

23 May 2019

Mr. Marc Robert Compagnon
House 76, Cedar Drive
The Redhill Peninsula
18 Pak Pat Shan Road
Tai Tam, Hong Kong

Dear Marc,

Following your re-election at today's annual general meeting, we would like to confirm the terms of your appointment as non-executive director of Li & Fung Limited (the "**Company**") as follows:

1. Your appointment as non-executive director of the Company shall be for a term from 23 May 2019 to 31 December 2021, provided that your appointment hereunder shall be automatically terminated immediately upon your ceasing to be a director of the Company in accordance with the provisions of the Bye-laws of the Company as amended from time to time (the "**Bye-laws**"). You will note that in particular, you are subject to retirement by way of rotation at least once every three years at annual general meeting of the Company and shall be eligible for re-election.
2. You shall be paid a remuneration (the "**Remuneration**") for each financial year by way of director's fee, the amount of which shall be subject to the obtaining of all necessary approvals set out in the Bye-laws and approval at the annual general meeting of the Company. The current director's fee is listed in Appendix A which was approved by the shareholders at the annual general meeting of the Company held on 15 May 2014. For the financial year during which your appointment hereunder commences or terminates, the Remuneration will be calculated on a pro rata basis. The Remuneration is payable in arrears within one month after the expiry of a financial year or the termination of your appointment hereunder. In addition, the Company shall reimburse you all reasonable out-of-pocket expenses incurred by you in the proper performance of your duties (including expenses of entertainment, subsistence and travelling) to be evidenced in such manner as the Company may require.
3. Directors' and Officers' Liability Insurance in respect of your appointment has been arranged by the Company, subject to any contrary provisions of the Bye-laws and the laws of Bermuda as may be in force from time to time.

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4. You shall perform such functions and exercise such powers as are appropriate to your position as non-executive director of the Company or, if applicable, such member of any committee of the board of directors of the Company. This will, among other things, include attending board meetings and general meetings of the Company and meetings of any board committees of which you become a member.
5. You shall comply with all laws and regulations applicable to the Company including, without prejudice to the generality of the foregoing, all laws and regulations from time to time in force with respect to confidentiality, dealings in shares and notifications required to be made by a director to the Company and/or any other regulatory body. In addition, you will observe, and use your best endeavours to procure that the Company observes, the rules and regulations of The Stock Exchange of Hong Kong Limited.

The terms of this letter shall be governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region of the People's Republic of China.

Please sign and return to us the duplicate copy of this letter to indicate your acceptance of its terms.

Yours faithfully,
For and on behalf of
LI & FUNG LIMITED



William K. Fung
Group Chairman

I accept the terms of appointment as set out above.



Marc Robert Compagnon

Date: May 27, 2019

Appendix A

The director's fee and additional director's fee to non-executive directors who serve on board committees which had been approved by the shareholders at the annual general meeting of the Company held on 15 May 2014 are as follows:

	<u>HK\$</u>
	<i>(per each financial year)</i>
(A) Board	
(i) Chairman	300,000
(ii) Members	300,000
(B) Audit Committee	
(i) Chairman	200,000
(ii) Members	100,000
(C) Remuneration Committee	
(i) Chairman	100,000
(ii) Members	50,000
(D) Nomination Committee	
(i) Chairman	100,000
(ii) Members	50,000
(E) Risk Management & Sustainability Committee	
(i) Chairman	100,000
(ii) Members	50,000