



**Samsonite International S.A. Announces  
Final Results for the Year Ended December 31, 2023**

**Consolidated net sales increased by 30.4%<sup>1, 2</sup> year-on-year driven by  
strong growth across all regions and core brands**

**Gross profit margin and Adjusted EBITDA margin<sup>3</sup> expanded significantly in 2023, driven by  
increased net sales contribution from higher-margin Asia region and *Tumi* brand  
as well as benefits from our more efficient cost structure**

**Continued to deleverage balance sheet, driven by strong profit growth and Free Cash Flow<sup>4</sup> with  
net leverage ratio<sup>5</sup> at lowest level since 2016 acquisition of Tumi**

**HONG KONG, March 13, 2024** – Samsonite International S.A. (“Samsonite” or “the Company”, together with its consolidated subsidiaries, “the Group”; SEHK stock code: 1910), a leader in the global lifestyle bag industry and the world’s best-known and largest travel luggage company, today published its final results for the year ended December 31, 2023.

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

**Overview**

Commenting on the results, Mr. Kyle Gendreau, Chief Executive Officer, said, “2023 marked another impressive year for Samsonite. We achieved outstanding results, and we are well positioned to continue to outpace the market backed by our portfolio of leading brands, unrivalled global sourcing and distribution infrastructure, and ability to invest in product innovation and marketing. Supported by strategic investments in marketing, we successfully capitalized on the continued recovery and growth in leisure and business travel worldwide, particularly in Asia, to deliver strong year-on-year net sales gains across all regions and core brands, with significant improvements in profitability.”

“During 2023 the Group registered strong double-digit net sales growth year-on-year, while its gross profit margin and Adjusted EBITDA margin<sup>3</sup> both reached record highs, reflecting our efficient cost structure and the increased net sales contribution from our higher-margin Asia region and *Tumi* brand. As a result, our Adjusted EBITDA<sup>6</sup> increased by 50.2% on net sales that grew by 30.4%<sup>1, 2</sup> in 2023 compared to 2022, a notable achievement that underscores Samsonite’s fundamentally transformed profitability. With strong profits and prudent cash management, we generated strong Free Cash Flow<sup>4</sup> in 2023, part of which we used to further reduce our debt. We ended the year with a net leverage ratio<sup>5</sup> of 1.53x, the lowest level since our acquisition of Tumi in 2016, as well as substantial liquidity of US\$1.6 billion<sup>7</sup>. Considering our strong performance and financial position, the Board decided to resume annual cash distributions in 2024, recommending a cash distribution of US\$150.0 million to the Company’s shareholders. This represents an increase of US\$25.0 million, or 20.0%, compared to the cash distribution of US\$125.0 million paid in 2019.”

"We intensified our efforts to embed sustainability into the business in 2023. Among other accomplishments, we increased the share of Samsonite's net sales that came from products made at least in part from recycled materials to approximately 34%, up from about 23% in 2022. We also achieved 100% renewable electricity usage in all our own operations, two years earlier than our 2025 target date. We will continue to advance Samsonite's "Our Responsible Journey" sustainability initiatives, leveraging our scale to lead the transformation of the luggage industry to become more sustainable."

Mr. Gendreau continued, "Looking to 2024, global travel and tourism growth is expected to remain healthy. Asia is expected to continue to see robust travel growth in 2024, as outbound travel from China continues to improve. In markets that reopened earlier, including North America and Europe, travel is expected to see steady growth closer to historical trends, with relatively stronger prospects in Europe from the ongoing return of Chinese travelers."

"We will continue to invest in our core brands in 2024, focusing on product innovation, sustainability initiatives and further enhancements to our global retail store network, all supported by increased investment in marketing. We are targeting 2024 marketing spend of approximately 7.0% of net sales, and we are confident that, with the amazing new products and exciting advertising campaigns planned for 2024, the Group will continue to deliver robust net sales growth, with strength in the higher-margin Asia region and *Tumi* brand."

Mr. Gendreau concluded, "We will continue to be vigilant in limiting promotional discounts to sustain our improved gross profit margin. We will also maintain discipline in managing expenses, especially our fixed SG&A expenses, to drive operating leverage and deliver sustained bottom-line growth. At the same time, we will maintain focus on cash management to sustain strong Free Cash Flow<sup>4</sup> generation, further enhancing Samsonite's flexibility in capital allocation to continue to deleverage our balance sheet, invest in organic growth, and return cash to our shareholders."

**Table 1: Key Financial Highlights for the Three Months Ended December 31, 2023**

Expressed in US\$ millions, except per share data	Three months ended December 31, 2023	Three months ended December 31, 2022	Percentage increase (decrease) 2023 vs. 2022	Percentage increase (decrease) 2023 vs. 2022 excl. foreign currency effects <sup>1</sup>
Net sales	948.5	818.5	15.9%	15.8%
Gross profit	568.3	462.9	22.8%	22.9%
Gross profit margin	59.9%	56.5%		
Operating profit <sup>8</sup>	248.9	210.5	18.3%	18.6%
Operating profit excluding total non-cash impairment reversals and restructuring (reversals) charges <sup>8,9</sup>	164.6	128.0	28.6%	29.1%
Profit attributable to the equity holders	149.2	198.2	(24.8)%	(27.7)%
Adjusted Net Income <sup>10</sup>	95.8	147.8	(35.2)%	(39.2)%
Adjusted EBITDA <sup>6</sup>	181.0	142.5	27.0%	27.4%
Adjusted EBITDA margin <sup>3</sup>	19.1%	17.4%		
Basic earnings per share – Expressed in US\$ per share	0.103	0.138	(25.2)%	(28.1)%
Diluted earnings per share – Expressed in US\$ per share	0.102	0.137	(25.6)%	(28.6)%
Adjusted basic earnings per share <sup>11</sup> – Expressed in US\$ per share	0.066	0.103	(35.6)%	(39.5)%
Adjusted diluted earnings per share <sup>11</sup> – Expressed in US\$ per share	0.066	0.102	(36.0)%	(39.9)%

