For Immediate Release

Samsonite International S.A. Announces Results for the Six Months Ended June 30, 2021

HONG KONG, August 18, 2021 – Samsonite International S.A. ("Samsonite" or "the Company", together with its consolidated subsidiaries, "the Group"; SEHK stock code: 1910), a leader in the global lifestyle bag industry and the world's best-known and largest travel luggage company, today announced its unaudited consolidated financial results for the six months ended June 30, 2021[1].

Overview

Commenting on the results, Mr. Kyle Gendreau, Chief Executive Officer, said, "We are very encouraged by Samsonite's performance in the first half of 2021, particularly during the second quarter. With the vaccination rollout and increased demand for domestic travel in the United States, sustained improvement in China and Europe's re-emergence from lockdown, the Group's net sales recovery noticeably accelerated during June 2021. Compared to the corresponding months in 2019, June 2021 net sales were lower by 48.2%[2], a considerably better performance compared to the net sales declines of 54.7%[2] and 54.1%[2] recorded in May 2021 and April 2021, respectively. Overall, net sales for the second quarter of 2021 were lower by 52.2%[2] compared to the second quarter of 2019, a marked improvement from the 57.3%[2] decline in first quarter of 2021 versus the first quarter of 2019. This positive momentum has continued into July 2021, with the decline in net sales further narrowing to 40.9%[2] when compared to July 2019."

"Additionally, the Group's gross margin improved from 48.7% in the first quarter of 2021 to 52.4% in the second quarter of 2021, with June 2021 gross margin coming in at 55.0%. More significantly, we recorded our fourth quarter of sequential improvement in Adjusted EBITDA[3] to achieve positive Adjusted EBITDA[3] of US$11.5 million for the second quarter of 2021, an important milestone on Samsonite's road to recovery. This represents an improvement of US$139.3 million from the Adjusted EBITDA[3] loss of US$127.8 million recorded during the second quarter of 2020, and underscores our progress in achieving more than US$200.0 million in annualized run-rate fixed cost savings from our comprehensive cost reduction program implemented during 2020 and into 2021, as well as our continued focus on expense controls. While we recognize that challenges related to the COVID-19 pandemic persist, we remain confident in our progress and strong positive momentum."

For the six months ended June 30, 2021, Samsonite recorded net sales of US$799.5 million, a decrease of 3.2%[2] compared to the first half of 2020, and 54.6%[2] below the first half of 2019. The Group's first half 2021 gross margin

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1. In this press release, certain financial results for the six months ended June 30, 2021 are compared to both the six months ended June 30, 2020 and the six months ended June 30, 2019. Comparisons to the first half of 2019 are provided because it is the most recently ended comparable period during which the Company's results were not affected by COVID-19. During the first half of 2020, COVID-19 had a significant effect on the Company's financial results, in particular from February 2020 through the second quarter ended June 30, 2020 as the virus spread worldwide. The effects of COVID-19 on the Group's financial results during the first six months of 2020 were most pronounced in the Asia region, which was significantly impacted beginning with the Chinese New Year in late January 2020, followed by Europe, North America and Latin America during the second quarter of 2020 with the spread of COVID-19 to these regions.
2. Results stated on a constant currency basis, a non-International Financial Reporting Standards ("IFRS") measure, are calculated by applying the average exchange rate of the same period in the year under comparison to current period local currency results.
3. Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), a non-IFRS measure, eliminates the effect of a number of costs, charges and credits and certain other non-cash charges. The Group believes these measures provide additional information that is useful in gaining a more complete understanding of its operational performance and of the underlying trends of its business.

increased by 140 basis points year-on-year to 50.8%. The Group continued to tightly control expenses in the first half of 2021, reducing marketing spend and non-marketing fixed operating expenses by US$15.8 million and US$88.9 million, respectively, compared to the first half of 2020, and by US$74.4 million and US$195.1 million, respectively, when compared to the first half of 2019. As a result, the Group recorded an Adjusted EBITDA[3] loss of US$17.0 million for the six months ended June 30, 2021, an improvement of US$105.9 million from the Adjusted EBITDA[3] loss of US$122.9 million for the first half of 2020.

In addition to the cost reductions implemented in 2020 and continued vigilance in controlling expenses, the Group maintained its focus on cash conservation, limiting capital expenditures and software purchases, as well as maintaining close control on working capital, particularly inventories. Together, these actions reduced the Group's total cash burn[4] to (US$91.9) million during the first half of 2021, a significant improvement of US$197.0 million compared to total cash burn of (US$288.9) million during the first half of 2020. Samsonite had liquidity of US$1,185.0 million[5] as of June 30, 2021, well above the US$500.0 million minimum liquidity currently required under the Company's credit agreement[6].

