

Fung Group Announces Collaboration with Christensen Institute to Create Supply Chain of the Future

Partnership will research tech advances, global market shifts, and industry-wide disruption

Hong Kong, 5 December 2017 - The Clayton Christensen Institute for Disruptive Innovation and the Fung Group are pleased to announce a five-year collaboration to explore how global market shifts and rapidly advancing technology are disrupting industries and paving the way for supply chains of the future. Made possible by a generous grant from the Victor and William Fung Foundation, the collaboration will draw on the Christensen Institute's seminal work on Disruption Theory, together with the Fung Group's extensive knowledge on supply chains and emerging economies, to derive insights on future challenges and opportunities amidst rapid market change.

"In an increasingly digital world, the theory of Disruptive Innovation can be invaluable in understanding businesses and social institutions alike," said Institute President Ann Christensen. "Disruption across the supply chain carries an incredible opportunity to open up emerging markets, spur growth in developing nations, and provide essential goods to a greater portion of the world's population."

The Fung Group sits at the nexus of these changes with Li & Fung as the leader in consumer products supply chains working to meet new demands of speed, innovation and digitalization. A better understanding of industry shifts and disruption derived from this collaboration will enable the Fung Group and its industry partners to leverage their transition to a digital world in a way that benefits citizens, consumers and communities worldwide.

The partnership will support Li & Fung executive Jon George in residence full-time at the Institute as a visiting research fellow. George will work closely with Institute researchers as well as Professor Clayton Christensen to merge leading theoretical frameworks with the insights of industry executives and practitioners with deep field experience.

"Consumer industries are undergoing a seismic shift from a fundamentally analog approach to embracing fully the digital economy," said Li & Fung CEO Spencer Fung. "At the same time, global markets are reshaping due to changes in demographics and new trading frameworks such as the Belt and Road initiative, which covers more than 60 countries and half the world's population. In this unprecedented era of change, we are delighted to work with the Christensen Institute to create insights that will drive our businesses and create scalable, sustainable impact in the communities where we live and work."

Research produced as a result of the partnership will be made available to the public at www.ChristensenInstitute.org.

About the Fung Group

Fung Holdings (1937) Limited, a privately-held business entity headquartered in Hong Kong, is the major shareholder of the Fung Group of companies, whose core businesses operate across the entire global supply chain for consumer goods including sourcing, logistics, distribution and retail. The Fung Group comprises 42,000 people working in more than 40 economies worldwide. We have a rich history and heritage in export trading and global supply chain management that dates back to 1906 and traces the story of how Hong Kong and the Pearl River Delta emerged as one of the world's foremost manufacturing and trading regions. We are focused on both creating the Supply Chain of the Future to help brands and retailers navigate the digital economy as well as creating new opportunities, product categories and market expansion for brands on a global scale.

Listed entities of the Group include Li & Fung Limited (SEHK: 00494), Global Brands Group Holding Limited (SEHK: 00787) and Convenience Retail Asia Limited (SEHK: 00831). Privately-held entities include LH Pegasus, Branded Lifestyle Holdings Limited, Fung Kids (Holdings) Limited, Toys "R" Us (Asia) and Suhyang Networks.

For more information, please visit www.funggroup.com.

About Li & Fung Limited

Li & Fung (SEHK: 494), the Hong Kong-headquartered multinational group, is the world's leading supply chain solutions partner. It specializes in responsibly managing supply chains of high-volume, time-sensitive goods for leading retailers and brands worldwide, in around 230 offices across more than 40 economies. Its goal is to create the supply chain of the future to help its customers navigate the digital economy and to improve the lives of a billion people in the supply chain.

For more information, please visit www.lifung.com

About The Clayton Christensen Institute for Disruptive Innovation

The Clayton Christensen Institute for Disruptive Innovation is a nonprofit, nonpartisan think tank dedicated to improving the world through disruptive innovation. Founded on the theories of Harvard professor Clayton Christensen, the Institute offers a unique framework for understanding many of society's most pressing issues around education, healthcare, and economic prosperity. Its mission is ambitious but clear: work to shape and elevate the conversation surrounding these issues through rigorous research and public outreach. The Institute is redefining the way policymakers, community leaders, and innovators address the problems of our day by distilling and promoting the transformational power of disruptive innovation. The Christensen Institute has offices in the Boston area and Silicon Valley.

For more information, please visit www.christenseninstitute.org.