

LFX launched to capitalize on new digital opportunities transforming the retail industry and enabling supply chain sustainability

LFX builds on Li & Fung's 100+ years of experience and deep connections in 40+ economies around the world to incubate, invest, and operate companies that enable supply chain sustainability

Hong Kong and San Francisco, 8 April 2021- With the rapid evolution of the retail industry shaped by digital technologies and complex consumer demands, the parent company of Li & Fung Limited, the world's leading supply chain orchestrator, today launched a new company – LFX – to capitalize on new digital opportunities transforming the retail industry and enabling supply chain sustainability.

LFX's business model is focused on being an incubation, investment and operating platform providing digital solutions and digitally-enabled services across the end-to-end consumer goods supply chain. LFX will launch and operate digital ventures delivering solutions directly to brands, retailers, e-commerce companies, C2M (consumer-to-manufacturer) players, as well as manufacturers. Its solutions aim to cover all aspects of the value chain, encompassing trade, information, and fund flows. Its initial ventures will focus on 3D digital product development and supply chain fintech. Additionally, a venture capital arm has been formed to identify and invest in technologies that transform global retailing, supply chain and logistics.

As an offshoot of Li & Fung, LFX brings knowledge, hands-on experiences spanning 100+ years, and relationships across the global supply chain. LFX has the unique ability and insights to identify and bring to market digital technologies that will have an immediate impact today, while also knowing what needs to happen next to realize the sustainable supply chain of the future, at a time when the retail industry is being shaped by digital technologies and complex consumer demands.

Spencer Fung, Group Executive Chairman, Li & Fung and LFX said, "We have established LFX as a separate company to build on Li & Fung's supply chain knowledge to bring new ways of thinking and revolutionize how we create, make and sell products. Sustainable consumption starts with supply chain digitalization and LFX is forming an ecosystem that connects the innovations, people and companies committed to accelerating digitalization and transforming the retail industry."

Ed Lam, CFO and Executive Committee Member of Li & Fung, has been named CEO of LFX. He brings over 25 years of strategic, financial, and commercial experience with deep supply chain knowledge and insights to lead the new company. Li & Fung is in the process of appointing a new finance leader.

"Roughly 40 million tons of textile waste goes to landfill every year, and it is estimated that just 60% of garments were sold at full price¹. Sustainable consumption requires behavioral shifts, and it starts with the supply chain. Our goal at LFX is to reduce the environmental impact of our industry and promote sustainable consumption. We believe that by merging real world industry experience with new ideas that entrepreneurs and technologists bring, we get practical innovations the industry will embrace," said Ed Lam, Chief Executive Officer, LFX.

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About LFX

LFX is an incubation, investment, and operating platform creating digital ventures that transform the supply chain and retail industry through its innovative digital solutions and services. As an offshoot of Li & Fung, LFX is building an ecosystem of entrepreneurs, technologists, and partners who are passionate about digitalizing the supply chain and sustainable consumption. For more information visit www.lfxdigital.com.

¹ Business of Fashion – [The BoF Sustainability Index, March 2021](#)



About Li & Fung Limited

Li & Fung, 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, with over 230 offices across key production markets globally. 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 one billion people in the supply chain.

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

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