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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 and Rule 13.09(2)(a) of the Listing Rules.

We refer to the announcements made by the Company on 20 March 2014 and 15 May 2014 relating to the Proposed Spin-off and the submission of a Form A1 to the Stock Exchange applying for the listing of, and permission to deal in, the Global Brands Group Shares on the Main Board of the Stock Exchange.

**APPLICATION PROOF**

The Board announces that in connection with the Proposed Spin-off and the submission of the Form A1, the Stock Exchange has completed its initial three-day review of the Form A1 application and that it has been accepted for detailed vetting. A redacted form of the application proof of Global Brands Group's listing document (the "**Application Proof**") is now available for viewing and downloading on the Stock Exchange's website at <http://www.hkexnews.hk/APP/SEHKAPPMainIndex.htm>.

The Application Proof contains, among other things, certain business and financial information relating to Global Brands Group. Shareholders should note that the Application Proof is in draft form and the information contained in it is subject to change which can be material. The Company does not have any obligation or liability whatsoever in relation to the Application Proof.

## **ASSURED ENTITLEMENT**

In accordance with the requirements of PN15, the Board proposes to give due regard to the interests of Shareholders by providing qualifying Shareholders with an assured entitlement to the Global Brands Group Shares by way of a distribution in specie of 100% of the Global Brands Group Shares if the Proposed Spin-off proceeds. Details of such assured entitlement have not yet been finalised.

## **PROPOSED SPIN-OFF AND CHAPTER 14 OF THE LISTING RULES**

Following completion of the Proposed Spin-off, the Company will not retain any interest in the issued share capital of Global Brands Group and Global Brands Group will no longer be a subsidiary of the Company. As such reduction of the Company's shareholding interest in Global Brands Group will be by way of the distribution in specie alone, it will not be a transaction by the Company and accordingly there will be no requirement to comply with the notification or shareholders' approval requirements of Chapter 14 of the Listing Rules.

## **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
“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, 21 May 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 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.*