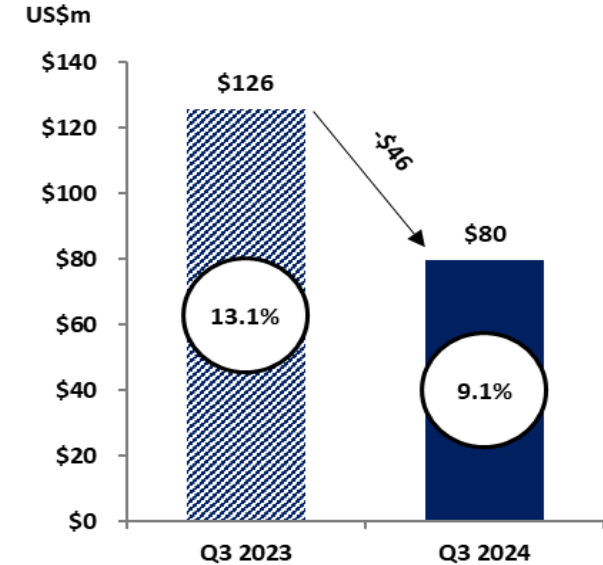
Gross Margin



Adj. EBITDA



Adj. Net Income



- Net sales decreased by 6.8%⁽¹⁾ from a very strong Q3 2023 that was up 21.2%⁽¹⁾ from Q3 2022. Q3 2024 was still up 20.8%⁽¹⁾⁽²⁾ compared to Q3 2019.
- In addition to comping a very strong 2023 period, macro-economic conditions have continued to worsen and competitive pressures remain strong, particularly in India.

- Gross margin decreased by 30bp from Q3 2023 due to the decrease in net sales from the higher-margin Asia region and Tumi brand, partially offset by increased share of total net sales from the DTC channel, and continued discipline on promotional discounts.
- Still achieved strong gross margins above historical levels.

- Adjusted EBITDA margin was down 270bp from Q3 2023 due largely to decreased net sales, as well as slightly lower gross margin and a 10bp increase in advertising as a % of net sales.
- Continued to maintain efficient cost structure resulting in margins being structurally better than 2019.

- Adjusted Net Income decreased by US\$46 million mainly due to lower Adjusted EBITDA.

(1) Stated on a constant currency basis.

(2) For comparative purposes, prior period sales are adjusted to exclude Russia, which was disposed of on July 1, 2022, and Speck, which was divested on July 30, 2021.

Other Financial Highlights

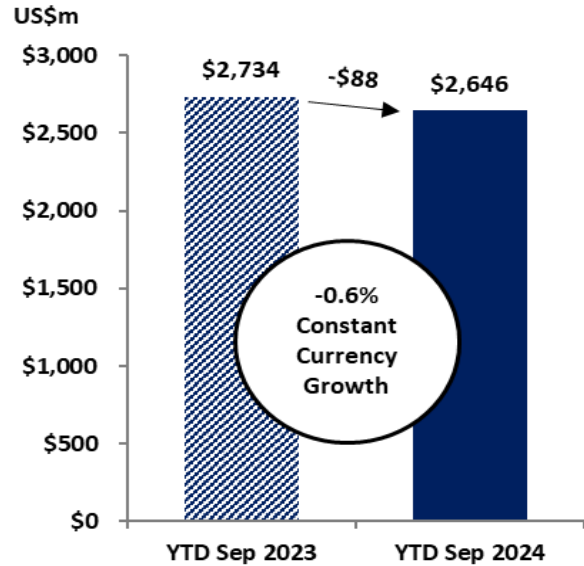
- Fixed SG&A expenses of US\$216 million in Q3 2024 remained roughly flat to Q3 2023 despite the net addition of 83 company-operated stores since September 30, 2023, reflecting our ongoing discipline on expense management.
- Advertising spend of US\$56 million in Q3 2024 (6.3% of net sales) was US\$4 million lower than Q3 2023 (6.2% of sales). We took proactive steps to adjust advertising investments in the quarter in response to evolving market demand.
- Generated strong Free Cash Flow⁽¹⁾ of US\$94 million in Q3 2024, a US\$5 million improvement compared to Q3 2023.
- Net debt position of US\$1,148 million as of September 30, 2024, compared to US\$1,239 million as of September 30, 2023, despite returning a total of US\$222 million to shareholders through a US\$150 million cash distribution and US\$72 million share repurchase.
 - The calculated total net leverage ratio⁽²⁾ at September 30, 2024 was 1.68x.
- Liquidity of approximately US\$1,426 million as of September 30, 2024, includes US\$744 million available on the Revolving Credit Facility (RCF).
- Repurchased approximately 30 million shares at a total cost of approximately US\$72 million through the end of Q3 2024. We plan to continue share buybacks through the remainder of the year and into next year.

