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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)

DISPOSAL OF SHARES BY A CONTROLLING SHAREHOLDER

This announcement is made by Li Ning Company Limited (the “**Company**”) on a voluntary basis.

DISPOSAL OF SHARES TO TPG

The Company has been informed by one of its controlling shareholders, Victory Mind Assets Limited (the “**Vendor**”), a company wholly-owned by the trustee of a family trust of Mr. Li Ning (“**Mr. Li**”), the Chairman and an executive director of the Company, that it has, on 20 January 2012, entered into an agreement with TPG ASIA, Inc. (“**TPG**”). The Vendor has agreed to sell, subject to the terms and conditions of the agreement, 53,000,000 shares of HK\$0.10 each in the share capital of the Company (“**Shares**”) (representing approximately 5.02% of the existing issued share capital of the Company) to TPG or its affiliates, for a consideration of HK\$349,800,000 (the “**TPG Disposal**”).

DISPOSAL OF SHARES TO THE COMPANY’S SENIOR STAFF MEMBERS

In addition, the Company has also been informed by the Vendor that it has, on 20 January 2012, entered into an agreement with each of Mr. Zhang Zhi Yong (the Chief Executive Officer and an executive director of the Company), Mr. Chong Yik Kay (the Chief Financial Officer and an executive director of the Company) and other two senior staff members. The Vendor has agreed to sell, subject to the terms and conditions of the agreement, an aggregate of 4,000,000 Shares (representing approximately 0.38% of the existing issued share capital of the Company) at HK\$6.6 per Share (the “**Senior Staff Disposal**”).

SHAREHOLDING STRUCTURE

After the completion of the TPG Disposal and the Senior Staff Disposal, Mr. Li will be deemed, under the Securities and Futures Ordinance, to be interested in 268,181,850 Shares (representing approximately 25.40% of the existing issued share capital and approximately 22.83% of the enlarged issued share capital of the Company upon full conversion of the convertible bonds to be issued by the Company as described in the Company’s announcement dated 19 January 2012 (the “**Convertible Bonds**”), respectively).

After the completion of the TPG Disposal, TPG will hold 53,000,000 Shares (representing approximately 5.02% of the existing issued share capital of the Company). Upon the full conversion of the Convertible Bonds at the initial conversion price and assuming no other Shares are issued, TPG will hold 142,151,162 Shares (representing approximately 12.10% of the enlarged issued share capital of the Company).

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

Hong Kong, 20 January 2012

As at the date of this announcement, the executive directors of the Company are Mr. Li Ning, Mr. Zhang Zhi Yong and Mr. Chong Yik Kay. The non-executive directors are Mr. Lim Meng Ann, Mr. Chu Wah Hui and Mr. James Chun-Hsien Wei. The independent non-executive directors are Mr. Koo Fook Sun, Louis, Ms. Wang Ya Fei and Mr. Chan Chung Bun, Bunny.