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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 INDIA FRAMEWORK AGREEMENT  
AND THE MIDDLE EAST FRAMEWORK AGREEMENT**

On December 21, 2018, the Company entered into the Renewed India Framework Agreement and the Renewed Middle East Framework Agreement for a period of five months with effect from January 1, 2019. The Renewed India Framework Agreement covers all transactions between Samsonite India and the other members of the Group. The Renewed Middle East Framework Agreement covers all transactions between Samsonite Middle East and the other members of the Group. The transactions under the Renewed India Framework Agreement and the Renewed Middle East Framework Agreement are in the ordinary and usual course of the Company's business.

Samsonite India and Samsonite Middle East are each non-wholly owned subsidiaries of the Company and are held as to 40% by Mr. Ramesh Tainwala and members of the Tainwala Group. As Mr. Ramesh Tainwala (i) was a director of the Company until May 31, 2018, he remains a connected person of the Company at the Company level until May 31, 2019 pursuant to Rule 14A.07(2), (ii) is a director of Samsonite India and Samsonite Middle East (as nominee of the Tainwala Group) and (iii) is entitled to control the exercise of 10% or more of the voting power in each of Samsonite India and Samsonite Middle East, Samsonite India and Samsonite Middle East are connected persons of the Company under Rule 14A.07(5) of the Listing Rules. Accordingly, the Renewed India Framework Agreement and the Renewed Middle East Framework Agreement, and the transactions contemplated thereunder, constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The Company has set monetary caps on the maximum aggregate amount payable by and to the Group in respect of each of the Renewed India Framework Agreement and the Renewed Middle East Framework Agreement for the period of five months ending May 31, 2019.

As the highest of the applicable percentage ratios (other than the profits ratio) under the Listing Rules in respect of the monetary cap for the transactions contemplated under each of the Renewed India Framework Agreement and the Renewed Middle East Framework Agreement will be more than 0.1% but less than 5%, such transactions 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.

With effect from June 1, 2019, Mr. Ramesh Tainwala will cease to be a connected person of the Company at the Company level and accordingly, Samsonite India and Samsonite Middle East will cease to be connected persons of the Company under Rule 14A.07(5). Accordingly, with effect from June 1, 2019 transactions between each of Samsonite India and Samsonite Middle East and other members of the Group will cease to constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Samsonite India has entered into certain agreements with the Tainwala Group which relate to the Group's operations in India, and other members of the Group have entered into transactions with Abhishri. Accordingly, transactions between the Group and members of the Tainwala Group constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Furthermore, as transactions between the Group and the Tainwala Group are related to the same connected persons of the Company, pursuant to Rule 14A.83 of the Listing Rules, these transactions are aggregated to determine into which category the aggregated transaction falls.

The Company has also set annual caps on the maximum aggregate amount payable by and to the Group in respect of the transactions with the Tainwala Group for the year ending December 31, 2019.

## **1. INTRODUCTION**

The Board announces that on December 21, 2018, the Company entered into the Renewed India Framework Agreement with Samsonite India and the Renewed Middle East Framework Agreement with Samsonite Middle East for a period of five months with effect from January 1, 2019. The Board also announces that the Company has set monetary caps on the maximum aggregate amount payable by and to the Group in respect of (a) each of the Renewed India Framework Agreement and the Renewed Middle East Framework Agreement for the period of five months ending May 31, 2019 and (b) the transactions with the Tainwala Group for the period of one year ending December 31, 2019.

The principal terms of the Renewed India Framework Agreement and the Renewed Middle East Framework Agreement and details of the annual caps referred to above are set out below.

