For Immediate Release

Samsonite International S.A. Announces
Final Results for the Year Ended December 31, 2020

HONG KONG, March 17, 2021 – Samsonite International S.A. ("Samsonite" or "the Company", together with its consolidated subsidiaries, "the Group"; SEHK stock code: 1910), the world's best-known and largest travel luggage company, today announced its final results for the year ended December 31, 2020.

Overview

Commenting on the results, Mr. Kyle Gendreau, Chief Executive Officer, said, "Samsonite has demonstrated outstanding agility and resilience in navigating the unprecedented challenges from the COVID-19 pandemic. In response to the sharp reduction in sales caused by this extraordinary crisis, we quickly implemented a comprehensive program to cut costs, conserve cash, manage working capital and right-size the business. These initiatives, along with our dedicated teams, strong brands, global scale and diversified sourcing base and supply chain, strengthened Samsonite's ability to weather the challenges from the COVID-19 pandemic and continue investing in the business for the long term. We are encouraged by the resulting improvements in our performance during the second half of 2020, especially in bringing our cash burn[1] down to almost breakeven during the fourth quarter of 2020. We are confident that our proven ability to react, adapt and innovate positions Samsonite to achieve sustainable growth, profitability and shareholder value creation in a post-pandemic world."

During 2020, the Group realized over US$670 million of in-year cash savings, driven primarily by substantial and timely reductions in marketing spend and non-marketing fixed operating expenses, a virtual freeze on capital expenditures and software purchases, plus the temporary suspension of the Company's annual cash distribution to shareholders. Furthermore, the Group achieved a sizeable reduction in inventories in 2020. These initiatives together produced a positive impact of close to US$800 million, and enabled the Group to achieve significant reductions in its total cash burn[1] from (US$166.7) million during the second quarter of 2020 to (US$67.7) million during the third quarter of 2020 and (US$3.6) million during the fourth quarter of 2020.

The Group's net sales decreased by 26.1%[2] year-on-year during the first quarter of 2020, when COVID-19 mainly impacted markets in Asia. The year-on-year decline in net sales widened to 77.9%[2] during the second quarter of 2020 when most of the Group's markets were subject to government-mandated lockdowns. As governments loosened social-distancing restrictions and markets around the world began to reopen, the year-on-year decline in the Group's net sales moderated to 64.7%[2] during the third quarter of 2020, and further improved to a year-on-year decrease of 58.1%[2] during the fourth quarter of 2020. For the year ended December 31, 2020, Samsonite's net sales decreased by US$2,102.1 million, or 57.5%[2], to US$1,536.7 million.

[1] 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.

[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 previous year to current period year currency results.

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As a result of the prompt and comprehensive cost reduction actions combined with the gradual improvement in net sales, the Group's Adjusted EBITDA[3] improved from a loss of US$127.8 million for the second quarter of 2020, when the impacts of the COVID-19 pandemic on Samsonite's business were most pronounced, to a loss of US$50.7 million for the third quarter of 2020 and a loss of US$45.1 million for the fourth quarter of 2020. Additionally, the Group's Asia region attained positive Adjusted EBITDA[3] in both the third and fourth quarters of 2020. For the year ended December 31, 2020, the Group's Adjusted EBITDA[3] decreased by US$711.0 million to a loss of US$218.8 million, compared to earnings of US$492.2 million for 2019. The Group recorded an Adjusted Net Loss[4] of US$406.1 million in 2020, compared to an Adjusted Net Income[4] of US$215.9 million for 2019.

The Group took a number of steps to enhance its liquidity[5] and its financial flexibility[6] during the first half of 2020. These actions, along with the headway the Group made in minimizing cash burn, enabled Samsonite to end 2020 with liquidity of approximately US$1.5 billion[7], well in excess of the US$500 million minimum liquidity required by the amended financial covenants under the Company's credit agreement[6].

Mr. Gendreau remarked, "Looking ahead, we are cautiously optimistic about the future. While the availability and distribution of vaccines have brightened prospects for the global economy, the full rollout will take time and the resurgence of COVID-19 cases in late 2020 and early 2021 has temporarily slowed the pace of recovery. We are monitoring the situation closely and will maintain our people-first approach, prioritizing the health and well-being of our employees, customers, business partners and consumers around the world."

