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This announcement does not constitute an offer to buy or the solicitation of an offer to sell securities in any jurisdiction or in any circumstances in which such offer or solicitation would be unlawful. This announcement does not constitute an offer to buy or sell or a solicitation of an offer to sell or buy the Notes, as applicable, in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer or solicitation under applicable securities laws or otherwise. None of this announcement, the Tender Offer Memorandum or any related document has been filed with the U.S. Securities and Exchange Commission, nor has any such document been filed with or reviewed by any U.S. State Securities Commission or the regulatory authority of any country. No authority has passed upon the accuracy or adequacy of the Tender Offer Memorandum or any related documents, and it is unlawful and is a criminal offence to make any representation to the contrary.

Announcement of the Offer by



LI & FUNG LIMITED

(incorporated in Bermuda with limited liability)

(the “Company”)

Invitations to Holders (as defined herein) to offer to tender Notes for repurchase for cash

U.S.\$600,000,000 4.50 per cent. Notes due 2025¹

(issued in four tranches of U.S.\$300,000,000, U.S.\$100,000,000, U.S.\$100,000,000 and U.S.\$100,000,000 on 18 August 2020, 24 August 2020, 29 October 2020 and 27 January 2021, respectively)

(ISIN: XS2214755345; Common Code: 221475534)

(the “Notes”)

Dealer Manager

Citigroup

¹ The interest rate of the Notes has been adjusted to 5.00 per cent. per annum with effect from 18 February 2023. Please refer to the terms and conditions of the Notes for further details of this adjustment.

BACKGROUND

The Company hereby announces an invitation to each holder of the Notes (each, a “**Holder**” and, collectively, the “**Holders**”) to offer to purchase for cash (the “**Offer**”) its outstanding Notes for an aggregate principal amount of up to U.S.\$172,485,000 (the “**Maximum Acceptance Amount**”), upon the terms and subject to the conditions and for the consideration set forth in this announcement and described further in the Tender Offer Memorandum (as defined below).

Summaries of the material terms of the Offer are set out in this announcement. The Offer is being made upon the terms and subject to the conditions set forth in the tender offer memorandum dated 15 September 2023 prepared by the Company in relation to the Offer (as it may be amended or supplemented from time to time, the “**Tender Offer Memorandum**”). Holders should refer to the full terms and conditions of the Offer set out in the Tender Offer Memorandum. All documentation related to the Offer will be available on <https://projects.morrowsodali.com/LiFung> (the “**Offer Website**”), which is subject to certain offer and distribution restrictions.

Capitalised terms used but not otherwise defined here shall have the same meaning given to them in the Tender Offer Memorandum.

The following table sets forth the key terms of the Offer:

Description of Notes	ISIN/ Common Code	Outstanding Principal Amount ⁽¹⁾	Early Tender Consideration ⁽²⁾	Subsequent Tender Consideration ⁽³⁾	Maximum Acceptance Amount ⁽⁴⁾
U.S.\$600,000,000 4.50 per cent. Notes due 2025	XS2214755345 / 221475534	U.S.\$522,485,000	U.S.\$940.00	U.S.\$910.00	Up to and including U.S.\$172,485,000 in aggregate principal amount of the Notes

Notes:

- ⁽¹⁾ As at the date of the Tender Offer Memorandum.
- ⁽²⁾ The purchase price per U.S.\$1,000 in aggregate principal amount of Notes validly tendered and accepted for purchase. In order to receive the Early Tender Consideration, Holders must validly tender their Notes, and such tender must be received by the Information and Tender Agent, on or prior to the Early Deadline. In addition to the Early Tender Consideration, the Company will also pay Accrued Interest in respect of the Notes validly tendered and accepted for purchase pursuant to the Offer up to, but excluding, the applicable Settlement Date.
- ⁽³⁾ The purchase price per U.S.\$1,000 in aggregate principal amount of Notes validly tendered and accepted for purchase. In order to receive the Subsequent Tender Consideration, Holders must validly tender their Notes, and such tender must be received by the Information and Tender Agent, after the Early Deadline but on or prior to the Expiration Date. In addition to the Subsequent Tender Consideration, the Company will also pay Accrued Interest in respect of the Notes validly tendered and accepted for purchase pursuant to the Offer up to, but excluding, the applicable Settlement Date.
- ⁽⁴⁾ The Company is offering to purchase Notes for an aggregate principal amount up to the Maximum Acceptance Amount. The Notes validly tendered on or prior to the Early Deadline will be accepted for purchase in priority to other Notes validly tendered in the Offer after the Early Deadline but on or prior to the Expiration Date. See “*The Offer – Acceptance Priority of the Notes*” in the Tender Offer Memorandum.

