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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)

DISCLOSEABLE TRANSACTION SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS

SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS

The Board announces that, (i) on 4 January 2022, Li Ning (Hubei), an indirect wholly-owned subsidiary of the Company, subscribed for BOC Structured Deposits in the amount of RMB1,200 million; and (ii) on 5 January 2022, Li Ning (China) and Li Ning (Shenzhen), both of which are indirect wholly-owned subsidiaries of the Company, subscribed for Ping An Structured Deposits in the aggregate amount of RMB600 million.

IMPLICATION UNDER THE LISTING RULES

Each of the First Subscription and Second Subscription on a standalone basis does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. However, as the First Subscription and Second Subscription were conducted within 12 months, they were required to be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules. As the highest applicable ratio (as defined under the Listing Rules) in respect of the Subscriptions exceeds 5% but is less than 25%, the Subscriptions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements.

THE SUBSCRIPTIONS

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The major terms of the Subscriptions are set out as follows:

(a) The First Subscription

Date of subscription:	4 January 2022
Name of product:	Structured deposits
Issuer:	BOC
Subscriber:	Li Ning (Hubei)
Subscription amount:	RMB1,200 million
Term of product:	176 days
Product risk level (internal risk rating given by BOC):	Low risk
Expected annual return rate:	3.30%

(b) The Second Subscription

Date of subscription:	5 January 2022
Name of product:	Structured deposits
Issuer:	Ping An Bank
Subscribers:	(a) Li Ning (China); and (b) Li Ning (Shenzhen)
Subscription amounts:	(a) RMB300 million by Li Ning (China); and (b) RMB300 million by Li Ning (Shenzhen)
Term of product:	84 days
Product risk level (internal risk rating given by Ping An Bank):	Low risk
Expected annual return rate:	(a) 3.14% for Li Ning (China); and (b) 3.15% for Li Ning (Shenzhen)

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS

The funds for the Subscriptions are the Group's internal funds that are not required immediately for operation or capital expenditure purposes. The Subscriptions are considered to be part of the Group's treasury management to improve the utilization of its idle funds and to bring higher return on capital. In addition, the Company has fully considered fund needs for daily operations and capital expenditure when purchasing the Wealth Management Products and determining the respective subscription amount. The Subscriptions will not affect the daily fund requirements of the Company.

The Board (including its independent non-executive Directors) are of the view that the respective terms of the Subscriptions are on normal commercial terms which are fair and reasonable. The Subscriptions are in the interests of the Group and the Shareholders as a whole.

INFORMATION ON LI NING (HUBEI), LI NING (CHINA), LI NING (SHENZHEN) AND THE GROUP

Li Ning (Hubei), Li Ning (China) and Li Ning (Shenzhen) are companies incorporated in the PRC with limited liability and are indirect wholly-owned subsidiaries of the Company.

The Group is one of the leading sports brand enterprises in the PRC mainly providing sporting goods including footwear, apparel, equipment and accessories for professional and leisure purposes primarily under the LI-NING brand.

INFORMATION ON THE BANKS

BOC is a licensed bank incorporated under the laws of the PRC and is engaged in, amongst others, the provision of corporate and retail banking services, investment banking, asset management and wealth management business.

Ping An Bank is a licensed bank incorporated under the laws of the PRC and is engaged in, amongst others, provision of corporate and retail banking services, investment banking, asset management and other financial services.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Banks and their ultimate beneficial owners are Independent Third Parties.

IMPLICATIONS UNDER THE LISTING RULES

Each of the First Subscription and Second Subscription on a standalone basis does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. However, as the First Subscription and Second Subscription were conducted within 12 months, they were required to be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules. As the highest

applicable ratio (as defined under the Listing Rules) in respect of the Subscriptions exceeds 5% but is less than 25%, the Subscriptions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meaning:

“Banks”	collectively the BOC and Ping An Bank
“Board”	the board of Directors
“BOC”	Bank of China Limited* (中國銀行股份有限公司), a licensed bank incorporated under the laws of the PRC
“BOC Structured Deposits”	the RMB denominated wealth management product in the amount of RMB1,200 million subscribed by Li Ning (Hubei) with BOC on 4 January 2022
“Company”	Li Ning Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“First Subscription”	the subscription of BOC Structured Deposits
“Group”	the Company and its subsidiaries
“Independent Third Parties”	parties who are independent of, and not connected with the Company or any of its connected persons
“Li Ning (China)”	Li Ning (China) Sports Goods Co., Ltd.* (李寧(中國)體育用品有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Li Ning (Hubei)”	Li Ning (Hubei) Sports Goods Co., Ltd.* (李寧(湖北)體育用品有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company

“Li Ning (Shenzhen)”	Li Ning Sports (Shenzhen) Co., Ltd.* (李寧體育(深圳)有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Ping An Bank”	Ping An Bank Co., Ltd.* (平安銀行股份有限公司), a licensed bank incorporated under the laws of the PRC
“Ping An Structured Deposits”	the RMB denominated wealth management products in the amounts of RMB300 million and RMB300 million respectively subscribed by Li Ning (China) and Li Ning (Shenzhen) with Ping An Bank on 5 January 2022
“PRC”	the People’s Republic of China
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Second Subscription”	the subscriptions of Ping An Structured Deposits
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriptions”	collectively the First Subscription and the Second Subscription
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Wealth Management Products”	collectively the BOC Structured Deposits and Ping An Structured Deposits
“%”	per cent

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

Hong Kong, 5 January 2022

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

* *For identification purpose only*