(1) Free Cash Flow is defined as net cash generated from (used in) operating activities less (i) total capital expenditures and (ii) principal payments on lease liabilities.

(2) The total net leverage ratio is calculated by dividing total consolidated net debt minus the aggregate amount of unrestricted cash by the consolidated Adjusted EBITDA for the trailing four fiscal quarters on a pro forma basis as defined in the credit agreement.

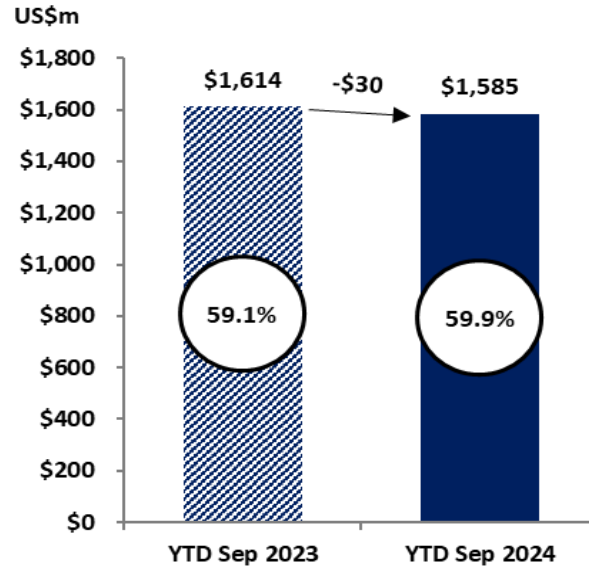
YTD Sep 2024 Results Highlights

Net Sales



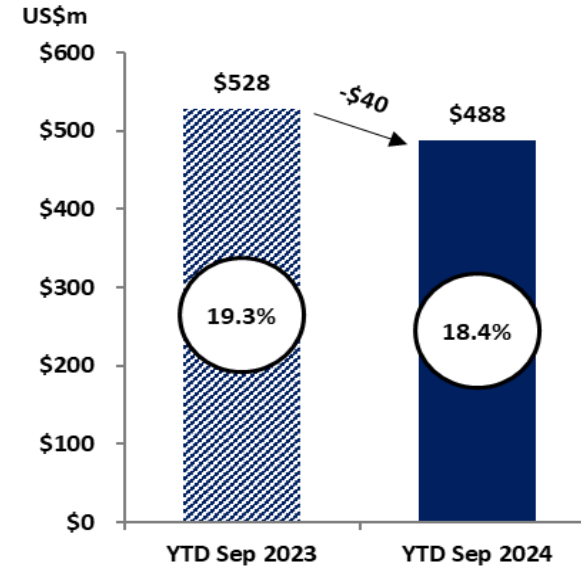
- Net sales decreased by 0.6%⁽¹⁾ against a strong net sales base in YTD Sep 2023.
- Continued macroeconomic uncertainty has impacted consumer sentiment in certain markets, resulting in reduced spending on discretionary items in YTD Sep 2024. In comparison, net sales in YTD Sep 2023 were fueled by strong travel demand and consumer spending, as well as large wholesale customers rebuilding their inventory levels following the pandemic.

Gross Margin



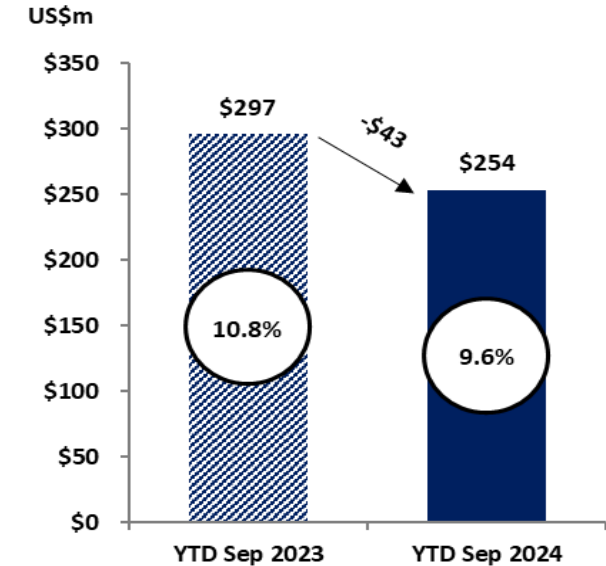
- Gross margin increased by 80bp to 59.9% from 59.1% in YTD Sep 2023 driven by the increased share of total net sales from the DTC channel and continued discipline with respect to promotional discounts partially offset by the decrease in net sales from the higher-margin Asia region and Tumi brand.