PURPOSE OF THE OFFER

The Offer is intended to reduce the Company’s indebtedness. All of the Notes validly tendered and accepted for purchase in the Offer will be cancelled.

THE OFFER

Indicative Timetable

This is an indicative timetable showing the expected times and dates for the following events in connection with the Offer. Holders should note that the indicative timetable may change, and dates and times may be extended, re-opened or amended by the Company in accordance with the terms of the Offer as described in the Tender Offer Memorandum. Accordingly, the actual timetable may differ significantly from the timetable below.

<u>Date and Time</u>	<u>Event</u>
15 September 2023	<p><i>Launch Date</i></p> <p>Commencement and announcement of the Offer.</p> <p>The Tender Offer Memorandum is available on the Offer Website and from the Information and Tender Agent.</p>
At or prior to 5:00 p.m. (New York City Time) on 28 September 2023 (5:00 a.m. (Hong Kong Time) on 29 September 2023), unless extended (the “ Early Deadline ”)	<p><i>Early Deadline</i></p> <p>Deadline for receipt by the Information and Tender Agent of valid Early Tender Instructions from Holders, in order for Holders to receive the Early Tender Consideration and Accrued Interest.</p> <p>Notes validly tendered on or prior to the Early Deadline will be accepted for purchase in priority to other Notes validly tendered in the Offer after the Early Deadline but on or prior to the Expiration Date, subject to the Maximum Acceptance Amount and potential proration.</p>
As soon as reasonably practicable after the Early Deadline, expected to be on 29 September 2023, unless extended (the “ Early Results Announcement Date ”)	<p><i>Early Results Announcement Date</i></p> <p>Announcement of: (a) the aggregate principal amount of Notes validly tendered as of the Early Deadline, (b) the aggregate principal amount of Notes accepted for purchase by the Company, (c) the proration factor, if any, and (d) the Early Settlement Date.</p>
Expected to be on 3 October 2023, unless extended (the “ Early Settlement Date ”)	<p><i>Early Settlement Date</i></p> <p>Subject to the terms of the Offer and if the Company has decided to accept the Tender Instructions submitted on or prior to the Early Deadline, payments of the Early Tender Consideration and Accrued Interest are made to the relevant Holders.</p>
Expected to be at 5:00 a.m. (New York City Time) on 16 October 2023 (5:00 p.m. (Hong Kong Time) on 16 October 2023), unless extended (the “ Expiration Date ”)	<p><i>Expiration Date</i></p> <p>Final deadline for receipt of valid Subsequent Tender Instructions by the Information and Tender Agent in order for Holders to be eligible to receive the Subsequent Tender Consideration and Accrued Interest, assuming the Maximum Acceptance Amount is not purchased on the Early Settlement Date.</p> <p>Please see “<i>The Offer – Tender Instructions and Tender Consideration</i>” and “<i>The Offer – Maximum Acceptance Amount for the Notes</i>”.</p>
As soon as reasonably practicable after the Expiration Date, expected to be on 16 October 2023, unless extended (the “ Final Results Announcement Date ”)	<p><i>Final Results Announcement Date</i></p> <p>Announcement of: (a) the aggregate principal amount of Notes validly tendered in the Offer after the Early Deadline but on or prior to the Expiration Date, (b) the aggregate principal amount of Notes that will be accepted for purchase by the Company, (c) the Final Settlement Date, and (d) the proration factor, if any.</p> <p>For the avoidance of doubt, if the Maximum Acceptance Amount is exceeded in respect of tenders of the Notes made on or prior to the Early Deadline, no Notes that are tendered after the Early Deadline will be accepted for purchase.</p>
As soon as reasonably practicable after the Final Results Announcement Date,	<p><i>Final Settlement Date</i></p> <p>Subject to the terms of the Offer, payments of the Subsequent Tender Consideration and Accrued Interest are made to the relevant Holders of the Notes</p>

<p>expected to be on 17 October 2023 (the “Final Settlement Date”)</p>	<p>who submitted their Tender Instructions after the Early Deadline but on or prior to the Expiration Date and accepted for purchase.</p> <p>Please note that Holders who submitted Tender Instructions after the Early Deadline are not entitled to receive the Early Tender Consideration.</p>
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Material terms of the Offer

In order to participate in the Offer, Holders must validly tender their Notes for purchase by delivering, or arranging to have delivered on their behalf, a valid Tender Instruction that is received by the Information and Tender Agent by the Expiration Date (subject to the sole discretion of the Company to extend, re-open, amend, waive any condition of or terminate the Offer at any time, until it has decided to accept valid tenders of Notes pursuant to the Offer).