Mr. Gendreau continued, "We took additional steps to enhance our financial flexibility, agreeing with our lenders to further amend the Company's credit agreement to secure additional relief under the Company's debt covenants through the first quarter of 2022[7], and refinancing the Company's 2020 Incremental Term Loan B Facility which reduced the interest rate that is currently payable by 175 basis points[8, 9]. Furthermore, the Group prepaid a total of US$325.0 million principal of its indebtedness in June 2021[10] which, along with the interest rate reduction from the refinancing, will result in annualized cash interest savings of more than US$20.0 million. With approximately

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

5 As of June 30, 2021, the Group had total liquidity of US$1,185.0 million, comprising cash and cash equivalents of US$1,058.2 million and US$126.8 million available to be borrowed on the Group's amended revolving credit facility.

6 On April 29, 2020, the Company and certain of its direct and indirect wholly-owned subsidiaries entered into an amendment to its credit agreement which suspended the requirement to test the maximum total net leverage ratio and minimum interest coverage ratio covenants from the beginning of the second quarter of 2020 through the end of the second quarter of 2021, and instead requires compliance with a minimum liquidity covenant of US$500.0 million during this time period. In addition, the amendment provides more flexibility in the calculation of such covenants beginning with the third quarter of 2021 through the end of the first quarter of 2022.

7 On June 7, 2021, the Company and certain of its direct and indirect wholly-owned subsidiaries entered into the Fifth Amended Credit Agreement. Under the Fifth Amended Credit Agreement, if during the period from September 30, 2021 until March 31, 2022 the Company elects to use the Historical EBITDA (as previously defined in the amended credit agreement) for the purpose of calculating the maximum total net leverage ratio and minimum interest coverage ratio under the financial covenants of the amended credit agreement, the Historical EBITDA for each of the quarters ended December 31, 2020, March 31, 2021 and June 30, 2021 will be increased by an amount equal to US$65.7 million.

8 On June 21, 2021, the Company and certain of its direct and indirect wholly-owned subsidiaries entered into the Sixth Amended Credit Agreement. The Sixth Amended Credit Agreement provides for the 2021 Incremental Term Loan B Facility in the principal amount of US$495.5 million, which was borrowed by the Group on June 21, 2021 and, together with US$100.0 million of cash on the balance sheet, was used to repay the aggregate US$595.5 million principal amount then outstanding under the 2020 Incremental Term Loan B Facility. The interest rate applicable to the Group's borrowings under the 2021 Incremental Term Loan B Facility is equal to the London Interbank Offered Rate ("LIBOR") plus 3.00% per annum with a LIBOR floor of 0.75% (or a base rate plus 2.00% per annum), which is currently 175 basis points lower than the interest rate that was applicable under the 2020 Incremental Term Loan B Facility. The loans under the 2021 Incremental Term Loan B Facility were issued with original issue discount with an issue price of 99.75%.

9 The 175 basis point improvement on the interest rate that is currently payable under the 2021 Incremental Term Loan B Facility is comprised of a 150 basis point reduction in the LIBOR spread from 4.50% per annum (under the 2020 Incremental Term Loan B Facility) to 3.00% per annum and a 25 basis point reduction in the LIBOR floor from 1.00% (under the 2020 Incremental Term Loan B Facility) to 0.75%.

10 In connection with the Fifth Amended Credit Agreement the Group prepaid US$125.0 million principal of its outstanding borrowings under its amended senior secured term loan A facility and US$100.0 million principal on its outstanding borrowings under its amended revolving credit facility. The Group prepaid US$100.0 million in principal in conjunction with the refinancing of the 2020 Incremental Term Loan B Facility.

US$1.2 billion in liquidity, Samsonite is in a strong financial position to navigate the ongoing challenges from the COVID-19 pandemic."

Mr. Gendreau added, "We also made two organizational changes to improve our long-term competitive position. First, we established a brand development and sourcing hub in Singapore in June 2021 as part of a global restructuring initiative to enhance alignment of Samsonite's product development, brand management and supply chain operations across Asia. Our Asia regional leadership is in the process of relocating to Singapore to support the hub and manage Samsonite's business in the region. This hub will support the continued growth of the Asia region, an increasingly important part of our global business, while yielding long-term financial and operational benefits for the Company and our stakeholders as we continue to focus on enhancing efficiency. Second, we completed the sale of the Speck business in July 2021 for cash proceeds of US$36.0 million as we focus on growing our core brands and driving higher profitability in North America."

COVID-19 has reinforced the importance of sustainability in our interconnected world, and the Company believes that its commitment to sustainability and innovation will help strengthen Samsonite's long-term market position. The new Magnum Eco and Proxis suitcase lines under the *Samsonite* brand clearly reflect the Company's commitment to innovation and sustainability – Magnum Eco's outer shell is made from recycled polypropylene from post-consumer waste, while Roxkin, the material used to manufacture the Proxis shell, is completely recyclable. In addition, during the first half of 2021 the Company successfully launched the *Tumi | McLaren* luggage and travel collection. Developed in partnership with McLaren, the luxury supercar maker and Formula 1 team, the collection experienced strong demand and sell-through that exceeded expectations in all regions.

