

LF Logistics opens one million square foot logistics hub in Singapore

Largest automated and customs bonded distribution facility in Singapore set to tap into booming e-commerce industry and serve as logistics hub for Asia and the world

Hong Kong, 26 April 2016 – LF Logistics (a Li & Fung Company) today opened its one million square foot logistics facility in Singapore. The new center is designed to tap into the booming e-commerce industry and serve as logistics hub meeting the fast-changing needs of brands and retailers across Asia and the rest of the world. This nine-story, multi-temperature facility counts as Singapore's largest automated and customs bonded warehouse, and leverages a suite of best-in-class technologies and product handling methods including automated storage & retrieval system, semi-automated pallet shuttle system, robotics, put-to-light pick systems and market-leading e-commerce logistics solutions. It is a LEED Gold and BCA Green Mark Platinum-certified building for its outstanding design and performance in environmental sustainability.

Located in Jurong West, this new LF Logistics facility is the Company's largest distribution facility in Southeast Asia, and can store up to 130,000 pallets with a throughput of 550 pallets per hour. An opening ceremony attended by more than 300 guests and business partners featured Mr. Tharman Shanmugaratnam, Singapore's Deputy Prime Minister & Coordinating Minister for Economic and Social Policies as guest of honor.

"Our logistics business has been a bright spot with double digit growth," said Spencer Fung, Group Chief Executive Officer of Li & Fung. "We are very proud of the fact that our expertise in e-commerce logistics has made us the preferred e-logistics partner of choice for brands and retailers in Asia and around the world. Our continued investment in logistics in a sustainable way underscores our commitment to support the business needs of our customers. With the addition of the new logistics facility in Singapore, we're very excited at the opportunities that lie ahead," added Spencer Fung.

According to the latest report 'Asia Pacific Online Retail Forecast, 2015 To 2020¹', total online retail revenue will nearly double in the Asia Pacific region from the US\$733 billion in 2015 to US\$1.4 trillion in 2020, given a compound annual growth rate of 14.3% over the next five years. The total online retail revenues in just five markets of Asia Pacific including China, India, Japan, South Korea and Australia surpass the combined figure for online retail in the US and the whole Western Europe combined.

"With the establishment of the ASEAN Economic Community and the pending Trans-Pacific Partnership, cross-border trade will thrive and the logistics industry will expand at a faster pace as a result. Our new logistics facility is well positioned to serve Singapore, as well as the broader Asia region and beyond. We see this facility as a gateway to the world," said Joseph Phi, President of LF Logistics.

"We have been operating in Singapore for more than 40 years. Strategically located in the heart of Southeast Asia, our new logistics facility supports our customers' demand for speed-to-market. We are proud to continue building our expertise in Singapore and investing in the region," said Thean Siak Sin, Executive Vice President and Head of Singapore, LF Logistics.

Dr. Beh Swan Gin, Chairman of the Singapore Economic Development Board, said: "The burgeoning middle class in Southeast Asia will drive consumer demand for more sophisticated products and services. This new LF Logistics facility in Singapore is well-placed to address this opportunity. It will also enable the company to harness Singapore's strong base of supply chain expertise to build differentiating competencies in e-commerce and omni-channel logistics."

LF Logistics is a leading logistics provider offering both in-country logistics services across Asia and freight management services globally. It has extensive experience in footwear and apparel, fast-moving consumer goods, food and beverage, retail, electronics and healthcare industries.

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¹ The research was conducted by global research and advisory firm Forrester.

About LF Logistics

Headquartered in Hong Kong, LF Logistics is part of Li & Fung (SEHK: 494), the world's leader in consumer goods design, development, sourcing and logistics. As the logistics partner of choice for major local and multinational companies, LF Logistics offers a suite of integrated logistics and supply chain management services in the Fast Moving Consumer Goods, Food & Beverage, Footwear & Apparel and Retail sectors. Through its comprehensive distribution network in Asia, LF Logistics collaborates closely with over 400 brand owners and retailers to provide tailor-made warehousing and transport management solutions. Through its global freight forwarding presence, LF Logistics connects origins and destinations flexibly, timely and responsively. Today, with the increasing importance of e-commerce and cross border trades, LF Logistics provides a total omni-channel fulfillment solution and operates major regional hubs and consolidation centers to optimize inventory flow and ensure quick response.

About Li & Fung Limited

Li & Fung (SEHK: 494), the Hong Kong-headquartered multinational group, is the world's leader in consumer goods design, development, sourcing and logistics. It specializes in responsibly managing supply chains of high-volume, time-sensitive goods for leading retailers and brands worldwide, in more than 300 offices across 40 economies.

For more information about Li & Fung, please visit www.lifung.com