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LI NING COMPANY LIMITED

李寧有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2331)

LATEST TRADE FAIR ORDERS AND OPERATIONAL UPDATE

This announcement is made on a voluntary basis by the board of directors (the “**Board**”) of Li Ning Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to provide the following operational update on the Group’s business.

TRADE FAIR RESULTS

Trade fair orders, in terms of tag price, for LI-NING brand products (exclude LI-NING YOUNG) from franchised distributors registered year-on-year growth for twentieth consecutive quarters. The orders from the latest trade fair, which are for the second quarter of 2019, held in September this year registered low-teens growth on a year-on-year basis.

SAME-STORE-SALES

For the third quarter ended 30 September 2018, in respect of LI-NING Point-of-Sales (POS) which have been in operation since the beginning of the same quarter last year, the same-store-sales for the overall platform registered a low-teens increase on a year-on-year basis. In terms of channels, retail (direct operation) and wholesale (franchised distributors) registered a high-single digit growth respectively, while the e-commerce virtual stores business registered a low-thirties growth.

RETAIL SELL-THROUGH

For the third quarter ended 30 September 2018, the retail sell-through of LI-NING POS (excluding LI-NING YOUNG) for the overall platform increased by mid-teens on a year-on-year basis. In terms of channels, offline channel (include retail and wholesale) registered a mid-teens growth, with retail increased by mid-teens and wholesale increased by low-teens; the e-commerce virtual stores business registered a low-thirties growth.

POS NUMBERS

As at 30 September 2018, the total number of LI-NING POS (excluding LI-NING YOUNG) in China amounted to 6,345, representing a net increase of 78 POS since the end of previous quarter and a net increase of 83 POS since the beginning of this year. Among the net increase of 83 POS, direct retail accounts for a net decrease of 35 POS, and wholesale accounts for a net increase of 118 POS.

As at 30 September 2018, the total number of LI-NING YOUNG POS in China amounted to 677, representing a net increase of 46 POS since the end of previous quarter and a net increase of 504 POS since the beginning of this year (Took over 361 POS from distributors of the third party on 1 January 2018).

The Company's shareholders and potential investors should note that this announcement is based on unaudited operational data of the Group and this data has not been audited or reviewed by Group's auditors. The data does not constitute, represent or indicate the full picture of the Group's total revenue or financial performance and the information contained in this announcement may be subject to change and adjustment.

The Company's shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Li Ning Company Limited
Li Ning
Executive Chairman
and Interim Chief Executive Officer

Hong Kong, 22 October 2018

As at the date of this announcement, the executive directors of the Company are Mr. Li Ning and Mr. Li Qilin. The independent non-executive directors of the Company are Mr. Koo Fook Sun, Louis, Ms. Wang Ya Fei, Dr. Chan Chung Bun, Bunny and Mr. Su Jing Shyh, Samuel.