

Samsonite A/S

Ny Østergade 2
1101 København K
Denmark

CVR no. 15 29 11 33

Annual report 2021

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

16 June 2022

Peter Michael Hopp
Chairman of the annual general meeting

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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 2021.

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 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 16 June 2022
Executive Board:

Patrick Julien Leon Baele

Board of Directors:

Fabio Rugarli
Chairman

Patrick Julien Leon Baele

Reza Taleghani

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 2021 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 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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.

Independent auditor's report

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 16 June 2022

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Christian Engelbrecht Friis
State Authorised
Public Accountant
mne44180

Samsonite A/S
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CVR no. 15 29 11 33

Management's review

Company details

Samsonite A/S
Ny Østergade 2
1101 København K
Denmark

Telephone:	32504555
CVR no.:	15 29 11 33
Established:	1 July 1991
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Board of Directors

Fabio Rugarli, Chairman
Patrick Julien Leon Baele
Reza Taleghani

Executive Board

Patrick Julien Leon Baele

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Annual general meeting

The annual general meeting will be held on 16 June 2022.

Management's review

Operating review

Principal activities

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

Development in activities and financial position

The Company's income statement for 2021 shows a profit of DKK 248.734 as against a loss of DKK -143.624 in 2020. Equity in the Company's balance sheet at 31 December 2021 stood at DKK 4.186.118 as against DKK 3.937.384 at 31 December 2020.

Events after the balance sheet date

No events have occurred after the balance sheet date which significantly affects the Company's financial position.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2021	2020
Revenue		18.322.510	11.921.292
Production costs		<u>-14.204.517</u>	<u>-3.498.314</u>
Gross profit		4.117.993	8.422.978
Distribution costs	2	-3.592.204	-8.938.262
Administrative expenses		<u>-1.073.848</u>	<u>-139.837</u>
Operating loss		-548.059	-655.121
Other operating income	3	960.992	1.061.295
Other operating costs		<u>0</u>	<u>-284.498</u>
Profit before financial income and expenses		412.933	121.676
Other financial income		83.296	3.181
Other financial expenses		<u>-178.572</u>	<u>-181.737</u>
Profit/loss before tax		317.657	-56.880
Tax on profit/loss for the year	4	<u>-68.923</u>	<u>-86.744</u>
Profit/loss for the year		<u>248.734</u>	<u>-143.624</u>
Proposed profit appropriation/distribution of loss			
Retained earnings		<u>248.734</u>	<u>-143.624</u>
		<u>248.734</u>	<u>-143.624</u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2021	31/12 2020
ASSETS			
Fixed assets			
Property, plant and equipment	5		
Plant and machinery		18.658	28.392
Fixtures and fittings, tools and equipment		116.743	157.107
Leasehold improvements		<u>488.378</u>	<u>569.698</u>
		<u>623.779</u>	<u>755.197</u>
Investments			
Deposits		<u>97.594</u>	<u>525.787</u>
Total fixed assets		<u>721.373</u>	<u>1.280.984</u>
Current assets			
Inventories			
Finished goods and goods for resale		<u>416.814</u>	<u>476.145</u>
Receivables			
Trade receivables		937.345	336.200
Receivables from group entities		0	32.850
Other receivables		33.500	27.909
Deferred tax asset		9.301	56.139
Corporation tax		199.914	347.629
Prepayments		<u>11.565</u>	<u>22.392</u>
		<u>1.191.625</u>	<u>823.119</u>
Cash at bank and in hand		<u>5.778.649</u>	<u>4.944.108</u>
Total current assets		<u>7.387.088</u>	<u>6.243.372</u>
TOTAL ASSETS		<u><u>8.108.461</u></u>	<u><u>7.524.356</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2021	31/12 2020
EQUITY AND LIABILITIES			
Equity			
Contributed capital		500.000	500.000
Retained earnings		<u>3.686.118</u>	<u>3.437.384</u>
Total equity		<u>4.186.118</u>	<u>3.937.384</u>
Liabilities			
Current liabilities			
Trade payables		798.930	587.243
Payables to group entities		392.281	301.100
Other payables		<u>2.731.132</u>	<u>2.698.629</u>
		<u>3.922.343</u>	<u>3.586.972</u>
Total liabilities		<u>3.922.343</u>	<u>3.586.972</u>
TOTAL EQUITY AND LIABILITIES		<u>8.108.461</u>	<u>7.524.356</u>
Contractual obligations, contingencies, etc.	6		
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Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 January 2021	500.000	3.437.384	3.937.384
Transferred over the profit appropriation	0	248.734	248.734
Equity at 31 December 2021	500.000	3.686.118	4.186.118

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Samsonite A/S for 2021 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.

