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This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company.

The Offer is not related to any of the publicly listed entities in which the privately held Li & Fung (1937) Limited has interests, including Li & Fung Limited (Stock Code: 00494), Trinity Limited (Stock Code: 00891) and Convenience Retail Asia Limited (Stock Code: 00831).



PERFECT LEAD INVESTMENTS LIMITED HANG TEN GROUP HOLDINGS LIMITED

*(a wholly-owned subsidiary of Li & Fung (Retailing) Limited)
(incorporated in the British Virgin Islands with limited liability)*

*(incorporated in Bermuda with limited liability)
(Stock Code: 00448)*

JOINT ANNOUNCEMENT

**VOLUNTARY CONDITIONAL CASH OFFER BY
CITIGROUP GLOBAL MARKETS ASIA LIMITED
ON BEHALF OF**

**PERFECT LEAD INVESTMENTS LIMITED
TO ACQUIRE ALL THE ISSUED SHARES IN
HANG TEN GROUP HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED
TO BE ACQUIRED BY PERFECT LEAD INVESTMENTS LIMITED
AND PARTIES ACTING IN CONCERT WITH IT)**

**OFFER BECOMING UNCONDITIONAL IN ALL RESPECTS
EXTENSION OF THE OFFER PERIOD
COMPULSORY ACQUISITION AND WITHDRAWAL OF LISTING
AND
CHANGE OF COMPOSITION OF THE BOARD**

**Financial adviser to Perfect Lead Investments Limited
and Li & Fung (Retailing) Limited**



CITIGROUP GLOBAL MARKETS ASIA LIMITED

THE OFFER HAS BECOME UNCONDITIONAL IN ALL RESPECTS

The Offeror announces that all the Conditions of the Offer have been fulfilled or waived (as the case may be) on 2 February 2012 and the Offer has become unconditional in all respects on 2 February 2012.

As at 4:00 p.m. on 2 February 2012, valid acceptances of the Offer have been received in respect of 886,604,855 Shares (representing approximately 90.26% of the disinterested Shares and approximately 90.26% of the voting rights in the Company as at the date of this announcement), which include acceptances in respect of Shares subject to the Irrevocable Undertaking.

THE OFFER REMAINS OPEN FOR ACCEPTANCE

Pursuant to Rule 15.3 of the Takeovers Code, the Offer shall remain open for acceptance for not less than 14 days after the Offer becomes or is declared unconditional in all respects. Accordingly, the latest time and date for acceptance of the Offer will be 4:00 p.m. on 16 February 2012 (or such other time and/or date(s) as the Offeror may determine and announce in accordance with the Takeovers Code).

Shareholders are advised that the Offer will remain open for acceptance until 4:00 p.m. on 16 February 2012 (or such other time and/or date(s) as the Offeror may determine and announce in accordance with the Takeovers Code). The Offeror would like to take this opportunity to encourage the Shareholders to accept the Offer in accordance with the recommendation of the Independent Board Committee.

COMPULSORY ACQUISITION AND WITHDRAWAL OF LISTING

Given the level of acceptances of the Offer has reached the prescribed level under section 102(1) of the Companies Act and Rule 2.11 of the Takeovers Code, namely, there is received acceptance level of more than 90% in value of the Shares in respect of which the Offer is made and more than 90% of the disinterested Shares within the period of four months after the making of the Offer, the Offeror will exercise the compulsory acquisition right under section 102(1) of the Companies Act and Rule 2.11 of the Takeovers Code to compulsorily acquire those Shares not already acquired by the Offeror after the close of the Offer on 16 February 2012.

Notices in relation to the compulsory acquisition of the Outstanding Shares pursuant to section 102 of the Companies Act will be issued in due course after the close of the Offer to the Shareholders holding the Outstanding Shares. Once the Compulsory Acquisition Notices are despatched, the Offeror will be entitled and bound to acquire the Outstanding Shares on the same terms as the Offer, unless the Supreme Court of Bermuda thinks fit to order otherwise (upon an application made by a dissenting Shareholder within one month from the date on which the Compulsory Acquisition Notices are given). A further announcement will be made at the time of despatch of the Compulsory Acquisition Notices.