Adj. EBITDA



- Adjusted EBITDA margin was down 90bp from YTD Sep 2023 due to the decrease in net sales and gross profit, and a 10bp increase in advertising as a % of net sales.
- Continued to maintain efficient cost structure resulting in margins being structurally better than 2019.

Adj. Net Income

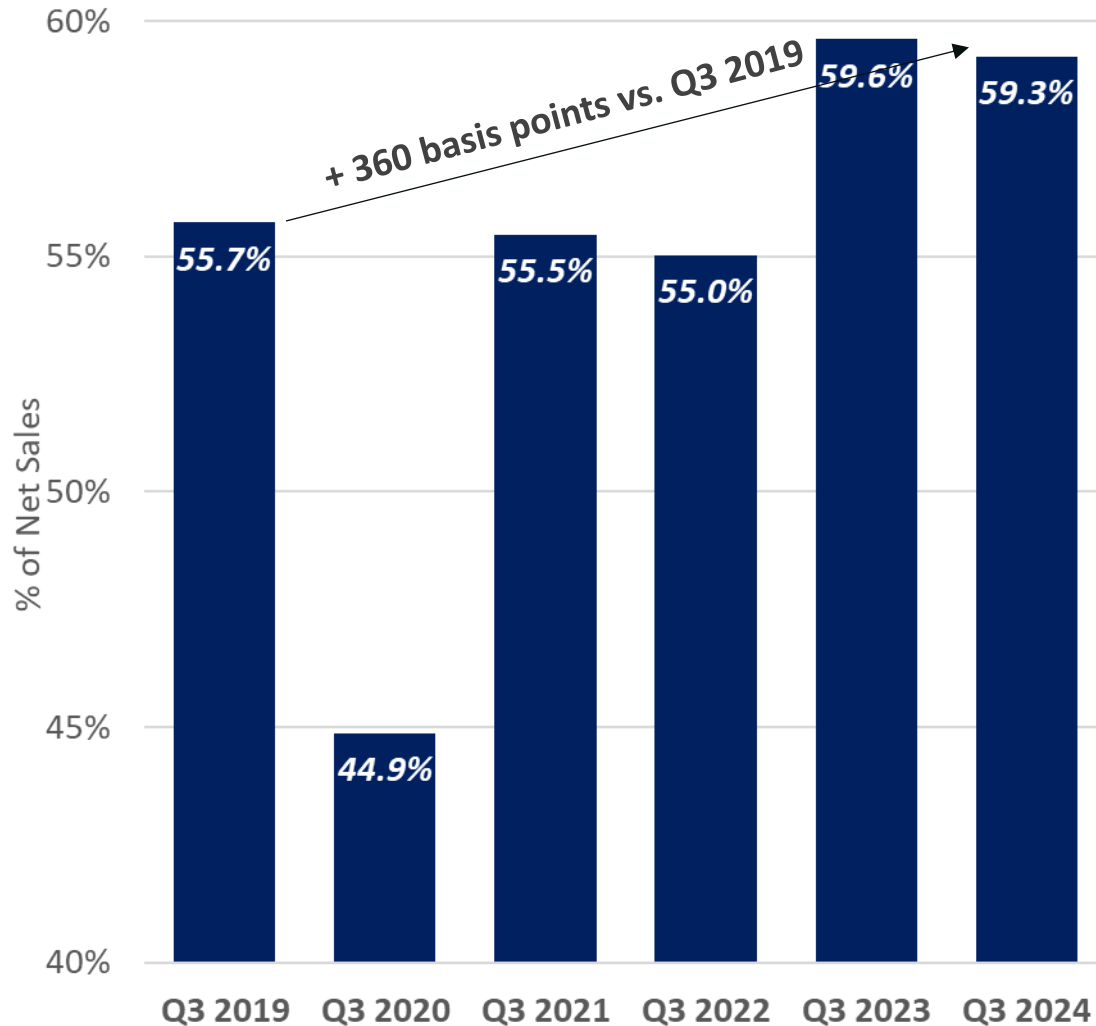


- Adjusted Net Income decreased by US\$43 million mainly due to lower Adjusted EBITDA.

(1) Stated on a constant currency basis.