Mr. Gendreau continued, "Looking ahead, we intend to capitalize on the recovery in travel around the world, which has been driven mainly by the reopening of domestic travel in our key markets. The U.S. and China are seeing strong increases in domestic travel, while travel in Europe has begun to show strong signs of recovery as restrictions ease. The Group's net sales continued to recover going into the third quarter of 2021. Net sales for the month ended July 31, 2021, increased by 93.9%[2] compared to July 2020, and were lower by 40.9%[2] compared to July 2019. As travel continues to recover, we are well positioned to meet consumer demand with an amazing portfolio of new products, and we have begun to selectively increase our advertising spending to drive sales in markets where travel recovery is gaining momentum."

Mr. Gendreau concluded, "That said, COVID-19 continues to pose challenges with the recent resurgence of cases and slower vaccination rollout in important markets such as Japan and South Korea delaying a wider recovery. Moreover, our gross margin remains under pressure with the Generalized System of Preferences program in the U.S. still not yet renewed, and global freight and raw material costs rising. As such, we will continue to exercise caution in managing our business. We are focused on managing product cost increases and pricing to target restoring our gross margin to pre-COVID levels and will maintain discipline in controlling expenses, including capital expenditures and software investments, for the remainder of 2021. We are confident that our diverse geographic footprint, complementary brands, and commitment to sustainability and innovation will enable Samsonite to further enhance its industry leadership position."

Table 1: Key Financial Highlights for the Six Months Ended June 30, 2021

US$ millions, except per share data	**Six months ended June 30, 2021**	Six months ended June 30, 2020	Percentage increase (decrease) 2021 vs. 2020	Percentage increase (decrease) 2021 vs. 2020 excl. foreign currency effects[2]
Net sales	**799.5**	802.3	(0.4)%	(3.2)%
Operating loss[11]	**(86.4)**	(1,062.9)	(91.9)%	(92.1)%
Operating loss excluding impairment charges and restructuring charges[11, 12]	**(50.2)**	(156.9)	(68.0)%	(69.3)%
Loss attributable to the equity holders[11]	**(142.5)**	(974.0)	(85.4)%	(85.6)%
Adjusted Net Loss[13]	**(103.7)**	(173.1)	(40.1)%	(41.4)%
Adjusted EBITDA[3]	**(17.0)**	(122.9)	(86.2)%	(86.3)%
Adjusted EBITDA Margin[14]	**(2.1)%**	(15.3)%		
Basic and diluted loss per share – US$ per share[11]	**(0.099)**	(0.680)	(85.4)%	(85.7)%
Adjusted basic and diluted loss per share[15] – US$ per share	**(0.072)**	(0.121)	(40.2)%	(41.5)%

[11] Results for the six months ended June 30, 2021 included total restructuring charges of US$6.0 million and total non-cash impairment charges of US$30.2 million. Of this amount, US$5.5 million was attributable to lease right-of-use assets due to the under-performance of certain retail locations. During June 2021, the Group classified the assets attributable to the Speck business to held for sale. The Speck business was sold on July 30, 2021. The Group recognized non-cash impairment charges during the six months ended June 30, 2021 totaling US$24.7 million related to impairments of goodwill and other intangible assets of this disposal group. Results for the six months ended June 30, 2020 included total restructuring charges of US$28.8 million and total non-cash impairment charges of US$877.2 million attributable to intangible assets (goodwill and tradenames) and lease right-of-use assets and property, plant and equipment due to the under-performance of certain retail locations.

[12] Operating loss excluding total non-cash impairment charges and total restructuring charges is a non-IFRS measure and as calculated herein may not be comparable to similarly named measures used by other companies, and should not be considered comparable to operating loss for the period in the Group's consolidated statements of income (loss).

[13] Adjusted Net Loss, a non-IFRS measure, eliminates the effect of a number of costs, charges and credits and certain other non-cash charges, along with their respective tax effects, that impact the Group's reported loss for the period, which the Group believes helps to give securities analysts, investors and other interested parties a better understanding of the Group's underlying financial performance.

[14] Adjusted EBITDA margin, a non-IFRS measure, is calculated by dividing Adjusted EBITDA by net sales.

[15] Adjusted basic and diluted loss per share, both non-IFRS measures, are calculated by dividing Adjusted Net Loss by the weighted average number of shares used in the basic and diluted loss per share calculations, respectively.

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The Group's performance for the six months ended June 30, 2021 is discussed in greater detail below.

Net Sales

For the six months ended June 30, 2021, the Group recorded net sales of US$799.5 million, a decrease of 3.2%[2] compared to the first half of 2020, and 54.6%[2] lower than the first half of 2019.

The Group's net sales continued to recover during the first half of 2021. After decreasing by 77.9%[2] year-on-year during the second quarter of 2020, when most of the Group's markets were subject to government-mandated lockdowns, the year-on-year decline in the Group's net sales narrowed to 64.7%[2] during the third quarter of 2020 and 58.1%[2] during the fourth quarter of 2020 as governments began to relax social-distancing restrictions and markets around the world began to reopen. This positive trend continued into 2021, with the decline in the Group's net sales versus the comparable periods in 2019 narrowing to 57.3%[2] during the first quarter of 2021, and further improving to a decrease of 52.2%[2] during the second quarter of 2021. This improvement was driven by the vaccination rollout and increased demand for domestic travel in the United States, sustained improvement in China as well as Europe's re-emergence from lockdown, despite a resurgence in COVID-19 cases, continued government-mandated lockdowns and the delayed roll-out of vaccines, which slowed the pace of sales recovery in certain markets including India, Japan and Chile.