Government grants

Government grants are recognised when it is fairly certain that the grant conditions will be complied with, and the grant will be received.

Grants compensating for costs incurred are recognised directly as operating income in the income statement as costs eligible for grants are incurred. If the conditions for receiving the grant are not complied until after related costs have been recognised, the grant is to be recognised in the income statement when the conditions have been complied with and it is fairly certain that the grant will be awarded.

Grants to acquire assets are recognised in the balance sheet as deferred income/prepayments and transferred to other operating income in the income statement line with depreciation/amortisation of the assets covered by the grant.

Recognition and measurement

Income is recognised in the Income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concern matters existing at the balance sheet date.

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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

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.

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.

Production costs

Production costs comprise costs, including depreciation and amortisation incurred to generate revenue for the year. Commercial entities recognise their cost of sales, whereas production entities recognise production costs incurred to generate revenue for the year. Such costs include direct and indirect costs for raw materials and consumables, wages and salaries, rent and leases and depreciation of production plant.

Distribution costs

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.

Other operating income

Other operating income comprises items secondary to the activities of the entity, including government grants.

Other operating costs

Other operating costs comprise losses on fixed assets disposed of.

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.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts is directly recognised in equity.

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.

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

Property, plant and equipment

Plant and machinery, fixtures and fittings, tools and equipment and leasehold improvements 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:

Plant and machinery	5 years
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 production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Inventories

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

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise costs paid relating to the subsequent financial year.

Cash at bank and in hand

Cash comprises bank deposits.

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 based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

Other liabilities are measured at amortised cost.

Financial statements 1 January – 31 December

Notes

DKK	<u>2021</u>	<u>2020</u>		
2 Staff costs				
Wages and salaries	637.198	3.189.833		
Pensions	27.376	94.811		
Other social security costs	18.049	68.162		
	<u>682.623</u>	<u>3.352.806</u>		
Average number of full-time employees	<u>3</u>	<u>12</u>		
Staff costs are recognised in the financial statements as:				
Distribution	<u>682.623</u>	<u>3.352.806</u>		
	<u>682.623</u>	<u>3.352.806</u>		
3 Other operating income				
Other operating income includes special items comprising compensation under COVID-19 government aid packages of DKK 961 thousand (2020: DKK 1.061 thousand).				
4 Tax on profit for the year				
Current tax for the year	22.085	14.371		
Adjustment of deferred tax concerning previous years	46.838	72.373		
	<u>68.923</u>	<u>86.744</u>		
5 Property, plant and equipment				
	Plant and machinery	Fixtures and fittings, tools and equipment	Leasehold improve- ments	Total
DKK				
Cost at 1 January 2021	96.164	282.681	1.696.585	2.075.430
Additions for the year	0	0	53.270	53.270
Disposals for the year	0	-77.577	0	-77.577
Cost at 31 December 2021	<u>96.164</u>	<u>205.104</u>	<u>1.749.855</u>	<u>2.051.123</u>
Depreciation and impairment losses at 1 January 2021	-67.772	-125.574	-1.126.887	-1.320.233
Depreciation for the year	-9.734	-40.364	-134.590	-184.688
Reversed depreciation and impairment losses on assets sold	0	77.577	0	77.577
Depreciation and impairment losses at 31 December 2021	<u>-77.506</u>	<u>-88.361</u>	<u>-1.261.477</u>	<u>-1.427.344</u>
Carrying amount at 31 December 2021	<u>18.658</u>	<u>116.743</u>	<u>488.378</u>	<u>623.779</u>

Financial statements 1 January – 31 December

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6 Contractual obligations, contingencies, etc.

The Company's rental obligation amounts to a total DKK 1,839 thousand with a non termination period.

The Company's lease obligation amounts to DKK 151 thousand and falls due within 5 years.

7 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., Westerring 17, 9700 Oudenaarde, 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>