YOY gross margins impacted by regional sales mix, offset by increased DTC penetration

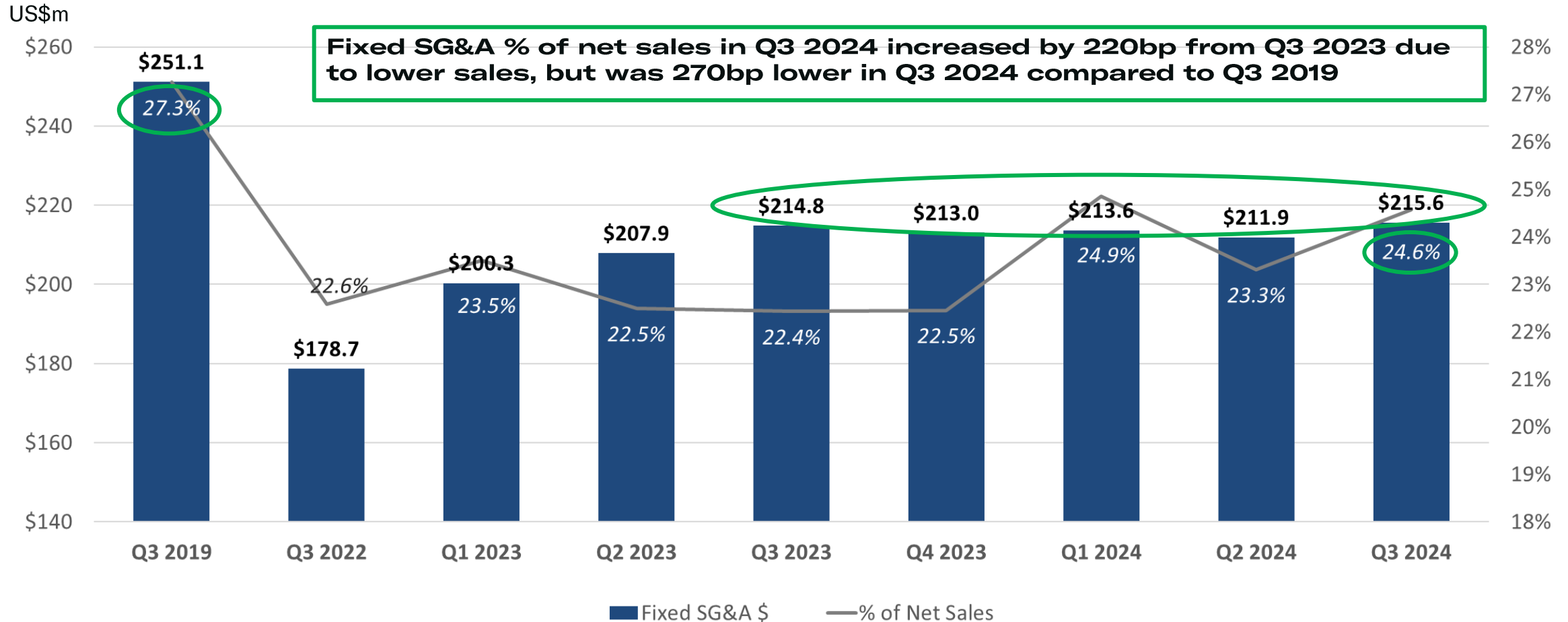
Q3 Gross margin % Evolution



- Q3 2024 gross margin decreased by 30bp from Q3 2023 due primarily to regional sales mix as Asia, which has the highest gross margin of all regions, decreased as a proportion of total sales compared to Q3 2023.
- Increased DTC net sales penetration in Q3 2024 compared to prior year helped partially offset the sales mix impact on gross margins.
- Still achieved strong gross margins above historical levels across all regions.