The Group's positive sales trend continued into the third quarter of 2021. Net sales for the month ended July 31, 2021, increased by 93.9%[2] compared to July 2020, and lower by 40.9%[2] compared to July 2019.

Net Sales Performance by Region

North America

For the six months ended June 30, 2021, the Group recorded net sales of US$323.8 million in North America, an increase of 0.7%[2] year-on-year, and a decline of 50.6%[2] compared to the first half of 2019.

The Group's net sales recovery in North America had been temporarily slowed by a resurgence in COVID-19 cases in early 2021, with the Group's first quarter of 2021 net sales coming in 57.9%[2] lower than the first quarter of 2019. However, with the solid progress in vaccination rollout and increased demand for domestic travel in the United States, the recovery in North America noticeably accelerated during the second quarter of 2021, with the decline in the Group's net sales in the region narrowing to 44.3%[2] when compared to the corresponding period in 2019.

The United States made solid progress with its vaccination rollout which led to relaxed social-distancing restrictions, reopening of markets and the rebound of domestic travel. As a result, net sales in the U.S. increased by 2.1% year-on-year during the six months ended June 30, 2021, while net sales in Canada decreased by 39.3%[2] year-on-year during the first half of 2021 due to a slower rollout of vaccinations than the U.S. Compared to the six months ended June 30, 2019, first half 2021 net sales in the United States and Canada were lower by 49.4% and by 76.4%[2], respectively.

The Group's net sales in North America continued to improve going into the third quarter of 2021, increasing by 111.2%[2] year-on-year during the month ended July 31, 2021. Compared to July 2019, the decline in net sales further narrowed to 31.5%[2] during July 2021.

Asia

For the six months ended June 30, 2021, the Group recorded net sales of US$307.8 million in Asia, an increase of 3.8%[2] compared to the same period in 2020, and a decline of 53.1%[2] compared to the first half of 2019.

The Group's net sales recovery in Asia temporarily slowed during the second quarter of 2021 due to a resurgence of COVID-19 cases and the delayed rollout of vaccines in certain markets, especially Japan and South Korea. Compared to the second quarter of 2019, the Group recorded a net sales decline of 56.0%[2] in Asia during the second quarter of 2021. Prior to this, the Asia region experienced four consecutive quarters of improvement, with the decline in the Group's net sales in Asia steadily narrowing from a year-on-year decline of 75.6%[2] in the second quarter of 2020, to a year-on-year decline of 63.4%[2] in the third quarter of 2020, a year-on-year decline of 56.1%[2] in the fourth quarter of 2020 and a 49.9%[2] decline in the first quarter of 2021 compared to the first quarter of 2019.

China continued to drive the Group's net sales recovery in Asia. After decreasing by 60.7%[2] year-on-year during the second quarter of 2020, the decline in the Group's net sales in China narrowed to a 47.9%[2] year-on-year decline during the third quarter of 2020, a 33.7%[2] year-on-year decline during the fourth quarter of 2020 and a 27.6%[2] decline during the first quarter of 2021 when compared to the first quarter of 2019. Net sales in China continued to recover during the second quarter of 2021 with net sales 26.7%[2] lower than the second quarter of 2019.

India experienced a strong recovery during the first quarter of 2021, with net sales just 0.6%[2] lower than the first quarter of 2019. However, a sharp increase in new COVID-19 cases during the second quarter of 2021 interrupted the recovery, with the decline in net sales widening to 64.0%[2] when compared to the second quarter of 2019. Net sales in India began to slowly recover in July 2021. We expect China and India to lead the net sales recovery in Asia in the second half of 2021.

For the six months ended June 30, 2021, the Group recorded year-on-year net sales increases of 52.1%[2] in China, 41.7%[2] in India and 35.9%[2] in Hong Kong[16]. These net sales increases were partially offset by year-on-year net sales decreases of 26.6%[2] in Japan, 22.5%[2] in South Korea and 44.9%[2] in Australia. The Group's main markets in Asia continued to report net sales declines during the first half of 2021 compared to the first half of 2019 including: Japan (-59.1%[2]), South Korea (-63.8%[2]), Hong Kong[16] (-67.3%[2]), China (-27.1%[2]) and India (-38.1%[2]).

For the month ended July 31, 2021, the Group's net sales in Asia increased by 58.1%[2] year-on-year. Compared to July 2019, the decline in net sales was 50.0%[2] during July 2021.

Europe

For the six months ended June 30, 2021, the Group recorded net sales of US$131.2 million in Europe, a decrease of 21.3%[2] compared to the same period in 2020, and a decline of 65.4%[2] compared to the first half of 2019.

