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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 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.

SAME-STORE-SALES (SSS)

For the third quarter ended 30 September 2020, in respect of LI-NING POS (excluding LI-NING YOUNG) 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-single-digit increase on a year-on-year basis. In terms of channels, both retail (direct operation) and wholesale (franchised distributors) channels registered a mid-single-digit decrease; while the e-commerce virtual stores business registered a high-thirties growth on a year-on-year basis.

RETAIL SELL-THROUGH

For the third quarter ended 30 September 2020, the retail sell-through of LI-NING POS (exclude LI-NING YOUNG) for the overall platform increased by mid-single-digit on a year-on-year basis. In terms of channels, offline channel (include retail and wholesale) registered a low-single-digit decline, with retail remained flat and wholesale decreased by low-single-digit; the e-commerce virtual stores business registered a low-forties growth.

POS NUMBERS

As at 30 September 2020, the total number of LI-NING POS (exclude LI-NING YOUNG) in China amounted to 6,052, representing a net decrease of 397 POS since the beginning of this year. Among the net decrease of 397 POS, direct retail accounts for a net decrease of 30 POS, and wholesale accounts for a net decrease of 367 POS.

As at 30 September 2020, the total number of LI-NING YOUNG POS in China amounted to 1,052, representing a net decrease of 49 POS since the beginning of this year.

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
Joint Chief Executive Officer*

Hong Kong, 20 October 2020

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 Mr. Su Jing Shyh, Samuel.