TRINITY LIMITED
利邦控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 891)

ACQUISITION OF THE CERRUTI BUSINESS
DISCLOSEABLE TRANSACTION

The Board is pleased to announce that the Purchaser, a wholly-owned subsidiary of the Company and the Company (as guarantor) have today entered into a Sale and Purchase Agreement with the Seller and Cerruti Holdings, pursuant to which the Purchaser will acquire 100% interest in Cerruti Holdings for a total cash consideration of not exceeding Euro 52,575,000 (approximately HK$538,894,000).

The Acquisition is subject to the satisfaction (and/or waiver, if applicable) of the Conditions and may or may not complete. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

As the applicable percentage ratios for the Acquisition under the Listing Rules are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

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THE SALE AND PURCHASE AGREEMENT

Date

22 December 2010

Parties

(1) the Seller

(2) the Purchaser, a wholly-owned subsidiary of the Company

(3) the Company (as guarantor in respect of the Purchaser's obligations and liabilities under the Sale and Purchase Agreement)

(4) Cerruti Holdings

To the best of knowledge, information and belief of the Directors, having made all reasonable enquiries, the Seller and its ultimate beneficial owners are third parties independent of the Company and any connected persons (as defined in the Listing Rules) of the Company.

Assets to be acquired

Pursuant to the Sale and Purchase Agreement, the Purchaser has agreed to acquire, and the Seller has agreed to sell, 100% of the share capital of Cerruti Holdings and the Shareholder Loans that will remain outstanding as at the date of Completion.

Consideration

The Consideration payable by the Purchaser for the Acquisition in an aggregate amount of not exceeding Euro 52,575,000 (approximately HK$538,894,000) comprises:

(a) the Down Payment in the amount of Euro 15 million (approximately HK$154 million), which was paid by the Purchaser to the Seller upon signing of the Sale and Purchase Agreement;

(b) the non-refundable break up costs in the aggregate amount of (i) an amount of Euro 185,000 (approximately HK$1,896,000), which was paid by the Purchaser to the Seller upon signing of the Sale and Purchase Agreement; and (ii) an additional amount of Euro 640,000 (approximately HK$6,560,000), which shall be paid by the Purchaser to the Seller by no later than 5 Business Days following the Purchaser being notified of the satisfaction of the Settlement Condition (as defined in the paragraph headed "Conditions and Completion" below);

(c) such amount that equals to the aggregate net amount standing to the credit of the bank accounts of the Cerruti Group (other than those pledged accounts) as at the date of Completion less Euro 100,000 (approximately HK$1,025,000), subject to a maximum of Euro 750,000 (approximately HK$7,688,000), which shall be paid by the Purchaser to the Seller by no later than 3 Business Days after the date of Completion;

(d) the Buyer Settlement Payment (as defined in the paragraph headed "Conditions and Completion" below) in the amount of not exceeding Euro 15 million (approximately HK$154 million), if any; and

(e) the balance payment to be made by the Purchaser to the Seller at Completion in the amount of Euro 36 million (approximately HK$369 million) less the Buyer Settlement Payment (if any).

The Consideration was negotiated on an arm's length basis between the parties of the Sale and Purchase Agreement and based upon various factors including the future earning potentials of other comparable transactions in the market.

The Consideration will be financed by the proceeds from the Company's initial public offering and the Group's internal resources (including available banking facilities).

Conditions and Completion

Completion is subject to the satisfaction of the following Conditions:-

(a) settlement of all existing claims with regard to the shares of Cerruti 1881 Co and the trademarks owned by Cerruti 1881 Co (including the release of all existing charges) (the "**Settlement Condition**"); and

(b) completion of the disposal of Toga Pt Lux SARL such that the share capital of the Excluded Entities is no longer held by the Cerruti Group and that all indebtedness of Toga Pt Lux SARL to the Cerruti Group shall have been repaid, waived or cancelled (the "**Carve-Out Condition**").

