

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Li & Fung Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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LI & FUNG LIMITED

Incorporated in Bermuda with limited liability
Stock Code: 494

**PROPOSALS FOR
GENERAL MANDATE TO REPURCHASE SHARES
GENERAL MANDATE TO ISSUE SHARES
FINAL DIVIDEND
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the 2017 annual general meeting of Li & Fung Limited to be held at Ground Floor, Hong Kong Spinners Industrial Building, Phases I & II, 800 Cheung Sha Wan Road, Kowloon, Hong Kong on 1 June 2017 at 11:30 a.m. is set out on pages 14 to 18 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

You are reminded not to take bulky items such as luggage, trolley or large bags to the 2017 annual general meeting. In order to provide you with a comfortable and a safe environment, you will be requested to leave all such bulky items at the entrance of the 2017 annual general meeting venue before entering.

28 April 2017

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Accompanying documents:-

- (i) Form of Proxy
- (ii) 2016 Annual Report

DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the following meanings:

“2016 AGM”	The annual general meeting of the Company held on 19 May 2016
“2017 AGM”	The annual general meeting of the Company to be held at Ground Floor, Hong Kong Spinners Industrial Building, Phases I & II, 800 Cheung Sha Wan Road, Kowloon, Hong Kong on 1 June 2017 at 11:30 a.m., notice of which is set out on pages 14 to 18 of this circular
“Board”	the board of Directors or a duly authorised committee thereof
“business day”	any day on which the Stock Exchange is open for the business of dealing in securities
“Bye-laws”	the bye-laws of the Company
“Company”	LI & FUNG LIMITED, a company incorporated in Bermuda with limited liability and whose Shares are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	24 April 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Notice”	The notice of the 2017 AGM set out on pages 14 to 18 of this circular
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Share(s)”	Share(s) of HK\$0.0125 each in the share capital of the Company
“Shareholder(s)” or “member(s)”	Holders of Share(s) in issue
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers
“HK\$ and cents”	Hong Kong dollar and cents respectively, the lawful currency of Hong Kong
“US\$”	United States dollar, the lawful currency of the United States of America
“%”	per cent

References to time and dates in this circular are to Hong Kong time and dates.

For the purpose of this circular and for illustrative purpose only, US\$ is converted into HK\$ at the rate of US\$1 to HK\$7.8. No representation is made that any amounts in US\$ has been or could be converted at the above rate or at any other rates.

LETTER FROM THE CHAIRMAN



LI & FUNG LIMITED

Incorporated in Bermuda with limited liability

Executive Directors:

William Fung Kwok Lun
(*Group Chairman*)
Spencer Theodore Fung
(*Group Chief Executive Officer*)
Marc Robert Compagnon

Non-executive Directors:

Victor Fung Kwok King
(*Honorary Chairman*)
Paul Edward Selway-Swift*
Allan Wong Chi Yun*
Martin Tang Yue Nien*
Margaret Leung Ko May Yee*
* *Independent Non-executive Director*

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Hong Kong Office:

11th Floor
LiFung Tower
888 Cheung Sha Wan Road
Kowloon
Hong Kong

28 April 2017

**PROPOSALS FOR
GENERAL MANDATE TO REPURCHASE SHARES
GENERAL MANDATE TO ISSUE SHARES
FINAL DIVIDEND
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

To Shareholders,

Dear Sirs or Madam,

INTRODUCTION

The purpose of this circular is to give you notice of the 2017 AGM, and information on matters to be dealt with at the 2017 AGM. They are:- (i) grant of general mandate to repurchase Shares; (ii) grant of general mandate to issue Shares; (iii) payment of final dividend and (iv) re-election of Directors.

LETTER FROM THE CHAIRMAN

GENERAL MANDATE TO REPURCHASE SHARES

At the 2016 AGM, a general and unconditional mandate was given to the Directors to repurchase Shares of the Company on the Stock Exchange of up to 10% of the number of the issued Shares of the Company as at that date. No Shares have been repurchased pursuant to such repurchase mandate.