## **2. THE RENEWED INDIA FRAMEWORK AGREEMENT**

### **Background**

The Company entered into the current India Framework Agreement with Samsonite India with effect from January 1, 2016 to govern all transactions between Samsonite India and the other members of the Group in the ordinary and usual course of the Company's business including:

- the purchase by Samsonite India of raw materials, components, spare parts, finished products and capital assets from other members of the Group;
- the sale of finished products by Samsonite India to other members of the Group;
- the receipt and payment by Samsonite India of cross-charges and fees in relation to the sharing of global marketing, promotion and product development costs between members of the Group; and
- the payment by Samsonite India of royalties in respect of intellectual property rights licensed to Samsonite India.

The India Framework Agreement is effective until December 31, 2018 and may be renewed thereafter, subject to the parties complying with the applicable provisions of the Listing Rules in respect of any such renewal.

The parties to the India Framework Agreement have entered into the Renewed India Framework Agreement for a further period of five months with effect from January 1, 2019, details of which are set out below:

### **Date**

December 21, 2018

### **Parties**

The Company  
Samsonite India

### **Subject Matter**

The Renewed India Framework Agreement was entered into for a period of five months with effect from January 1, 2019 and will expire on May 31, 2019. Save for the duration and renewal provisions of the Renewed India Framework Agreement, all other terms are the same as those in the India Framework Agreement.

Under the Renewed India Framework Agreement, the parties agree to continue transactions between Samsonite India and other members of the Group including:

- the purchase by Samsonite India of raw materials, components, spare parts, finished products and capital assets from other members of the Group;
- the sale of finished products by Samsonite India to other members of the Group;
- the receipt and payment by Samsonite India of cross-charges and fees in relation to the sharing of global marketing, promotion and product development costs between members of the Group; and
- the payment by Samsonite India of royalties in respect of intellectual property rights licensed to Samsonite India.

All transactions are in the ordinary and usual course of the Company's business and are on normal commercial terms.

The Renewed India Framework Agreement stipulates that all transactions between Samsonite India and the rest of the Group must be on normal commercial terms consistent with those in intra-company transactions between other subsidiaries of the Company, in compliance with the Group's policies for intra-company transactions and in compliance with all relevant provisions of the Listing Rules. The Company has followed at all times its policies for intra-company transactions in relation to all transactions under the India Framework Agreement and will continue to follow these policies in relation to all transactions under the Renewed India Framework Agreement. Purchases by Samsonite India of raw materials, components, spare parts, finished products and capital assets from other members of the Group, and purchases of finished

products from Samsonite India by other members of the Group, are made at prices and on terms that are consistent with the prices and terms applicable to intra-Group purchases made between non-connected members of the Group. The royalties paid by Samsonite India are consistent with the royalty rate and terms paid by the Company's other non-wholly owned subsidiaries.

### **Reasons for, and benefits of, the Renewed India Framework Agreement**

The entry into the Renewed India Framework Agreement for a period of five months from January 1, 2019 will ensure that Samsonite India can continue to enter into transactions with other members of the Group in the ordinary and usual course of the Company's business as an essential part of the Group's global operations.

### **Listing Rules Implications**

Samsonite India is a non-wholly owned subsidiary of the Company and is held as to 40% by Mr. Ramesh Tainwala and members of the Tainwala Group. As Mr. Ramesh Tainwala (i) was a director of the Company until May 31, 2018, he remains a connected person of the Company at the Company level until May 31, 2019 pursuant to Rule 14A.07(2), (ii) is a director of Samsonite India (as nominee of the Tainwala Group) and (iii) is entitled to control the exercise of 10% or more of the voting power in Samsonite India, Samsonite India is a connected person of the Company under Rule 14A.07(5) of the Listing Rules. Accordingly, the Renewed India Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A 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 monetary caps for the transactions contemplated under the Renewed India Framework Agreement will be more than 0.1% but less than 5%, such transactions 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.