Despite the resurgence in COVID-19 cases in late 2020 and the resulting reinstatement of travel restrictions and social-distancing measures in certain markets around the world, our net sales performance has continued to gradually improve, with a year-on-year net sales decline of 58.1%[2] during the fourth quarter of 2020 and 64.7%[2] during the third quarter of 2020. In anticipation of the continued impact from COVID-19, the Group will carry on exercising caution in managing its business, and remains focused on identifying and implementing further cost reduction and cash conservation initiatives, as well as keeping a tight rein on its capital expenditures and software investments in 2021. With its substantial liquidity position, Samsonite is in a solid financial position to navigate the ongoing challenges from the COVID-19 pandemic.

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[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.

[4] Adjusted Net Income (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 profit (loss) for the year, which the Group believes helps to give securities analysts, investors and other interested parties a better understanding of the Group's underlying financial performance.

[5] On March 16, 2020, the Company and certain of its direct and indirect wholly-owned subsidiaries entered into an amendment to the Company's credit agreement, which provided for an amended US$800.0 million senior secured term loan A facility and an amended revolving credit facility that was increased by US$200.0 million to US$850.0 million. On March 20, 2020, the Company borrowed US$810.3 million (USD equivalent at the applicable exchange rate on the borrowing date) under its amended revolving credit facility to enhance the Company's cash position.
On May 7, 2020, the Company closed on an incremental term loan B facility with an aggregate principal amount of US$600.0 million.

[6] On April 29, 2020, the Company entered into an amendment to its credit agreement which suspends 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 comply 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] 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.

Mr. Gendreau continued, "Despite the disruptions from COVID-19, we remain focused on executing our long-term strategy, leveraging Samsonite's century-plus heritage of innovation, our global platform, and our complementary portfolio of brands with regionally tailored products covering a diverse set of categories and price points, to extend our leadership and drive long-term growth. We continue to invest in developing and launching new products that meet the evolving needs of consumers. Launches of the Proxis™ hard-shell suitcase collection and the Konnect-I smart backpack during 2020 were well received by consumers and the media, and we are confident our future innovations can achieve similar success."

Mr. Gendreau concluded, "We have in place a pipeline full of exciting and competitive new products to meet demand when travel resumes. We are particularly excited about a very promising new product launch planned for the first half of 2021: the Magnum Eco hard-shell luggage collection. Ultra-light in weight, with its shell and interior manufactured using 100% post-consumer recycled materials, Magnum Eco is our most sustainable luggage to date, and an important milestone in 'Our Responsible Journey' to lead the luggage and bag industry in sustainability. We will also maintain our focus on non-travel products in 2021 while waiting for the rebound in global travel and tourism."

"We are heartened by the sequential improvements in our performance during the last two quarters of 2020, which clearly show that our hard work has begun to yield positive impacts on the business, and the team is feeling energized about the coming recovery. I am confident that Samsonite will emerge from this global health crisis well positioned to address changing customer needs and travel trends in the post-pandemic world."

Table 1: Key Financial Highlights for the Year Ended December 31, 2020

US$ millions, except per share data	**Year ended December 31, 2020**	Year ended December 31, 2019	Percentage increase (decrease) 2020 vs. 2019	Percentage increase (decrease) 2020 vs. 2019 excl. foreign currency effects[2]
Net sales	**1,536.7**	3,638.8	(57.8)%	(57.5)%
Operating profit (loss)[8]	**(1,266.2)**	283.0	*nm*	*nm*
Operating profit (loss) excluding impairment charges, restructuring charges and costs related to profit improvement initiatives[8, 9]	**(282.9)**	385.4	*nm*	*nm*
Profit (loss) attributable to the equity holders[8]	**(1,277.7)**	132.5	*nm*	*nm*
Adjusted Net Income (Loss)[4]	**(406.1)**	215.9	*nm*	*nm*
Adjusted EBITDA[3]	**(218.8)**	492.2	*nm*	*nm*
Adjusted EBITDA Margin[10]	**(14.2)%**	13.5%		
Basic and diluted earnings (loss) per share – US$ per share	**(0.891)**	0.093	*nm*	*nm*
Adjusted basic and diluted earnings (loss) per share[11] – US$ per share	**(0.283)**	0.151	*nm*	*nm*

nm – Not meaningful.