Under the terms of the repurchase mandate and the Listing Rules, such repurchase mandate will lapse at (i) the conclusion of the 2017 AGM; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Act 1981 of Bermuda (as amended) to be held; or (iii) the revocation by ordinary resolution of Shareholders in general meeting, whichever is the earliest, unless renewed at the 2017 AGM.

The Directors believe that a renewal of such repurchase mandate is in the interest of the Company and Shareholders. Accordingly, an ordinary resolution will be proposed at the 2017 AGM which will give the Directors a general and unconditional mandate to exercise the powers of the Company to repurchase Shares at any time until the next annual general meeting of the Company following the passing of such resolution or such earlier period as stated in the ordinary resolution up to a maximum of 10% of the number of the issued Shares of the Company at the date of passing such resolution (the “**Repurchase Mandate**”).

The explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to provide Shareholders with all the information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution approving the Repurchase Mandate is set out in Appendix I to this circular.

The full text of the ordinary resolution to be proposed at the 2017 AGM in relation to the Repurchase Mandate is set out in resolution no. 5 in the Notice set out on pages 14 to 15 of this circular.

GENERAL MANDATE TO ISSUE SHARES

At the 2016 AGM, a general and unconditional mandate was also given to the Directors to allot, issue and deal with additional Shares up to 10% of the number of the issued Shares of the Company as at that date. Such general mandate will cease to be effective at the conclusion of the 2017 AGM.

The Directors are aware of investor concerns on possible dilution of Shareholders’ value resulting from the exercise of the general mandate to issue Shares. Accordingly, the Directors propose, as in the previous years, to limit the general mandate to 10% of the Company’s number of the issued Shares as at the date of passing such resolution (the “**Issue Mandate**”). This is lower than the permissible size of 20% under the Listing Rules.

LETTER FROM THE CHAIRMAN

In addition, any Shares to be issued for cash under Issue Mandate will only be issued subject to a maximum discount of 10% to the "benchmarked price" (as defined in Rule 13.36(5) of the Listing Rules). The proposed discount limit is more restrictive than the requirements of the Listing Rules which permit a maximum discount of 20% to the benchmarked price for any issue of shares in a placement for cash pursuant to a general mandate to allot and issue shares.

The Issue Mandate is necessary to give the Directors certain flexibility to allot Shares where the Directors believe it is in the interests of Shareholders to do so, in particular pursuant to any capital raising or other strategic needs that may arise from time to time.

The full text of the ordinary resolution to be proposed at the 2017 AGM in relation to the Issue Mandate are set out in resolution no. 6 in the Notice set out on pages 15 to 17 of this circular.

RE-ELECTION OF DIRECTORS

According to Bye-law 110(A) of the Bye-laws, at each annual general meeting, one-third of the Directors are subject to retirement by rotation. Further, the Listing Rules provide that every director should be subject to retirement by rotation at least once every three years.

Accordingly, Dr William Fung Kwok Lun, Mr Martin Tang Yue Nien and Mr Marc Robert Compagnon will retire as Directors at the 2017 AGM by rotation. They, being eligible, will offer themselves for re-election.

At the 2016 AGM, Mr Paul Edward Selway-Swift was re-elected for a term of around one year expiring at the conclusion of the 2017 AGM. Mr Selway-Swift has indicated that he will not offer himself for re-election and will retire from the Board with effect from the conclusion of the 2017 AGM.

Details of the Directors who are proposed to be re-elected at the 2017 AGM are set out in Appendix II of this circular.

Under resolution no. 3, the re-election of Directors will be individually voted on by Shareholders.

FINAL DIVIDEND

The Board has recommended a final dividend of 12 HK cents per Share subject to Shareholders' approval at the 2017 AGM.

NOTICE OF ANNUAL GENERAL MEETING

The Notice is set out on pages 14 to 18 of this circular.

