



17 April 2020

**Privatisation by way of scheme of arrangement**

**Disclosure of dealings in the shares of Li & Fung Limited**

The Executive received the following disclosure of securities dealings pursuant to Rule 22 of the Hong Kong Code on Takeovers and Mergers:

| Party                                  | Date          | Purchase / Sale | Number of shares | Price per share | Resultant balance<br>(including those of<br>any person with whom<br>there is an agreement<br>or understanding) | Percentage of class<br>(including those of<br>any person with whom<br>there is an agreement<br>or understanding) |
|----------------------------------------|---------------|-----------------|------------------|-----------------|----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| Silchester International Investors LLP | 17 April 2020 | Sale            | 804,000          | \$1.0500        | 1,117,599,355                                                                                                  | 13.0883%                                                                                                         |
|                                        |               | Sale            | 2,500,000        | \$1.0600        | 1,115,099,355                                                                                                  | 13.0590%                                                                                                         |
|                                        |               | Sale            | 644,000          | \$1.0700        | 1,114,455,355                                                                                                  | 13.0515%                                                                                                         |

End

Note:

1. Silchester International Investors LLP ("Silchester") has confirmed that (a) the closing balance and percentage of shares of Li & Fung Limited under its management and control on the above date was 931,572,000 shares (representing 10.9%); (b) the difference between the balance and percentage stated above and Table 2(a) includes, as required by the Executive, 53,098,000 other shares (representing 0.6%) which are instead under the separate

management and control by Edgbaston Investment Partners LLP ("Edgbaston" - see the Notes) and 129,785,355 other shares (representing 1.5%) which are instead under the separate management and control by Sanderson Asset Management LLP. The trades reported on this disclosure represent shares in Li & Fung Limited that were sold by Edgbaston in its capacity as investment manager for

2. Silchester International Investors LLP is a Class (6) associate connected with the Offeree company.
3. Dealings were made for the account of discretionary investment clients.
4. Silchester International Investors LLP is ultimately owned by Stephen C. Butt.

**Silchester International Investors LLP**

**Information on Disclosures of Dealings in the Shares of Li & Fung Limited (“Li & Fung” – 494 HK) made pursuant to Rule 22 of the Hong Kong Code on Mergers and Takeovers**

Silchester International Investors LLP **Silchester** filed disclosures of dealings in the ordinary shares of Li & Fung on the basis of aggregating shares that are controlled by Edgbaston Investment Partners LLP **Edgbaston** and Sanderson Asset Management LLP **Sanderson** with those controlled by Silchester. Silchester has certain connections with Edgbaston and Sanderson but Silchester investment management business or implementation.

As of the close of business on 17<sup>th</sup> April 2020:

Silchester was able to exercise control over 931,572,000 ordinary shares of Li & Fung, representing approximately 10.9

Edgbaston was able to exercise control over 53,098,00 ordinary shares of Li & Fung, representing approximately 0.6% of Li & Fung

Sanderson was able to exercise control over 129,785,355 ordinary shares of Li & Fung, representing approximately 1.5% e capital.

The aggregate holdings controlled by Silchester, Edgbaston and Sanderson respectively produces a total of 1,114,455,355 ordinary shares of Li & Fung, representing approximately 13.05% of Li & Fung If Edgbaston or Sanderson purchases or sells any Li & Fung shares on behalf of their respective clients during the offer period, it will notify Silchester, and Silchester will disclose these transactions. Silchester notes that it is not required to aggregate -takeover related Hong Kong disclosures.

Silchester wishes to ensure that current and potential shareholders in Li & Fung are aware Silchester does not have any voting control in respect of the shares controlled by Edgbaston or Sanderson.

Silchester International Investors LLP







As regards the ownership of SAM Ltd, Sanderson current and former employees and working partners own 100% of SAM Ltd Class B shares which represent 50.1% of issued share capital. SP Ltd owns 100% of Class A shares which represent 49.9% of issued share capital. Except in the case of restricted matters that could materially impact the rights of minority shareholders, SP Ltd has agreed to limit its voting rights on any resolution proposed at any general meeting of all shareholders to a maximum of 9.9% of the voting rights capable of being cast at such general meeting. Significant differences also exist between the rights provided to each class of shares. Class B shareholders are entitled, in perpetuity:

To name and dismiss a majority of directors and

To exercise day to day management and control over business including exercising control over issues related to day to day investment management business and operations.

Tim Sanderson and his family and related parties own more than 50% but less than 75% of Class B shares. As such, Mr. Sanderson controls SAM Ltd. Mr. Sanderson is also the Chairman and Chief Investment Officer of Sanderson and day to day business and operations.

Silchester, SP Ltd and SCL (on the one hand) and SAM Ltd and Sanderson (on the other) have no common employees or working partners.

Mr. Tim Linehan is a Senior Partner and the Head of Operations of Silchester, a SP Ltd director, a Linehan is also a SAM Ltd Director, and a member group (the other members being working partners in Sanderson). Other than Mr. Linehan in his capacity as SP nominee on the board of SAM Ltd and current designated representative in supervisory group, there is no overlap in directors, senior management, investment and portfolio managers, working partners or other employee positions between Silchester, SP Ltd, SCL (on the one hand) and SAM Ltd and Sanderson (on the other).

supervisory group discussions are limited to its partnership operations, not including particular investments made or to be made by Sanderson on behalf of collective investment schemes and separate account clients; these are discussed only by employees and working members. Mr. Linehan is not involved, directly or indirectly, in the day to day activities of SAM Ltd or Sanderson.