**2023 Fourth Quarter Highlights**

For the three months ended December 31, 2023, Samsonite registered consolidated net sales of US\$948.5 million, an increase of 15.8%<sup>1</sup> year-on-year, notwithstanding travel growth in markets that reopened earlier, including North America and Europe, beginning to normalize. The net sales increase during the fourth quarter of 2023 was driven primarily by Asia where the Group registered net sales growth of 40.6%<sup>1</sup> year-on-year. During the fourth quarter of 2023, net sales in the direct-to-consumer (“DTC”) channel in North America increased by 7.7%<sup>1</sup> year-on-year driven by the *Tumi* and *Samsonite* brands. This was offset by wholesale channel net sales decreasing by 8.0%<sup>1</sup> year-on-year during the fourth quarter of 2023, primarily due to a shift in timing of shipments to certain wholesale customers following strong year-on-year wholesale net sales growth during the first nine months of 2023. Overall, net sales in North America for the fourth quarter of 2023 were flat<sup>1</sup> year-on-year. Net sales in Europe and Latin America for the fourth quarter of 2023 increased by 5.8%<sup>1</sup> and 32.9%<sup>1</sup> year-on-year, respectively. The *Samsonite*, *Tumi* and *American Tourister* brands recorded year-on-year net sales growth of 14.6%<sup>1</sup>, 18.7%<sup>1</sup> and 14.6%<sup>1</sup> for the fourth quarter of 2023, respectively.

The Group’s gross profit margin expanded to 59.9% in the fourth quarter of 2023, an increase of 340 basis points year-on-year, driven mainly by year-on-year gross profit margin improvements in all regions and Asia, the region with the highest gross profit margin, increasing its share of net sales, as well as overall lower promotional discounts. The Group increased its investment in marketing as planned, with marketing expenses rising to 7.2% of net sales in the fourth quarter of 2023 compared to 6.5% of net sales in the fourth quarter of 2022. The team

remained disciplined in managing fixed selling, general and administrative ("SG&A") expenses, enabling Samsonite to achieve a 27.0% increase in Adjusted EBITDA<sup>6</sup> to US\$181.0 million and a 170-basis point expansion in Adjusted EBITDA margin<sup>3</sup> to 19.1% for the fourth quarter of 2023, year-on-year.

The Group recorded an income tax expense of US\$52.4 million for the three months ended December 31, 2023, compared to an income tax benefit of US\$25.7 million for the fourth quarter of 2022, primarily due to year-on-year changes in unrecognized deferred tax assets. As a result, the Group's profit attributable to the equity holders decreased by US\$49.1 million year-on-year to US\$149.2 million for the three months ended December 31, 2023. The Group's Adjusted Net Income<sup>10</sup> decreased by US\$52.0 million year-on-year to US\$95.8 million for the three months ended December 31, 2023.

Compared to the corresponding period in 2019, Samsonite's net sales for the fourth quarter of 2023 increased by 15.1%<sup>1, 2, 12</sup>; gross profit margin increased by 580 basis points; Adjusted EBITDA<sup>6</sup> and Adjusted EBITDA margin<sup>3</sup> increased by 25.0% and 400 basis points, respectively; and Adjusted Net Income<sup>10</sup> increased by 68.4%; despite marketing spend as a percentage of net sales rising by 290 basis points. This remarkable improvement from 2019 highlights the Group's strong operating leverage and fundamentally enhanced margin profile as net sales continued to grow.

**Table 2: Key Financial Highlights for the Year Ended December 31, 2023**

Expressed in US\$ millions, except per share data	Year ended December 31, 2023	Year ended December 31, 2022	Percentage increase (decrease) 2023 vs. 2022	Percentage increase (decrease) 2023 vs. 2022 excl. foreign currency effects <sup>1</sup>
Net sales	3,682.4	2,879.6	27.9%	30.0%
Gross profit	2,182.8	1,605.4	36.0%	38.4%
Gross profit margin	59.3%	55.8%		
Operating profit <sup>8</sup>	743.7	492.1	51.1%	53.6%
Operating profit excluding total non-cash impairment reversals and restructuring (reversals) charges <sup>8,9</sup>	659.1	421.2	56.5%	59.4%
Profit attributable to the equity holders	417.0	312.7	33.3%	34.6%
Adjusted Net Income <sup>10</sup>	392.4	296.0	32.5%	33.8%
Adjusted EBITDA <sup>6</sup>	709.3	472.3	50.2%	54.0%
Adjusted EBITDA margin <sup>3</sup>	19.3%	16.4%		
Basic earnings per share – Expressed in US\$ per share	0.289	0.218	32.7%	33.9%
Diluted earnings per share – Expressed in US\$ per share	0.287	0.217	32.1%	33.3%
Adjusted basic earnings per share <sup>11</sup> – Expressed in US\$ per share	0.272	0.206	31.9%	33.2%
Adjusted diluted earnings per share <sup>11</sup> – Expressed in US\$ per share	0.270	0.206	31.3%	32.6%

**Results for the Year Ended December 31, 2023**

The Group's performance for the year ended December 31, 2023, is discussed in greater detail below.