On completion of the compulsory acquisition, an application will be made for the withdrawal of listing of the Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules. A further announcement will be made to inform the public as to the timing and details of the withdrawal of the listing.

Shareholders whose Outstanding Shares are to be acquired by compulsory acquisition should note that they will not receive the consideration for the Outstanding Shares until the completion of the compulsory acquisition (which is not expected to occur prior to 17 March 2012), and that there may be a further delay in their receiving of the consideration as the Offeror is required under section 102 of the Companies Act to pay or transfer such consideration to the Company (which will hold the amount received in a separate bank account and on trust for the Shareholders whose Outstanding Shares are acquired under the compulsory acquisition), and Shareholders seeking to obtain their entitlement under the trust will need to approach the Company.

Shareholders who are in doubt as to any aspect of the compulsory acquisition and its implications or as to the action to be taken, should consult a licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser. Any Shareholders who are in doubt as to their rights and obligations under the Companies Act or other laws of Bermuda in respect of the compulsory acquisition of the Outstanding Shares should consult a solicitor or other professional adviser qualified to advise on Bermuda law.

SUSPENSION OF TRADING

An application will be made to the Stock Exchange for the suspension of trading in the Shares from 9:00 a.m. on 17 February 2012, being the trading day immediately after the close of the Offer, until the withdrawal of listing of the Shares on the Stock Exchange.

CHANGE OF BOARD COMPOSITION

The Board announces that each of Kao Yu Chu and Wang Li Wen has resigned as executive Director, and Lee Ching Yee, Brian Donald has been appointed as executive Director, in each case with effect from 3 February 2012.

INTRODUCTION

Reference is made to (i) the announcement dated 19 December 2011 jointly issued by the Offeror and the Company in relation to the Offer; (ii) the announcement dated 6 January 2012 jointly issued by the Offeror and the Company in relation to the delay in despatch of the Composite Document; (iii) the Composite Document dated 12 January 2012 jointly issued by the Offeror and the Company in relation to the Offer; (iv) the announcement dated 12 January 2012 jointly issued by the Offeror and the Company in relation to the despatch of the Composite Document; and (v) the announcement dated 26 January 2012 jointly issued by the Offeror and the Company in relation to the Offer becoming unconditional as to acceptances (“**Latest Announcement**”). Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the Composite Document.

THE OFFER HAS BECOME UNCONDITIONAL IN ALL RESPECTS

As mentioned in the Latest Announcement, Conditions (a) and (c) as set out on pages 8 and 9 of the Composite Document respectively have been satisfied on 26 January 2012.

The Offeror announces that in addition to Conditions (a) and (c), all the other Conditions as set out under the paragraph headed “Conditions of the Offer” in the Letter from Citi, the text of which is set out in the Composite Document, have been fulfilled or waived (as the case may be) on 2 February 2012 and the Offer has become unconditional in all respects on 2 February 2012.

ACCEPTANCE LEVEL

As at 4:00 p.m. on 2 February 2012, valid acceptances of the Offer have been received in respect of 886,604,855 Shares (representing approximately 90.26% of the disinterested Shares and approximately 90.26% of the voting rights in the Company as at the date of this announcement), which include acceptances in respect of Shares subject to the Irrevocable Undertaking.

Immediately prior to the commencement of the Offer Period on 19 December 2011, the Offeror and parties acting in concert with it did not hold, control or direct any Shares or rights over Shares save for 81 Shares held by Citi and the entities controlling, controlled by or under the same control as Citi (except those entities in the capacity of an exempt principal trader and exempt fund manager), which are presumed to be acting in concert with the Offeror. Save for the acceptances of the Offer described above, which include acceptances in respect of Shares subject to the Irrevocable Undertaking, the Offeror and parties acting in concert with it have not acquired or agreed to acquire any Shares or rights over Shares during the Offer Period. Neither the Offeror nor any party acting in concert with it has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period.