With effect from June 1, 2019, Mr. Ramesh Tainwala will cease to be a connected person of the Company at the Company level and accordingly, Samsonite India will cease to be a connected person of the Company under Rule 14A.07(5). Accordingly, with effect from June 1, 2019 transactions between Samsonite India and other members of the Group will cease to constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

## **3. THE RENEWED MIDDLE EAST FRAMEWORK AGREEMENT**

### **Background**

The Company entered into the current Middle East Framework Agreement with Samsonite Middle East with effect from January 1, 2016 to govern all transactions between Samsonite Middle East and the other members of the Group in the ordinary and usual course of the Company's business including:

- the purchase and sale by Samsonite Middle East of finished products from and to other members of the Group;
- the receipt and payment by Samsonite Middle East of cross-charges and fees in relation to the sharing of global marketing, promotion, product development and personnel costs between members of the Group; and

- the payment by Samsonite Middle East of royalties in respect of intellectual property rights licensed to Samsonite Middle East.

The Middle East Framework Agreement is effective until December 31, 2018 and may be renewed thereafter, subject to the parties complying with the applicable provisions of the Listing Rules in respect of any such renewal.

The parties to the Middle East Framework Agreement have entered into the Renewed Middle East Framework Agreement for a further period of five months with effect from January 1, 2019, details of which are set out below:

**Date**

December 21, 2018

**Parties**

The Company  
Samsonite Middle East

**Subject Matter**

The Renewed Middle East Framework Agreement was entered into for a period of five months with effect from January 1, 2019 and will expire on May 31, 2019. Save for the duration and renewal provisions of the Renewed Middle East Framework Agreement, all other terms are the same as those in the Middle East Framework Agreement.

Under the Renewed Middle East Framework Agreement, the parties agree to continue transactions between Samsonite Middle East and other members of the Group including:

- the purchase and sale by Samsonite Middle East of finished products from and to other members of the Group;
- the receipt and payment by Samsonite Middle East of cross-charges and fees in relation to the sharing of global marketing, promotion, product development and personnel costs between members of the Group; and
- the payment by Samsonite Middle East of royalties in respect of intellectual property rights licensed to Samsonite Middle East.

All transactions are in the ordinary and usual course of the Company's business and are on normal commercial terms.

The Renewed Middle East Framework Agreement stipulates that all transactions between Samsonite Middle East and the rest of the Group must be on normal commercial terms consistent with those in intra-company transactions between other subsidiaries of the Company, in compliance with the Group's policies for intra-company transactions and in compliance with all applicable provisions of the Listing Rules. The Company has followed at all times its policies for intra-company transactions in relation to all transactions under the Middle East Framework Agreement and will continue to follow these policies in relation to all transactions under the Renewed Middle East Framework Agreement. Purchases and sales by Samsonite Middle East of

finished products from and to other members of the Group are made at prices and on terms that are consistent with the prices and terms applicable to intra-Group purchases made by non-connected members of the Group. The royalties paid by Samsonite Middle East are consistent with the royalty rate and terms paid by the Company's other non-wholly owned subsidiaries.

In addition, on July 14, 2017, Tumi Asia entered into a management services agreement (the "**Management Services Agreement**") with Samsonite Middle East pursuant to the Middle East Framework Agreement relating to the provision of certain management services (the "**Services**") by Samsonite Middle East to assist Tumi Asia to manage and expand sales of Tumi products in the Middle East (the "**Tumi Middle East Business**") and to increase the Tumi brand awareness in the Middle East. The Management Services Agreement is effective until December 31, 2018 and may be renewed thereafter, subject to the parties complying with the applicable provisions of the Listing Rules in respect of any such renewal.

On December 21, 2018, the parties to the Management Services Agreement entered into the Renewed Management Services Agreement for a further period of twelve months with effect from January 1, 2019. Save for the duration and renewal provisions of the Renewed Management Services Agreement, all other terms are the same as those in the Management Services Agreement.