There is enclosed a form of proxy for use at the 2017 AGM. A member entitled to attend and vote at the above meeting may appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company. Whether or not you

LETTER FROM THE CHAIRMAN

intend to be present at the 2017 AGM, you are requested to complete the form of proxy and return it to the Hong Kong office of the Company in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the 2017 AGM. Such form of proxy for use at the 2017 AGM is also published on the Company's and HKExnews websites. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2017 AGM should you so wish.

RECORD DATE AND BOOK CLOSURE

Hong Kong Time
2017

For determining Shareholder's right to attend and vote at 2017 AGM

Record Date ^(Note i)	25 May
Latest time to lodge transfer documents with share registrar ^(Note i)	4:30 p.m., 25 May

For determining Shareholder's entitlement to the proposed final dividend

Latest time to lodge transfer documents with share registrar ^(Note ii)	4:30 p.m., 6 June
Book Closure Date ^(Note ii)	7 to 8 June
Expected despatch date of dividend warrants	14 June

Notes:

- i. The record date for determining Shareholders' right to attend and vote at the 2017 AGM is Thursday, 25 May 2017. Shareholders who are entitled to attend and vote at the 2017 AGM are those whose names appear on the register of members of the Company as at the close of business on Thursday, 25 May 2017. In order to qualify for attending and voting at the 2017 AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Thursday, 25 May 2017.
- ii. The register of members of the Company will be closed from Wednesday, 7 June 2017 to Thursday, 8 June 2017 (both days inclusive), during which no transfer of shares in the Company will be effected. In order to qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 6 June 2017.

VOTING BY WAY OF POLL

Since 2003, the Chairman has demanded a poll for every resolution put to the vote at general meetings of shareholders. The Chairman will continue to demand a poll on each of the resolutions to be proposed at the 2017 AGM. Pursuant to the Bye-law 78 of the Bye-laws, a poll may be demanded at the 2017 AGM by:

- (i) the Chairman of the meeting; or
- (ii) at least three members present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or

LETTER FROM THE CHAIRMAN

- (iii) any member(s) present in person or by a duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) member(s) present in person or by a duly authorised corporate representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

The results of the poll will be published on the Company's and HKExnews websites following the 2017 AGM.

RECOMMENDATION

The Directors believe that the proposals mentioned above, including the proposals for the grant of the Repurchase Mandate and the grant of the Issue Mandate are in the interests of the Company and the Shareholders. Accordingly, the Board recommends the Shareholders to vote in favour of all of these resolutions to be proposed at the 2017 AGM.

Yours faithfully,
William Fung Kwok Lun
Group Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the total number of issued shares of the Company is 8,415,447,306. Subject to the passing of resolution no. 5 approving the Repurchase Mandate as set out in the Notice appearing on pages 14 to 15 of this circular and on the basis that no further Shares are issued or repurchased prior to the 2017 AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 841,544,730 Shares until (i) the conclusion of the next annual general meeting; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Act 1981 of Bermuda (as amended) to be held; or (iii) the revocation by ordinary resolution of Shareholders in general meeting, whichever is the earliest.

REASONS FOR REPURCHASE

A repurchase of Shares may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per share and will only be made when the Directors believe that such purchase will be to the benefit of the Company and its shareholders.

FUNDING OF REPURCHASES

The Directors propose that repurchases of Shares under the Repurchase Mandate will be financed from the Company's distributable profits or proceeds of a new issue of Shares made for such purpose. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association and the Bye-laws and the laws of Bermuda.

It is envisaged that a repurchase of Shares pursuant to the Repurchase Mandate (including repurchase of the maximum number of Shares under such mandate effected in full at any time during the period of the mandate) may have a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2016 but the Directors do not intend to make repurchases pursuant to the Repurchase Mandate to such an extent.

DISCLOSURE OF INTERESTS

None of the Directors or (to the best of the knowledge of the Directors, having made all reasonable enquiries) any of their close associates (as defined in Rule 1.01 of the Listing Rules) have a present intention, in the event that the proposed Repurchase Mandate is approved by shareholders, to sell Shares to the Company.