The Group's net sales recovery in Europe was interrupted by a resurgence in COVID-19 cases in late 2020 and early 2021, with the Group recording a year-on-year net sales decline of 67.1%[2] during the fourth quarter of 2020, and a net sales decline of 70.9%[2] during the first quarter of 2021 when compared to the first quarter of 2019. However, as travel restrictions began to ease in June 2021, the Group's net sales performance in Europe began to show signs of improvement during the second quarter of 2021, with the decline in the Group's net sales improving to 60.4%[2] when compared to the corresponding period in 2019.

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[16] Net sales reported for Hong Kong include net sales made domestically, net sales made in Macau as well as net sales to distributors in certain other Asian markets where the Group does not have a direct presence.

During the first half of 2021, the Group recorded year-on-year net sales decreases of 40.0%[2] in Germany, 20.4%[2] in Italy, 32.0%[2] in France and 49.1%[2] in the United Kingdom[17]. Compared to the first half of 2019, the Group recorded net sales decreases of 73.5%[2] in Germany, 67.3%[2] in Italy, 72.8%[2] in France, 35.3%[2] in Russia and 81.8%[2] in the United Kingdom[17] during the first half of 2021.

The Group's net sales in Europe continued to improve going into the third quarter of 2021, increasing by 106.5%[2] year-on-year during the month ended July 31, 2021. Compared to July 2019, the decline in net sales narrowed to 43.6%[2] during July 2021.

Latin America

For the six months ended June 30, 2021, the Group recorded net sales of US$36.1 million in Latin America, a decline of 11.1%[2] year-on-year, and lower by 50.1%[2] when compared to the first half of 2019.

After decreasing by 94.3%[2] year-on-year during the second quarter of 2020, the decline in the Group's net sales in Latin America improved to a year-on-year decline of 74.2%[2] during the third quarter of 2020, and a year-on-year decline of 43.2%[2] during the fourth quarter of 2020. This recovery was interrupted by a resurgence in COVID-19 cases in early 2021, with the Group recording a net sales decline of 51.1%[2] during the first quarter of 2021 and a net sales decline of 48.9%[2] during the second quarter of 2021 when compared to the respective comparable periods in 2019.

For the six months ended June 30, 2021, net sales decreased by 19.8%[2] in Chile and increased by 13.2%[2] in Mexico, year-on-year. Compared to the first half of 2019, first half 2021 net sales in Chile and Mexico were lower by 47.0%[2] and 60.9%[2], respectively.

For the month ended July 31, 2021, the Group's net sales in Latin America increased by 253.5%[2] year-on-year. Compared to July 2019, the decline in net sales narrowed to 26.5%[2] during July 2021.

Table 2: Net Sales by Region

Region[18]	**Six months ended June 30, 2021 US$ millions**	Six months ended June 30, 2020 US$ millions	Percentage increase (decrease) 2021 vs. 2020	Percentage increase (decrease) 2021 vs. 2020 excl. foreign currency effects[2]
North America	**323.8**	321.0	0.9%	0.7%
Asia	**307.8**	283.0	8.8%	3.8%
Europe	**131.2**	157.5	(16.7)%	(21.3)%
Latin America	**36.1**	39.4	(8.3)%	(11.1)%

Net Sales Performance by Brand and Product Category

For the six months ended June 30, 2021, net sales of *Tumi* increased by 21.4%[2] year-on-year, while net sales of *Samsonite* and *American Tourister* decreased year-on-year by 4.8%[2] and 8.4%[2], respectively. Meanwhile, first half 2021 net sales of the *Gregory* brand increased by 33.6%[2] year-on-year, while those of the *Speck*[19] and *High Sierra* brands decreased by 14.7%[2] and 31.7%[2], year-on-year, respectively.

[17] Net sales reported for the United Kingdom include net sales made in Ireland.

[18] The geographic location of the Group's net sales generally reflects the country/territory from which its products were sold and does not necessarily indicate the country/territory in which its end consumers were actually located.

[19] Subsequent to June 30, 2021, Samsonite completed the sale of the Speck business on July 30, 2021.

During the first half of 2021, net sales in the travel product category decreased by 5.4%[2] year-on-year and accounted for 53.0% of total net sales, while total non-travel[20] category net sales decreased by 0.6%[2] year-on-year and accounted for 47.0% of total net sales.

