

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.

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

**ADJUSTMENTS TO SUBSCRIPTION PRICE OF
SHARE OPTIONS**

The board of directors of the Company announces that as a result of the spin-off and separate listing of Global Brands Group Holding Limited, adjustments would be made to the subscription price for shares of the Company to be issued under the outstanding Share Options.

Reference is made to the resolution passed at the annual general meeting of Li & Fung Limited (the “**Company**”) held on 15 May 2014 for the reduction of share premium and the declaration of conditional distribution in specie announced by the Company on 1 July 2014. The declaration has become unconditional and the spin-off and separate listing of Global Brands Group Holding Limited has been completed.

Pursuant to the Company’s share option scheme adopted by the shareholders on 12 May 2003 (the “**Share Option Scheme**”) and in compliance with the requirements of Rule 17.03(13) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the supplementary guidance issued by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 5 September 2005, the subscription price applicable to the 50,972,000 share options (“**Share Options**”) outstanding on the record date for the distribution in specie (i.e. 7 July 2014) would be adjusted as a result of the reduction of share premium and distribution in specie as follows with effect from 31 August 2014:

Name or category of Participants	Date of Grant (dd/mm/yyyy)	Number of Shares (No adjustment)	Subscription Price per share before adjustment (HK\$)	Subscription Price per share after adjustment (HK\$)
William Fung Kwok Lun (Group Chairman)	11/04/2011	412,000	20.21	16.90
Spencer Theodore Fung (Group Chief Executive Officer)	11/04/2011	274,000	20.21	16.90
	22/12/2011	9,000,000	14.50	12.12
Marc Robert Compagnon (Executive Director)	11/04/2011	274,000	20.21	16.90
	22/12/2011	9,000,000	14.50	12.12
Other employees	11/04/2011	21,632,000	20.21	16.90
	21/11/2011	1,380,000	15.20	12.71
	22/12/2011	9,000,000	14.50	12.12

The auditors of the Company had checked the calculation with respect to the basis of the above adjustments in accordance with (i) the terms of the Share Option Scheme and (ii) Rule 17.03(13) of the Listing Rules and the supplementary guidance issued by the Stock Exchange on 5 September 2005 regarding adjustment of share options under Rule 17.03(13) of the Listing Rules.

By Order of the Board
William FUNG Kwok Lun
Group Chairman



Hong Kong, 21 August 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), Spencer Theodore Fung (Group Chief Executive Officer) and Marc Robert Compagnon; 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.