**Net Sales**

The Group's net sales increase was driven by the continued recovery and growth in leisure and business travel globally and the resulting increased demand for the Group's products. Supported by substantial investments in marketing behind Samsonite's industry-leading brands and product assortments, as well as the strength of the Group's direct-to-consumer business, the Group achieved double-digit year-on-year net sales growth in all regions in 2023.

**Year Ended December 31, 2023, vs. Year Ended December 31, 2022**

For the year ended December 31, 2023, the Group recorded net sales of US\$3,682.4 million, an increase of 30.0%<sup>1</sup> compared to the US\$2,879.6 million recorded in 2022. When excluding the net sales in Russia, the Group's net sales increased by US\$812.5 million, or 30.4%<sup>1,2</sup>, year-on-year, in 2023.

**Year Ended December 31, 2023, vs. Year Ended December 31, 2019**

Compared to 2019, the Group's net sales for the year ended December 31, 2023, increased by 11.5%<sup>1</sup>, and by 17.5%<sup>1,2,12</sup> when excluding the net sales in Russia and by Speck.

## Net Sales Performance by Region

**Table 3: Net Sales by Region**

Region <sup>13</sup>	Year ended December 31, 2023 US\$ millions	Year ended December 31, 2022 US\$ millions	Percentage increase (decrease) 2023 vs. 2022	Percentage increase (decrease) 2023 vs. 2022 excl. foreign currency effects <sup>1</sup>
Asia	1,427.8	916.4	55.8%	61.7%
North America	1,267.2	1,117.3	13.4%	13.7%
Europe <sup>14</sup>	776.9	675.7	15.0%	15.1%
Latin America	209.5	168.8	24.1%	25.7%
Corporate	1.1	1.5	(27.2)%	(27.2)%
Net sales <sup>15</sup>	3,682.4	2,879.6	27.9%	30.0%

### Asia

#### **Year Ended December 31, 2023, vs. Year Ended December 31, 2022**

For the year ended December 31, 2023, the Group recorded net sales of US\$1,427.8 million in Asia, an increase of US\$511.4 million, or 61.7%<sup>1</sup>, compared to 2022. The share of total net sales in Asia, the Group's most profitable region, increased to 38.8% in 2023 versus 31.8% in 2022. Net sales in China increased by 88.4%<sup>1</sup> year-on-year in 2023, driven by a strong rebound in travel, particularly domestic travel, following the lifting of travel restrictions and social distancing measures at the beginning of the year. During 2023 the Group's net sales in India increased by 25.5%<sup>1</sup>, in Japan by 68.4%<sup>1</sup>, in South Korea by 52.2%<sup>1</sup> and in Hong Kong<sup>16</sup> by 96.1%<sup>1</sup>, year-on-year.

#### **Year Ended December 31, 2023, vs. Year Ended December 31, 2019**

Compared to 2019, the Group's net sales in Asia for the year ended December 31, 2023, increased by 20.1%<sup>1</sup>. The Group's net sales in China for 2023 were in line<sup>1</sup> with 2019, a meaningful improvement versus 2022 when net sales were down by 47.0%<sup>1</sup> compared to 2019. Net sales for 2023 in India and Japan increased by 75.7%<sup>1</sup> and 13.0%<sup>1</sup>, respectively, compared to 2019. Net sales trends in South Korea and Hong Kong<sup>16</sup> also noticeably improved in 2023. Compared to 2019, net sales in South Korea decreased by 1.2%<sup>1</sup> in 2023 (versus a decline of 34.8%<sup>1</sup> in 2022 compared to 2019), while net sales in Hong Kong<sup>16</sup> decreased by 24.3%<sup>1</sup> in 2023 (versus a decline of 61.4%<sup>1</sup> in 2022 compared to 2019).

### North America

#### **Year Ended December 31, 2023, vs. Year Ended December 31, 2022**

For the year ended December 31, 2023, the Group recorded net sales of US\$1,267.2 million in North America, an increase of US\$149.9 million, or 13.7%<sup>1</sup>, compared to 2022. The Group's net sales in the United States and Canada increased by 12.6%<sup>1</sup> and 33.5%<sup>1</sup>, respectively, year-on-year.

#### **Year Ended December 31, 2023, vs. Year Ended December 31, 2019**

For the year ended December 31, 2023, the Group's net sales in North America declined by 7.0%<sup>1</sup> compared to 2019. When excluding the net sales by Speck, the Group recorded a net sales increase of 2.3%<sup>1, 12</sup> in North America in 2023 when compared to 2019. Further adjusting for the discontinuation of unprofitable third-party brand sales on the ebags e-commerce platform in 2020, net sales in North America in 2023 increased by 8.0%<sup>1, 12</sup> compared to 2019.

For the year ended December 31, 2023, the Group's net sales in the United States declined by 8.3%<sup>1</sup> compared to 2019. When excluding the net sales by Speck, the Group recorded a net sales increase of 1.3%<sup>1, 12</sup> in the United States compared to 2019. Further adjusting for the discontinuation of unprofitable third-party brand sales on the

ebags e-commerce platform in 2020, net sales in the United States in 2023 increased by 7.3%<sup>1, 12</sup> compared to 2019. Net sales in Canada increased by 20.8%<sup>1</sup> during 2023 compared to 2019.