Table 3: Net Sales by Brand

Brand	**Six months ended June 30, 2021 US$ millions**	Six months ended June 30, 2020 US$ millions	Percentage increase (decrease) 2021 vs. 2020	Percentage increase (decrease) 2021 vs. 2020 excl. foreign currency effects[2]
Samsonite	**355.9**	360.7	(1.3)%	(4.8)%
Tumi	**193.7**	156.2	24.0%	21.4%
American Tourister	**128.5**	136.2	(5.7)%	(8.4)%
Gregory	**32.7**	24.1	35.6%	33.6%
Speck[19]	**28.8**	33.7	(14.7)%	(14.7)%
High Sierra	**10.3**	14.7	(30.1)%	(31.7)%
Other[21]	**49.7**	76.6	(35.1)%	(37.9)%

Table 4: Net Sales by Product Category

Product Category	**Six months ended June 30, 2021 US$ millions**	Six months ended June 30, 2020 US$ millions	Percentage increase (decrease) 2021 vs. 2020	Percentage increase (decrease) 2021 vs. 2020 excl. foreign currency effects[2]
Travel	**423.4**	436.6	(3.0)%	(5.4)%
Non-travel[20]	**376.1**	365.8	2.8%	(0.6)%

Performance by Distribution Channel

For the six months ended June 30, 2021, the Group's direct-to-consumer ("DTC") e-commerce net sales decreased by 13.9%[2] year-on-year and comprised 11.9% of first half 2021 net sales, compared to 13.3% of net sales during the first half of 2020. Wholesale net sales to e-retailers increased by 20.1%[2] and comprised 9.1% of net sales during the first half of 2021, compared to 7.3% of net sales during the first half of 2020. Overall, the Group's first half 2021 e-commerce net sales (including DTC e-commerce net sales and wholesale net sales to e-retailers) decreased by 1.9%[2] year-on-year to US$168.4 million and comprised 21.1% of first half 2021 net sales, compared to 20.6% of net sales during the first half of 2020.

During the six months ended June 30, 2021, the Group's net sales in the DTC channel, which includes company-operated retail stores and DTC e-commerce, decreased by 3.2%[2] to US$282.4 million (representing 35.3% of net sales) from US$284.3 million (representing 35.4% of net sales) in the first half of 2020. The Group's DTC retail net sales increased by 3.3%[2] year-on-year and comprised 23.4% of first half 2021 net sales, compared to 22.1% of net sales during the first half of 2020.

[20] The non-travel category includes business, casual, accessories and other products.

[21] Other includes certain other brands owned by the Group, such as *Kamiliant*, *ebags*, *Xtrem*, *Lipault*, *Hartmann*, *Saxoline* and *Secret*, as well as third party brands sold through the Rolling Luggage and Chic Accent retail stores.

The Group's total wholesale net sales decreased by 3.1%[2] to US$516.5 million (representing 64.6% of net sales) during the first half of 2021 from US$516.7 million (representing 64.4% of net sales) in the first half of 2020.

Table 5: Net Sales by Distribution Channel

Distribution Channel	**Six months ended June 30, 2021 US$ millions**	Six months ended June 30, 2020 US$ millions	Percentage increase (decrease) 2021 vs. 2020	Percentage increase (decrease) 2021 vs. 2020 excl. foreign currency effects[2]
Wholesale				
Wholesale	**443.3**	458.1	(3.2)%	(6.1)%
E-Retailers	**73.2**	58.6	24.9%	20.1%
Total Wholesale	**516.5**	516.7	0.0%	(3.1)%
DTC				
Retail	**187.2**	177.6	5.4%	3.3%
DTC e-commerce	**95.2**	106.7	(10.7)%	(13.9)%
Total DTC	**282.4**	284.3	(0.7)%	(3.2)%

Gross Profit

The Group's gross margin improved from 48.7% in the first quarter of 2021 to 52.4% in the second quarter of 2021, with June 2021 gross margin coming at 55.0%. For the six months ended June 30, 2021, gross margin increased to 50.8% from 49.4% during the first half of 2020. The expiration of the U.S. Generalized System of Preferences program ("GSP") has resulted in increased duty costs on goods imported to the U.S. from countries that were beneficiaries of GSP, which has negatively impacted gross profit margin by 80 basis points. The devaluation of many currencies to the US Dollar has also had a negative impact on gross profit margin. The Group has leveraged its long-standing relationships with suppliers to mitigate the effects of cost increases and is implementing price increases in certain markets to offset the resulting margin pressure.

Operating Loss

Beginning in the first quarter of 2020, the Group's management took steps to enhance the Company's liquidity and further improve its resilience in response to the challenges from COVID-19. In addition to strengthening the Company's liquidity, the Group aggressively reduced operating expenses to mitigate the impact of lower sales on profit and cash flow and right-size the business for the future. Management continues to tightly manage the Group's operating expenses in 2021.

The Group spent US$28.7 million on marketing during the six months ended June 30, 2021, a decrease of US$15.8 million, or 35.6%, compared to the first half of 2020, and a decrease of US$74.4 million, or 72.2%, compared to the corresponding period in 2019. Marketing expenses made up 3.6% of net sales for the first half of 2021, 190 basis points lower than the 5.5% for the first half of 2020, and 230 basis points lower than the 5.9% for the first half of 2019. While the Group continues to carefully manage its marketing expenses in markets where travel remains restricted, it has begun to selectively increase advertising and promotion spending to drive sales in markets where the recovery in travel is gaining momentum.

The Group has also continued to optimize its global retail store network. After permanently closing 260 company-operated stores during 2020[22], the Group permanently closed an additional 78 company-operated stores during the first half of 2021[23]. As a result, the total number of company-operated retail stores was 1,027 as of June 30, 2021, compared to 1,245 as of June 30, 2020, and 1,096 as of December 31, 2020.