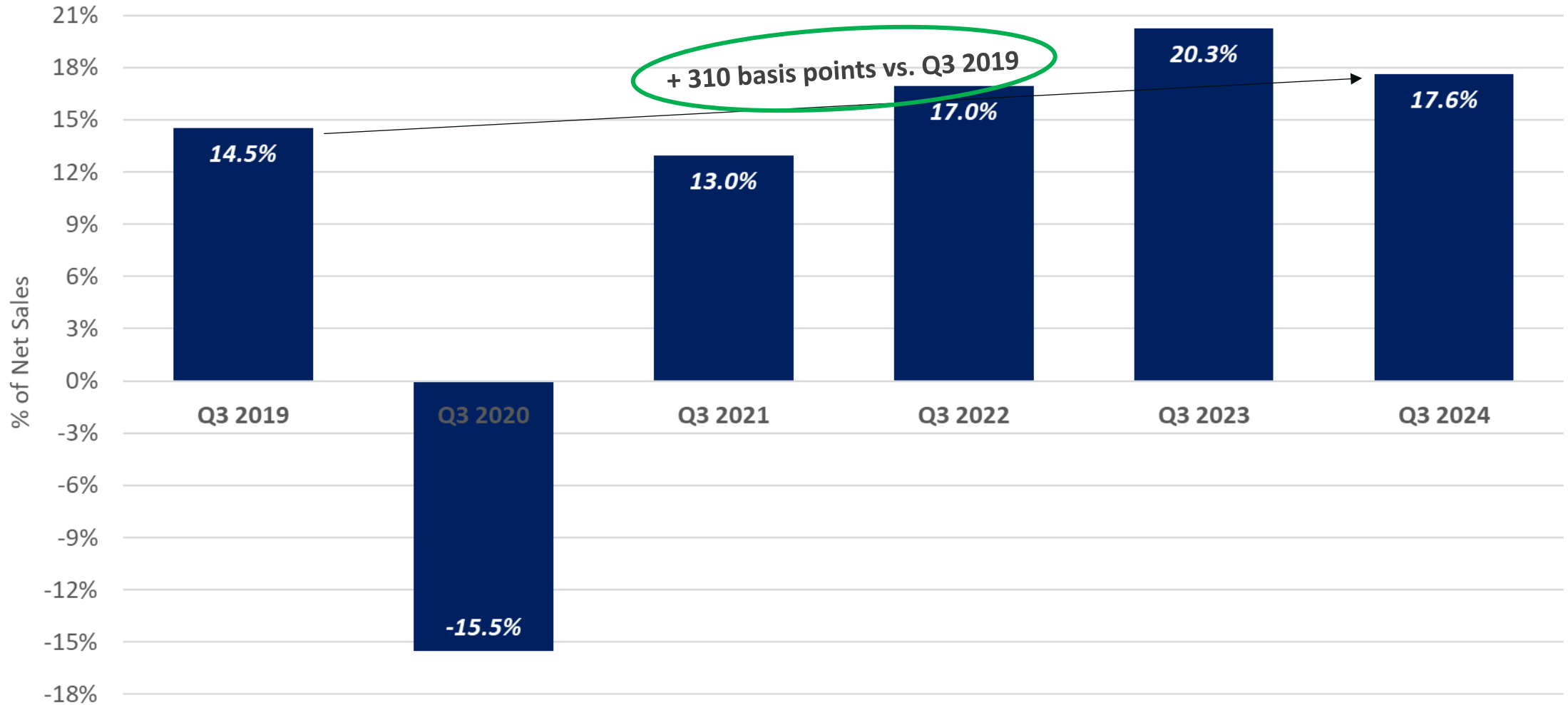
☞ **Tightly managed fixed SG&A which was relatively unchanged from Q3 2023, despite inflationary pressure and adding 83 net new stores over the past year**