Under the Renewed Management Services Agreement, the Services will be provided by Samsonite Middle East on normal commercial terms, in compliance with the Group's policies for intra-company transactions and in compliance with all applicable provisions of the Listing Rules. Tumi Asia will pay Samsonite Middle East a management service fee calculated as the sum of (a) 5% of the net sales of the Tumi Middle East Business and (b) the cost incurred by Samsonite Middle East for employing a general manager to oversee the provision of the Services and the other expenses incurred by Samsonite Middle East specifically for the provision of the Services which the parties may mutually agree from time to time. The fee payable to Samsonite Middle East was determined by reference to the fee payable by the Group to independent third parties for the provision of services of a similar nature to the Group.

### **Reasons for, and benefits of, the Renewed Middle East Framework Agreement**

The entry into the Renewed Middle East Framework Agreement (including the Renewed Management Services Agreement pursuant to the Renewed Middle East Framework Agreement) for a period of five months from January 1, 2019 will ensure that Samsonite Middle East can continue to (a) enter into transactions with other members of the Group in the ordinary and usual course of the Company's business as an essential part of the Group's global operations and (b) assist Tumi Asia in managing and expanding the Tumi Middle East Business and increasing the Tumi brand awareness in the Middle East.

### **Listing Rules Implications**

Samsonite Middle East is a non-wholly owned subsidiary of the Company and is held as to 40% by Mr. Ramesh Tainwala and members of the Tainwala Group. As Mr. Ramesh Tainwala (i) was a director of the Company until May 31, 2018, he remains a connected person of the Company at the Company level until May 31, 2019 pursuant to Rule 14A.07(2), (ii) is a director of Samsonite Middle East (as nominee of the Tainwala Group) and (iii) is entitled to control the exercise of 10% or more of the voting power in Samsonite Middle East, Samsonite Middle East is a connected person of the Company under Rule 14A.07(5) of the Listing Rules. Accordingly, the Renewed Middle East Framework Agreement and the transactions contemplated thereunder

constitute continuing connected transactions of the Company under Chapter 14A 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 monetary caps for the transactions contemplated under the Renewed Middle East Framework Agreement will be more than 0.1% but less than 5%, such transactions 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.

With effect from June 1, 2019, Mr. Ramesh Tainwala will cease to be a connected person of the Company at the Company level and accordingly, Samsonite Middle East will cease to be a connected person of the Company under Rule 14A.07(5). Accordingly, with effect from June 1, 2019, transactions between Samsonite Middle East and other members of the Group will cease to constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

#### **4. TRANSACTIONS WITH THE TAINWALA GROUP**

##### **Background**

From time to time, members of the Group have entered into transactions with the Tainwala Group. These transactions are entered into in the ordinary and usual course of the Company's business. Mr. Ramesh Tainwala and the Tainwala Group are substantial shareholders in Samsonite India, and Mr. Tainwala is a director of Samsonite India (as a nominee of the Tainwala Group).

Samsonite India has entered into the following agreements with the Tainwala Group which relate to the Group's operations in India in the ordinary and usual course of its business:

- the Abhishri Manufacturing Agreement;
- the Abhishri Framework Agreement;
- the Bagzone Dealership Agreement;
- the Tainwala Leases.

The above agreements expire on December 31, 2018 and on December 21, 2018 were renewed for a further term of one year with effect from January 1, 2019.

All transactions between the Group and the Tainwala Group are on normal commercial terms for the following reasons:

- under the Abhishri Manufacturing Agreement, the price paid by Abhishri to Samsonite India for raw materials and components is based on the current market price paid by Samsonite India, and under the Abhishri Manufacturing Agreement and the 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 Abhishri Manufacturing Agreement and the Abhishri Framework Agreement. The pricing under the Abhishri Manufacturing Agreement and the 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 prices charged by certain other third party manufacturers who are not connected persons under agreements with members of the Group;