### Europe

#### **Year Ended December 31, 2023, vs. Year Ended December 31, 2022**

For the year ended December 31, 2023, the Group recorded net sales of US\$776.9 million in Europe, an increase of US\$101.2 million, or 15.1%<sup>1</sup>, compared to 2022. When excluding the net sales in Russia, net sales in Europe increased by 16.8%<sup>1, 2</sup> year-on-year. During 2023 the Group's net sales in Germany increased by 25.2%<sup>1</sup>, in Italy by 19.8%<sup>1</sup>, in France by 11.4%<sup>1</sup>, in the United Kingdom<sup>17</sup> by 6.6%<sup>1</sup>, and in Spain by 16.0%<sup>1</sup>, year-on-year.

#### **Year Ended December 31, 2023, vs. Year Ended December 31, 2019**

For the year ended December 31, 2023, the Group's net sales in Europe were 16.7%<sup>1</sup> higher than in 2019 (or 26.3%<sup>1, 2</sup> higher when excluding the net sales in Russia). Net sales for most of the Group's key markets in Europe fully recovered to pre-pandemic levels in 2023, including Spain (up 20.0%<sup>1</sup> versus 2019), Italy (up 3.9%<sup>1</sup> versus 2019), and France (flat<sup>1</sup> versus 2019). Net sales trends in Germany and the United Kingdom<sup>17</sup> also noticeably improved in 2023. Compared to 2019, net sales in Germany decreased by 5.4%<sup>1</sup> in 2023 (versus a decline of 24.1%<sup>1</sup> in 2022 compared to 2019), while net sales in the United Kingdom<sup>17</sup> decreased by 1.0%<sup>1</sup> in 2023 (versus a decline of 6.9%<sup>1</sup> in 2022 compared to 2019).

### Latin America

#### **Year Ended December 31, 2023, vs. Year Ended December 31, 2022**

For the year ended December 31, 2023, the Group recorded net sales of US\$209.5 million in Latin America, an increase of US\$40.7 million, or 25.7%<sup>1</sup>, compared to 2022, driven by year-on-year net sales increases of 29.4%<sup>1</sup> in Mexico, 11.1%<sup>1</sup> in Chile, and 11.2%<sup>1</sup> in Brazil.

#### **Year Ended December 31, 2023, vs. Year Ended December 31, 2019**

For the year ended December 31, 2023, Samsonite's net sales in Latin America increased by 71.6%<sup>1</sup> compared to 2019, with all key markets recording net sales increases for 2023 when compared to 2019, including: Mexico (up 15.7%<sup>1</sup>), Chile (up 31.1%<sup>1</sup>), and Brazil (up 81.0%<sup>1</sup>).

## **Net Sales Performance by Brand**

**Table 4: Net Sales by Brand**

<b>Brand</b>	<b>Year ended December 31, 2023 US\$ millions</b>	<b>Year ended December 31, 2022 US\$ millions</b>	<b>Percentage increase (decrease) 2023 vs. 2022</b>	<b>Percentage increase (decrease) 2023 vs. 2022 excl. foreign currency effects<sup>1</sup></b>
<b>Samsonite</b>	<b>1,849.0</b>	1,444.3	28.0%	30.1%
<b>Tumi</b>	<b>878.6</b>	654.2	34.3%	35.8%
<b>American Tourister</b>	<b>654.5</b>	519.4	26.0%	28.7%
<b>Other<sup>18</sup></b>	<b>300.3</b>	261.7	14.8%	17.0%
<b>Net sales</b>	<b>3,682.4</b>	2,879.6	27.9%	30.0%

The Group's core brands all achieved strong net sales gains during 2023 driven by the continued recovery and growth in leisure and business travel globally and the resulting increased demand for the Group's products.

For the year ended December 31, 2023, net sales of the *Samsonite* brand increased by US\$404.7 million, or 30.1%<sup>1</sup>, year-on-year, with strong growth across all regions: Asia (up US\$248.4 million, or 71.5%<sup>1</sup>), Europe (up US\$79.8

million, or 18.1%<sup>1</sup>), North America (up US\$61.6 million, or 11.7%<sup>1</sup>) and Latin America (up US\$14.8 million, or 24.2%<sup>1</sup>).

Net sales of the *Tumi* brand increased by US\$224.4 million, or 35.8%<sup>1</sup>, year-on-year during 2023, with strong growth across all regions: Asia (up US\$105.0 million, or 67.6%<sup>1</sup>), North America (up US\$91.5 million, or 22.6%<sup>1</sup>), Europe (up US\$22.2 million, or 33.4%<sup>1</sup>) and Latin America (up US\$5.6 million, or 71.2%<sup>1</sup>). As a result, the *Tumi* brand's share of the Group's total net sales increased to 23.9% in 2023 from 22.7% in 2022.

Net sales of the *American Tourister* brand increased by US\$135.2 million, or 28.7%<sup>1</sup>, year-on-year during 2023, mainly driven by strong growth in Asia (up US\$137.1 million, or 57.5%<sup>1</sup>), with Latin America (up US\$7.4 million, or 29.4%<sup>1</sup>) also recording year-on-year net sales growth. Net sales of the *American Tourister* brand in Europe decreased slightly by US\$0.2 million, or 1.1%<sup>1</sup>, in 2023 compared to 2022. Net sales of the *American Tourister* brand in North America decreased by US\$9.2 million, or 8.2%<sup>1</sup>, year-on-year, due to a shift in timing of shipments to certain wholesale customers.