THE OFFER REMAINS OPEN FOR ACCEPTANCE

Pursuant to Rule 15.3 of the Takeovers Code, the Offer shall remain open for acceptance for not less than 14 days after the Offer becomes or is declared unconditional in all respects. Accordingly, the latest time and date for acceptance of the Offer will be 4:00 p.m. on 16 February 2012 (or such other time and/or date(s) as the Offeror may determine and announce in accordance with the Takeovers Code).

Shareholders are advised that the Offer will remain open for acceptance until 4:00 p.m. on 16 February 2012 (or such other time and/or date(s) as the Offeror may determine and announce in accordance with the Takeovers Code). The Offeror would like to take this opportunity to encourage the Shareholders to accept the Offer in accordance with the recommendation of the Independent Board Committee.

Shareholders who wish to accept the Offer must submit their duly completed and signed Form of Acceptance, together with the relevant Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for not less than the number of Shares in respect of which they intend to accept the Offer, by post or by hand, marked “Hang Ten Group Holdings Limited – Offer” on the envelope, to the Hong Kong Branch Registrar, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong as soon as possible, but in any event so as to reach the Hong Kong Branch

Registrar not later than 4:00 p.m. on 16 February 2012 (or such other time and/or date(s) as the Offeror may determine and announce in accordance with the Takeovers Code). *Shareholders are advised to refer to the Composite Document and the Form of Acceptance for details of the acceptance procedures if they wish to accept the Offer.*

SETTLEMENT OF THE OFFER

For Shareholders who have already accepted the Offer and have submitted their duly completed and signed Form of Acceptance, together with the relevant Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof), a cheque for the amount due to each such Shareholder less seller's ad valorem stamp duty in respect of the Shares tendered by him/her/it under the Offer will be despatched to each such Shareholder by ordinary post at his/her/its own risk as soon as possible but in any event within 10 days from the date of this announcement.

For Shareholders who accept the Offer after the date of this announcement and before 4:00 p.m. on 16 February 2012 (or such other time and/or date(s) as the Offeror may determine and announce in accordance with the Takeovers Code), a cheque for the amount due to each such Shareholder less seller's ad valorem stamp duty in respect of the Shares tendered by him/her/it under the Offer will be despatched to each such Shareholder by ordinary post at his/her/its own risk within 10 days from the date of receipt of the duly completed Form(s) of Acceptance and all relevant documents by the Hong Kong Branch Registrar from such Shareholder accepting the Offer.

COMPULSORY ACQUISITION AND WITHDRAWAL OF LISTING

Given the level of acceptances of the Offer has reached the prescribed level under section 102(1) of the Companies Act and Rule 2.11 of the Takeovers Code, namely, there is received acceptance level of more than 90% in value of the Shares in respect of which the Offer is made and more than 90% of the disinterested Shares within the period of four months after the making of the Offer, the Offeror will exercise the compulsory acquisition right under section 102(1) of the Companies Act and Rule 2.11 of the Takeovers Code to compulsorily acquire those Shares not already acquired by the Offeror after the close of the Offer on 16 February 2012 ("**Outstanding Shares**").

Notices in relation to the compulsory acquisition of the Outstanding Shares ("**Compulsory Acquisition Notices**") pursuant to section 102 of the Companies Act will be issued in due course after the close of the Offer to the Shareholders holding the Outstanding Shares. Once the Compulsory Acquisition Notices are despatched, the Offeror will be entitled and bound to acquire the Outstanding Shares on the same terms as the Offer, unless the Supreme Court of Bermuda thinks fit to order otherwise (upon an application made by a dissenting Shareholder within one month from the date on which the Compulsory Acquisition Notices are given). A further announcement will be made at the time of despatch of the Compulsory Acquisition Notices.

On completion of the compulsory acquisition, an application will be made for the withdrawal of listing of the Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules. A further announcement will be made to inform the public as to the timing and details of the withdrawal of the listing.