- under the 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 Abhishri Framework Agreement. The pricing under the 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;
- under the Bagzone Dealership Agreement, the margin available to Bagzone will be reviewed and amended as necessary from time to time to ensure that the maximum profit margin with respect to products purchased from Samsonite India does not exceed 3% of its net sales of such products. Samsonite India has followed at all times, and will continue to follow, the pricing terms in the Bagzone Dealership Agreement for all transactions with Bagzone. These transactions are on normal commercial terms as the profit margin available to Bagzone is within a range that is reasonably consistent with that made by other third party dealers in India to whom Samsonite India sells products;
- the rent, license fees and administrative charges payable under the Tainwala Leases are within the reasonable range of the then prevailing market rates at their respective dates of execution. Samsonite India has at all times followed, and will continue to follow, its procurement policies in relation to each of the Tainwala Leases.

### **Reasons for, and benefits of, the Transactions with the Tainwala Group**

The entry into the transactions with the Tainwala Group described above will ensure that Samsonite India can continue to (a) have the flexibility to purchase components, finished products and manufacturing services directly from Abhishri where it is commercially preferable for them to do so, (b) sell Samsonite products to Bagzone and Bagzone can continue to operate as a preferred dealer for Samsonite products in India and (c) lease certain existing commercial properties in India which are used for its operations in India.

### **Listing Rules Implications**

As Mr. Ramesh Tainwala (i) was a director of the Company until May 31, 2018, he remains a connected person of the Company at the Company level until May 31, 2019 pursuant to Rule 14A.07(2), (ii) is a director of Samsonite India (as nominee of the Tainwala Group) and (iii) is entitled to control the exercise of 10% or more of the voting power in Samsonite India (which is

held as to 40% by Mr. Ramesh Tainwala and the Tainwala Group), the transactions between the Group and members of the Tainwala Group constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Furthermore, as transactions between the Group and the Tainwala Group are related to the same connected persons of the Company, pursuant to Rule 14A.83, these transactions are aggregated to determine into which category the aggregated transaction falls.

Accordingly, based on the aggregate value of payments made by the Group to the Tainwala Group and payments made to the Group by the Tainwala Group, the highest of the applicable percentage ratios (other than the profits ratio) under the Listing Rules will, on an annual basis, be more than 0.1% but less than 5%. The transactions between the Group and the Tainwala Group will therefore 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.

## 5. MONETARY CAPS FOR CONTINUING CONNECTED TRANSACTIONS

### Existing Annual Caps and Historical Transaction Amounts for the India Framework Agreement

The existing annual caps for transactions under the India Framework Agreement for the three years ending December 31, 2018 and the historical transaction amounts under the India Framework Agreement for the two years ended December 31, 2016 and 2017 and the six months ended June 30, 2018 are set out below:

	<u>Year ended December 31,</u>		<u>Six months</u>
	<u>2016</u>	<u>2017</u>	<u>ended June 30,</u>
			<u>2018</u>
<i>Amounts payable by Samsonite India to the Group</i>			
Annual cap for the year	US\$11.73 million	US\$14.08 million	US\$16.89 million
Actual transaction amount	US\$7.16 million	US\$7.57 million	US\$4.83 million
<i>Amounts payable to Samsonite India by the Group</i>			
Annual cap for the year	US\$26.97 million	US\$32.36 million	US\$38.38 million
Actual transaction amount	US\$14.84 million	US\$16.71 million	US\$12.44 million

### Monetary Caps for the Renewed India Framework Agreement

The monetary caps for the transactions contemplated under the Renewed India Framework Agreement for the period of five months ending May 31, 2019 are set out below:

	<u>Five months ending May 31, 2019</u>
<i>Amounts payable by Samsonite India to the Group</i>	
Monetary cap for the period	US\$4.85 million
<i>Amounts payable to Samsonite India by the Group</i>	
Monetary cap for the period	US\$11.83 million

These monetary caps have been determined primarily on the basis of: (i) estimated annual growth in purchases of raw materials and finished products between Samsonite India and the rest of the Group due to increases in sales and production in line with Samsonite India's current business plan; (ii) estimated growth in royalty payments by Samsonite India to the rest of the Group due to growth in underlying sales; (iii) estimated growth in marketing and development costs in line with Samsonite India's current business plan; and (iv) expected market conditions and exchange rate fluctuations.