No core connected persons (as defined in Rule 1.01 of the Listing Rules) of the Company have notified the Company of a present intention to sell Shares to the Company and no such persons have undertaken not to sell any Shares to the Company in the event that the Repurchase Mandate is exercised.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Bye-laws and the applicable laws of Bermuda.

SHARE PRICE

The highest and lowest prices at which Shares were traded on the Stock Exchange in each of the twelve months prior to the Latest Practicable Date were as follows:

	Share prices (per share)	
	Highest (HK\$)	Lowest (HK\$)
2016		
April	5.15	4.46
May	4.84	3.92
June	4.14	3.31
July	3.97	3.60
August	4.10	3.61
September	4.23	3.87
October	4.10	3.77
November	3.92	3.31
December	3.75	3.33
2017		
January	3.65	3.32
February	3.61	3.24
March	3.91	3.36

TAKEOVERS CODE

If as a result of a share repurchase a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, King Lun Holdings Limited is indirectly interested in approximately 27.91% of the Company's issued Shares and is one of the substantial shareholders (as defined in Rule 1.01 of the Listing Rules) of the Company. Based on the said interest of King Lun Holdings Limited in the issued Shares of the Company as at the Latest Practicable Date, in the event that the Directors exercise in full the power to repurchase Shares of the Company in accordance with the terms of the resolution to be proposed at the 2017 AGM, the indirect interest of King Lun Holdings Limited in the issued Shares of the Company will be increased from approximately 27.91% to approximately 31.01% and they would be obliged to make a mandatory general offer under Rule 26 of the Takeovers Code as a result of such increase. The Directors have no intention to exercise the Repurchase Mandate to such extent that would give rise to an obligation on the part of King Lun Holdings Limited to make a mandatory general offer under Rule 26 of the Takeovers Code.

SHARE REPURCHASE MADE BY THE COMPANY

No purchase has been made by the Company of its Shares (on the Stock Exchange or otherwise) in the six months prior to the date of this circular.

The following are details of Dr William Fung Kwok Lun, Mr Martin Tang Yue Nien and Mr Marc Robert Compagnon, all of whom will retire at the 2017 AGM in accordance with the Bye-law 110(A) of the Bye-laws and the Listing Rules and being eligible, offer themselves for re-election.

Save as disclosed below, there is no other matter that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in respect of the following Directors who stand for re-election at the 2017 AGM.

William Fung Kwok Lun, aged 68, is the brother of Dr Victor Fung Kwok King and uncle of Mr Spencer Theodore Fung. Dr Fung is Group Chairman since May 2012. He was Executive Deputy Chairman from 2011 to May 2012 and before that, Group Managing Director from 1986 to 2011. He joined the Group in 1972 and became a Director of the Group's export trading business in 1976. Dr Fung graduated from Princeton University with a Bachelor of Science degree in Engineering. He holds an MBA degree from the Harvard Graduate School of Business and degrees of Doctor of Business Administration, *honoris causa*, were conferred by The Hong Kong University of Science & Technology and by The Hong Kong Polytechnic University. He is an independent non-executive director of VTech Holdings Limited, Shui On Land Limited, Sun Hung Kai Properties Limited, The Hongkong and Shanghai Hotels, Limited and Singapore Airlines Limited. Dr Fung is chairman and non-executive director of Global Brands Group Holding Limited and a non-executive director of Convenience Retail Asia Limited and Trinity Limited, all within the Fung Group. He is also a director of King Lun Holdings Limited and its wholly owned subsidiary, Fung Holdings (1937) Limited, substantial shareholders of the Company. Dr Fung was past chairman of the Hong Kong General Chamber of Commerce (1994-1996), The Hong Kong Exporters' Association (1989-1991) and the Hong Kong Committee for Pacific Economic Cooperation (1993-2002). He was awarded the Silver Bauhinia Star by the Hong Kong Special Administrative Region Government in 2008. Save as disclosed above, he has not held any other directorship in other listed public companies in the last three years.