Fixed SG&A Trend

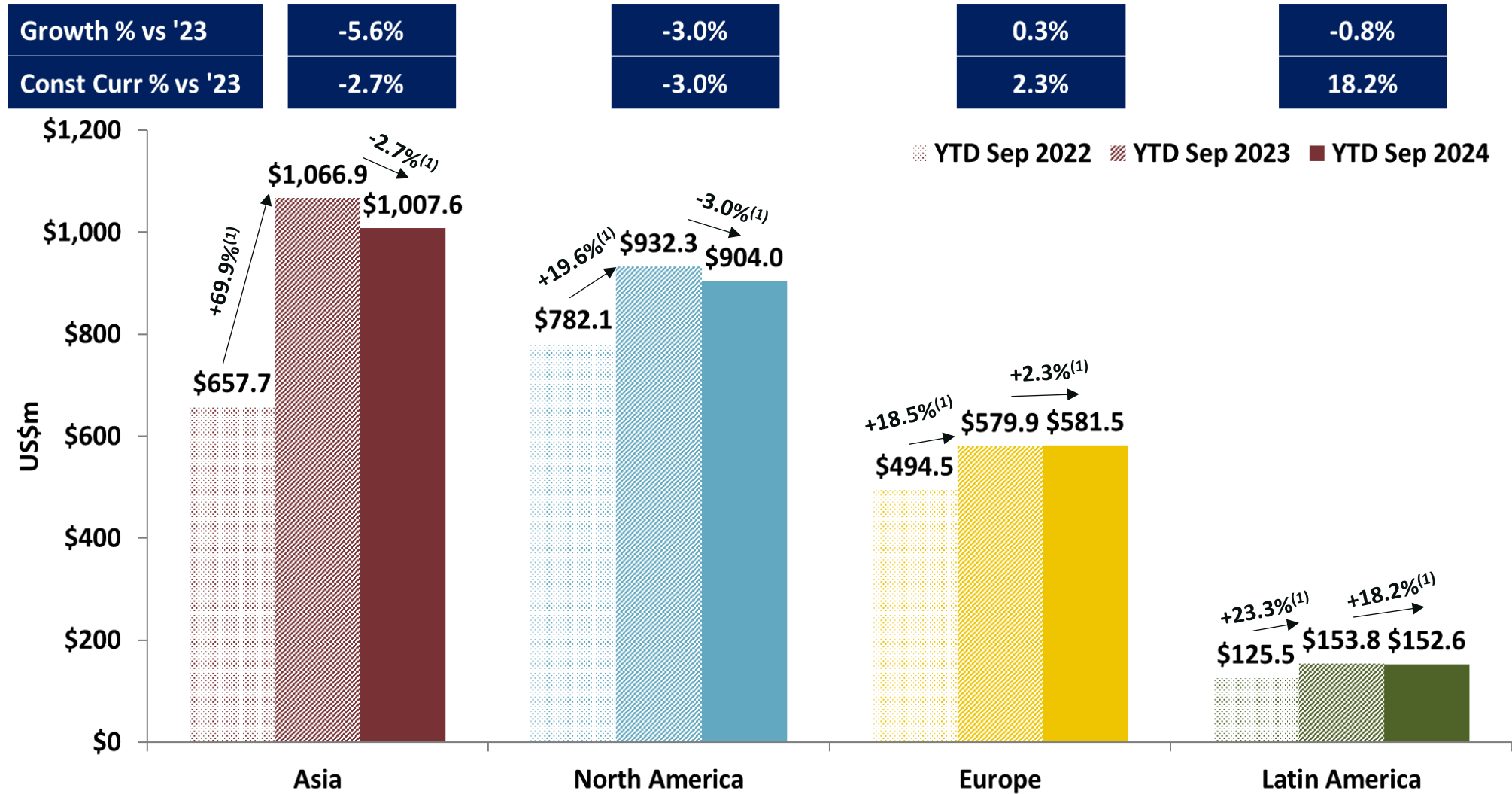


- While Adjusted EBITDA margin was down compared to prior year, we continued to maintain an efficient cost structure resulting in margins being structurally better than 2019

