

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)**

**CLOSE OF THE OFFER
DESPATCH OF COMPULSORY ACQUISITION NOTICES
AND
SUSPENSION OF TRADING**

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



CITIGROUP GLOBAL MARKETS ASIA LIMITED

CLOSE OF THE OFFER AND LEVEL OF ACCEPTANCES

The Offeror announces that the Offer closed at 4:00 p.m. on 16 February 2012.

As at 4:00 p.m. on 16 February 2012, valid acceptances of the Offer have been received in respect of 956,511,118 Shares (representing approximately 97.38% of the disinterested Shares and approximately 97.38% 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.

DESPATCH OF THE COMPULSORY ACQUISITION NOTICES

As stated in the Latest Announcement, 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.

Compulsory Acquisition Notices pursuant to section 102 of the Companies Act, each accompanied by a form of request for payment of consideration, will be despatched on 17 February 2012 to the Shareholders holding the Outstanding Shares.

Unless the Supreme Court of Bermuda thinks fit to order otherwise (upon an application made by a dissenting Shareholder within one month from 17 February 2012, being the date on which the Compulsory Acquisition Notices are to be given), once the Compulsory Acquisition Notices are despatched, the Offeror will be entitled and bound to acquire all the Outstanding Shares on the same terms as the Offer on or around 17 March 2012.

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 expected to occur on or around 17 March 2012 assuming no Shareholder holding any Outstanding Shares has made an application to the Supreme Court of Bermuda), 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 by submitting the completed form of request (as mentioned above) in accordance with the instructions contained therein.

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 AND WITHDRAWAL OF LISTING OF THE COMPANY

An application has been made to the Stock Exchange for the suspension of trading in the Shares from 9:00 a.m. on 17 February 2012 until the withdrawal of listing of the Shares on the Stock Exchange following completion of the compulsory acquisition of the Outstanding Shares. The last day of trading in the Shares on the Stock Exchange was 16 February 2012.

It is proposed that listing of the Shares on the Stock Exchange will be withdrawn on or around 20 March 2012 subject to completion of the compulsory acquisition of all the Outstanding Shares.

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; (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; and (vi) the announcement dated 2 February 2012 jointly issued by the Offeror and the Company in relation to, among other things, the Offer becoming unconditional in all respects, the extension of the Offer and the compulsory acquisition (“**Latest Announcement**”). Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the Composite Document.

CLOSE OF THE OFFER AND LEVEL OF ACCEPTANCES

The Offeror announces that the Offer closed at 4:00 p.m. on 16 February 2012.

As at 4:00 p.m. on 16 February 2012, being the latest time for acceptance of the Offer, valid acceptances of the Offer have been received in respect of 956,511,118 Shares (representing approximately 97.38% of the disinterested Shares and approximately 97.38% 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.

DESPATCH OF THE COMPULSORY ACQUISITION NOTICES

As stated in the Latest Announcement, 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 posting of the Composite Document, 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, each accompanied by a form of request for payment of consideration, will be despatched on 17 February 2012 to the Shareholders holding the Outstanding Shares.

Unless the Supreme Court of Bermuda thinks fit to order otherwise (upon an application made by a dissenting Shareholder within one month from 17 February 2012, being the date on which the Compulsory Acquisition Notices are to be given), once the Compulsory Acquisition Notices are despatched, the Offeror will be entitled and bound to acquire all the Outstanding Shares on the same terms as the Offer on or around 17 March 2012. A further announcement will be made upon completion of the compulsory acquisition of the Outstanding Shares.

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 expected to occur on or around 17 March 2012 assuming no Shareholder holding any Outstanding Shares has made an application to the Supreme Court of Bermuda), 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 by submitting the completed form of request (as mentioned above) in accordance with the instructions contained therein.

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 AND WITHDRAWAL OF LISTING OF THE COMPANY

An application has been 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 following completion of the compulsory acquisition of the Outstanding Shares. The last day of trading in the Shares on the Stock Exchange was 16 February 2012.

An application will be made for the withdrawal of listing of the Shares on the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

It is proposed that listing of the Shares on the Stock Exchange will be withdrawn on or around 20 March 2012 subject to completion of the compulsory acquisition of all the Outstanding Shares. A further announcement will be made in relation to the withdrawal of listing of the Shares on the Stock Exchange.

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

Hong Kong, 16 February 2012

As at the date of this announcement, the Board comprises Chan Wing Sun and Lee Ching Yee, Brian Donald 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.