[8] Results for the year ended December 31, 2020 included total non-cash impairment charges (the "2020 Impairment Charges") in the amount of US$920.3 million (including US$4.3 million of non-cash impairment charges in cost of sales). The non-cash 2020 Impairment Charges comprised US$744.8 million related to goodwill and tradename intangible assets and US$175.5 million primarily related to lease right-of-use assets and property, plant and equipment at certain retail locations. Results for the year ended December 31, 2020 also included total restructuring charges (the "2020 Restructuring Charges") of US$63.0 million (including US$8.5 million of restructuring charges in cost of sales), which primarily consisted of severance associated with permanent headcount reductions, store closure costs and certain other costs incurred to implement profit improvement initiatives. Results for the year ended December 31, 2019 included US$86.4 million of total non-cash impairment charges (the "2019 Impairment Charges") related to lease right-of-use assets and property, plant and equipment at certain retail locations, as well as costs related to profit improvement initiatives totaling US$16.0 million included in Other Income (Expenses).

[9] Operating profit (loss) excluding total non-cash impairment charges, total restructuring charges and costs related to profit improvement initiatives 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 profit (loss) for the year in the Group's consolidated statements of income (loss).

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

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

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The Group's performance for the year ended December 31, 2020 is discussed in greater detail below.

Net Sales

In response to the COVID-19 pandemic, governments around the world adopted various measures in an effort to contain the spread of the virus, including restrictions on travel, temporary closure of non-essential businesses and imposition of quarantine and other social-distancing measures. These measures, along with the overall impacts of the COVID-19 pandemic, have impacted businesses worldwide, including Samsonite. The combination of reduced demand for the Group's products as a result of significant reductions in travel and discretionary spending among consumers, along with the temporary closure of the Group's wholesale and retail points-of-sale, resulted in a sharp decline in the Group's net sales across all regions, brands and distribution channels.

The Group's net sales decreased by 26.1%[2] year-on-year during the first quarter of 2020, when COVID-19 mainly impacted markets in Asia. The year-on-year decline in net sales widened to 77.9%[2] during the second quarter of 2020 when most of the Group's markets underwent government mandated lockdowns. As governments loosened social distancing restrictions and markets around the world began to reopen, the year-on-year decline in the Group's net sales moderated to 64.7%[2] during the third quarter of 2020, and further improved to a year-on-year decrease of 58.1%[2] during the fourth quarter of 2020. Overall, the Group's net sales for the year ended December 31, 2020 decreased by US$2,102.1 million, or 57.5%[2], compared to the previous year.

The resurgence in COVID-19 cases in early 2021 and the resulting reinstatement of travel restrictions and social distancing measures in certain markets around the world have caused an approximately 53%[2] year-on-year decrease in the Group's net sales during the first two months of 2021.

Net Sales Performance by Region

North America

The Group's net sales in North America began to improve after declining by 74.0%[2] year-on-year during the second quarter of 2020. Net sales in North America recorded a year-on-year decrease of 64.3%[2] during the third quarter of 2020, followed by a year-on-year decrease of 56.6%[2] during the fourth quarter of 2020. For the year ended December 31, 2020, the Group recorded net sales of US$602.5 million in North America, a decrease of 55.8%[2] compared to 2019.

During 2020, the Group recorded year-on-year net sales decreases of 55.5% in the United States and 63.0%[2] in Canada.

Asia

The Group's net sales in Asia began to improve after declining by 75.6%[2] year-on-year during the second quarter of 2020. Net sales in Asia recorded a year-on-year decrease of 63.4%[2] during the third quarter of 2020, followed by a year-on-year decrease of 56.1%[2] during the fourth quarter of 2020. For the year ended December 31, 2020, the Group's recorded net sales of US$558.6 million in Asia, a decrease of 57.5%[2] compared to 2019.

