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TRINITY LIMITED

利邦控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 891)

CONTINUING CONNECTED TRANSACTIONS

The Board announces that on 24 July 2017, the Company entered into the Master Agreement with FH 1937 for a term commencing on 1 August 2017 and ending on 31 December 2019 in connection with the property leasing and/or licensing arrangements in Hong Kong with the FH 1937 Group.

As FH 1937 is a substantial shareholder of the Company, members of the FH 1937 Group (other than the Group) are connected persons of the Company. The Transactions constitute continuing connected transactions for the Company under the Listing Rules. As the highest of the applicable percentage ratios calculated with reference to the Annual Caps for the Transactions is more than 0.1% but less than 5%, the Transactions are subject to the reporting, announcement and annual review requirements but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

To cope with the recent restructuring, the Directors consider that it is in the interest of the Group to enter into the Master Agreement with FH 1937 to provide a framework for the property leasing and/or licensing arrangements in Hong Kong between the Group and the FH 1937 Group for a term commencing on 1 August 2017 and ending on 31 December 2019 subject to the Annual Caps, details of which are set out below.

MASTER AGREEMENT

Date

24 July 2017

Parties

- (1) The Company
- (2) FH 1937, a substantial shareholder of the Company

Transaction Nature

The Transactions are related to the leasing of properties and/or granting of the licensing right to use properties (or any part thereof) in Hong Kong by the FH 1937 Group to the Group.

The Company and FH 1937 will endeavour to procure their respective members to comply with the terms of the Master Agreement in respect of the Transactions contemplated thereunder.

Term

From 1 August 2017 to 31 December 2019

Pricing Basis

Pursuant to the Master Agreement, the rentals and the licence fees shall be determined by the relevant members of the FH 1937 Group and the relevant members of the Group under arm's length negotiation at the time when they enter into a Relevant Agreement with reference to the Group's specific requirements as well as the prevailing market rates and shall be determined with reference to open market rents of comparable properties. The FH 1937 Group will lease properties and/or grant licensing right to use properties (or any part thereof) in Hong Kong to the Group at market rates or at rates no less favourable to the Group than those available to any other independent third parties. When determining the terms of the Transaction(s), the Group will also take into account a number of factors including the location as well as the facilities and management services associated with the premises; and also will benchmark the market rental rates of other comparable properties so as to ensure that the terms offered by the FH 1937 Group are fair and reasonable.

Payment Terms

The rentals and/or licence fees under the Master Agreement will be made in cash by the Group to the FH 1937 Group.

Annual Caps (2017 – 2019)

The Annual Caps of the aggregate rentals and/or licence fees payable by the Group to the FH 1937 Group for the Transactions contemplated under the Master Agreement for the 5 months ending 31 December 2017 and each of the two years ending 31 December 2018 and 2019 are set out below:

5 months ending 31 December 2017	Year ending 31 December 2018	Year ending 31 December 2019
<hr/> HK\$4,300,000	<hr/> HK\$10,500,000	<hr/> HK\$11,500,000

The above annual caps refer to the aggregate rentals and/or licence fees payable to the FH 1937 Group for properties in Hong Kong under the Master Agreement.

The above Annual Caps under the Master Agreement were determined based on the current rentals for the Hong Kong properties to be leased or licensed to the Group from the FH 1937 Group and after taking into account an estimated demand for additional space for office, warehouse or store premises, etc, to cope with the business needs of the Group.

REASONS AND BENEFITS OF ENTERING INTO THE TRANSACTIONS

By entering into the Master Agreement, the Group can benefit from reduced cost and enhanced operational efficiency by staying with other members of the FH 1937 Group in the same location in Hong Kong.

The terms of the Master Agreement were agreed upon after arm's length negotiations between the Group and the FH 1937 Group. The Directors (including the independent non-executive Directors) consider that the Master Agreement was entered into on normal commercial terms after arm's length negotiation between the parties and in the ordinary and usual course of business of the Group, and that the terms of the Master Agreement and the Annual Caps are fair and reasonable and the Transactions contemplated thereunder are in the interests of the Company and its shareholders as a whole.

Dr Victor Fung Kwok King and Dr William Fung Kwok Lun, both being directors of the Company and FH 1937, are considered to have a material interest in the Transactions, and therefore abstained from voting on the board resolutions for approving the Master Agreement and the Transactions. Ms Sabrina Fung Wing Yee (a Director of the Company), being the daughter of Dr Victor Fung Kwok King, and Mr Terence Fung Yue Ming (a Director of the Company), being the son of Dr William Fung Kwok Lun, also abstained from voting on the said board resolutions for approving the Master Agreement and the Transactions.

INFORMATION ON THE PARTIES

The Group is principally engaged in the retailing and wholesale of premium menswear in Greater China, Singapore and Europe, as well as licensing its fully owned brands globally.

FH 1937 is an investment holding company and the FH 1937 Group focuses on four main businesses, namely trading, logistics, distribution and retailing.

LISTING RULES IMPLICATIONS

As FH 1937 is a substantial shareholder of the Company, members of the FH 1937 Group (other than the Group) are connected persons of the Company. The Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios calculated with reference to the Annual Caps for the Transactions is more than 0.1% but less than 5%, the Transactions are subject to the reporting, announcement and annual review requirements but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Annual Caps”	maximum aggregate annual value of the Transactions projected under the Master Agreement for 5 months ending 31 December 2017 and each of the two years ending 31 December 2018 and 2019
“associate(s)”	has the meaning ascribed to it by the Listing Rules
“Board”	the board of Directors
“Company”	Trinity Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it by the Listing Rules
“Director(s)”	the director(s) of the Company
“FH 1937”	Fung Holdings (1937) Limited, a company incorporated in Hong Kong with limited liability, and a substantial shareholder of the Company
“FH 1937 Group”	FH 1937 and its associates (including Li & Fung Limited and Global Brands Group Holding Limited and their respective subsidiaries) but excluding the Group
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Master Agreement”	the master agreement dated 24 July 2017 in respect of the leasing of properties and/or granting of licensing right to use properties (or any part thereof) in Hong Kong by the FH 1937 Group to the Group for a term from 1 August 2017 to 31 December 2019
“percentage ratios”	has the meaning ascribed to it by the Listing Rules
“Relevant Agreement(s)”	the individual agreement(s) to be entered into between the Group and the FH 1937 Group for the Transactions from time to time

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it by the Listing Rules
“substantial shareholder”	has the meaning ascribed to it by the Listing Rules
“Transactions”	The leasing of properties and/or granting of licensing right to use properties (or any part thereof) in Hong Kong by the FH 1937 Group to the Group as contemplated under the Master Agreement
“%”	per cent

By Order of the Board
Jeremy Paul Egerton HOBBS
Chief Executive Officer & Executive Director

Hong Kong, 24 July 2017

As at the date of this announcement, the Board comprises two executive directors, namely Mr Jeremy Paul Egerton HOBBS and Mr Srinivasan PARTHASARATHY; six non-executive directors, namely Dr Victor FUNG Kwok King, GBM, GBS, CBE, Dr William FUNG Kwok Lun, SBS, OBE, JP, Ms Sabrina FUNG Wing Yee, Mr Terence FUNG Yue Ming, Mr Jean-Marc LOUBIER and Mr WONG Yat Ming; and four independent non-executive directors, namely Mrs Eva CHENG LI Kam Fun, Mr Cassian CHEUNG Ka Sing, Mr Michael LEE Tze Hau and Mr Patrick SUN.

** For identification purposes only*