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Incorporated in Bermuda with limited liability
Stock Code: 494

ANNOUNCEMENT

ESTABLISHMENT OF MEDIUM TERM NOTE AND PERPETUAL SECURITIES PROGRAMME

The Board is pleased to announce that the Company has on 11 October 2016 established the Programme under which it may offer and issue Instruments in series of an aggregate principal amount of up to US\$2 billion (or its equivalent in other currencies) to professional and institutional investors in transactions exempt from the registration requirements under the U.S. Securities Act. The Programme is a shelf registration to make available a platform to enhance the Company's flexibility and efficiency for future funding or capital structure management. It is designed to allow Instruments to be drawn down from time to time at short notice and provide the Company with maximum flexibility to refinance its existing indebtedness, working capital or for general corporate purposes, subject to economic and market conditions. The Company has no current intention to drawdown the entire amount of the Programme.

Instruments issued under the Programme may be denominated in any currency subject to compliance with all relevant laws, regulations and directives.

As the Company may or may not proceed with drawdowns under the Programme, the timing of drawdown(s) (if any) is uncertain as it depends on market conditions and the funding needs of the Company, and the terms of any drawdown may vary within the parameters set out in the Programme, shareholders of the Company and prospective investors are advised to exercise caution when dealing in the securities of the Company.

ESTABLISHMENT OF MEDIUM TERM NOTE AND PERPETUAL SECURITIES PROGRAMME BY THE COMPANY

The Board is pleased to announce that the Company has on 11 October 2016 established the Programme under which it may offer and issue Instruments of an aggregate principal amount of up to US\$2 billion (or its equivalent in other currencies) to professional and institutional investors in transactions exempt from the registration requirements under the U.S. Securities Act. Instruments issued under the Programme may be denominated in any currency subject to compliance with all relevant laws, regulations and directives. There will be no public offering of Instruments issued under the Programme in Hong Kong, Singapore, the United States or any other jurisdiction.

Approval-in-principle has been received by the Company from the Singapore Exchange Securities Trading Limited (the **SGX-ST**) for permission to deal in, and the quotation for, any Instruments that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the Official List of the SGX-ST. An announcement will be made by the Company for the listing of the Programme on the SGX-ST. In relation to any issue of the Instruments, the Company has the option to agree with the relevant dealer(s) to list the relevant Instruments on the SGX-ST or any other stock exchange.

The Company has appointed Citigroup and HSBC as the Arrangers under the Programme by way of a dealer agreement dated 11 October 2016.

The Board is pleased to add that the Programme is a shelf programme that will make available a platform for the Company to enhance its flexibility and efficiency for future funding or capital management. It is designed to allow Instruments to be drawn down from time to time and the Company has no current intention to drawdown the entire amount of the Programme. The principal amount and timing of drawdown(s) of Instruments under the Programme are dependent on several factors, including but not limited to, market conditions and the funding needs of the Company.

The Company currently intends to use the net proceeds from each issue of the Instruments issued under the Programme for refinancing the Company's long-term indebtedness, working capital and for the Company's general corporate purposes.

As the Company may or may not proceed with drawdowns under the Programme, the timing of drawdown(s) (if any) is uncertain as it depends on market conditions and the funding needs of the Company, and the terms of any drawdown may vary within the parameters set out in the Programme, shareholders of the Company and prospective investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following terms have the meanings set forth below unless the context requires otherwise:

“Arrangers”	Citigroup and HSBC, acting as the joint arrangers for the Programme
“Board”	the board of directors of the Company
“Citigroup”	Citigroup Global Markets Limited
“Company”	Li & Fung Limited, whose shares are listed on the main board of the Stock Exchange of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited
“Instruments”	notes and perpetual securities that may be offered and issued by the Company under the Programme
“Programme”	US\$2 billion medium term note and perpetual securities programme established by the Company on 11 October 2016
“U.S. Securities Act”	U.S. Securities Act of 1933, as amended
“United States”	the United States of America
“US\$”	U.S. dollar(s), the lawful currency of the United States

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

Hong Kong, 11 October 2016



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, Martin Tang Yue Nien and Margaret Leung Ko May Yee.