Shareholders whose Outstanding Shares are to be acquired by compulsory acquisition should note that they will not receive the consideration for the Outstanding Shares until the completion of the compulsory acquisition (which is not expected to occur prior to 17 March 2012), and that there may be a further delay in their receiving of the consideration as the Offeror is required under section 102 of the Companies Act to pay or transfer such consideration to the Company (which will hold the amount received in a separate bank account and on trust for the Shareholders whose Outstanding Shares are acquired under the compulsory acquisition), and Shareholders seeking to obtain their entitlement under the trust will need to approach the Company.

Shareholders who are in doubt as to any aspect of the compulsory acquisition and its implications or as to the action to be taken, should consult a licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser. Any Shareholders who are in doubt as to their rights and obligations under the Companies Act or other laws of Bermuda in respect of the compulsory acquisition of the Outstanding Shares should consult a solicitor or other professional adviser qualified to advise on Bermuda law.

SUSPENSION OF TRADING

An application will be made to the Stock Exchange for the suspension of trading in the Shares from 9:00 a.m. on 17 February 2012, being the trading day immediately after the close of the Offer, until the withdrawal of listing of the Shares on the Stock Exchange.

RESIGNATION OF DIRECTORS

The Board hereby announces that each of Kao Yu Chu and Wang Li Wen has resigned as executive Director with effect from 3 February 2012. Kao Yu Chu and Wang Li Wen will remain as employees of the Group.

Each of the resigning Directors confirmed that she has no disagreement with the Board and there are no matters in respect of her resignation that need to be brought to the attention of the Shareholders. The Board would like to express its gratitude to the resigning Directors for their contributions to the Company during their terms of service.

APPOINTMENT OF DIRECTOR

The Board hereby announces that Lee Ching Yee, Brian Donald (“**Mr. Lee**”) has been appointed as executive Director with effect from 3 February 2012. Set out below is the biography of Mr. Lee:

Mr. Lee Ching Yee, Brian Donald, aged 37, will be an executive Director of the Company with effect from 3 February 2012. Mr. Lee graduated from Massachusetts Institute of Technology with a Bachelor of Science degree in management science. He also holds an MBA degree from Hitotsubashi University in Japan. Prior to joining the Company, Mr. Lee was the Representative Director and President of Kanematsu Textile Corporation, one of the major apparel trading companies in Japan.

Mr. Lee has over 16 years of experience in cross-border mergers and acquisitions, business integrations, turnarounds, and various aspects of supply chain management and brand licensing. Mr. Lee is currently a director of KT Licensing Limited, which holds the master licence to manufacture and sell Sanrio products in China, and the Vice-Chairman of Fung Japan Development Limited.

Mr. Lee did not enter into a service contract with the Company. There is no fixed period of director's service but his directorship is subject to retirement by rotation and re-election at the annual general meeting of the Company under the bye-laws of the Company. The emoluments of Mr. Lee have not been determined as at the date of this announcement. A further announcement will be made in this regard in accordance with the Listing Rules.

Save as disclosed above, as at the date of this announcement, (i) Mr. Lee did not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company and has not held any other positions with the Group; (ii) Mr. Lee did not hold any directorship in the past three years before the date of this announcement in public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iii) Mr. Lee did not have any interest in the Shares within the meaning of Part XV of the SFO; (iv) there were no other matters that are required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules; and (v) there were no other matters in relation to the appointment of Mr. Lee that need to be brought to the attention of the Shareholders.

By order of the board of PERFECT LEAD INVESTMENTS LIMITED Lau Butt Farn Director	By order of the Board of HANG TEN GROUP HOLDINGS LIMITED Chan Wing Sun Chairman
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Hong Kong, 2 February 2012

As at the date of this announcement, the Board comprises Chan Wing Sun, Kao Yu Chu and Wang Li Wen as executive Directors; and Cheung Yat Hung Alton, Kwong Chi Keung and So Hon Cheung Stephen as independent non-executive Directors.

As at the date of this announcement, the directors of the Offeror are Fung Kwok King, Victor, Fung Kwok Lun, William, Lau Butt Farn and Choi Yuk Shing, Danny.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Offeror and parties acting in concert with it), 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 and parties acting in concert with it) 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 statement in this announcement misleading.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Group and the Selling Shareholders), 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 Selling Shareholders) 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 statement in this announcement misleading.