### Net Sales Performance by Product Category

**Table 5: Net Sales by Product Category**

Product Category	Year ended December 31, 2023 US\$ millions	Year ended December 31, 2022 US\$ millions	Percentage increase (decrease) 2023 vs. 2022	Percentage increase (decrease) 2023 vs. 2022 excl. foreign currency effects <sup>1</sup>
<b>Travel</b>	<b>2,435.9</b>	1,891.8	28.8%	30.7%
<b>Non-travel<sup>19</sup></b>	<b>1,246.5</b>	987.8	26.2%	28.5%
<b>Net sales</b>	<b>3,682.4</b>	2,879.6	27.9%	30.0%

The Group's net sales in the travel product category continued to improve driven mainly by the continued recovery and growth in leisure and business travel and increased demand for the Group's products. Net sales in the travel product category increased by 30.7%<sup>1</sup> year-on-year and accounted for 66.2% of total net sales in 2023 compared to 65.7% of total net sales in 2022. Total non-travel product category<sup>19</sup> net sales increased by 28.5%<sup>1</sup> year-on-year and accounted for 33.8% of total net sales in 2023 compared to 34.3% of total net sales in 2022.

### Net Sales Performance by Distribution Channel

**Table 6: Net Sales by Distribution Channel**

Distribution Channel	Year ended December 31, 2023 US\$ millions	Year ended December 31, 2022 US\$ millions	Percentage increase (decrease) 2023 vs. 2022	Percentage increase (decrease) 2023 vs. 2022 excl. foreign currency effects <sup>1</sup>
<b>Wholesale</b>	<b>2,247.2</b>	1,794.1	25.3%	27.4%
<b>DTC</b>	<b>1,433.9</b>	1,083.8	32.3%	34.2%
<b>Other<sup>20</sup></b>	<b>1.3</b>	1.6	(21.6)%	(21.6)%
<b>Total net sales</b>	<b>3,682.4</b>	2,879.6	27.9%	30.0%

The Group's wholesale net sales increased by 27.4%<sup>1</sup> to US\$2,247.2 million (representing 61.0% of net sales) for the year ended December 31, 2023, from US\$1,794.1 million (representing 62.3% of net sales) in 2022. Net sales to e-retailers, which are included in the Group's wholesale channel, increased by US\$52.8 million, or 25.8%<sup>1</sup>, in 2023 compared to 2022.



For the year ended December 31, 2023, the Group's net sales in the direct-to-consumer ("DTC") channel, which includes company-operated bricks-and-mortar retail stores and e-commerce sites operated by the Group, increased by US\$350.0 million, or 34.2%<sup>1</sup>, to US\$1,433.9 million (representing 38.9% of net sales) from US\$1,083.8 million (representing 37.6% of net sales) in 2022.

During the year ended December 31, 2023, the Group added 96 company-operated retail stores, partially offset by the permanent closure of 29 company-operated retail stores. This resulted in a net increase of 67 company-operated retail stores in 2023, compared to a net reduction of 20 company-operated retail stores in 2022. The total number of company-operated retail stores was 1,052 as of December 31, 2023, compared to 985 at the end of 2022. During the year ended December 31, 2023, the Group's DTC retail net sales increased by US\$253.0 million, or 34.3%<sup>1</sup>, to US\$1,035.4 million (representing 28.1% of net sales), compared to US\$782.4 million (representing 27.2% of net sales) in 2022. Compared to 2019, the Group's DTC retail net sales for 2023 increased by 24.4%<sup>1, 2</sup>, despite a significantly lower retail store count versus 2019 (as of December 31, 2019, the Group had 1,294 company-operated retail stores worldwide, including 45 company-operated retail stores in Russia).

The Group's DTC e-commerce channel also experienced strong growth, with net sales increasing by US\$97.1 million, or 34.2%<sup>1</sup>, to US\$398.5 million (representing 10.8% of net sales) in 2023 compared to US\$301.4 million (representing 10.5% of net sales) in 2022. Adjusting for the discontinuation of unprofitable third-party brand sales on the ebags e-commerce platform in 2020, the Group's 2023 DTC e-commerce net sales increased by 39.6%<sup>1, 2</sup> compared to 2019.

#### **Gross Profit**

The Group's gross profit increased by US\$577.3 million, or 36.0%, to US\$2,182.8 million for the year ended December 31, 2023, from US\$1,605.4 million in 2022. Gross profit margin increased by 350 basis points to 59.3% for 2023 from 55.8% for 2022. The increase in gross profit margin was driven mainly by year-on-year gross profit margin improvements in all regions and Asia, the region with the highest gross profit margin, increasing its share of net sales to 38.8% in 2023 from 31.8% in 2022. This increase in gross profit margin was also driven by an increased proportion of total net sales attributable to the *Tumi* brand to 23.9% in 2023 from 22.7% in 2022, an increased proportion of total net sales attributable to direct-to-consumer net sales of 38.9% in 2023 versus 37.6% in 2022, and overall reduced promotional discounts.

#### **Investment in Marketing**

The Group substantially increased marketing activities as planned, spending US\$241.5 million during the year ended December 31, 2023, an increase of US\$85.5 million, or 54.8%, compared to US\$156.0 million in 2022. As a percentage of net sales, marketing expenses increased by 120 basis points to 6.6% of net sales in 2023 from 5.4% in 2022.

