Li & Fung and First Insight announce global strategic partnership to integrate Voice of the Customer analytics into Li & Fung's Digital Supply Chain Solutions

Industry-leading digital pre-season consumer testing to increase product success rates and reduce markdowns for brands and retailers

HONG KONG and PITTSBURGH, December 12th, 2019 — Li & Fung Limited ("Li & Fung"; SEHK: 494), the world's leading consumer goods supply chain solutions partner, and First Insight, Inc., the technology company transforming how brands make product investment, pricing and marketing decisions, today announced a strategic agreement. The partnership will integrate First Insight's Voice of the Customer analytics into Li & Fung's Digital Product Development solution, enabling brands and retailers to select, price and buy designs with greater confidence, increasing sell through and reducing mark downs.

As part of its vision to create the Supply Chain of the Future, Li & Fung is developing a fully-integrated digital supply chain platform that connects brands and retailers with suppliers and other partners seamlessly with end-to-end data capture and visibility. Its industry-leading 3D virtual design services are disrupting traditional product development. From design, blocks and patterns, product development and fitting, to digital catalogs, and 3D retail and visual merchandising, Li & Fung is replacing physical with digital. Now with First Insight's digital consumer testing it can review consumer insights making informed changes early in the product development phase – helping brands make decisions smarter and faster.

First Insight created the first digital product testing solution in 2007, enabling brands and retailers to combine the voice of their customers with advanced AI and predictive analytics to improve the performance of, and reduce the risk associated with, new products. Predictive feedback from customers can be delivered in 24-48 hours, helping hundreds of brands and retailers to bring the right products to market, at the right price and in the right quantities, improving sell-through and reducing waste.

The Li & Fung-First Insight partnership will deliver an end-to-end digital product development solution, from the initial design concept to the finished product. Benefits to brands and retailers include:
- Higher confidence in selecting designs that consumers want, at the prices they will pay
- Higher responsiveness in their value chain – demand driven, rather than supply driven
- Faster speed-to-market
- Specific design feedback by region, retailer and customer demographic
- Reduced markdowns; increased sell-throughs and margins
- Reduced cost in physical samples, reduced fabric wastage and airfreight
- Improved sustainability for the business and environmental footprint

"At Li & Fung we help brands and retailers digitize design and bring the right products to market quickly and efficiently," said Spencer Fung, Group CEO of Li & Fung. "We have been investing in our Digital Product Development services for the past three years, bringing together technologies that support our goal of creating the Supply Chain of the Future. First Insight brings the leading digital consumer product testing solution and we are using it to complement our digital services and help our customers improve sales and margins."

"For the last 12 years, First Insight has been helping hundreds of retailers and brands use voice-of-the-customer data and predictive analytics to improve their operations – from product design to buying to pricing," said Greg Petro, CEO of First Insight. "Li & Fung is the unquestioned global leader in sourcing and delivering innovative digital supply chain solutions to the retail industry. The combination of our solutions creates a global supply chain that is fast, accurate and efficient. We are excited to be partnering with Li & Fung for the benefit of retailers and brands throughout the world."

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About Li & Fung
Li & Fung (SEHK: 494), the Hong Kong-headquartered multinational group, is the world's leading supply chain solutions partner. With a global network covering more than 50 production countries, Li & Fung specializes in responsibly managing the supply chains of high-volume, time-sensitive goods for leading retailers and brands worldwide. The Company's 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 First Insight, Inc.
First Insight is the world's leading digital pre-season product testing and decision-making platform that empowers retailers and brands to incorporate the Voice of the Customer into the design, pricing, planning and marketing of new products. Through the use of online consumer engagement, the First Insight solution gathers real-time consumer data and applies predictive analytic models powered by machine learning and AI to create actionable insights, which drive measurable value. Retailers, manufacturers and brands use the First Insight solution to design, select, price, plan and market the most profitable new products for reduced markdown rates and improved sales, margins and inventory turnover. Customers include some of world's leading vertically integrated brands, sporting goods companies, department stores, mass merchant retailers and wholesalers.

For further information, please visit www.firstinsight.com.

First Insight
Gretchen Jezerc
SVP of Marketing
gretchen.jezerc@firstinsight.com

Media
Berns Communications Group
Stacy Berns / Michael McMullan, 212-994-4660
sberns@bcg-pr.com / mmcmullan@bcg-pr.com