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Incorporated in Bermuda with limited liability
Stock Code: 494

APPOINTMENT OF DIRECTORS AND AUDIT COMMITTEE MEMBER

The board of directors ("Directors") of Li & Fung Limited (the "Company") announces that with effect from 10 January 2018, Mr. John G. Rice has been appointed as an Independent Non-executive Director and a member of the Audit Committee of the Company and Mr. Joseph C. Phi has been appointed as an Executive Director of the Company.

Save as disclosed below, there is no other matter that needs to be brought to the attention of the shareholders and there is no information to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Appointment of Independent Non-executive Director and Audit Committee Member

Mr. John G. Rice, aged 61, is vice chairman of General Electric Company ("GE") and will retire from GE in March 2018 after 39 years of services. He is a director of Baker Hughes, a GE Company which is listed on The New York Stock Exchange. Mr. Rice holds a Bachelor of Arts degree in economics from Hamilton College in Clinton, New York, and remains on their Board of trustees today. He is also a trustee of Emory University in Atlanta, Georgia, and serves on several other boards including the International Advisory Board of the King Fahd University of Petroleum and Minerals, Dhahran, Saudi Arabia, and the Centers for Disease Control and Prevention Foundation in Atlanta.

Save as disclosed above, Mr. Rice has not held any other directorship in listed public companies in the last three years and does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company, nor does he have any interest in the shares of the Company ("Shares") which is required to be disclosed pursuant to Part XV of the Securities and Futures Ordinance ("SFO").

Under the service contract between the Company and Mr. Rice, he is appointed for a specific term of less than 3 years and will be subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the bye-laws of the Company. The director's fee under the service contract is HK\$300,000 per annum (approximately US\$38,500), and Mr. Rice is also entitled to an additional annual fee of HK\$100,000 (approximately US\$12,800) for acting as a member of the Audit Committee. Such fees are subject to regular assessment with reference to those paid by the companies with shares listed on the Stock Exchange and approval of the shareholders of the Company at the annual general meeting.

Appointment of Executive Director

Mr. Joseph C. Phi, aged 55, is President of LF Logistics managing the Group's logistics business as well as its data analytics and business development functions. He joined the Group in 1999 and was an executive director of Integrated Distribution Services Group Limited from 2004 to April 2011. He graduated *magna cum laude* from the University of The Philippines (UP) with a Bachelor of Science degree in Industrial Engineering and attained an MBA degree with top honors from the same university. He was 2011 recipient of UP College of Business Administration Distinguished Alumnus Award and 2013 recipient of UP Industrial Engineering Alumni Award and UP Alumni Engineers Global Achievement Award for Logistics. Mr. Phi is chairman of GS1 Hong Kong, and a director of GS1 Management Board and Macy's China Limited. He is an adjunct professor in the School of Business and Management at The Hong Kong University of Science and Technology.

As at the date of this announcement and within the meaning of Part XV of the SFO, Mr. Phi has personal interest of 3,752,878 Shares, trust interest of 955,800 Shares representing the interests in the award shares granted by the Company under the share award scheme, personal interest in 2,212,000 underlying Shares in respect of the share options granted by the Company under the share option scheme, and family interest of 38,000 Shares.

Save as disclosed above, Mr. Phi has not held any other directorship in listed public companies in the last three years and does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company, nor does he have any interest in the shares of the Company which is required to be disclosed pursuant to Part XV of the SFO.

Under the service contract between the Company and Mr. Phi, there is no fixed period of director's service but his directorship is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws. Mr. Phi is entitled to a director's fee of HK\$300,000 per annum (approximately US\$38,500). Such fee is subject to regular assessment with reference to those paid by the companies with shares listed on the Stock Exchange and approval of the shareholders of the Company at the annual general meeting. Pursuant to the current employment contract with a subsidiary of the Company, Mr. Phi is entitled to a basic salary of US\$603,000 per annum, a discretionary bonus calculated with reference to the performance of the operating group headed by him, and other benefits in kind.

By Order of the Board
William FUNG Kwok Lun
Group Chairman, Li & Fung Limited

Hong Kong, 10 January 2018

Following the appointment of abovementioned directors, Executive Directors of the Company are William Fung Kwok Lun (Group Chairman), Spencer Theodore Fung (Group Chief Executive Officer), Marc Robert Compagnon and Joseph C. Phi; Non-executive Director is Victor Fung Kwok King (Honorary Chairman); Independent Non-executive Directors are Allan Wong Chi Yun, Martin Tang Yue Nien, Margaret Leung Ko May Yee, Chih Tin Cheung and John G. Rice.