As a result of the more than US$200 million in annualized run-rate fixed cost savings from the Group's comprehensive cost reduction program implemented during 2020 and into 2021, along with its ongoing focus on controlling expenses, the Group reduced its non-marketing fixed operating expenses to US$300.0 million for the six months ended June 30, 2021, a decrease of US$88.9 million, or 22.9%, compared to the first half of 2020, and a decrease of US$195.1 million, or 39.4%, compared to the corresponding period in 2019.

The Group incurred an operating loss of US$50.2 million for the six months ended June 30, 2021, compared to an operating loss of US$156.9 million for the first half of 2020, when excluding the non-cash impairment charges[11] and restructuring charges[11] recognized during respective periods. The Group incurred an operating loss of US$86.4 million for the six months ended June 30, 2021, compared to an operating loss of US$1,062.9 million for the corresponding period in 2020.

Net Finance Costs and Income Tax Benefit

Net finance costs increased by US$55.8 million to US$102.4 million for the six months ended June 30, 2021, from US$46.7 million for the first half of 2020. This increase was attributable to the non-cash charge of US$24.1 million to write-off the deferred financing costs associated with the 2020 Incremental Term Loan B Facility, an increase in interest expense on loans and borrowings of US$15.2 million year-on-year as a result of increased borrowings during 2020, a reduction in the change in fair value of redeemable non-controlling interest put options of US$14.5 million year-on-year and bank charges of US$7.8 million related to a call premium paid to lenders under the 2020 Incremental Term Loan B Facility and the amendment of the Company's credit agreement.

The Group recorded an income tax benefit of US$46.6 million for the six months ended June 30, 2021, compared to an income tax benefit of US$133.7 million for the six months ended June 30, 2020.

Loss Attributable to Equity Holders

For the six months ended June 30, 2021, the Group incurred a loss attributable to the equity holders of US$115.1 million when excluding the non-cash impairment charges[11], restructuring charges[11] and charges associated with the debt amendments, all of which are net of the related tax impact, and the tax benefit associated with a legal entity reorganization recognized during the first half of 2021. In comparison, the Group incurred a loss attributable to the equity holders for the six months ended June 30, 2020 of US$169.7 million when excluding the non-cash impairment charges[11] and the restructuring charges[11] incurred during the first half of 2020, both of which are net of the related tax impact. The Group incurred a loss attributable to the equity holders of US$142.5 million for the first half of 2021, compared to a loss attributable to the equity holders of US$974.0 million for the first half of 2020.

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[22] During the year ended December 31, 2020, the Group permanently closed 260 company-operated stores. This was partially offset by the addition of 62 stores, primarily in Asia (including the agreed takeover of 20 stores in India from a third-party distributor as previously announced), plus a number of previously committed store openings. This resulted in a net reduction of 198 company-operated stores closed during the year ended December 31, 2020.

[23] During the six months ended June 30, 2021, the Group permanently closed 78 company-operated stores. This was partially offset by the addition of 9 stores, resulting in a net reduction of 69 company-operated stores closed during the first half of 2021.

Adjusted EBITDA and Adjusted Net Loss

For the six months ended June 30, 2021, the Group recorded an Adjusted EBITDA[3] loss of US$17.0 million, an improvement of US$105.9 million compared to an Adjusted EBITDA[3] loss of US$122.9 million recorded in the first half of 2020. Adjusted EBITDA[3] for the second quarter of 2021 improved by US$139.3 million to a gain of US$11.5 million compared to a loss of US$127.8 million for the second quarter of 2020. This represents the fourth consecutive quarter of improvement in the Group's Adjusted EBITDA[3] from a loss of US$127.8 million for the second quarter of 2020, when the impacts of the COVID-19 pandemic on the Group's business were most pronounced, to a loss of US$50.7 million for the third quarter of 2020, a loss of US$45.1 million for the fourth quarter of 2020, and a loss of US$28.5 million for the first quarter of 2021.

The Group recorded an Adjusted Net Loss[13] of US$103.7 million for the six months ended June 30, 2021, compared to an Adjusted Net Loss[13] of US$173.1 million for the corresponding period in 2020.

Balance Sheet and Cash Flows

The Group maintained close control on working capital, particularly inventories, which were US$390.4 million as of June 30, 2021, a US$65.5 million reduction when compared to the US$455.9 million at the end of 2020, and US$185.1 million lower than the US$575.5 million at the end of first half 2020. As a result, net working capital was US$329.1 million as of June 30, 2021, reflecting a US$27.6 million decrease from US$356.7 million as of December 31, 2020, and a US$161.3 million reduction from US$490.4 million as of June 30, 2020.

The Group minimized its capital expenditures and software purchases to conserve cash, spending US$6.0 million[24] on capital expenditures and software purchases during the first half of 2021, compared to the US$21.5 million[24] spent in the first half of 2020, and the Group will continue to carefully control capital expenditures and software purchases during the rest of 2021.