During 2020, the Group recorded year-on-year net sales decreases of 46.0%[2] in China, 47.9%[2] in Japan, 57.1%[2] in South Korea, 64.0%[2] in India and 71.5%[2] in Hong Kong[12].

[12] 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.

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Europe

The Group's net sales in Europe began to improve after declining by 85.7%[2] year-on-year during the second quarter of 2020. Net sales in Europe recorded a year-on-year decrease of 65.7%[2] during the third quarter of 2020, followed by a year-on-year decrease of 67.1%[2] during the fourth quarter of 2020 as a resurgence in COVID-19 cases affected net sales performance. For the year ended December 31, 2020, the Group's recorded net sales of US$302.5 million in Europe, a decrease of 61.7%[2] compared to 2019.

During 2020, the Group recorded year-on-year net sales decreases of 60.6%[2] in Germany, 61.8%[2] in Italy, 64.5%[2] in France, 55.3%[2] in Russia, 65.8%[2] in Spain and 77.0%[2] in the United Kingdom[13].

Latin America

The Group's net sales in Latin America began to improve after declining by 94.3%[2] year-on-year during the second quarter of 2020. Net sales in Latin America recorded a year-on-year decrease of 74.2%[2] during the third quarter of 2020, followed by a year-on-year decrease of 43.2%[2] during the fourth quarter of 2020. For the year ended December 31, 2020, the Group recorded net sales of US$71.2 million in Latin America, a decrease of 51.8%[2] compared to 2019.

For the year ended December 31, 2020, the Group recorded year-on-year net sales decreases of 36.3%[2] in Chile and 72.6%[2] in Mexico.

Table 2: Net Sales by Region

Region[14]	**Year ended December 31, 2020 US$ millions**	Year ended December 31, 2019 US$ millions	Percentage increase (decrease) 2020 vs. 2019	Percentage increase (decrease) 2020 vs. 2019 excl. foreign currency effects[2]
North America	**602.5**	1,363.4	(55.8)%	(55.8)%
Asia	**558.6**	1,313.4	(57.5)%	(57.5)%
Europe	**302.5**	792.2	(61.8)%	(61.7)%
Latin America	**71.2**	166.7	(57.3)%	(51.8)%

Net Sales Performance by Brand and Product Category

The Group's core brands *Samsonite*, *Tumi* and *American Tourister* were all significantly impacted by the decline in travel and tourism. The Group responded by putting greater emphasis on the non-travel[15] product lines sold under these brands, making noteworthy progress with the *Samsonite* and *Tumi* brands. For the year ended December 31, 2020, net sales of the *Samsonite*, *Tumi* and *American Tourister* brands decreased by 59.1%[2], 58.1%[2] and 62.2%[2], year-on-year, respectively. Meanwhile, the Group's non-travel brands have done relatively better, particularly *Speck* (2020 net sales down by 22.2%[2]) and *Gregory* (2020 net sales down by 27.5%[2]). As a result, the Group's non-travel net sales comprised to 50.3% of total net sales in 2020, up from 40.6% of net sales in 2019, and the non-travel product category recorded a year-on-year net sales decline of 47.3%[2] compared to a 64.4%[2] net sales decline for the travel product category during 2020.

13 Net sales reported for the United Kingdom include net sales made in Ireland.

14 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.

15 The non-travel category includes business, casual, accessories and other products.

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Table 3: Net Sales by Brand

Brand	**Year ended December 31, 2020 US$ millions**	Year ended December 31, 2019 US$ millions	Percentage increase (decrease) 2020 vs. 2019	Percentage increase (decrease) 2020 vs. 2019 excl. foreign currency effects[2]
Samsonite	**672.9**	1,654.9	(59.3)%	(59.1)%
Tumi	**321.6**	767.0	(58.1)%	(58.1)%
American Tourister	**244.5**	654.9	(62.7)%	(62.2)%
Speck	**96.4**	123.9	(22.2)%	(22.2)%
Gregory	**51.2**	69.8	(26.6)%	(27.5)%
High Sierra	**25.9**	63.2	(59.0)%	(59.0)%
Other[16]	**124.2**	305.1	(59.3)%	(57.9)%

