

# Samsonite A/S

Ny Østergade 2  
1101 København K  
Denmark

CVR no. 15 29 11 33

## **Annual report 2018**

The annual report was presented and approved at the  
Company's annual general meeting on

16 May 2019

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chairman

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**Samsonite A/S**  
Annual report 2018  
CVR no. 15 29 11 33

## **Statement by the Board of Directors and the Executive Board**

The Board of Directors and the Executive Board have today discussed and approved the annual report of Samsonite A/S for the financial year 1 January – 31 December 2018.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations for the financial year 1 January – 31 December 2018.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 16 May 2019  
Executive Board:

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Patrick Julien Leon Baele

Board of Directors:

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Fabio Rugarli

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Patrick Julien Leon Baele

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Kyle F Gendreau

## Independent auditor's report

### To the shareholder of Samsonite A/S

#### Opinion

We have audited the financial statements of Samsonite A/S for the financial year 1 January – 31 December 2018 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations for the financial year 1 January – 31 December 2018 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that



## Independent auditor's report

are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 16 May 2019

**KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

Martin Eiler  
State Authorised  
Public Accountant  
mne32271

**Samsonite A/S**  
Annual report 2018  
CVR no. 15 29 11 33

## Company details

Samsonite A/S  
Ny Østergade 2  
1101 København K  
Denmark

Telephone: 32504555  
Fax: 32504558  
E-mail: [info.denmark@samsonite.com](mailto:info.denmark@samsonite.com)

CVR no.: 15 29 11 33  
Registered office: Copenhagen  
Financial year: 1 January – 31 December

## Board of Directors

Fabio Rugarli  
Patrick Julien Leon Baele  
Kyle F Gendreau

## Executive Board

Patrick Julien Leon Baele

## Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfaergevej 28  
DK-2100 Copenhagen  
Denmark

## Annual general meeting

The annual general meeting will be held on 16 May 2019.

## Financial statements 1 January – 31 December

### Income statement

DKK	Note	2018	2017
<b>Revenue</b>		54.031.430	48.057.306
Cost of sales		<u>-36.362.911</u>	<u>-29.976.832</u>
<b>Gross profit</b>		17.668.519	18.080.474
Selling and distribution costs	2	-13.117.099	-13.160.476
Administrative expenses		<u>-2.743.509</u>	<u>-2.841.391</u>
<b>Operating profit</b>		1.807.911	2.078.607
Financial income		639	0
Financial expenses	3	<u>-71.010</u>	<u>-41.479</u>
<b>Profit before tax</b>		1.737.540	2.037.128
Tax on profit for the year	4	<u>-385.868</u>	<u>-415.831</u>
<b>Profit for the year</b>		<u>1.351.672</u>	<u>1.621.297</u>
<b>Proposed profit appropriation</b>			
Proposed dividends for the year		0	1.550.000
Retained earnings		<u>1.351.672</u>	<u>71.297</u>
		<u>1.351.672</u>	<u>1.621.297</u>

## Financial statements 1 January – 31 December

### Balance sheet

DKK	Note	31/12 2018	31/12 2017
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>	5		
Acquired rights		851.667	991.667
Goodwill		<u>582.476</u>	<u>676.932</u>
		<u>1.434.143</u>	<u>1.668.599</u>
<b>Property, plant and equipment</b>	6		
Plant and machinery		87.037	0
Fixtures and fittings, tools and equipment		106.373	18.355
Leasehold improvements		<u>1.092.263</u>	<u>1.853.657</u>
		<u>1.285.673</u>	<u>1.872.012</u>
<b>Total fixed assets</b>		<u>2.719.816</u>	<u>3.540.611</u>
<b>Current assets</b>			
<b>Inventories</b>			
Finished goods and goods for resale		<u>1.547.223</u>	<u>1.750.912</u>
<b>Receivables</b>			
Trade receivables		3.871.550	3.631.536
Receivables from group entities		0	10.732
Other receivables		542.164	541.436
Corporation tax		210.897	28.350
Prepayments		<u>688.037</u>	<u>579.990</u>
		<u>5.312.648</u>	<u>4.792.044</u>
<b>Cash at bank and in hand</b>		<u>7.864.133</u>	<u>8.251.224</u>
<b>Total current assets</b>		<u>14.724.004</u>	<u>14.794.180</u>
<b>TOTAL ASSETS</b>		<u>17.443.820</u>	<u>18.334.791</u>



## Financial statements 1 January – 31 December

### Balance sheet

DKK	Note	31/12 2018	31/12 2017
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		500.000	500.000
Retained earnings		2.477.432	1.125.760
Proposed dividends for the financial year		<u>0</u>	<u>1.550.000</u>
<b>Total equity</b>		<u>2.977.432</u>	<u>3.175.760</u>
<b>Provisions</b>			
Provisions for deferred tax		<u>22.424</u>	<u>5.659</u>
<b>Total provisions</b>		<u>22.424</u>	<u>5.659</u>
<b>Liabilities other than provisions</b>			
<b>Current liabilities other than provisions</b>			
Trade payables		1.877.418	1.666.732
Payables to group entities		9.829.644	8.807.521
Other payables		<u>2.736.902</u>	<u>4.679.119</u>
		<u>14.443.964</u>	<u>15.153.372</u>
<b>Total liabilities other than provisions</b>		<u>14.443.964</u>	<u>15.153.372</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>17.443.820</u>	<u>18.334.791</u>
<b>Contractual obligations, contingencies, etc.</b>	7		
<b>Principal activities</b>	8		
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## Financial statements 1 January – 31 December

### Statement of changes in equity

DKK	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2018	500.000	1.125.760	1.550.000	3.175.760
Ordinary dividends paid	0	0	-1.550.000	-1.550.000
Transferred over the profit appropriation	<u>0</u>	<u>1.351.672</u>	<u>0</u>	<u>1.351.672</u>
<b>Equity at 31 December 2018</b>	<u><u>500.000</u></u>	<u><u>2.477.432</u></u>	<u><u>0</u></u>	<u><u>2.977.432</u></u>

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of Samsonite A/S for 2018 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

### Income statement

#### Revenue

Revenue from sale of goods for resale is recognised in the income statement when delivery and transfer of risk to the buyer have taken place. Revenue is recognised excluding VAT and taxes and less discounts granted in relation to the sale.