The Seller is entitled to use the Down Payment for the purpose of satisfying the Settlement Condition. Within 40 days of the date of the Sale and Purchase Agreement, if the Settlement Condition has not been satisfied, the Purchaser shall be entitled to undertake and finance any steps and actions as are necessary to procure the satisfaction of the Settlement Condition up to Euro 15 million (approximately HK$154 million) (the "**Buyer Settlement Payment**"). If the Settlement Condition has not been satisfied on or before the date falling 55 days after the date of the Sale and Purchase Agreement (or such later date as the Seller and the Purchase may agree in writing), the Down Payment will be refunded to the Purchaser and the Sale and Purchase Agreement shall terminate as of right.

If the Carve-Out Condition has not been satisfied by the Seller within 100 days of the date of the Sale and Purchase Agreement, the Purchaser is entitled to waive, or oblige the Seller to procure by no later than the date of Completion, satisfaction of the Carve-Out Condition and if the Purchaser does not exercise such right, the Sale and Purchase Agreement shall terminate as of right.

Completion shall take place on a date to be agreed between the Purchaser and the Seller, which shall not be earlier than 12 January 2011, and as soon as reasonably practicable following (i) satisfaction of the Settlement Condition; and (ii) satisfaction or waiver of the Carve-Out Condition, or at such other time as may be agreed between the Seller and the Purchaser, which shall not be later than 100 days after the date of the Sale and Purchase Agreement.

If Completion has not occurred within 100 days of the date of the Sale and Purchase Agreement, and subject to satisfaction of the Settlement Condition and the satisfaction or waiver of the Carve-Out Condition, the Seller and the Purchaser shall be entitled to seek relief from the Paris Tribunal de Commerce through specific performance of the other party's obligations under the Sale and Purchase Agreement.

INFORMATION ABOUT CERRUTI HOLDINGS AND THE CERRUTI BUSINESS

Cerruti Holdings is a private limited liability company incorporated in Luxembourg, which directly and indirectly owns the Cerruti Business and various Cerruti trademarks. The Cerruti Business operates in France, Switzerland and Japan through various licensing and distribution arrangements globally and a flagship store in France at 3, Place de la Madeleine, Paris.

The Cerruti brand was founded by the Cerruti family in Italy in 1881. Nino Cerruti took over the family business in 1950. In 1967 Nino Cerruti made an enormous impact with a new modern approach for dressing men with the development of Ready-to-Wear for men's in Paris and the pioneering of the flagship boutique at 3, Place de la Madeleine. This shop remains the Cerruti flagship since then.

Cerruti is now a world renowned brand, with a maison that has enriched the brand and all its labels with great acclaim. There are few iconic brands that have authentic French heritage, Italian flair and style, strength in menswear and global appeal. Cerruti has many opportunities to manage and develop the brands, licensees and increase consumer appeal for the unique heritage and culture of Cerruti. Despite a prolonged period of financial difficulties, the Cerruti brand continues to have a worldwide appeal.

The combined loss before taxation and after taxation for each of the two years ended 31 December 2009, and the combined net liability as at 30 September 2010 of Cerruti Holdings and the Acquired Entities, based on the Unaudited Combined Financial Information are set out below: –

(i) Loss before and after taxation

	Loss before taxation	**Loss after taxation**
For the year ended 31 December 2008	Euro 9,065,000 (approximately HK$104,157,000)	Euro 9,025,000 (approximately HK$103,697,000)
For the year ended 31 December 2009	Euro 7,598,000 (approximately HK$82,134,000)	Euro 8,053,000 (approximately HK$87,053,000)

Note: The HK$ figures for the years ended 31 December 2008 and 2009 are translated at the average exchange rates in 2008 (Euro 1.00 = HK$11.49) and 2009 (Euro 1.00 = HK$10.81), respectively. The exchange rates are obtained from Bloomberg.

(ii) Net liability

	Net liability
As at 30 September 2010	Euro 67,640,000 (approximately HK$711,573,000)

Notes:

1 The HK$ figure is calculated based on the exchange rate of Euro 1.00 = HK$10.52, being the exchange rate as at 30 September 2010 based on Bloomberg.

2 A goodwill impairment of Euro 35,442,000 (approximately HK$372,850,000) was recognised in the Unaudited Combined Financial Information for the nine months period ended 30 September 2010.

