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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

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The Board announces that, (i) on 3 January 2023, Li Ning (China), an indirect wholly-owned subsidiary of the Company, subscribed for Hang Seng Structured Deposits in amount of RMB1,000 million; (ii) on 3 January 2023, Li Ning (Guangxi), an indirect wholly-owned subsidiary of the Company, subscribed for ICBC Monetary Fund in the amount of RMB35 million; and (iii) on 4 January 2023, Li Ning (Hubei), an indirect wholly-owned subsidiary of the Company, subscribed for BOC Structured Deposits in the amount of RMB1,000 million.

IMPLICATION UNDER THE LISTING RULES

Each of the First Subscription, Second Subscription and Third 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, Second Subscription and Third 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:	3 January 2023
Name of product:	Structured deposits
Issuer:	Hang Seng Bank (China)
Subscriber	Li Ning (China)
Subscription amount:	RMB1,000 million
Term of product:	177 days
Product risk level (internal risk rating given by Hang Seng Bank (China)):	Low risk
Expected annual return rate:	3.25%

(b) The Second Subscription

Date of subscription:	3 January 2023
Name of product:	Monetary Fund
Issuer:	ICBC
Subscriber:	Li Ning (Guangxi)
Subscription amount:	RMB35 million
Term of product:	26 days ^{Note 1}
Product risk level (internal risk rating given by ICBC):	Low risk
Expected annual return rate:	1.80%

Note 1: Li Ning (Guangxi) may elect to early redeem the ICBC Monetary Fund at any time before the maturity date of the product.

(c) The Third Subscription

Date of subscription:	4 January 2023
Name of product:	Structured deposits
Issuer:	BOC
Subscriber	Li Ning (Hubei)
Subscription amount:	RMB1,000 million
Term of product:	176 days
Product risk level (internal risk rating given by BOC):	Low risk
Expected annual return rate:	3.20%

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 (CHINA), LI NING (GUANGXI), LI NING (HUBEI) AND THE GROUP

Li Ning (China), Li Ning (Guangxi) and Li Ning (Hubei) 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

Hang Seng Bank (China) is a wholly-owned subsidiary of Hang Seng Bank Limited which is a licensed bank incorporated in Hong Kong and is engaged in, amongst others, the provision of corporate and retail banking services, investment banking, asset management and wealth management business.

ICBC 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.

BOC 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, Second Subscription and Third 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, Second Subscription and Third 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 Hang Seng Bank (China), ICBC and BOC
“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 RMB1,000 million subscribed by Li Ning (Hubei) with BOC on 4 January 2023
“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 Hang Seng Structured Deposits
“Group”	the Company and its subsidiaries
“Hang Seng Bank (China)”	Hang Seng Bank (China) Limited* (恒生銀行(中國)有限公司), a wholly-owned subsidiary of Hang Seng Bank Limited which is a licensed bank incorporated in Hong Kong
“Hang Seng Structured Deposits”	the RMB denominated wealth management product in the amount of RMB1,000 million subscribed by Li Ning (China) with Hang Seng Bank (China) on 3 January 2023
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“ICBC”	Industrial and Commercial Bank of China Limited* (中國工商銀行股份有限公司), a licensed bank incorporated under the laws of the PRC
“ICBC Monetary Fund”	the RMB denominated wealth management product in the amount of RMB35 million subscribed by Li Ning (Guangxi) with ICBC on 3 January 2023
“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 (Guangxi)”	Li Ning (Guangxi) Sports Goods Co., Ltd.* (李寧(廣西)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
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Second Subscription”	the subscription of ICBC Monetary Fund
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriptions”	collectively the First Subscription, the Second Subscription and the Third Subscription
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“Third Subscription”	the subscription of BOC Structured Deposits
“Wealth Management Products”	collectively the Hang Seng Structured Deposits, ICBC Monetary Fund and BOC Structured Deposits
“%”	per cent

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

Hong Kong, 4 January 2023

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, Dr. Chan Chung Bun, Bunny and Ms. Wang Yajuan.

** For identification purpose only*