The Group used US$1.5 million of cash in operating activities during the six months ended June 30, 2021, compared to US$173.0 million of cash used in operating activities for the corresponding period in 2020.

As of June 30, 2021, the Group had cash and cash equivalents of US$1,058.2 million and outstanding financial debt of US$2,874.9 million (excluding deferred financing costs of US$14.9 million), resulting in a net debt position of US$1,816.7 million compared to a net debt position of US$1,735.5 million[25] at the end of 2020. The Company prepaid US$325.0 million[10] of borrowings under the Amended Senior Credit Facilities in June 2021. As a result, the Group had total liquidity of US$1,185.0 million[5] as of June 30, 2021, compared to US$1,518.3 million[26] as of December 31, 2020.

Other Developments

In June 2021, Samsonite established a brand development and sourcing hub in Singapore as part of a global restructuring initiative to enhance alignment of the Company's product development, brand management and supply chain operations across Asia. The Group's Asia regional leadership is in the process of relocating to Singapore to support the hub and manage Samsonite's continued business growth in the region. The establishment of this hub will enable the Company to design products closer to market while continuing to lead

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[24] For the six months ended June 30, 2021, the Group spent US$4.6 million and US$1.4 million on capital expenditures and software purchases, respectively, compared to US$18.0 million and US$3.5 million, respectively, during the first half of 2020.

[25] As of December 31, 2020, the Group had cash and cash equivalents of US$1,495.0 million and outstanding financial debt of US$3,230.5 million (excluding deferred financing costs of US$39.9 million), putting the Group in a net debt position of US$1,735.5 million.

[26] As of December 31, 2020, the Group had total liquidity of US$1,518.3 million, comprising cash and cash equivalents of US$1,495.0 million and US$23.4 million available to be borrowed on the Group's amended revolving credit facility.

the industry in product development, innovation and sustainability for several key brands, including *Samsonite* and *American Tourister*. Samsonite will also leverage this hub to manage sourcing for Asia and the Middle East, while supporting and administering sourcing for North America and Latin America.

Subsequent to June 30, 2021, Samsonite completed the sale of the Speck business for aggregate cash consideration of US$36.0 million (the consideration is subject to customary adjustments for net debt and working capital) on July 30, 2021. The sale of the Speck business will enable the Group to focus on growing its core brands and driving higher profitability in North America.

2021 First Half Results – Conference Call for Analysts and Investors:

Date:	Wednesday, August 18, 2021
Time:	09:00 New York / 14:00 London / 21:00 Hong Kong
Webcast Link:	http://webcast.live.wisdomir.com/samsonite_21ir/index_en.php
Dial-in Details:	https://corporate.samsonite.com/on/demandware.static/-/Sites-InvestorRelations-Library/default/dw2485ffb0/PDF/press-release/2021/E_Samsonite_1H2021%20Results%20Date%20&%20Conference%20Call%20(FINAL%202021-08-04).pdf

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About Samsonite

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

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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 in gaining a more complete understanding of the Group's operational performance and of the trends impacting its business to securities analysts, investors and other interested parties. These non-IFRS financial measures, as calculated herein, may not be comparable to similarly named measures used by other companies, and should not be considered comparable to IFRS measures.

For Immediate Release

Refer to the relevant announcement/report published by the Company for the corresponding period for reconciliations of the Group's non-IFRS financial information. Non-IFRS measures have limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, an analysis of the Group's financial results as reported under IFRS.

Forward-Looking Statements

This press release contains forward-looking statements. Forward-looking statements reflect the Company's current views with respect to future events and performance. These statements may discuss, among other things, the Company's net sales, operating profit (loss), Adjusted Net Income (Loss), 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. These risks, uncertainties and other factors also include the potential effects of the COVID-19 pandemic on the Company's future financial and operational results, which could vary significantly depending on the duration and severity of the COVID-19 pandemic worldwide and the pace and extent of recovery following the COVID-19 pandemic.

If one or more of these risks or uncertainties materialize, or if management's underlying beliefs and assumptions prove to be incorrect, actual results may differ materially from those contemplated by a forward-looking statement. Among the factors that could cause actual results to differ materially are: the effect of worldwide economic conditions; the length and severity of the COVID-19 pandemic; lower levels of consumer spending resulting from COVID-19; a general economic downturn or generally reduced consumer spending, including as a result of COVID-19; the pace and extent of recovery following COVID-19; significant changes in consumer spending patterns or preferences; interruptions or delays in the supply of key components; the performance of the Group's products within the prevailing retail environment; financial difficulties encountered by customers and related bankruptcy and collection issues; and risks related to the success of the Group's restructuring programs. Given the inherent uncertainty about the future impacts of COVID-19, it is not possible for the Company to reliably predict the extent to which its business, results of operations, financial condition or liquidity will ultimately be impacted (see the Management Discussion and Analysis - Impact of COVID-19 section of the Company's Interim Report for the Period Ended June 30, 2021).

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

Rounding

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