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**SAMSONITE INTERNATIONAL S.A.**

**新秀麗國際有限公司**

*13-15 Avenue de la Liberté, L-1931 Luxembourg*

**R.C.S. LUXEMBOURG: B 159.469**

*(Incorporated in Luxembourg with limited liability)*

**(Stock code: 1910)**

**CONTINUING CONNECTED TRANSACTIONS  
IN RELATION TO THE RENEWAL OF  
THE ABHISHRI FRAMEWORK AGREEMENT**

On February 7, 2018, the Company renewed the Abhishri Framework Agreement for a period of one year with effect from January 1, 2018. The Renewed Abhishri Framework Agreement covers all sales of components and finished products and the provision of manufacturing services by Abhishri to members of the Group. The transactions under the Renewed Abhishri Framework Agreement are in the ordinary and usual course of the Company's business.

Abhishri is a company controlled by certain members of the Tainwala Group. Because Mr. Ramesh Tainwala is a director of the Company and the other members of the Tainwala Group are associates of Mr. Tainwala, Abhishri is a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Accordingly, the Renewed Abhishri Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The transactions under the Renewed Abhishri Framework Agreement will be aggregated with other transactions between the Group and the Tainwala Group in accordance with Rule 14A.83 of the Listing Rules. As the highest of the applicable percentage ratios (other than the profits ratio) under the Listing Rules in respect of the annual cap for the transactions contemplated under the Renewed Abhishri Framework Agreement and other transactions between the Group and the Tainwala Group will, on an aggregated annual basis, be more than 0.1% but less than 5%, the transactions under the Renewed Abhishri Framework Agreement will constitute continuing connected transactions that are exempt from the circular (including independent financial advice) and shareholders' approval requirements under Rule 14A.76(2) of the Listing Rules.

The aggregate amount payable by members of the Group to Abhishri in respect of the Abhishri Framework Agreement is subject to the annual cap set by the Company for all transactions with the Tainwala Group for the year ending December 31, 2018, which is set out in the Company's announcement dated December 22, 2015.

## **A. INTRODUCTION**

The Board announces that on February 7, 2018, the Company renewed the Abhishri Framework Agreement for a period of one year with effect from January 1, 2018. The principal terms of the Renewed Abhishri Framework Agreement are set out below.

## **B. THE RENEWED ABHISHRI FRAMEWORK AGREEMENT**

### **1. Background**

The Abhishri Framework Agreement governed the terms of the sales of components and finished products and the provision of manufacturing services by Abhishri to members of the Group, in addition to sales of components and finished products and the provision of manufacturing services by Abhishri to Samsonite India under the existing Abhishri Manufacturing Agreement.

The Abhishri Framework Agreement was for an initial term until December 31, 2017 with effect from April 6, 2015, and may be renewed thereafter, subject to the parties complying with the applicable provisions of the Listing Rules in respect of any such renewal, unless terminated earlier in accordance with its terms.

The parties to the Abhishri Framework Agreement have renewed the Abhishri Framework Agreement for a period of one year with effect from January 1, 2018. Details of the Renewed Abhishri Framework Agreement are set out below:

### **2. Date**

February 7, 2018

### **3. Parties**

- (a) The Company
- (b) Abhishri

### **4. Subject Matter**

The Renewed Abhishri Framework Agreement was entered into for a period of one year with effect from January 1, 2018 and will expire on December 31, 2018. Save for the duration of the Renewed Abhishri Framework Agreement, all other terms are the same as those in the Abhishri Framework Agreement.

Under the Renewed Abhishri Framework Agreement, the parties agree that all transactions between Abhishri and members of the Group for the sale of components and finished products and the provision of manufacturing services by Abhishri to members of the Group:

- shall be in writing and shall incorporate the Group's general purchase conditions and standard supplier agreement terms;

- shall be on normal commercial terms, which shall mean pricing and payment terms no less favourable to the Group than those available from independent third party suppliers for comparable components, finished products or manufacturing services; and
- shall be in compliance with all applicable provisions of the Listing Rules.

All transactions under the Renewed Abhishri Framework Agreement are in the ordinary and usual course of the Company's business and are on normal commercial terms.

Under the Renewed Abhishri Framework Agreement, the prices paid by the Group for products manufactured and manufacturing services provided by Abhishri are determined based on the Group's current procurement policies, and are monitored against relevant factors including the cost of raw materials, the range of commercially appropriate margins that members of the Group are able to make on comparable products and, where available, quotations and market prices for comparable third party products and services. The Group has followed at all times, and will continue to follow, its procurement policies when determining the pricing and terms of all transactions with Abhishri under the Renewed Abhishri Framework Agreement. The pricing under the Renewed Abhishri Framework Agreement is on normal commercial terms as the margins available to the Group and the prices charged by Abhishri are comparable to (or better to the Group than) the margins available from and the prices charged by certain other third party manufacturers and/or service providers who are not connected persons under agreements with members of the Group.

The entry into the Renewed Abhishri Framework Agreement will ensure that members of the Group can continue to have the flexibility to purchase components, finished products and manufacturing services directly from Abhishri where it is commercially preferable for them to do so.