3 The combined net liability as at 30 September 2010 of Euro 67,640,000 includes:

(a) the Shareholder Loans as at 30 September 2010 in the amount of Euro 75,858,000 (approximately HK$798,026,000), of which Euro 61,753,000 (approximately HK$649,642,000) and Euro 14,105,000 (approximately HK$148,385,000) were classified as 'liabilities' and 'equity' in the Unaudited Combined Financial Information, respectively. Any Shareholder Loans that will remain outstanding as at the date of Completion will be acquired by the Purchaser at Completion; and

(b) an indebtedness of Euro 50,000,000 (approximately HK$526,000,000), which will be extinguished by the Seller prior to Completion as contemplated under the Settlement Condition.

Assuming that the extinguishment, cancellation and/or acquisition of loans as mentioned in Notes 3 (a) and (b) had been completed as at 30 September 2010, the combined ***net asset value*** as at 30 September 2010 of Cerruti Holdings and the Acquired Entities would have been amounted to Euro 44,113,000 (approximately HK$464,069,000).

REASONS OF AND BENEFITS FOR THE ACQUISITION

The Group principally engages in the retailing of high-end to luxury menswear under self-owned brand and licensed brands in the Greater China Region.

The Acquisition fits in with the Group's strategy to own intellectual property rights or take on very long term licenses in high-end to luxury menswear brands with heritage. Products under the Cerruti 1881 brand generate a meaningful portion of the Group's revenue.

The Group currently has the exclusive licence right to wholesale, retail, import, distribute and market menswear products under the Cerruti 1881 brand and the right to manufacture the menswear products under the Cerruti 1881 brand in the regions of Chinese Mainland, Hong Kong, Macau and Taiwan. The current license agreement will expire in 2013.

The Acquisition will provide the following benefits to the Group:

- The Acquisition allows the Group to exercise full control of the Cerruti brand to enhance the brand value by:

  – the maintenance of the high brand image and the consistent delivery of premium product design through the Madeleine flagship store and the core design team in Paris;

  – working closer to cooperate and support the various licensees, and align the range of licensed merchandises to position the Cerruti brand as a high-end lifestyle brand;

  which would realise the full benefit of its marketing initiatives in Greater China as the formal Cerruti menswear apparel business in Greater China, which is licensed to the Group, represents a large portion of the brand value globally.

- The Acquisition also provides the Group with the flexibility to expand product categories through key initiatives including the management of non-apparel product lines such as leather goods, perfumes and watches of the Cerruti business.

- The Acquisition can eliminate any uncertainty regarding the renewal of the Cerruti licensing agreement, and the risk of potential increases in royalty payments at renewal.

- A one-time acquisition consideration may be more economical to the Group compared to ongoing royalty payments.

Following completion of Acquisition, the Group intends to improve the overall business performance of Cerruti Holdings through certain business enhancement initiatives. The existing Paris headquarters and Madeleine flagship store will remain a critical part in the building of the Cerruti brand and the support for global licensees. The Group can also leverage its existing operating platform and store network to expand the Cerruti business in Asia.

The Directors have set a target, primarily through the aforementioned strategies, to turn around the Cerruti Business in the financial year ending 31 December 2011. The Directors believe the strategies to be implemented will lay down a solid foundation for the Cerruti brand's future growth in Greater China and globally, and will be complementary to the Group's existing business strategy.

The Directors consider that the terms of the Acquisition are fair and reasonable, and are in the interest of the Group and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios for the Acquisition under the Listing Rules are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

The Acquisition is subject to the satisfaction (and/or waiver, if applicable) of the Conditions and may or may not complete. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

