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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)

ANNOUNCEMENT PURSUANT TO RULE 13.09 OF THE LISTING RULES AND RESUMPTION OF TRADING

This announcement is made by Li Ning Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

TRANSACTION

The board of directors (“**Board**”) of the Company has been informed that on 12 October 2012, Victory Mind Assets Limited (“**Victory Mind**”) and Dragon City Management (PTC) Limited (“**Dragon City**”) (as vendors, and collectively, the “**Vendors**”), entered into a sale and purchase agreement (the “**Agreement**”) with Viva China Holdings Limited (“**Viva China**”), pursuant to which Viva China has conditionally agreed to acquire from the Vendors an aggregate of 266,374,000 shares of the Company (“**Shares**”), representing approximately 25.23% of the entire issued share capital of the Company as at the date of this announcement (the “**Transaction**”). Upon completion of the Transaction, Victory Mind and Dragon City will not hold any Shares. The Board has also been informed that the Agreement is subject to certain conditions and is legally binding.

The Transaction is not expected to result in any change to the business strategies, management and day-to-day operation of the Group.

As the Transaction is subject to the fulfilment of a number of conditions precedent which may or may not be fulfilled, shareholders of the Company and other investors are advised to exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) was suspended from 9:00 a.m. on 15 October 2012 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 17 October 2012.

GENERAL

The Company

The Company is one of the leading sports brand enterprises in the People's Republic of China. It has its own branding, research and development, design, manufacturing, distribution and retail capabilities. The Group's products include footwear, apparel, equipment and accessories for sport and leisure uses which are primarily sold under its own LI-NING brand.

Viva China

Viva China is a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Growth Enterprise Market of the Stock Exchange. It principally engages in, inter alia, (i) sports talent management and competition/event production and management; and (ii) sports-themed community development. Viva China is not interested in any Shares as at the date of this announcement. As at the date of this announcement, Viva China is owned as to approximately 55.88% by Lead Ahead Limited, which is in turn owned as to 60% by Mr. Li Ning (an executive director and substantial shareholder of the Company) and 40% by his brother, Mr. Li Chun.

Victory Mind

Victory Mind is an investment holding company and is 57% owned by Ace Leader Holdings Limited ("Ace Leader") and 38% owned by Jumbo Top Group Limited ("Jumbo Top"). All shares of Ace Leader are held by TMF (Cayman) Ltd. in its capacity as trustee of the Jun Tai Trust, the beneficiaries of which include family members of Mr. Li Ning. All shares of Jumbo Top are held by TMF (Cayman) Ltd. in its capacity as trustee of the Yuan Chang Trust, the beneficiaries of which include family members of Mr. Li Chun. 116,374,000 Shares, representing approximately 11.02% of the issued share capital of the Company as at the date of this announcement, are held by Victory Mind.

Dragon City

Dragon City is an investment holding company and the trustee of the Three-River Unit Trust, which is a unit trust, the units of which are owned as to 60% by Cititrust (Cayman) Limited as trustee of the Palm 2008 Trust and as to 40% by Cititrust (Cayman) Limited as trustee of the Gingko 2008 Trust. Both of the Palm 2008 Trust and the Gingko 2008 Trust are revocable family trusts, the beneficiaries of which include the respective family members of Mr. Li Ning and Mr. Li Chun. Dragon City is 60% owned by Mr. Li Ning and 40% owned by Mr. Li Chun together with his family member. 150,000,000 Shares, representing approximately 14.21% of the issued share capital of the Company as at the date of this announcement, are held by Dragon City in its capacity as the trustee of the Three-River Unit Trust.

By order of the Board
Li Ning Company Limited
Li Ning
Executive Chairman

Hong Kong, 17 October 2012

As at the date of this announcement, the executive directors of the Company are Mr. Li Ning, Mr. Jin-Goon Kim, Mr. Zhang Zhi Yong and Mr. Chong Yik Kay. The non-executive directors are Mr. Chu Wah Hui, Mr. James Chun-Hsien Wei and Mr. Chen Yue, Scott. The independent non-executive directors are Mr. Koo Fook Sun, Louis, Ms. Wang Ya Fei, Mr. Chan Chung Bun, Bunny and Mr. Su Jing Shyh, Samuel.