Tender Instructions and Tender Consideration

If Notes are validly tendered by Holders (and received by the Information and Tender Agent) on or prior to the Early Deadline (each, an “**Early Tender Instruction**”) and accepted for purchase pursuant to the Offer, the Company will pay such Holders, on the applicable Settlement Date, U.S.\$940.00 per U.S.\$1,000 in aggregate principal amount of such Notes tendered and accepted for purchase (the “**Early Tender Consideration**”), in the manner described in this announcement and the Tender Offer Memorandum.

If Notes are validly tendered by Holders (and received by the Information and Tender Agent) after the Early Deadline but on or prior to the Expiration Date (each, a “**Subsequent Tender Instruction**”, and together with each Early Tender Instruction, each a “**Tender Instruction**”) and accepted for purchase pursuant to the Offer, the Company will pay to such Holders, on the applicable Settlement Date, U.S.\$910.00 per U.S.\$1,000 in aggregate principal amount of such Notes tendered and accepted for purchase (the “**Subsequent Tender Consideration**”) and together with the Early Tender Consideration, the “**Tender Consideration**”), in the manner described in this announcement and the Tender Offer Memorandum.

The Company will also pay Accrued Interest in respect of the Notes accepted for purchase pursuant to the Offer up to, but excluding, the applicable Settlement Date.

The Company’s obligation to accept for payment, and to pay the applicable Tender Consideration and Accrued Interest for, Notes validly tendered pursuant to the Offer are subject to, and conditional upon, the satisfaction or the Company's waiver of the conditions set forth in the Tender Offer Memorandum.

Maximum Acceptance Amount for the Notes

The Company is offering to purchase for cash its outstanding Notes up to the Maximum Acceptance Amount, upon the terms and subject to the conditions set forth in the Tender Offer Memorandum and for the consideration described in the Tender Offer Memorandum, as the same may be increased or amended in its sole discretion, subject to applicable laws and regulations, in which case the final Maximum Acceptance Amount will be announced as soon as reasonably practicable following the Early Deadline. If the aggregate principal amount of Notes validly tendered by Holders on or prior to the Early Deadline would result in the Maximum Acceptance Amount being exceeded, the Company will not accept any of the Notes validly tendered by Holders after the Early Deadline (unless the Maximum Acceptance Amount is increased).

Acceptance Priority of the Notes

Subject to the Maximum Acceptance Amount, if any Notes are purchased in the Offer, Notes validly tendered on or prior to the Early Deadline will be accepted for purchase in priority to other Notes validly tendered after the Early Deadline but on or prior to the Expiration Date. **Accordingly, if the Maximum Acceptance Amount is exceeded in respect of tenders of Notes made on or prior to the Early Deadline, no Notes that are tendered after the Early Deadline but prior to the Expiration Date will be accepted for purchase, and any Notes tendered on or prior to the Early Deadline and accepted for purchase will be accepted on a prorated basis (as described the “*The Offer—Proration of the Notes*” of the Tender Offer Memorandum) such that the Company purchases an aggregate principal amount of Notes not exceeding the Maximum Acceptance Amount.**

Proration of the Notes

If the aggregate principal amount of the Notes validly tendered pursuant to Early Tender Instructions exceeds the Maximum Acceptance Amount, the Company will accept the Notes validly tendered pursuant to Early Tender Instructions on a *pro rata* basis such that the aggregate principal amount of the Notes validly tendered pursuant to

Early Tender Instructions and accepted for purchase does not exceed the Maximum Acceptance Amount, and in this scenario no Notes that are tendered after the Early Deadline will be accepted for purchase.