Table 4: Net Sales by Product Category

Product Category	**Year ended December 31, 2020 US$ millions**	Year ended December 31, 2019 US$ millions	Percentage increase (decrease) 2020 vs. 2019	Percentage increase (decrease) 2020 vs. 2019 excl. foreign currency effects[2]
Travel	**763.0**	2,162.3	(64.7)%	(64.4)%
Non-travel[15]	**773.7**	1,476.5	(47.6)%	(47.3)%

Performance by Distribution Channel

The COVID-19 pandemic has caused a significant acceleration in the shift in consumer's shopping behavior towards e-commerce channels. Furthermore, such channels were impacted less by lockdowns compared to other channels. As a result, the Group's net sales through e-commerce channels comprised 22.1% of total net sales in 2020, up from 16.4% of net sales in 2019. In particular, the Group's direct-to-consumer ("DTC") e-commerce net sales comprised 14.0% of total net sales during 2020, compared to 10.4% of net sales in 2019. Wholesale net sales to e-retailers comprised 8.1% of total net sales in 2020, up from 6.0% of net sales in 2019.

For the year ended December 31, 2020, the Group's total DTC e-commerce net sales decreased by 43.0%[2] to US$214.6 million from US$376.6 million for 2019.

During the year ended December 31, 2020, net sales in the DTC retail channel decreased by 62.2%[2] year-on-year. On a same store, constant currency basis, retail net sales decreased by 63.7% for the year ended December 31, 2020 compared to the year ended December 31, 2019. This decrease was due to constant currency same store net sales decreases of 70.8%, 55.9%, 63.5% and 50.6% in North America, Asia, Europe and Latin America, respectively, due to temporary store closures and reduced consumer demand resulting from the COVID-19 pandemic. The Group's same store analysis includes existing company-operated retail stores that have been open for at least 12 months before the end of the relevant financial period.

Overall, net sales in the DTC channel, which includes company-operated retail stores and DTC e-commerce, decreased by 56.8%[2] to US$576.9 million (representing 37.5% of net sales) for the year ended December 31, 2020 from US$1,345.4 million (representing 37.0% of net sales) in 2019.

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[16] 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 and the ebags e-commerce website.

Wholesale net sales to e-retailers, which were impacted less by lockdowns, decreased by 43.6%[2] year-on-year during 2020. Overall, net sales in the wholesale channel decreased by 57.9%[2] to US$957.8 million (representing 62.4% of net sales) during 2020 from US$2,290.4 million (representing 62.9% of net sales) in 2019.

Table 5: Net Sales by Distribution Channel

Distribution Channel	**Year ended December 31, 2020 US$ millions**	Year ended December 31, 2019 US$ millions	Percentage increase (decrease) 2020 vs. 2019	Percentage increase (decrease) 2020 vs. 2019 excl. foreign currency effects[2]
Wholesale	**957.8**	2,290.4	(58.2)%	(57.9)%
DTC				
Retail	**362.3**	968.7	(62.6)%	(62.2)%
DTC e-commerce	**214.6**	376.6	(43.0)%	(43.0)%
Total DTC	**576.9**	1,345.4	(57.1)%	(56.8)%

