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Incorporated in Bermuda with limited liability
Stock Code: 494

GRANT OF AWARDS AND ISSUE OF NEW SHARES PURSUANT TO SHARE AWARD SCHEME

The Board announces that on 21 November 2019, it has resolved to grant Awards for a total of 70,229,000 Shares to 394 Eligible Persons pursuant to the Share Award Scheme, among whom (i) 389 are Unconnected Grantees and (ii) 5 are Connected Grantees including two executive Directors of the Company, Spencer Theodore Fung and Joseph C. Phi and one non-executive Director of the Company, Marc Robert Compagnon. As at the date of this announcement, the Trustee is a third party independent of the Company and its connected persons and held 15,177,100 Shares which can be applied to satisfy Awards to Unconnected Grantees in accordance with the terms of the Share Award Scheme. Accordingly, 22,711,000 Purchased Award Shares will be purchased from the open market to satisfy Awards to Connected Grantees, and the Board has further resolved to allot and issue 32,340,900 Issue Award Shares to the Trustee at nominal value to satisfy Awards to Unconnected Grantees pursuant to the terms of the Share Award Scheme and the Scheme Mandate. No new funds will be raised as a result of the aforesaid allotment and issue. The Trustee will hold the Award Shares on trust for the Selected Participants and will transfer the same to them at no cost upon satisfaction of the relevant vesting conditions specified by the Board at the time of making the Awards. Each of the Awards granted to the Connected Grantees has been approved by all the independent non-executive Directors of the Company. Details of the grants are as follows:

Grantees	No. of Award Shares
Spencer Theodore Fung	6,226,000
Joseph C. Phi	6,226,000
Marc Robert Compagnon	6,226,000
2 other Connected Grantees	4,033,000
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	22,711,000
389 Unconnected Grantees	47,518,000
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Total	<u>70,229,000</u>

Out of 70,229,000 Award Shares, 3,612,000 Award Shares will be vested in three tranches with the vesting date on 31 December of each year from 2019 to 2021, i.e. one year after completion of service year of 2018. The balance of 66,617,000 Award Shares will be vested in three tranches with the vesting date on 31 December of each year from 2020 to 2022, i.e. one year after completion of service year of 2019.

Following the aforesaid grants, Awards for a total of 238,911,700 Award Shares (representing approximately 95.26% of the scheme limit of the Share Award Scheme and excluding 37,474,300 Award Shares that have been unvested/forfeited as at 31 October 2019 in accordance with the Share Award Scheme) have been granted pursuant to the Share Award Scheme and 11,900,249

Shares are available for grant of Awards in the future by the Board under the Share Award Scheme, representing approximately 0.14% of the Shares in issue.

The closing price of the Shares on the date of grant of the Awards was HK\$0.86. The Issue Award Shares represent (i) approximately 0.38% of the total issued Shares of the Company as at the date of this announcement; and (ii) approximately 0.38% of the total issued Shares of the Company as enlarged by such allotment and issue.

Save for the above issue of 32,340,900 Shares at nominal value pursuant to the Share Award Scheme and the Scheme Mandate, the Company has not issued any other Shares nor engaged in any fund raising activities by any issue of Shares in the 12 months immediately preceding the date of this announcement.

The Issue Award Shares, when issued and fully paid, shall rank *pari passu* among themselves and with the other Shares in issue, with rights to receive all dividends and other distributions declared, made or paid on or after the date of allotment of issue.

The Listing Committee of the Stock Exchange has granted the listing of, and permission to deal in, new Shares underlying any Awards which may be granted pursuant to the Share Award Scheme.

DEFINITIONS

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

associate(s) chief executive(s), connected person(s), substantial shareholder(s)	each has the meaning as described in the Listing Rules
Award	an award granted by the Board to a Selected Participant pursuant to Share Award Scheme
Award Shares	the Shares granted under the Share Award Scheme to a Selected Participant, including Issue Award Shares and Purchased Award Shares
Board	the board of Directors
Company	Li & Fung Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Stock Exchange
Connected Grantees	Selected Participants who are connected persons of the Company
Director(s)	the director(s) of the Company
Eligible Person	any individual, being an employee, director, officer, consultant or advisor of any member of the Group or its affiliate (as defined in the Share Award Scheme) who the Board considers, in its sole discretion, to have contributed or will contribute to the Group
Group	the Company and its subsidiaries

Issue Award Shares	new Shares to be allotted and issued by the Company to satisfy Awards granted pursuant to the Share Award Scheme
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
Purchased Award Shares	existing Shares held or to be purchased from the open market by the Trustee to satisfy Awards granted pursuant to the Share Award Scheme
Scheme Mandate	a mandate granted to the Directors at the annual general meeting of the Company held on 21 May 2015 to allot and issue up to a total of 250,811,949 Shares, i.e. 3% of the total number of issued Shares as at 21 May 2015
Selected Participant	any Eligible Person approved by the Board for participation in the Share Award Scheme and who has been granted an Award pursuant to the Share Award Scheme
Share(s)	ordinary share(s) of HK\$0.0125 each in the share capital of the Company
Share Award Scheme	the share award scheme adopted by the Shareholders at the annual general meeting held on 21 May 2015
Shareholder(s)	holder(s) of Share(s) in issue
Stock Exchange	The Stock Exchange of Hong Kong Limited
Trustee	Computershare Hong Kong Trustees Limited, a company incorporated in Hong Kong
Unconnected Grantees	Selected Participants who are third party independent of the Company and its connected persons
HK\$	Hong Kong dollar, the lawful currency of Hong Kong
%	per cent

By Order of the Board
William FUNG Kwok Lun
Group Chairman, Li & Fung Limited

Hong Kong, 21 November 2019

As at the date of this announcement, Executive Directors of the Company are William Fung Kwok Lun (Group Chairman), Spencer Theodore Fung (Group Chief Executive Officer) and Joseph C. Phi; Non-executive Directors are Victor Fung Kwok King (Honorary Chairman) and Marc Robert Compagnon; Independent Non-executive Directors are Allan Wong Chi Yun, Martin Tang Yue Nien, Margaret Leung Ko May Yee, Chih Tin Cheung and John G. Rice.