### **Existing Annual Caps and Historical Transaction Amounts for the Middle East Framework Agreement**

The existing annual caps for transactions under the Middle East Framework Agreement for the three years ending December 31, 2018 and the historical transaction amounts under the Middle East Framework Agreement for the two years ended December 31, 2016 and 2017 and the six months ended June 30, 2018 are set out below:

	<u>Year ended December 31,</u>		<u>Six months</u>
	<u>2016</u>	<u>2017</u>	<u>ended June 30,</u>
			<u>2018</u>
<i>Amounts payable by Samsonite Middle East to the Group</i>			
Annual cap for the year	US\$7.43 million	US\$8.91 million	US\$10.70 million
Actual transaction amount	US\$4.56 million	US\$5.17 million	US\$2.60 million
<i>Amounts payable to Samsonite Middle East by the Group</i>			
Annual cap for the year	US\$0.53 million	US\$2.00 million	US\$2.40 million
Actual transaction amount	US\$0.05 million	US\$1.07 million	US\$0.56 million

### **Monetary Caps for the Renewed Middle East Framework Agreement**

The monetary caps for the transactions contemplated under the Renewed India Framework Agreement for the period of five months ending May 31, 2019 are set out below:

	<u>Five months ending May 31, 2019</u>
<i>Amounts payable by Samsonite Middle East to the Group</i>	
Monetary cap for the period	US\$4.13 million
<i>Amounts payable to Samsonite Middle East by the Group</i>	
Monetary cap for the period	US\$0.70 million

These monetary caps have been determined primarily on the basis of: (i) estimated annual growth in purchases of finished products by Samsonite Middle East from the rest of the Group due to increased sales in line with Samsonite Middle East's current business plan; (ii) estimated growth in royalty payments by Samsonite Middle East to the rest of the Group due to growth in underlying sales; (iii) estimated growth in marketing and development costs in line with Samsonite Middle East's current business plan; (iv) the management services fee payable by

Tumi Asia to Samsonite Middle East and the estimated annual growth in the Tumi Middle East Business; and (v) expected market conditions.

### **Existing Annual Caps and Historical Transaction Amounts for Transactions with the Tainwala Group**

The existing annual caps for the maximum aggregate amount payable by and to the Group under the transactions with the Tainwala Group for the three years ending December 31, 2018 and the historical aggregate transaction amounts under the transactions with the Tainwala Group for the two years ended December 31, 2016 and 2017 and the six months ended June 30, 2018 are set out below:

	<u>Year ended December 31,</u>		<u>Six months ended June 30,</u>
	<u>2016</u>	<u>2017</u>	<u>2018</u>
<i>Amounts payable by the Group to the Tainwala Group</i>			
Annual cap for the year	US\$22.91 million	US\$23.09 million	US\$25.62 million
Actual transaction amount	US\$7.77 million	US\$11.37 million	US\$8.29 million
<i>Amounts payable to the Group by the Tainwala Group</i>			
Annual cap for the year	US\$16.84 million	US\$20.21 million	US\$24.24 million
Actual transaction amount	US\$10.80 million	US\$11.50 million	US\$6.92 million

### **Annual Caps for Transactions with the Tainwala Group**

The annual caps for the transactions with the Tainwala Group for the year ending December 31, 2019 are set out below:

	<u>Year ending December 31, 2019</u>
<i>Amounts payable by the Group to the Tainwala Group</i>	
Annual cap for the year	US\$19.03 million
<i>Amounts payable to the Group by the Tainwala Group</i>	
Annual cap for the year	US\$17.12 million

These annual caps have been 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 under the Abhishri Manufacturing Agreement and the Bagzone Dealership Agreement 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 under the Tainwala Leases in line with local market conditions; (iii) estimated annual growth in purchases of finished products, components and manufacturing services by the Group from Abhishri under the Abhishri Framework Agreement due to increase in sales in line with the Group's current business plan during the term of the Abhishri Framework Agreement, which expires on December 31, 2019; and (iv) expected market conditions and exchange rate fluctuations.