If the aggregate principal amount of the Notes validly tendered (i) pursuant to Early Tender Instructions does not exceed the Maximum Acceptance Amount but (ii) pursuant to all Tender Instructions exceeds the Maximum Acceptance Amount, the Company will accept (x) all Notes validly tendered pursuant to Early Tender Instructions without any proration and (y) the Notes tendered pursuant to Subsequent Tender Instructions on a *pro rata* basis such that the aggregate principal amount of the Notes validly tendered pursuant to Tender Instructions accepted for purchase does not exceed the Maximum Acceptance Amount.

Pro rata acceptance for the Notes subject to proration will be calculated by multiplying the principal amount of the Notes represented by each Tender Instruction by a factor (the “**Proration Factor**”) equal to:

- if the aggregate principal amount of Notes validly tendered pursuant to Early Tender Instructions exceeds the Maximum Acceptance Amount, (x) the Maximum Acceptance Amount divided by (y) the aggregate principal amount of Notes that has been validly tendered on or prior to the Early Deadline;
- if the aggregate principal amount of Notes validly tendered pursuant to Early Tender Instructions does not exceed the Maximum Acceptance Amount but the aggregate principal amount of Notes validly tendered pursuant to Tender Instructions exceeds the Maximum Acceptance Amount, (x) the Maximum Acceptance Amount minus the aggregate principal amount of Notes validly tendered pursuant to Early Tender Instructions (which would have been accepted without proration) divided by (y) the aggregate principal amount of Notes that has been validly tendered pursuant to Subsequent Tender Instructions;

in each case, rounded down to the nearest U.S.\$1,000.

The determination of the Proration Factor will be subject to any adjustments in respect of the denomination of the Notes as described elsewhere in the Tender Offer Memorandum.

The Company will make any such calculations on or about the Early Deadline or on or about the Expiration Date, as applicable.

If, after applying such Proration Factor and such rounding down, any Holder would be entitled to a return of a portion of tendered Notes that is less than the minimum denomination of U.S.\$200,000, or the principal amount of the Notes accepted falls below U.S.\$200,000, then the Company will, in its sole discretion, either reject all of the Notes tendered by such Holder or accept all of the Notes tendered by such Holder without applying the Proration Factor.

All Notes not accepted as a result of proration will be rejected from such Offer and returned to the tendering Holder on the applicable Settlement Date.

A separate Tender Instruction must be submitted on behalf of each beneficial owner of the Notes, given the potential proration.

Settlement Dates

Following the Early Deadline, if the Company decides to accept Notes tendered in the Offer, the Company will accept Notes validly tendered up to the Maximum Acceptance Amount, subject to proration, if any, on or prior to the Early Deadline provided that all conditions set forth in the Tender Offer Memorandum have been satisfied or waived by the Company and such accepted Notes will be settled promptly thereafter (the “**Early Settlement Date**”). The “**Final Settlement Date**” is the date that the Company settles the Notes validly tendered after the Early Deadline and on or prior to the Expiration Date up to the Maximum Acceptance Amount, subject to proration if any, and the Company expects such date to be promptly following the Expiration Date. Each of the Early Settlement Date and the Final Settlement Date are referred to as a “**Settlement Date**.”

For the avoidance of doubt, if the Maximum Acceptance Amount is exceeded in respect of tenders of Notes made on or prior to the Early Deadline, no Notes that are tendered after the Early Deadline will be accepted for purchase.

If the Company determines, in its sole discretion, to extend the Offer beyond the Expiration Date, there will have a new Settlement Date with respect to Notes validly tendered on or prior to the Expiration Date. During any extension of the Offer, all Notes previously tendered and not accepted for purchase pursuant to the Offer will remain subject to the Offer and may, subject to the terms and conditions of the Offer, be accepted for purchase by the Company.

General

The Company is not obligated to complete the Offer. The Offer is subject to the satisfaction of certain conditions, including that nothing has occurred or may occur that would or might, in the Company's reasonable judgment, prohibit, prevent or delay the Offer or impair the Company from realizing the anticipated benefits of the Offer. Even if the Offer is completed, it may not be completed on the schedule described in this announcement or the Tender Offer Memorandum. Accordingly, Holders participating in the Offer may have to wait longer than expected to receive payment for their Notes tendered in the Offer, during which time those Holders will not be able to effect transfers of such Notes.

Tender Instructions are irrevocable, unless otherwise provided by applicable law. Holders may not withdraw from the Offer in respect of Notes that are validly tendered in the Offer, other than in the limited circumstances set forth in the Tender Offer Memorandum.