Q3 Adjusted EBITDA margin Evolution

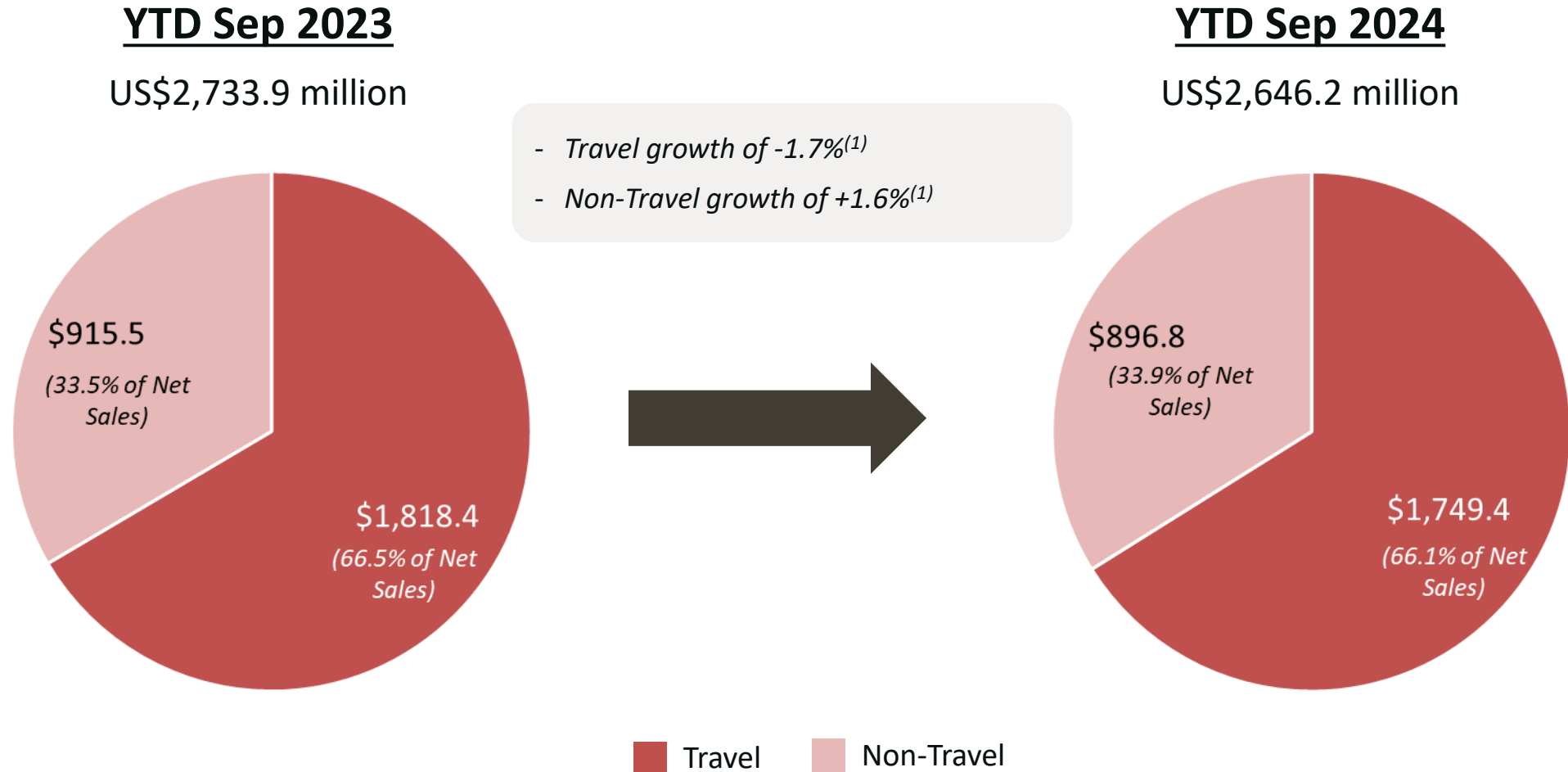


YTD net sales were modestly down across most of our regions as we comped strong prior year results and were impacted by more challenged macro conditions



◉ We continued to diversify our category mix towards non-travel products

Comparison of travel vs. non-travel net sales



(1) Stated on a constant currency basis.

Backpacks from Samsonite's Ecodiver and Pro-DLX 6 collections helped drive non-travel sales



Samsonite Ecodiver Backpacks



Samsonite Pro-DLX 6

• Tumi global ambassador, Mun Ka Young, helped launch our new Voyageur Leather & 19 Degree Frame collections



Tumi Voyageur Leather and 19 Degree Frame collections

Balance Sheet

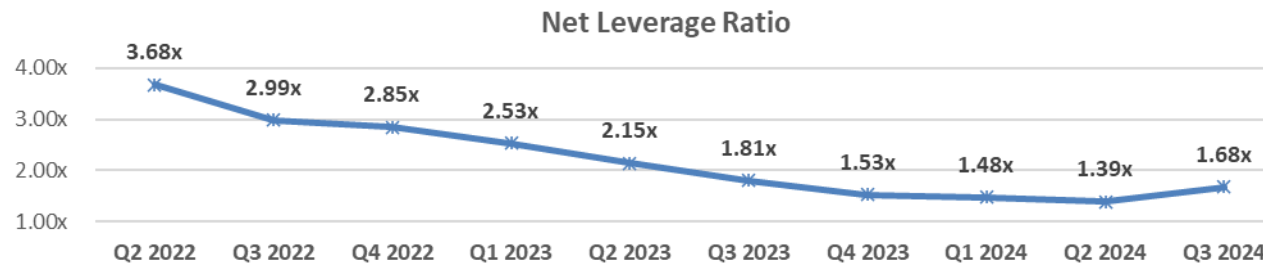
US\$m	September 30, 2023	September 30, 2024	\$ Chg Sep-24 vs. Sep-23	% Chg Sep-24 vs. Sep-23
Cash and cash equivalents	603.4	682.3	78.9	13.1%
Trade and other receivables, net	343.7	325.0	(18.6)	-5.4%
Inventories, net	734.8	672.9	(61.9)	-8.4%
Other current assets	92.0	95.5	3.5	3.8%
Non-current assets	3,078.7	3,332.6	253.9	8.2%
Total Assets⁽¹⁾	4,852.6	5,108.3	255.7	5.3%
Current Liabilities (excluding debt)	1,052.8	977.2	(75.7)	-7.2%
Non-current liabilities (excluding debt)	617.2	758.9	141.6	22.9%
Total borrowings	1,824.7	1,821.9	(2.8)	-0.2%
Total equity	1,357.8	1,550.4	192.5	14.2%
Total Liabilities and Equity⁽¹⁾	4,852.6	5,108.3	255.7	5.3%
Cash and cash equivalents	603.4	682.3	78.9	13.1%
Total borrowings excluding deferred financing costs	(1,842.5)	(1,830.4)	12.1	-0.7%
Total Net Cash (Debt)⁽¹⁾⁽²⁾	(1,239.1)	(1,148.1)	91.0	-7.3%

(1) The sum of the line items in the table may not equal the total due to rounding.

(2) Total net cash (debt) excludes deferred financing costs, which are included in total borrowings.

(3) The total net leverage ratio is calculated by dividing total consolidated net debt minus the aggregate amount of unrestricted cash by the consolidated Adjusted EBITDA for the trailing four fiscal quarters on a pro forma basis as defined in the credit agreement.

- Despite US\$150 million distribution to shareholders, and US\$72 million share repurchase, our net debt is down US\$91 million year over year due to strong cash flow generation.
- Liquidity of US\$1,426 million including US\$744 million of revolver availability at September 30, 2024.
- The calculated total net leverage ratio⁽³⁾ at September 30, 2024 was 1.68x.