#### **Distribution Expenses**

Distribution expenses increased by US\$220.3 million, or 27.3%, to US\$1,027.6 million for the year ended December 31, 2023, from US\$807.3 million in 2022. As a percentage of net sales, distribution expenses remained relatively consistent at 27.9% of net sales in 2023 versus 28.0% of net sales in 2022.

#### **General and Administrative Expenses**

General and administrative expenses increased by US\$28.3 million, or 12.7%, to US\$250.2 million for year ended December 31, 2023, from US\$221.9 million in 2022. As a percentage of net sales, general and administrative

expenses improved to 6.8% of net sales in 2023 compared to 7.7% in 2022, reflecting the increase in net sales year-on-year as well as disciplined expense management, partially offset by inflationary pressures.

### **Operating Profit**

The Group reported an operating profit of US\$743.7 million for the year ended December 31, 2023, an improvement of US\$251.5 million, or 51.1%, compared to the US\$492.1 million for 2022.

The Group recorded an operating profit of US\$659.1 million<sup>8,9</sup> for the year ended December 31, 2023, an increase of US\$237.9 million, or 56.5%, compared to an operating profit of US\$421.2 million<sup>8,9</sup> for 2022, when excluding total restructuring reversals (charges)<sup>8</sup> and total non-cash impairment reversals<sup>8</sup> recorded during the respective years.

### **Profit Attributable to the Equity Holders**

The Group reported profit attributable to the equity holders of US\$417.0 million for the year ended December 31, 2023, an increase of US\$104.3 million, or 33.3%, from the US\$312.7 million in 2022.

The Group recorded profit attributable to the equity holders of US\$356.3 million<sup>8,9</sup> for the year ended December 31, 2023, an increase of US\$95.1 million, or 36.4%, compared to profit attributable to the equity holders of US\$261.2 million<sup>8,9</sup> for 2022, when excluding total restructuring reversals (charges)<sup>8</sup> and total non-cash impairment reversals<sup>8</sup> recorded during the respective years, as well as the derecognition of deferred financing costs associated with a refinancing on the Group's credit facilities during 2023.

### **Adjusted EBITDA and Adjusted Net Income**

#### ***Year Ended December 31, 2023, vs. Year Ended December 31, 2022***

For the year ended December 31, 2023, the Group recorded Adjusted EBITDA<sup>6</sup> of US\$709.3 million, an increase of US\$237.0 million, or 50.2%, compared to US\$472.3 million in 2022.

For the year ended December 31, 2023, the Group's net sales rose by US\$802.8 million year-on-year to US\$3,682.4 million, but fixed SG&A expenses only increased by US\$140.7 million to US\$836.0 million due to the Group's disciplined expense management. As a result, fixed SG&A expenses amounted to 22.7% of net sales in 2023, 140 basis points lower than the 24.1% during 2022. Together with the 350-basis point year-on-year increase in gross profit margin, Samsonite's Adjusted EBITDA margin<sup>3</sup> expanded by 290 basis points to 19.3% for the year ended December 31, 2023, from 16.4% during the corresponding period in 2022, despite marketing spend as a percentage of net sales increasing by 120 basis points year-on-year.

Adjusted Net Income<sup>10</sup> increased by US\$96.3 million, or 32.5%, to US\$392.4 million for the year ended December 31, 2023, compared to US\$296.0 million for 2022, primarily due to improved net sales and gross profit margin, as well as disciplined expense management.

#### ***Year Ended December 31, 2023, vs. Year Ended December 31, 2019***

Comparing the year ended December 31, 2023, against year ended December 31, 2019, Samsonite's gross profit margin increased by 390 basis points from 55.4% to 59.3%, marketing expenses as a percentage of sales increased by 140 basis points from 5.2% to 6.6%, and fixed SG&A expenses as a percentage of net sales decreased by 460 basis points from 27.3% to 22.7%, resulting in the Group's Adjusted EBITDA margin<sup>3</sup> increasing by 580 basis points from 13.5% to 19.3%. In US dollar terms, the Group's Adjusted EBITDA<sup>6</sup> for the year ended December 31, 2023, increased by US\$217.1 million to US\$709.3 million from the US\$492.2 million recorded in 2019, despite reported net sales only rising by US\$43.6 million in 2023 compared to 2019.

Adjusted Net Income<sup>10</sup> was US\$176.5 million higher than the US\$215.9 million in 2019. This remarkable improvement from 2019 highlights the Group's strong operating leverage and fundamentally enhanced margin profile.

### **Working Capital**

The Group continued to optimize its working capital, particularly inventories, to support net sales growth. At US\$695.9 million as of December 31, 2023, inventories were US\$44.5 million lower than the US\$740.4 million as of June 30, 2023, and just US\$8.2 million higher than the US\$687.6 million at the end of 2022, as the Group gradually reduced inventories with continued strong net sales and tapering product purchases during the second half of 2023, while maintaining a healthy level of inventories to meet ongoing growth in demand.

Trade and other receivables increased by US\$28.7 million to US\$319.6 million as of December 31, 2023, compared to US\$290.9 million at the end of 2022. Meanwhile, accounts payable decreased by US\$82.9 million to US\$500.4 million as of December 31, 2023, from US\$583.3 million at the end of 2022. As a result, net working capital was US\$515.1 million as of December 31, 2023, an increase of US\$119.8 million from US\$395.3 million as of December 31, 2022. However, with the Group's strong net sales performance, net working capital efficiency<sup>21</sup> was a healthy 14.0% as of December 31, 2023, and the Group will continue to prudently manage its working capital in 2024.