## **6. DIRECTORS' CONFIRMATIONS**

The Directors (including the independent non-executive Directors) are of the view that the Renewed India Framework Agreement, the Renewed Middle East Framework Agreement, the Renewed Management Services Agreement and the transactions with the Tainwala Group are on normal commercial terms and in the ordinary and usual course of business of the Company, and that the terms of the Renewed India Framework Agreement, the Renewed Middle East Framework Agreement, the Renewed Management Services Agreement and the transactions with the Tainwala Group are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Directors (including the independent non-executive Directors) are of the view that the monetary caps for the period of five months ending May 31, 2019 in respect of the Renewed India Framework Agreement and the Renewed Middle East Framework Agreement and the annual caps for the year ending December 31, 2019 in respect of the transactions with the Tainwala Group are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

None of the Directors has a material interest in the Renewed India Framework Agreement, the Renewed Middle East Framework Agreement or the Renewed Management Services Agreement and the transactions contemplated thereunder, or the transactions with the Tainwala Group, and therefore no other Director abstained from voting on the relevant resolutions of the Board in respect of these agreements or the monetary caps or annual caps (as the case may be) in respect of these agreements and the transactions relating thereto.

## **7. INFORMATION ON THE GROUP**

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.

## **8. 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 controlled by certain members of the Tainwala Group
“Abhishri Framework Agreement”	the framework agreement dated October 9, 2015 (which was renewed with effect from January 1, 2019 for a period expiring on December 31, 2019) between the Company and Abhishri for the sale of finished products, components and manufacturing services to members of the Group
“Abhishri Manufacturing Agreement”	the memorandum of understanding dated January 3, 2009 between Samsonite India and Abhishri, as renewed from time to time, 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
“Bagzone”	Bagzone Lifestyle Private Limited, a company controlled by certain members of the Tainwala Group
“Bagzone Dealership Agreement”	the memorandum of understanding dated November 16, 2009 between Samsonite India and Bagzone (which was renewed with effect from January 1, 2019 for a period expiring on December 31, 2019) pursuant to which, among other things, Bagzone was appointed as a preferred dealer of certain products in India which are sold in exclusive Samsonite retail outlets operated by Bagzone and Bagzone purchases products from Samsonite India to sell in its own multi-brand outlet stores its operates
“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
“India Framework Agreement”	the framework agreement entered into between the Company and Samsonite India to cover all transactions between Samsonite India and the other members of the Group with effect from January 1, 2016 and which will expire on December 31, 2018
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Middle East Framework Agreement”	the framework agreement entered into between the Company and Samsonite Middle East to cover all transactions between Samsonite Middle East and the other members of the Group with effect from January 1, 2016 and which will expire on December 31, 2018
“Renewed India Framework Agreement”	the framework agreement entered into by the Company and Samsonite India on December 21, 2018 for a period of one year from January 1, 2019, details of which are set out in the section headed “The Renewed India Framework Agreement” in this announcement

“Renewed Middle East Framework Agreement”	the framework agreement entered into by the Company and Samsonite Middle East on December 21, 2018 for a period of one year from January 1, 2019, details of which are set out in the section headed “The Renewed Middle East 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
“Samsonite Middle East”	Samsonite Middle East FZCO, 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
“Tainwala Leases”	the license and lease agreements for commercial properties between Samsonite India and members of the Tainwala Group
“Tumi Asia”	Tumi Asia, Limited, a wholly-owned subsidiary of the Company
“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, December 21, 2018

*As of the date of this announcement, the Executive Director is 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.*