Under the service contract between the Company and Dr Fung, there is no fixed period of director's service but his directorship is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws. Dr Fung is entitled to a director's fee of HK\$300,000 (approximately US\$38,500) per annum. Such fee is subject to regular assessment with reference to those paid by the companies with shares listed on the Stock Exchange and approval of the Shareholders at the annual general meeting of the Company. Under his service contract, Dr Fung is entitled to a basic salary of US\$618,000 per annum plus an annual discretionary bonus to be determined with reference to the Company's performance and profitability.

As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Dr Fung has personal interest of 177,120,260 Shares, corporate interest of 2,425,362,472 Shares, personal interest in 7,509,000 underlying Shares in the Company and family interest of 108,800 Shares.

Save as disclosed above, Dr Fung does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company, nor does he have any interest in the Shares which is required to be disclosed pursuant to Part XV of the SFO.

Martin Tang Yue Nien, aged 67, is an Independent Non-executive Director since 2009. Mr Tang is former chairman, Asia of Spencer Stuart & Associates, a global executive search consulting firm. He is an independent non-executive director of the publicly-listed CEI Limited and China NT Pharma Group Company Limited. Mr Tang holds a Bachelor of Science degree in Electrical Engineering from Cornell University and Master of Science in Management from the Massachusetts Institute of Technology. Save as disclosed above, he has not held any other directorship in other listed public companies in the last three years.

Under the service contract between the Company and Mr Tang, he is appointed for a specific term of three years and will be subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws. The remuneration by way of director's fees under his service contract for 2016 is HK\$504,200 (approximately US\$64,600). The director's fees of the Company are subject to regular assessment with reference to those paid by the companies with shares listed on the Stock Exchange and approval of the Shareholders at the annual general meeting.

As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Mr Tang has personal interest of 60,000 Shares and trust interest of 60,000 Shares.

Save as disclosed above, Mr Tang does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company, nor does he have any interest in the Shares which is required to be disclosed pursuant to Part XV of the SFO.

Marc Robert Compagnon, aged 58, is an Executive Director since 2014. He is President of LF Sourcing overseeing the Group's global agency business for apparel and hardgoods. He joined the Group in 2000 at the time of the acquisition of Colby International Limited where he was Chief Merchandising Officer for 17 years and was responsible for establishing Colby's global sourcing network and sales and marketing strategies. Mr Compagnon holds a Bachelor of Arts degree from The University of Vermont. He is a member of the Board of Advisors of the School of Business Administration at The University of Vermont and a founding member of Cotton's Revolutions. Mr Compagnon is also non-executive chairman of TheAbacaGroup, Inc. (Cebu), a hotel and restaurant management group. Save as disclosed above, he has not held any other directorship in other listed public companies in the last three years.

Under the service contract between the Company and Mr Compagnon, there is no fixed period of director's service but his directorship is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws. Mr Compagnon is entitled to a director's fee of HK\$300,000 per annum (approximately US\$38,500). Such fee is subject to regular assessment with reference to those paid by the companies with shares listed on the Stock Exchange and approval of the Shareholders at the annual general meeting. Pursuant to his current employment contract, Mr Compagnon is entitled to a basic salary of US\$603,000 per annum, a discretionary bonus calculated with reference to the performance of the operating group headed by him, and other benefits in kind.

As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Mr Compagnon has personal interest of 1,130,200 Shares, trust/corporate interest of 12,749,580 Shares, personal interest in 10,945,000 underlying Shares in the Company and family interest of 14,000 Shares.

Save as disclosed above, Mr Compagnon does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company, nor does he have any interest in the Shares which is required to be disclosed pursuant to Part XV of the SFO.