The Notes are denominated and, accordingly, may only be tendered in the Offer in minimum denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof. A Holder whose Notes are accepted for purchase pursuant to the Offer by the Company and who, following purchase of the Notes by the Company on the applicable Settlement Date, continues to hold in its account with the relevant Clearing System further Notes in a principal amount of less than U.S.\$200,000 would need to purchase a principal amount of Notes such that its holding amounts to at least U.S.\$200,000 before the Notes it continues to hold may be traded in the Clearing Systems.

When considering whether to participate in the Offer, Holders of Notes should take into account that restrictions on the transfer of the Notes by Holders will apply from the time of submission of the Tender Instructions.

Notes in respect of which a Tender Instruction has been validly submitted will only be unblocked:

- (a) as soon as reasonably practicable when such Tender Instruction is rejected;
- (b) at the time of settlement on the applicable Settlement Date (in relation to Notes that are not purchased pursuant to the Offer or subject to proration); or
- (c) following termination or withdrawal of the Offer;

Any fees that may be charged by the relevant Clearing System to each Holder or their Clearing System participants in connection with the blocking (or unblocking) of the Notes or otherwise must be borne by the relevant Holder or their participants or as otherwise agreed between the participant and the relevant Holder. For the avoidance of doubt, Holders and their Clearing System participants shall have no recourse to the Company, the Dealer Manager, the Trustee, the Agents or the Information and Tender Agent with respect to such costs.

In addition, because various times relevant to the Offer are based on the time in New York City of the United States, the Clearing Systems or any such intermediary may not be open for business at the relevant times.

FORWARD-LOOKING STATEMENTS

Forward-looking statements in this announcement, including those statements relating to the Offer, are based on the current expectations, assumptions, estimates and projections about the Company and its industry. These statements are not guarantees of future performance and the actual results of operations, financial condition and liquidity, and the development of the industry in which the Company operates may differ materially from those made in, or suggested by, the forward-looking statements in this announcement. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict.

FURTHER INFORMATION

Any questions regarding procedures for tendering Notes or requests for additional copies of the Tender Offer Memorandum should be directed to the Information and Tender Agent at the details set forth below:

THE INFORMATION AND TENDER AGENT Morrow Sodali Limited

In Hong Kong:

29/F, No. 28 Stanley Street
Central
Hong Kong

Telephone: +852 2319 4130

In London:

103 Wigmore Street
W1U 1QS
London

Telephone: +44 20 4513 6933

Email: lifung@investor.morrowsodali.com

Offer Website: <https://projects.morrowsodali.com/LiFung>

You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

Any questions regarding the terms of the Offer should be directed to the Dealer Manager at the details set forth below:

DEALER MANAGER

Citigroup Global Markets Limited

50/F Champion Tower
Three Garden Road
Central, Hong Kong

Telephone: +852 2501 2541

Email:

ProjectDash.AP.2023@citi.com

THIS ANNOUNCEMENT IS NOT AN OFFER TO PURCHASE, A SOLICITATION OF AN OFFER TO PURCHASE, AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO SELL THE NOTES. AN OFFER MAY ONLY BE MADE PURSUANT TO THE TERMS OF THE TENDER OFFER MEMORANDUM.

This announcement does not constitute an offer or an invitation to participate in the Offer in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer or invitation under applicable securities laws.

None of the Company, its boards of directors, the Dealer Manager, the Information and Tender Agent, the Trustee or the Agents makes any recommendation that any Holder tender or refrain from tendering all or any portion of the principal amount of its Notes. Holders are urged to evaluate carefully all information in the announcement and the Tender Offer Memorandum, consult their own investment and tax advisors and make their own decisions whether to tender Notes (and, if so, the principal amount of Notes to tender). None of the Company, its boards of directors, the Dealer Manager, the Information and Tender Agent, the Trustee or the Agents, or any director, officer, employee, agent or affiliate of any such person, is acting for any Holder, or will be responsible to any Holder for providing any protections which would be afforded to its clients or for providing advice in relation to the Offer.

Hong Kong, 15 September 2023

Spencer Theodore Fung

Group Executive Chairman, Li & Fung Limited

As at the date of this announcement, the directors of the Company are Spencer Theodore FUNG; Joseph C. PHI; LAM Sung Lai, Edward; MEI Ming Zhi; and Michihiro HIGASHI.