#### Selling and distribution costs

Selling and distribution costs comprise costs incurred to distribute goods sold during the year and to conduct sales campaigns, etc., including costs relating to sales staff, advertising and exhibitions as well as depreciation.

#### Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration of the Group, including expenses for administrative staff, Management, office premises, office expenses and depreciation.

#### Financial income and expenses

Financial income and expenses comprise interest income and expense and realised and unrealised exchange gains and losses on receivables and payables denominated in foreign currencies.

### Balance sheet

#### Intangible assets

Acquired rights are measured at cost less accumulated amortisation and impairment losses. Acquired rights are amortised over the period of contract.

Goodwill is measured at cost less accumulated amortisation and impairment losses. Goodwill is amortised over a 10 year period.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Property, plant and equipment

Fixtures and fittings, tools and equipment are valued at cost less accumulated depreciation and impairment losses.

Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3 years
Leasehold improvements	5 years

Write-down is made to the recoverable amount if this is lower than the carrying amount.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Depreciation is recognised in the income statement as Selling and distribution costs and administrative expenses, respectively.

##### Inventories

Inventories are valued at the lower of cost and net realisable value. Write-down is made for obsolescence, including slow-moving items.

##### Receivables

Receivables are measured at amortised cost. Provision is made for anticipated losses.

##### Prepayments and deferred income

Prepayments comprise costs paid relating to the subsequent financial year.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash.

##### Equity

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

##### *Dividends*

The expected dividend payment for the year is disclosed as a separate item under equity.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

##### Liabilities other than provisions

Payables are measured at amortised cost, corresponding to nominal value.

##### Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose is recognised in the income statement as financial income or expenses.

## Financial statements 1 January – 31 December

### Notes

#### 2 Staff costs

	<u>31/12 2018</u>	<u>31/12 2017</u>
DKK		
Wages and salaries	4.005.140	4.168.088
Pensions	78.966	77.110
Other social security costs	95.475	81.746
Other staff costs	<u>5.622</u>	<u>11.132</u>
	<u>4.185.203</u>	<u>4.338.076</u>
Salaries, pensions, other social security costs and other staff costs:		
Selling and distribution costs	<u>4.185.203</u>	<u>4.338.076</u>
	<u>4.185.203</u>	<u>4.338.076</u>
Average full-time employees	12	11

#### 3 Financial expenses

Interest expense to group entities	5.307	48
Other financial costs	<u>65.703</u>	<u>41.431</u>
	<u>71.010</u>	<u>41.479</u>

#### 4 Tax on profit for the year

Current tax for the year	369.103	491.890
Adjustment of deferred tax	<u>16.765</u>	<u>-76.059</u>
	<u>385.868</u>	<u>415.831</u>

## Financial statements 1 January – 31 December

### Notes

#### 5 Intangible assets

DKK	Acquired rights	Goodwill	Total
Cost at 1 January 2018	1.400.000	944.556	2.344.556
Cost at 31 December 2018	1.400.000	944.556	2.344.556
Amortisation and impairment losses at 1 January 2018	-408.333	-267.624	-675.957
Amortisation for the year	-140.000	-94.456	-234.456
Amortisation and impairment losses at 31 December 2018	-548.333	-362.080	-910.413
<b>Carrying amount at 31 December 2018</b>	<b>851.667</b>	<b>582.476</b>	<b>1.434.143</b>

#### 6 Property, plant and equipment

DKK	Plant and machinery	Fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2018	0	353.545	3.806.968	4.160.513
Additions for the year	87.037	125.468	0	212.505
Cost at 31 December 2018	87.037	479.013	3.806.968	4.373.018
Depreciation and impairment losses at 1 January 2018	0	-335.190	-1.953.311	-2.288.501
Depreciation for the year	0	-37.450	-761.394	-798.844
Depreciation and impairment losses at 31 December 2018	0	-372.640	-2.714.705	-3.087.345
<b>Carrying amount at 31 December 2018</b>	<b>87.037</b>	<b>106.373</b>	<b>1.092.263</b>	<b>1.285.673</b>

#### 7 Contractual obligations, contingencies, etc.

The Company's rental obligation amounts to a total DKK 1,931 thousand under notice period of up to 16 months.

The Company's lease obligation amounts to DKK 240 thousand and falls due within two years.

#### 8 Principal activities

The Company purchases Samsonite products from group entities and resell these on the Danish market.

## Financial statements 1 January – 31 December

### Notes

#### 9 Related party disclosures

Samsonite A/S' related parties comprise the following:

##### Ownership

Samsonite A/S is a wholly-owned subsidiary of Samsonite Europe N. V., Belgium, which is a part of the Samsonite Group with Samsonite International SA as the ultimate parent company:

Samsonite International SA  
13-15 Avenue de la Liberté  
L-1931 Luxembourg

The consolidated financial statement of Samsonite International SA are available at the Company's address or on the Company's website:

<http://www.samsonite.com/investors/annualreports.do>

#### 10 Disclosure of events after the balance sheet date

No events have occurred after the balance sheet date that would affect the financial statements.