NOTICE OF ANNUAL GENERAL MEETING



Incorporated in Bermuda with limited liability
Stock Code: 494

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Ground Floor, Hong Kong Spinners Industrial Building, Phases I & II, 800 Cheung Sha Wan Road, Kowloon, Hong Kong on 1 June 2017 at 11:30 a.m. for the following purposes:-

1. To receive and adopt the Audited Consolidated Financial Statements and the Reports of the Directors and the Auditors for the year ended 31 December 2016;
2. To declare a final dividend of 12 HK cents per share for the year ended 31 December 2016;
3. To re-elect the following Directors:-
 - (a) Dr William Fung Kwok Lun;
 - (b) Mr Martin Tang Yue Nien; and
 - (c) Mr Marc Robert Compagnon;
4. To re-appoint PricewaterhouseCoopers as Auditor and authorise the Board of Directors to fix its remuneration;
5. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution:-

"THAT:-

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to purchase shares of the Company be generally and unconditionally approved;
- (b) the aggregate number of shares which may be purchased on The Stock Exchange of Hong Kong Limited or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited under the Code on Share Buy-backs pursuant to the approval in paragraph (a) above shall not exceed 10 per cent of the number of shares of the Company in issue on the date of this Resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purpose of this Resolution:-

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:-

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Act 1981 of Bermuda (as amended) to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.”;

6. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution:-

“THAT:

- (a) subject to paragraph (c) and (d), the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of options granted under any share option scheme adopted by the Company; (iii) the granting or vesting of any share award pursuant to the share award scheme or other incentive scheme adopted by the Company or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company, shall not exceed the aggregate of 10 per cent of the number of shares of the Company in issue on the date of this Resolution and the said approval shall be limited accordingly;

NOTICE OF ANNUAL GENERAL MEETING

(d) any shares of the Company to be allotted, issued or dealt with wholly for cash pursuant to the approval in paragraph (a) of this Resolution shall not be allotted, issued or dealt with at a price representing a discount of more than ten per cent to the Benchmarked Price (as defined below) of such shares;

(e) for the purposes of this Resolution:-

“Benchmarked Price” means the higher of:-

(i) the closing price of the shares of the Company as quoted on The Stock Exchange of Hong Kong Limited on the date of the agreement involving the relevant proposed issue of shares of the Company; and

(ii) the average closing price as quoted on The Stock Exchange of Hong Kong Limited of the shares of the Company for the five trading days immediately preceding the earlier of:

(A) the date of announcement of the transaction or arrangement involving the relevant proposed issue of shares of the Company;

(B) the date of the agreement involving the relevant proposed issue of shares of the Company; and

(C) the date on which the price of the shares of the Company that are proposed to be allotted, issued or dealt with is fixed; and

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:-

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Act 1981 of Bermuda (as amended) to be held; and

(iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting; and

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of ordinary shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

By Order of the Board
Terry Wan Mei Chow
Company Secretary

Hong Kong, 28 April 2017

Remarks:

- (1) A member entitled to attend and vote at the above meeting may appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a member of the Company.
- (2) In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at 11th Floor, LiFung Tower, 888 Cheung Sha Wan Road, Kowloon, Hong Kong not less than 48 hours before the time appointed for holding the meeting. The proxy form is published on the website of HKExnews at www.hkexnews.hk and can also be downloaded from the Company’s website www.lifung.com
- (3) Record Date and Book Closure

Hong Kong Time
2017

For determining shareholder’s right to attend and vote at the Annual General Meeting

Record Date ^(Note i)	25 May
Latest time to lodge transfer documents with share registrar ^(Note i)	4:30 p.m., 25 May

For determining shareholder’s entitlement to the proposed final dividend

Latest time to lodge transfer documents with share registrar ^(Note ii)	4:30 p.m., 6 June
Book Closure Date ^(Note ii)	7 to 8 June
Expected despatch date of dividend warrants	14 June

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- i. The record date for determining shareholders' right to attend and vote at the Annual General Meeting is Thursday, 25 May 2017. Shareholders who are entitled to attend and vote at the Annual General Meeting are those whose names appear on the register of members of the Company as at the close of business on Thursday, 25 May 2017. In order to qualify for attending and voting at the Annual General Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Thursday, 25 May 2017.
- ii. The register of members of the Company will be closed from Wednesday, 7 June 2017 to Thursday, 8 June 2017 (both days inclusive), during which no transfer of shares in the Company will be effected. In order to qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 6 June 2017.