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GOLDEN LINCOLN HOLDINGS I LIMITED

(incorporated in the Cayman Islands with limited liability)



LI & FUNG LIMITED

*Incorporated in Bermuda with limited liability
Stock Code: 494*

JOINT ANNOUNCEMENT

**(1) PROPOSAL FOR THE PRIVATISATION OF
LI & FUNG LIMITED BY THE OFFEROR
BY WAY OF
A SCHEME OF ARRANGEMENT
UNDER SECTION 99 OF THE COMPANIES ACT**

**(2) PROPOSED WITHDRAWAL OF LISTING OF
LI & FUNG LIMITED**

(3) SANCTION OF THE SCHEME BY THE COURT

(4) EXPECTED EFFECTIVE DATE OF THE SCHEME

AND

(5) EXPECTED DATE OF WITHDRAWAL OF LISTING OF THE SHARES

Financial Adviser to the Offeror

Morgan Stanley

Morgan Stanley Asia Limited

Financial Advisers to the Company



**Citigroup Global Markets
Asia Limited**



**The Hongkong and Shanghai
Banking Corporation Limited**

**Financial Adviser to
Fung Holdings (1937) Limited**

**Goldman
Sachs**

Goldman Sachs (Asia) L.L.C.

**Independent Financial Adviser
to the Independent Board Committee**



**PLATINUM
Securities**

Platinum Securities Company Limited

INTRODUCTION

We refer to (i) the composite scheme document jointly issued by Li & Fung Limited (the “**Company**”) and Golden Lincoln Holdings I Limited (the “**Offeror**”) dated 20 April 2020 (the “**Scheme Document**”) in relation to, amongst other things, the proposed privatisation of the Company by the Offeror by way of a scheme of arrangement under section 99 of the Companies Act and the proposed withdrawal of listing of the Company; and (ii) the announcement jointly issued by the Company and the Offeror dated 12 May 2020 in relation to, amongst other things, the results of the Court Meeting and the SGM (the “**Results Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Scheme Document.

SANCTION OF THE SCHEME

The Scheme was sanctioned (without modification) by the Court on Thursday, 21 May 2020 (Bermuda time).

UPDATE ON CONDITIONS OF THE PROPOSAL

As at the date of this announcement, the implementation of the Proposal is still subject to the fulfilment of Conditions (d), (h), (i) and (j) as set out in the section headed “*Conditions of the Proposal*” in the Explanatory Statement on pages 100 to 103 of the Scheme Document, and therefore the Proposal may or may not become effective.

Set out below are further details of Conditions (d), (h), (i) and (j):

- (d) the Court’s sanction of the Scheme (with or without modifications) and the delivery to the Registrar of Companies in Bermuda of a copy of the order of the Court for registration;
- (h) all Approvals which are (i) required in connection with the Proposal by Applicable Laws or any licenses, permits or contractual obligations of the Company; and (ii) material in the context of the Group (taken as a whole), having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification up to and as at the Effective Date;
- (i) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal); and
- (j) all Applicable Laws having been complied with and no legal or regulatory requirement having been imposed by any Authority which is not expressly provided for, or is in addition to the requirements expressly provided for, in the Applicable Laws in connection with the Proposal which are material in the context of the Group (taken as a whole), in each case up to and as at the Effective Date.

A copy of the order of the Court sanctioning the Scheme is expected to be delivered to the Registrar of Companies in Bermuda for registration on or by Tuesday, 26 May 2020 (Bermuda time) whereupon Condition (d) will be fulfilled.

EXPECTED EFFECTIVE DATE OF THE SCHEME

Assuming that all the Conditions are fulfilled or validly waived (as applicable), it is expected that the Scheme will become effective on Tuesday, 26 May 2020 (Bermuda time). An announcement will be made when the Scheme has become effective.

The Scheme will lapse if it does not become effective on or before 30 September 2020 (being the Long Stop Date). The Offeror and the Company will make further announcement(s) as and when necessary.

EXPECTED DATE OF WITHDRAWAL OF LISTING OF THE SHARES

An application for the withdrawal of the listing of the Shares on the Stock Exchange has been made and the Stock Exchange has approved the withdrawal of the listing of the Shares on the Stock Exchange with effect from 4:00 p.m. on Wednesday, 27 May 2020, subject to the Scheme becoming effective.

