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

**PROPOSED SPIN-OFF AND SEPARATE LISTING OF
GLOBAL BRANDS GROUP HOLDING LIMITED
ON THE MAIN BOARD OF
THE STOCK EXCHANGE OF HONG KONG LIMITED**

INTRODUCTION

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance, Rule 13.09(2)(a) and Practice Note 15 of the Listing Rules.

We refer to the announcement made by the Company on 20 March 2014 where the Company stated that the Company had submitted a spin-off proposal to the Stock Exchange pursuant to PN15 in relation to the Proposed Spin-off of Global Brands Group and that the Stock Exchange had confirmed that the Company may proceed with the Proposed Spin-off.

LISTING APPLICATION

On 15 May 2014, a listing application form (Form A1) was submitted to the Stock Exchange to apply for the listing of, and permission to deal in, the Global Brands Group Shares on the Main Board of the Stock Exchange. The listing of the Global Brands Group Shares will be by way of introduction to be achieved by a distribution in specie by the Company of 100% of the Global Brands Group Shares.

The Form A1 application is subject to an initial three-day review by the Stock Exchange of the application proof of Global Brands Group's listing document (the "**Application Proof**"). If the Form A1 is accepted by the Stock Exchange for detailed vetting after the initial three-day review, a redacted form of the Application Proof will be available for viewing and downloading on the Stock Exchange's website at <http://www.hkexnews.hk/APP/SEHKAPPMainIndex.htm>.

GENERAL

The listing of the Global Brands Group Shares pursuant to the Proposed Spin-off is subject to, among other things, the Listing Approval and the final decision of the Board. Accordingly, Shareholders and potential investors in the Company should be aware that there is no assurance that the Proposed Spin-off and the separate listing of the Global Brands Group Shares will take place or as to when it may take place. If the Proposed Spin-off does not proceed for any reason, the proposed distribution in specie of Global Brands Group Shares will not be made. Shareholders and potential investors in the Company should therefore exercise caution when dealing in or investing in the securities of the Company.

This announcement is not an offer for sale of any securities in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from such registration requirement. Any public offering of securities in the United States will be made by means of a prospectus that would be obtained from the issuer or selling security holder and that would contain detailed information regarding the company and management, as well as financial statements. The securities described in this announcement have not been and will not be registered in the United States.

Further announcements will be made by the Company in relation to the Proposed Spin-off as and when appropriate.

DEFINITIONS

"Board"	the board of directors of the Company
"Company"	Li & Fung Limited, a company incorporated under the laws of Bermuda whose shares are listed on the Main Board of the Stock Exchange and the sole shareholder of Global Brands Group prior to completion of the Proposed Spin-off
"Form A1"	the listing application form submitted to the Stock Exchange on 15 May 2014
"Global Brands Group"	Global Brands Group Holding Limited, a company incorporated under the laws of Bermuda
"Global Brands Group Shares"	ordinary shares in the share capital of Global Brands Group

“Listing Approval”	the approval by the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Global Brands Group Shares on the Main Board of the Stock Exchange
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PN15”	Practice Note 15 of the Listing Rules
“Proposed Spin-off”	the proposed spin-off of Global Brands Group by way of a separate listing of the Global Brands Group Shares on the Main Board of the Stock Exchange to be achieved by a distribution in specie by the Company of approximately 100% of the Global Brands Group Shares
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
William FUNG Kwok Lun
Group Chairman



Hong Kong, 15 May 2014

Websites: www.lifung.com
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 Director is Victor Fung Kwok King (Honorary Chairman); 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.