### **Total Capital Expenditures**

As the business recovers, the Group is prudently increasing its spending on total capital expenditures towards retail expansion in key markets and refreshing its retail store fleet after a few years of tight control. During the year ended December 31, 2023, the Group selectively opened 96 new retail stores, particularly in Asia. In comparison, the Group opened 50 new retail stores in 2022. As a result, the Group's total capital expenditures were US\$110.1 million<sup>22</sup> during the year ended December 31, 2023, an increase of US\$47.3 million compared to US\$62.8 million<sup>22</sup> in 2022. The Group intends to continue to spend on total capital expenditures to upgrade and expand its retail store fleet, as well as to invest in core strategic functions to support continued sales growth.

### **Balance Sheet and Free Cash Flow**

The Group continued to focus on cash management and debt reduction. With strong profits and prudent cash management, Samsonite generated strong Free Cash Flow<sup>4</sup> of US\$284.5 million during the year ended December 31, 2023, compared to US\$83.5 million in 2022, an increase of US\$201.0 million, or 240.6%.

The Group utilized part of its Free Cash Flow<sup>4</sup> to further deleverage its balance sheet, repaying US\$125.9 million of outstanding borrowings during the year ended December 31, 2023, consisting of US\$100.0 million in voluntary payments and US\$25.9 million in required quarterly amortization payments. As a result, the Group had net debt of US\$1,107.4 million<sup>23</sup> as of December 31, 2023, compared to US\$1,383.7 million<sup>23</sup> at the end of 2022.

The reduction in net debt, together with the strong growth in Adjusted EBITDA<sup>6</sup>, enabled the Group to significantly lower its net leverage ratio<sup>5</sup> to 1.53x as of December 31, 2023, a meaningful improvement compared to 2.85x at the end of 2022, and the lowest level since the acquisition of Tumi in 2016.

The Group had total liquidity of US\$1,562.0 million<sup>7</sup> as of December 31, 2023, compared to US\$1,481.3 million<sup>7</sup> at the end of 2022.

## 2023 Final Results – Briefing for Analysts and Investors:

Date: Thursday, March 14, 2024  
Time: 09:00 Hong Kong  
Venue: Nathan Room, Lower Lobby, Conrad Hong Kong,  
Pacific Place, 88 Queensway, Admiralty, Hong Kong  
Webcast Link: <https://edge.media-server.com/mmc/p/552xejae>

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### About Samsonite

With a heritage dating back to 1910, Samsonite International S.A. (“Samsonite” or the “Company”, together with its consolidated subsidiaries the “Group”), is a leader in the global lifestyle bag industry and is the world’s best-known and largest travel luggage company. The Group is principally engaged in the design, manufacture, sourcing and distribution of luggage, business and computer bags, outdoor and casual bags and travel accessories throughout the world, primarily under the *Samsonite*<sup>®</sup>, *Tumi*<sup>®</sup>, *American Tourister*<sup>®</sup>, *Gregory*<sup>®</sup>, *High Sierra*<sup>®</sup>, *Lipault*<sup>®</sup> and *Hartmann*<sup>®</sup> brand names as well as other owned and licensed brand names. The Company’s ordinary shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (“SEHK”).

### For more information, please contact:

#### Samsonite International S.A. – Hong Kong Branch

Tel: +852 2422 2611

William Yue

Email: [william.yue@samsonite.com](mailto:william.yue@samsonite.com)

Helena Sau

Email: [helena.sau@samsonite.com](mailto:helena.sau@samsonite.com)

#### United States – Joele Frank, Wilkinson Brimmer Katcher

Michael Freitag / Tim Ragonas / Ed Trissel

Tel: +1 212 355 4449

Email: [Samsonite-JF@joelefrank.com](mailto:Samsonite-JF@joelefrank.com)

### Notes

- <sup>1</sup> 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 quarter/year under comparison to current period local currency results.
- <sup>2</sup> On March 14, 2022, the Group suspended all commercial activities in Russia due to the armed conflict in Ukraine, and the Group subsequently completed the disposition of its Russian operations on July 1, 2022. As such, when comparing the Group’s net sales for the three months and year ended December 31, 2023, with its net sales for the three months and years ended December 31, 2022, and December 31, 2019, net sales of the Group’s former Russian operations in the respective quarters/years under comparison are excluded.
- <sup>3</sup> Adjusted EBITDA margin, a non-IFRS measure, is calculated by dividing adjusted earnings before interest, taxes, depreciation and amortization of intangible assets (“Adjusted EBITDA”) by net sales.
- <sup>4</sup> Free Cash Flow 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 consolidated statements of cash flows).
- <sup>5</sup> 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.
- <sup>6</sup> Adjusted EBITDA, a non-IFRS measure, eliminates the effect of a number of costs, charges and credits and certain other non-cash charges. The Group believes these measures provide additional information that is useful in gaining a more complete understanding of its operational performance and of the underlying trends of its business.
- <sup>7</sup> Total liquidity is calculated as the sum of cash and cash equivalents per the consolidated statements of financial position plus available capacity under the Group’s revolving credit facility. As of December 31, 2023, the Group had total liquidity of US\$1,562.0 million, comprising cash and cash equivalents of US\$716.6 million and US\$845.4 million available to be borrowed on the Group’s revolving credit

