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**LI & FUNG LIMITED**  
(Incorporated in Bermuda with limited liability)  
(Stock Code: 494)

**POSSIBLE SPIN-OFF  
BY WAY OF A 100% DISTRIBUTION IN SPECIE  
AND A SEPARATE LISTING OF  
THE BRANDS AND LICENSING BUSINESS OF THE GROUP  
ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED**

This announcement is made pursuant to the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The board of directors (the "**Board**") of Li & Fung Limited (the "**Company**") announces that the Company has decided to proceed with an application for a possible spin-off and separate listing of its global brands and licensing business (the "**Global Brands Group**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") by way of a 100% distribution in specie (the "**Proposed Spin-off**"). The Company has made an application to the Stock Exchange pursuant to Practice Note 15 of the Listing Rules for approval of the Proposed Spin-off and has received written confirmation from the Stock Exchange that it may proceed with the Proposed Spin-off.

Preparation for the Proposed Spin-off is underway, but no listing application has yet been made to the Stock Exchange to list the Global Brands Group. The Company aims to achieve a listing of the Global Brands Group in 2014.

If the Stock Exchange approves the listing of the Global Brands Group, it is expected that Mr. Bruce Philip Rockowitz, the Group President and Chief Executive Officer, will become the chief executive officer of the Global Brands Group upon listing. Mr. Spencer Theodore Fung, the Group Chief Operating Officer, is then expected to take over Mr. Rockowitz's position of Group President and Chief Executive Officer. Dr. William Fung Kwok Lun is expected to become the non-executive chairman of the Global Brands Group upon listing, and will also continue to be the Group Chairman.

The Company will comply with the Listing Rules and make further announcements in connection with the Proposed Spin-off as and when appropriate or if required under the Listing Rules.

**Shareholders and potential investors in the Company should note that the Proposed Spin-off is subject to, among other things, the final decisions of the respective boards of directors of the Company and the spun-off entity, the approval of the Stock Exchange and market conditions. Accordingly, shareholders and potential investors in the Company should be aware that there is no assurance that the Proposed Spin-off will take place or as to when it may take place. Shareholders and potential investors in the Company should therefore exercise caution when dealing in the shares of the Company. Any person who is in doubt about their position or any action to be taken is recommended to seek professional advice.**

By Order of the Board  
**William FUNG Kwok Lun**  
Group Chairman



Hong Kong, 20 March 2014

Websites: [www.lifung.com](http://www.lifung.com)  
[www.irasia.com/listco/hk/lifung](http://www.irasia.com/listco/hk/lifung)

*As at the date of this announcement, Executive Directors of the Company are William Fung Kwok Lun (Group Chairman), Bruce Philip Rockowitz (Group President & Chief Executive Officer) and Spencer Theodore Fung (Group Chief Operating Officer); Non-executive Directors are Victor Fung Kwok King (Honorary Chairman) and Benedict Chang Yew Teck; Independent Non-executive Directors are Paul Edward Selway-Swift, Allan Wong Chi Yun, Franklin Warren McFarlan, Martin Tang Yue Nien, Fu Yuning and Margaret Leung Ko May Yee.*