EXPECTED TIMETABLE

There is no change to the information disclosed in the section headed “Expected Timetable” in the Results Announcement, which is set out below. Unless otherwise specified, all times and dates refer to Hong Kong local times and dates.

Hong Kong time

Register of members of the Company closed for
determining entitlements under the Scheme (*Note 1*) from Thursday, 21 May 2020
onwards

Record Date Tuesday, 26 May 2020

Effective Date (*Note 2*) Tuesday, 26 May 2020
(Bermuda time)

Announcement of (1) the Effective Date and
(2) the withdrawal of listing of Shares on
the Stock Exchange posted on the website of
the Stock Exchange Tuesday, 26 May 2020

Withdrawal of listing of Shares on the Stock Exchange

becomes effective 4:00 p.m.
on Wednesday, 27 May 2020

Cheques for the cash payment under the Scheme

to be despatched (*Note 3*). on or before
Monday, 1 June 2020

Notes:

1. The register of members of the Company will be closed during such period for the purpose of determining the Scheme Shareholders, who are qualified for the entitlements under the Scheme.
2. The Scheme shall become effective upon Conditions (d), (h), (i) and (j) set out in the paragraph headed “Conditions of the Proposal” in the Explanatory Statement of the Scheme Document having been fulfilled or (to the extent permitted) waived (as the case maybe).
3. Cheques for entitlements of Scheme Shareholders will be despatched by ordinary post in postage pre-paid envelopes addressed to Scheme Shareholders at their respective addresses as appearing in the register of members of the Company as at the Record Date or, in the case of joint holders, at the address appearing in the register of members of the Company as at the Record Date of the joint holder whose name then stands first in the register of members of the Company in respect of the relevant joint holding as soon as possible but in any event within seven business days (as defined in the Takeovers Code) following the Effective Date. Cheques shall be posted at the risk of the addressees and none of the Offeror, the Company, Morgan Stanley, Goldman Sachs, Citi, HSBC, the Independent Financial Adviser and the Share Registrar and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal shall be responsible for any loss or delay in the despatch of the same.

Warning: Shareholders and potential investors should be aware that the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

By order of the board of directors of
**GOLDEN LINCOLN HOLDINGS I
LIMITED**

Mr. Spencer Theodore Fung
Director

By order of the Board of
LI & FUNG LIMITED

Dr. William Fung Kwok Lun
Group Chairman

Hong Kong, 22 May 2020

As at the date of this announcement, the directors of the Offeror are Mr. Spencer Theodore Fung and Mr. Tan Mark Hai-Nern.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than any information relating to the Group, the Founder Group and the GLP Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Group, the Founder Group and the GLP Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.

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

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than any information relating to the Offeror, the Offeror's financial adviser, the Founder Group and the GLP Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Offeror, the Offeror's financial adviser, the Founder Group and the GLP Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.

As at the date of this announcement:

- (a) the sole director of the Fung Shareholder is Mr. Spencer Theodore Fung;*
- (b) the directors of Fung 1937 are Dr. Victor Fung Kwok King, Dr. William Fung Kwok Lun, Mr. Benedict Chang Yew Teck and Mr. Lau Butt Farn;*
- (c) the directors of SDEL are Dr. William Fung Kwok Lun and Ms. Julia Fung Shen Nai Kee;*
- (d) the sole director of GSL is Dr. William Fung Kwok Lun;*
- (e) the directors of Fung Distribution are Mr. Lau Butt Farn, Dr. Victor Fung Kwok King and Dr. William Fung Kwok Lun; and*
- (f) the directors of FIDL are Dr. Victor Fung Kwok King, Dr. William Fung Kwok Lun and Ms. Julia Fung Shen Nai Kee.*

The sole director of the Fung Shareholder, Dr. William Fung Kwok Lun, Dr. Victor Fung Kwok King and the directors of other members of the Founder Group jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than any information relating to the Group and the GLP Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Group and the GLP Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.

As at the date of this announcement, the chief executive officer of GLP is Mr. Ming Z. Mei and the directors of GLP are Mr. Tan Mark Hai-Nern, Mr. Stephen Kent Schutte and Mr. Wee Hsiao Chung Paul.

As at the date of this announcement, the sole director of GLP A Shareholder and GLP B Shareholder is Mr. Tan Mark Hai-Nern.

The chief executive officer of GLP and the directors of GLP, GLP A Shareholder and GLP B Shareholder jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than any information relating to the Group and the Founder Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Group and the Founder Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.