Working Capital

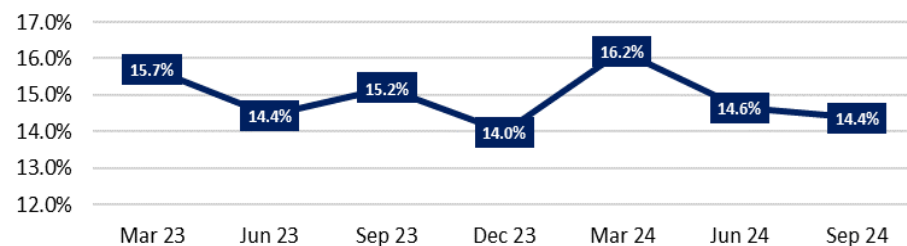
US\$m	September 30, 2023		December 31, 2023		September 30, 2024		\$ Chg Sep-24 vs. Sep-23	% Chg Sep-24 vs. Sep-23
Working Capital Items								
Inventories	\$	734.8	\$	695.9	\$	672.9	\$ (61.9)	-8.4%
Trade and Other Receivables	\$	343.7	\$	319.6	\$	325.0	\$ (18.6)	-5.4%
Accounts Payable	\$	523.2	\$	500.4	\$	489.8	\$ (33.4)	-6.4%
Net Working Capital	\$	555.2	\$	515.1	\$	508.1	\$ (47.1)	-8.5%
% of Net Sales		15.2%		14.0%		14.4%		

Turnover Days

Inventory Days		179		169		174		(5)
Trade and Other Receivables Day		34		32		34		-
Accounts Payable Days		128		122		126		(2)
Net Working Capital Days		85		79		82		(3)

- Inventory turnover days calculated as ending inventory balance divided by cost of sales for the period and multiplied by the number of days in the period.
- Trade and other receivables turnover days calculated as ending trade and other receivables balance divided by net sales for the period and multiplied by the number of days in the period.
- Accounts payable turnover days calculated as ending accounts payable balance divided by cost of sales for the period and multiplied by the number of days in the period.
- Net working capital efficiency (% of net sales) is calculated as net working capital divided by annualized net sales.

NWC Efficiency Trend



- Managing net working capital towards the 14% target level.
- Maintained healthy inventory levels at September 30, 2024, which were reduced by US\$62 million from September 30, 2023, following the push last year to ensure sufficient inventory to capture the strong travel demand.

Capex investments focused on retail store remodels, new stores, and investment in core strategic initiatives

Capital Expenditure by project type

US\$m	YTD Sep 2023	YTD Sep 2024
Retail	25.4	29.5
Manufacturing / Supply	9.6	23.1
Information Services and Facilities	6.3	4.7
Software	7.3	4.0
Other	0.6	0.5
Total Capital Expenditures	49.1	61.8

- Retail capex of US\$29 million in YTD September 2024 consisted of US\$16 million for store remodels and relocations and US\$12 million for new stores.
- Manufacturing / Supply capex of US\$23 million in YTD September 2024, comprised of:
 - US\$11 million in investments in product innovation and development as a key competitive advantage.
 - US\$12 million Supply capex included US\$5 million towards the expansion and renovation of our Tumi North America distribution center as well as US\$2 million for the purchase of a leased warehouse in Europe.

OUTLOOK

🌀 Outlook

- Travel trends are expected to remain robust over the next several years and will continue to drive long-term growth in our business.
- In 2024, the comparison to strong prior year sales impacted our growth rate. Our view on full year sales remains relatively unchanged since our last earnings report; we expect full year sales growth to be approximately flat on a constant currency basis relative to 2023. We are seeing improving trends as we go into Q4, and we expect to benefit from an anticipated improvement in consumer confidence in China from the economic stimulus measures recently announced by the Chinese government, as well as more favorable year-on-year comparisons relative to Q3.
- In 2025, we expect annual net sales growth to resume versus a more normalized base, as we continue to invest in the business to drive new product innovations, channel and product category expansion, and optimized marketing spend to elevate our brands.
- We remain focused on driving profitable sales growth through our higher-margin brands, channels, and regions, supported by disciplined expense management. We are confident in our ability to maintain robust margins in the near term, and to deliver positive operating leverage and margin expansion in the long run.
- We will continue to leverage our asset-light business model to maintain strong Free Cash Flow⁽¹⁾ generation. This will provide additional flexibility in capital allocation to continue to invest in organic growth, return cash to our shareholders, and deleverage our balance sheet going forward.
- We continue to make great progress on “Our Responsible Journey.”
- Our preparations for a potential dual listing of the Company’s securities in the United States continue to progress. Our Board of Directors and management believe this process will enhance value creation over time for our shareholders by increasing trading volumes and making our securities more accessible to investors in the U.S. and globally.



(1) Free Cash Flow is defined as net cash generated from (used in) operating activities less (i) total capital expenditures and (ii) principal payments on lease liabilities.

Q&A

THANK YOU.