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- facility. In comparison, as of December 31, 2022, the Group had total liquidity of US\$1,481.3 million, comprising cash and cash equivalents of US\$635.9 million and US\$845.4 million available to be borrowed on the Group's revolving credit facility.
- <sup>8</sup> Results for the three months ended December 31, 2023, included total restructuring reversals of US\$0.3 million and total non-cash impairment reversals of US\$84.0 million. Results for the three months ended December 31, 2022, included total restructuring charges of US\$0.5 million and total non-cash impairment reversals of US\$81.7 million. Results for the year ended December 31, 2023, included total restructuring reversals of US\$0.6 million and total non-cash impairment reversals of US\$84.0 million. Results for the year ended December 31, 2022, included total restructuring charges of US\$1.3 million and total non-cash impairment reversals of US\$72.2 million.
- <sup>9</sup> Operating profit and profit attributable to the equity holders, both excluding total non-cash impairment reversals and restructuring reversals (charges), 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 operating profit and profit attributable to the equity holders in the Group's consolidated statements of income.
- <sup>10</sup> 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.
- <sup>11</sup> 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.
- <sup>12</sup> On July 30, 2021, a wholly-owned subsidiary of the Company sold Speculative Product Design, LLC ("Speck"), including the *Speck* brand. As such, when comparing the Group's net sales for the three months and year ended December 31, 2023, with its net sales for the three months and year ended December 31, 2019, net sales by Speck in 2019 are excluded.
- <sup>13</sup> 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.
- <sup>14</sup> When excluding the Group's net sales in Russia, net sales in Europe increased by US\$110.9 million, or 16.7% (+16.8% constant currency), for the year ended December 31, 2023, compared to the previous year.
- <sup>15</sup> When excluding the Group's net sales in Russia, consolidated net sales increased by US\$812.5 million, or 28.3% (+30.4% constant currency), for the year ended December 31, 2023, compared to the previous year.
- <sup>16</sup> Net sales reported for Hong Kong include net sales made in the domestic Hong Kong market, in Macau, and to distributors in certain other Asian markets.
- <sup>17</sup> Net sales reported for the United Kingdom include net sales made in Ireland.
- <sup>18</sup> Other includes certain other non-core brands owned by the Group, such as *Gregory*, *High Sierra*, *Kamiliant*, *ebags*, *Xtrem*, *Lipault*, *Hartmann*, *Saxoline* and *Secret*.
- <sup>19</sup> The non-travel product category includes business, casual, accessories and other products.
- <sup>20</sup> "Other" primarily consists of licensing revenue.
- <sup>21</sup> Net working capital efficiency is calculated as net working capital (the sum of inventories and trade and other receivables, minus accounts payable) divided by annualized net sales.
- <sup>22</sup> For the year ended December 31, 2023, the Group spent US\$99.3 million for the purchase of property, plant and equipment and US\$10.8 million for software purchases. In comparison, for the year ended December 31, 2022, the Group spent US\$51.6 million for the purchase of property, plant and equipment and US\$11.2 million for software purchases.
- <sup>23</sup> As of December 31, 2023, the Group had US\$716.6 million in cash and cash equivalents and outstanding financial debt of US\$1,824.0 million (excluding deferred financing costs of US\$17.0 million), resulting in a net debt position of US\$1,107.4 million. In comparison, as of December 31, 2022, the Group had cash and cash equivalents of US\$635.9 million and outstanding financial debt of US\$2,019.6 million (excluding deferred financing costs of US\$7.8 million), resulting in a net debt position of US\$1,383.7 million.

**Non-IFRS Measures**

*The Company has presented certain non-IFRS measures in this press release because each of these measures provides additional information that management believes is useful for securities analysts, investors and other interested parties to gain a more complete understanding of the Group's operational performance and of the trends impacting its business. These non-IFRS measures, as calculated herein, may not be comparable to similarly named measures used by other companies, and should not be considered comparable to IFRS measures. Refer to the relevant announcement/report published by the Company for the corresponding period for reconciliations of the Group's non-IFRS Accounting Standards financial information. Non-IFRS measures have limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, an analysis of the Group's financial results as reported under IFRS Accounting Standards.*

**Forward-looking Statements**

*This press release contains forward-looking statements. Forward-looking statements reflect the Company's current views with respect to future events and performance. These statements may discuss, among other things, the Company's net sales, gross profit margin, operating profit, Adjusted Net Income, Adjusted EBITDA, Adjusted EBITDA margin, cash flow, liquidity and capital resources, potential impairments, growth, strategies, plans, achievements, distributions, organizational structure, future store openings or closings, market opportunities and general market and industry conditions. The Company generally identifies forward-looking statements by words such as "expect", "seek", "believe", "plan", "intend", "estimate", "project", "anticipate", "may", "will", "would" and "could" or similar words or statements. Forward-looking statements are based on beliefs and assumptions made by management using currently available information. These statements are only predictions and are not guarantees of future performance, actions or events. Forward-looking statements are subject to risks and uncertainties.*

*If one or more of these risks or uncertainties materialize, or if management's underlying beliefs and assumptions prove incorrect, actual results may differ materially from those contemplated by a forward-looking statement. Among the factors that could cause actual results to differ materially are: the effect of worldwide economic conditions; the effect of political or social unrest and armed conflict; the effects of inflation; a general economic downturn or generally reduced consumer spending; 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 press release 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 press release and between amounts in this press release and other publicly available documents. All percentages and key figures were calculated using the underlying data in whole US Dollars.*