Gross Profit

The Group's 2020 gross profit, as reported, decreased by US$1,310.5 million, or 65.0%, to US$706.3 million for the year ended December 31, 2020 from US$2,016.8 million for the year ended December 31, 2019. The Group's 2020 gross profit margin, as reported, decreased to 46.0% from 55.4% in 2019. The decrease was due to the negative impacts from the COVID-19 pandemic, including the decrease in net sales year-on-year, the effects of (i) an increased provision for inventory reserves and (ii) fixed sourcing and manufacturing expenses on lower sales, as well as the inclusion of restructuring charges and non-cash impairment charges related to the sourcing and production of the Group's products, along with a shift in sales mix. Excluding the restructuring charges and non-cash impairment charges related to the sourcing and production of the Group's products, the gross profit margin, as adjusted, for the year ended December 31, 2020 would have been 46.8%. In addition, the effects of the increased provision for inventory reserves and the impact of fixed sourcing and manufacturing expenses on lower sales negatively impacted gross profit margin by 350 basis points and 140 basis points year-on-year, respectively, caused by the COVID-19 Impacts. Had the provision for inventory reserves and fixed sourcing and manufacturing expenses remained consistent with 2019 as a percentage of net sales, gross profit margin for the year ended December 31, 2020 would have been 51.7%.

Operating Profit (Loss)

The Group implemented, and continues to identify and act on, cost reduction initiatives, including significant cuts in marketing, temporary and permanent headcount reductions, salary reductions and furloughs, temporary and permanent store closures, as well as cuts in discretionary expense items, to mitigate the impact of the COVID-19 pandemic and right-size the business for the future.

The Group spent US$73.3 million on marketing during the year ended December 31, 2020 compared to US$189.5 million for the year ended December 31, 2019, a decrease of US$116.3 million, or 61.3%.

The Group also took forceful permanent actions to reduce its fixed operating expenses. During the year ended December 31, 2020, the Group greatly accelerated the optimization of its global retail store portfolio, permanently closing 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 in 2020, compared to 43 net new company-operated stores opened in 2019. The total number of company-operated retail stores was 1,096 as of December 31, 2020, compared to 1,294 company-operated retail stores at the end of 2019.

Besides the 260 company-operated stores that have been permanently closed, the Group has also negotiated early exits on an additional 34 company-operated stores that will take effect during 2021. Furthermore, the Group has successfully renegotiated 200 store leases, collectively saving approximately US$10.5 million of annualized cash rent. In addition, the Group streamlined its organization to drive permanent efficiency gains, reducing its total non-retail headcount by approximately 26% worldwide during 2020. Such permanent actions resulted in an approximately US$65 million reduction in non-marketing fixed operating expenses in 2020. Including savings actions that have been identified and will be executed in 2021, the Group expects to attain approximately US$200 million in total estimated annualized run-rate fixed cost savings.

Furthermore, the Group obtained in-year savings of approximately US$263 million from temporary actions such as furloughs, temporary headcount reductions, eliminated bonuses, salary reductions, temporary rental concessions and other expense reductions. Between the aforementioned permanent and temporary actions, the Group achieved total reduction in non-marketing fixed operating expenses of approximately US$328 million during the year ended December 31, 2020.

For the year ended December 31, 2020, the Group incurred an operating loss of US$282.9 million when excluding the non-cash 2020 Impairment Charges[8] and 2020 Restructuring Charges[8], compared to an operating profit of US$385.4 million for the previous year when excluding the non-cash 2019 Impairment Charges[8] and costs related to profit improvement initiatives[8]. The Group incurred an operating loss of US$1,266.2 million for the year ended December 31, 2020, compared to an operating profit of US$283.0 million for the previous year.

Net Finance Costs and Income Tax Benefit (Expense)

Net finance costs increased by US$18.1 million, or 18.4%, to US$116.2 million for the year ended December 31, 2020 from US$98.1 million for the year ended December 31, 2019, primarily due to an increase in interest expense on loans and borrowings of US$32.4 million year-on-year and an increase in net foreign exchange losses of US$8.5 million year-on-year, partially offset by a decrease in redeemable non-controlling interest put option expenses of US$18.4 million year-on-year.

The Group recorded an income tax benefit of US$94.4 million for the year ended December 31, 2020 compared to an income tax expense of US$31.5 million (including the 2019 Net Tax Benefits[17]) for the year ended December 31, 2019.