### **C. LISTING RULES IMPLICATIONS**

Abhishri is a company controlled by certain members of the Tainwala Group. Because Mr. Ramesh Tainwala is a director of the Company and the other members of the Tainwala Group are associates of Mr. Tainwala, Abhishri is a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Accordingly, the Renewed Abhishri Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The transactions under the Renewed Abhishri Framework Agreement will be aggregated with other transactions between the Group and the Tainwala Group in accordance with Rule 14A.83 of the Listing Rules. As the highest of the applicable percentage ratios (other than the profits ratio) under the Listing Rules in respect of the annual cap for the transactions contemplated under the Renewed Abhishri Framework Agreement and other transactions between the Group and the Tainwala Group will, on an aggregated annual basis, be more than 0.1% but less than 5%, the transactions under the Renewed Abhishri Framework Agreement will constitute continuing connected transactions that are exempt from the circular (including independent financial advice) and shareholders' approval requirements under Rule 14A.76(2) of the Listing Rules.

#### **D. AGGREGATE ANNUAL CAP FOR TRANSACTIONS WITH THE TAINWALA GROUP**

The amount payable by members of the Group to Abhishri in respect of the Renewed Abhishri Framework Agreement is subject to the annual cap set by the Company for all transactions with the Tainwala Group for the year ending December 31, 2018, as set out below:

##### ***Amounts payable by the Group to the Tainwala Group***

**Annual cap for year** **US\$25.62 million**

##### ***Amounts payable to the Group by the Tainwala Group***

**Annual cap for year** **US\$24.24 million**

As described in the Company's announcement of the renewed annual caps for transactions with the Tainwala Group dated December 22, 2015, the annual caps were determined primarily on the basis of: (i) estimated annual growth in purchases of raw materials and finished products between Samsonite India and the Tainwala Group due to increases in sales and production in line with Samsonite India's current business plan; (ii) estimated increases in rental and associated costs payable by Samsonite India in line with local market conditions; (iii) estimated annual growth in purchases of finished products, components and manufacturing services by the Group due to increase in sales in line with the Group's current business plan; and (iv) expected market conditions and exchange rate fluctuations.

#### **E. INFORMATION ON THE GROUP AND ABHISHRI**

The Company, together with its consolidated subsidiaries, is the world's largest travel luggage company, with a heritage dating back more than 100 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®, Hartmann®, High Sierra®, Gregory®, Speck®, Lipault®, Kamiliant® and eBags® brand names as well as other owned and licensed brand names.

Abhishri is a company controlled by certain members of the Tainwala Group.

#### **F. DIRECTORS' CONFIRMATIONS**

The Directors (including the independent non-executive Directors) are of the view that the Renewed Abhishri Framework Agreement and the transactions contemplated thereunder are on normal commercial terms and in the ordinary and usual course of business of the Company, and that the terms of the Renewed Abhishri Framework Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As noted in the Company's announcement of renewed annual caps for transactions with the Tainwala Group dated December 22, 2015, the Directors (including the independent non-executive Directors) are of the view that the annual cap for the year ending December 31, 2018 in respect of the transactions with the Tainwala Group is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Due to Mr. Ramesh Tainwala’s interests in the Tainwala Group, Mr. Ramesh Tainwala has abstained from voting on the relevant resolutions of the Board in respect of the Renewed Abhishri Framework Agreement. Save as disclosed above, none of the Directors has a material interest in the Renewed Abhishri Framework Agreement and the transactions contemplated thereunder or the Tainwala Group, and therefore no other Director has abstained from voting on the relevant resolutions of the Board in respect of the Renewed Abhishri Framework Agreement.

**G. DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Abhishri”	Abhishri Packaging Private Limited, a company incorporated in India and controlled by certain members of the Tainwala Group
“Abhishri Framework Agreement”	the framework agreement dated October 9, 2015 for an initial term with effect from April 6, 2015 until December 31, 2017 between the Company and Abhishri for the sale of components and finished products and the provision of manufacturing services by Abhishri to members of the Group
“Abhishri Manufacturing Agreement”	the memorandum of understanding dated January 3, 2009 between Samsonite India and Abhishri pursuant to which Abhishri purchases certain raw materials and components from Samsonite India and manufactures hard-side luggage products on behalf of Samsonite India
“associates”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors of the Company
“Company”	Samsonite International S.A., a <i>societe anonyme</i> incorporated and existing under the laws of Luxembourg, the shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it in the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries from time to time
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Renewed Abhishri Framework Agreement”	the letter renewing the Abhishri Framework Agreement for a period of one year from January 1, 2018 between the

Company and Abhishri, the details of which are set out in the section headed “The Renewed Abhishri Framework Agreement” in this announcement

“Samsonite India”	Samsonite South Asia Private Limited, a non-wholly owned member of the Group held as to 40% by Mr. Ramesh Tainwala and certain of his associates
“Shareholders”	holders of Shares
“Shares”	ordinary shares in the capital of the Company with a nominal value of US\$0.01 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tainwala Group”	Mr. Ramesh Tainwala, certain members of his family and his associates
“US dollar” or “US\$”	United States dollar, the lawful currency of the United States of America
“%”	per cent.

By Order of the Board  
**SAMSONITE INTERNATIONAL S.A.**  
**Timothy Charles Parker**  
*Chairman*

Hong Kong, February 7, 2018

*As of the date of this announcement, the Executive Directors are Ramesh Dungarmal Tainwala and Kyle Francis Gendreau, the Non-Executive Directors are Timothy Charles Parker, Tom Korbas and Jerome Squire Griffith, and the Independent Non-Executive Directors are Paul Kenneth Etchells, Keith Hamill, Bruce Hardy McLain (Hardy) and Ying Yeh.*