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

"Acquired Entities"	the subsidiaries of Cerruti Holdings established in France, Switzerland and Japan, which operate the Cerruti Business, including Toga Investments France SARL, Cerruti 1881 SAS, Kabushiki Kaisha Cerruti Japan Corporation Ltd. and Cerruti Group Service (C.G.S.) Suisse SA. All of the Acquired Entities are wholly-owned subsidiaries of Cerruti Holdings except that Kabushiki Kaisha Cerruti Japan Corporation Ltd. is owned as to 97.8% by Cerruti Holdings and 2.2% by an independent third party
"Acquisition"	acquisition of 100% of the share capital of Cerruti Holdings and the Shareholder Loans that will remain as at Completion by the Purchaser from the Seller at Completion pursuant to the Sale and Purchase Agreement
"Board"	the board of Directors
"Business Day"	a day (other than a Saturday or Sunday) on which banks are open in France and in the United States for the transaction of general business
"Cerruti 1881 Co"	Cerruti 1881 SAS, a Société par actions simplifiée incorporated in France, being one of the Acquired Entities
"Cerruti Business"	the apparel, fragrances, formal and casual apparel, watches and accessories businesses carried out under the brand Cerruti operated by the Cerruti Group
"Cerruti Group"	Cerruti Holdings and the Acquired Entities
"Cerruti Holdings"	Toga Investments SARL, a private limited liability company incorporated in Luxembourg
"Company"	Trinity Limited, a company incorporated in Bermuda whose shares are listed on the Main Board of the Stock Exchange
"Completion"	completion of the Acquisition
"Conditions"	conditions precedent to Completion

“Consideration”	the total cash consideration for the Acquisition in the amount of not exceeding Euro 52,575,000 (approximately HK$538,894,000) payable by the Purchaser pursuant to the Sale and Purchase Agreement
“Directors”	directors of the Company
“Down Payment”	part payment of the Consideration in the amount of Euro 15 million (approximately HK$154 million)
“Excluded Entities”	Toga Pt Lux SARL (a subsidiary of Cerruti Holdings) and its subsidiaries established in Germany, Spain and Italy
“Euro”	Euro, the lawful currency of certain member states of the European Union (including but not limited to France)
“Greater China”	Chinese Mainland, Hong Kong, Macau and Taiwan
“Group”	the Company and its subsidiaries
“HK$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of the Securities on the Stock Exchange
“Purchaser”	Concord Distributions Limited, a company incorporated in Hong Kong, being a wholly-owned subsidiary of the Company
“Sale and Purchase Agreement”	the sale and purchase agreement dated 22 December 2010 entered into between the Purchaser, the Seller, the Company (as guarantor) and Cerruti Holdings in relation to the Acquisition
“Seller”	Toga Cayman LP, a limited partnership established in the Cayman Islands held by United States based investment fund MatlinPatterson Global Opportunities Partners II L.P. and certain of its affiliates. Toga Cayman LP is principally engaged in the business of acquiring companies and investing in their development, being the owner of Cerruti Holdings
“Shareholder(s)”	shareholder(s) of the Company
“Shareholder Loans”	the indebtedness of Cerruti Holdings due to the Seller or its affiliates, including such indebtedness in the form of preferred equity certificates issued by Cerruti Holdings to the Seller
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Unaudited Combined Financial Information”	the unaudited combined balance sheets and income statements of Cerruti Holdings and each of the Acquired Entities for each of the years ended 31 December 2008 and 2009 and the nine-month period ended on 30 September 2010, prepared under the International Financial Reporting Standards, incorporating an impairment of goodwill at 30 September 2010 and excluding the Excluded Entities.

For the purposes of this announcement, unless otherwise stated, the exchange rate of Euro 1.00 = HK$10.25 has been used for currency translation, where applicable. Such exchange rate is for illustration purposes only and does not constitute representations that any amount in Euro or HK$ has been, could have been or may be converted at such rate.

By Order of the Board
Victor FUNG Kwok King
Chairman

Hong Kong, 22 December 2010

As at the date of this announcement, the Board comprises three executive directors, namely Mr WONG Yat Ming, Mr Bruno LI Kwok Ho and Ms Sabrina FUNG Wing Yee; four non-executive directors, namely Dr Victor FUNG Kwok King, GBM, GBS, CBE, Dr William FUNG Kwok Lun, SBS, OBE, JP, Mr Jeremy Paul Egerton HOBBINS and Mr Jose Hosea CHENG Hor Yin; and four independent non-executive directors, namely Mr Patrick SUN, Mr Cassian CHEUNG Ka Sing, Mr Michael LEE Tze Hau and Mr Jean-Marc LOUBIER.

** For identification purposes only*