Profit (Loss) Attributable to Equity Holders

For the year ended December 31, 2020, the Group incurred an adjusted loss attributable to the equity holders of US$413.8 million when excluding the non-cash 2020 Impairment Charges[8] and the 2020 Restructuring Charges[8], both of which are net of the related tax impact. In comparison, the Group recorded an adjusted profit attributable to the equity holders of US$190.1 million for the year ended December 31, 2019 when excluding the non-cash 2019 Impairment Charges[8] and the costs related to profit improvement initiatives[8], both of which are net of the

[17] The 2019 Net Tax Benefits were comprised of (i) a non-cash income tax benefit of US$54.6 million from a change in the tax rate applied to intangible assets currently held in Luxembourg, which primarily consist of certain tradenames owned by the Group, (ii) tax expenses of US$29.0 million associated with a legal entity reorganization and (iii) a base erosion tax arising as a result of the 2017 U.S. tax reform that applied to the Group in 2019 (which did not apply to the Group previously) of US$7.4 million. Together, these items resulted in a net tax benefit to the Group of US$18.3 million (the "2019 Net Tax Benefits").

related tax impact, and the 2019 Net Tax Benefits[18]. The Group incurred a loss attributable to the equity holders of US$1,277.7 million for the year ended December 31, 2020, compared to profit attributable to the equity holders of US$132.5 million for the previous year.

Adjusted EBITDA and Adjusted Net Income (Loss)

For the year ended December 31, 2020, Adjusted EBITDA[3] was a loss of US$218.8 million, a decrease of US$711.0 million compared to earnings of US$492.2 million recorded in 2019. The Group recorded an Adjusted Net Loss[4] of US$406.1 million for the year ended December 31, 2020, compared to an Adjusted Net Income[4] of US$215.9 million for the year ended December 31, 2019.

Balance Sheet and Cash Flows

The Group took meaningful actions to lower its fixed cost base, reduce marketing spending, improve working capital and put a virtual freeze on capital expenditures during 2020.

The Group tightened working capital management, particularly inventories. Rapid adjustments to the Group's production and sourcing plans resulted in a US$131.4 million reduction in the Group's inventories to US$455.9 million as of December 31, 2020, compared to US$587.3 million at the end of 2019. This drove a commensurate US$126.0 million reduction in net working capital to US$356.7 million as of December 31, 2020 compared to US$482.7 million at the end of 2019.

The Group significantly lowered its capital expenditures and software purchases to conserve cash, spending only US$26.1 million[18] on capital expenditures (including software purchases) in 2020, approximately US$104 million less than originally planned and US$48.4 million lower than the US$74.5 million[18] spent in 2019, and the Group will continue to carefully control its capital expenditures and software purchases in 2021.

The Group used US$114.2 million of cash in operating activities during the year ended December 31, 2020 compared to US$576.2 million of cash generated from operating activities for the previous year.

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 compared to a net debt position of US$1,305.3 million at the end of 2019. Including US$23.4 million available to be borrowed on the Group's amended revolving credit facility, the Group had liquidity of US$1,518.3 million as of December 31, 2020.

2020 Final Results – Earnings Call for Analysts and Investors:

Date: Wednesday, March 17, 2021
Time: 09:00 New York / 13:00 London / 21:00 Hong Kong
Webcast Link: http://webcast.live.wisdomir.com/samsonite_20q4/index_en.php
Dial-in Details:
http://www4.samsonite.com/_investordocs/20210305053903_E_Samsonite_FY2020%20Results%20Date%20&%20Conference%20Call%20(2021-03-05).pdf

– End –

[18] For the year ended December 31, 2020, the Group spent US$20.6 million and US$5.5 million on capital expenditures and software purchases, respectively, compared to US$55.4 million and US$19.1 million, respectively, in 2019.

For Immediate Release

About Samsonite

Samsonite International S.A. ("Samsonite" or the "Company", together with its consolidated subsidiaries, "the Group"), is the world's best-known and largest travel luggage company, with a heritage dating back more than 110 years. The Group is principally engaged in the design, manufacture, sourcing and distribution of luggage, business and computer bags, outdoor and casual bags, travel accessories and slim protective cases for personal electronic devices throughout the world, primarily under the *Samsonite®*, *Tumi®*, *American Tourister®*, *Speck®*, *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. 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 Final Results Announcement for the Year Ended December 31, 2020).

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.