
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, certified public accountant or other professional advisers.

If you have sold or transferred all your shares in Li Ning Company Limited, you should at once hand the Prospectus Documents to the purchaser or to the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed "Documents delivered to the Registrar of Companies in Hong Kong" in Appendix III to this Prospectus, has been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. Neither the Registrar of Companies in Hong Kong nor the Stock Exchange nor the SFC take any responsibility as to the contents of this Prospectus.

The Convertible Securities are not listed on the Stock Exchange or any other stock exchange. No application will be made for the listing of the Convertible Securities on the Stock Exchange or any other stock exchange. No application will be made for the admissibility, deposit, clearance or settlement of the Convertible Securities in CCASS. No transfer, clearing or settlement services will be provided by HKSCC in respect of the Convertible Securities. An application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the new Ordinary Shares and the Conversion Shares to be issued upon the exercise of the Conversion Rights. Subject to the granting of listing of, and permission to deal in, the new Ordinary Shares and the Conversion Shares on the Stock Exchange, the new Ordinary Shares and the Conversion Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the new Ordinary Shares and the Conversion Shares or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the general rules of CCASS and CCASS operational procedures in effect from time to time. You should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, certified public accountant or other professional advisors for details of the settlement arrangements and how such arrangements may affect your rights and interests.

This Prospectus does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state of the United States or other jurisdiction. The securities are being offered and sold outside the United States in reliance on Regulation S under the Securities Act and may not be offered, sold or otherwise transferred within the United States absent registration or an exemption from registration under the Securities Act. No public offering of the securities or the guarantee of the securities will be made in the United States or in any other jurisdiction where such an offering is restricted or prohibited.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.



LI NING COMPANY LIMITED

李寧有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2331)

OPEN OFFER OF OFFER SECURITIES ON THE BASIS OF 5 OFFER SECURITIES FOR EVERY 12 EXISTING SHARES HELD ON THE RECORD DATE

Underwriters

Viva China, TPG, Milestone and Mr. Lo

Financial advisor to the Company



Terms used in this cover page have the same meanings as defined in this Prospectus.

The latest time for acceptance of and payment for the Offer Securities and application for excess Offer Securities is 4:00 p.m. on Friday, 23 January 2015. The procedure for acceptance of and payment for the Offer Securities and application for excess Offer Securities are set out in the paragraphs headed "Procedures for acceptance of and payment for the Offer Securities" and "Application for excess Offer Securities" on page 16 and page 17 respectively of this Prospectus.

The Open Offer is conditional upon, inter alia, the fulfillment and/or waiver of the conditions set out under the paragraphs headed "Conditions of the Open Offer and the Underwriting Agreements" and "Termination of the Underwriting Agreements" in this Prospectus. If the Underwriters terminate the Underwriting Agreements, or if any of the conditions of the Open Offer is not fulfilled and/or waived, the Open Offer will not proceed. Any dealings in the Shares up to the date on which all conditions of the Open Offer are fulfilled (which is expected to be on Monday, 26 January 2015) and/or waived will accordingly bear the risk that the Underwriting Agreements may not become unconditional and the Open Offer may not proceed. Any Shareholders or other persons contemplating dealing in the Shares are recommended to consult their own professional advisers.

Shareholders should note that the Shares have been dealt in on an ex-entitlement basis commencing from Friday, 2 January 2015 and that dealings in the Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholder or other person dealing in the Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled will accordingly bear the risk that the Open Offer may not become unconditional and may not proceed. Any Shareholder or other person contemplating dealing in Shares during such period are recommended to consult their own professional advisers.

9 January 2015

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EXPECTED TIMETABLE

Set out below is an indicative timetable for the implementation of the Open Offer. The timetable below is indicative only and is subject to change as agreed by the Company and the Underwriters pursuant to the Underwriting Agreements. The Company will notify the Shareholders of any change to the expected timetable as and when appropriate.

Event	Time and date
Record Date	Thursday, 8 January 2015
Despatch of Prospectus Documents	Friday, 9 January 2015
Register of members to be re-opened	Friday, 9 January 2015
Latest time for acceptance of and payment for Offer Securities and for application of excess Offer Securities	4:00 p.m. on Friday, 23 January 2015
Latest Time for Termination	5:00 p.m. on Monday, 26 January 2015
Announcement of the results of the Open Offer	Friday, 30 January 2015
Despatch of certificates for Offer Securities and refund cheques	Monday, 2 February 2015
First day of dealing in new Ordinary Shares issued under the Open Offer	9:00 a.m. on Tuesday, 3 February 2015
Designated broker starts to stand in the market to provide matching services for odd lot of Ordinary Shares	Tuesday, 3 February 2015
Last day for the designated broker to stand in the market to provide matching services for odd lot of Ordinary Shares	Tuesday, 24 February 2015

All times and dates in this Prospectus refer to Hong Kong local times and dates. Dates of deadlines specified in expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be announced or notified to Shareholders as and when appropriate.

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR OFFER SECURITIES

The latest time for acceptance of, and payment for, the Offer Securities will not take place if there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning:

- (a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Final Acceptance Date. Instead the latest time for acceptance of, and payment for, the Offer Securities will be extended to 5:00 p.m. on the same Business Day; and
- (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Final Acceptance Date. Instead the latest time for acceptance of, and payment for, the Offer Securities will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of, and payment for, the Offer Securities does not take place at 4:00 p.m. on the Final Acceptance Date, the dates mentioned in the section headed “Expected Timetable” may be affected. The Company will notify the Shareholders by way of an announcement on any change to the expected timetable as soon as practicable.

TERMINATION OF THE UNDERWRITING AGREEMENTS

Each of the Underwriters may, at its sole and absolute discretion, terminate its respective Underwriting Agreement by notice in writing given by the relevant Underwriter to the Company at any time prior to the Latest Time for Termination if the obligations of the Underwriter under the relevant Underwriting Agreement have not ceased and there has developed, occurred, existed or come into effect:

- (a) any moratorium, suspension of or material restriction on trading in securities generally on the Stock Exchange, the New York Exchange or NASDAQ; or
- (b) there is any suspension in trading of the Shares on the Stock Exchange for a continuous period of 10 Business Days (other than suspension resulting from the Open Offer or the transactions contemplated under the Underwriting Agreements); or
- (c) permission to deal in and listing of the new Ordinary Shares and the Conversion Shares to be issued under the Open Offer has been withdrawn by the Stock Exchange; or
- (d) the Company is in breach of any of its obligations under each of the Underwriting Agreements which is material in the context of the Open Offer.

Upon termination of the Underwriting Agreements, all obligations and liabilities of the Underwriters under the Underwriting Agreements shall cease, and no party to the Underwriting Agreements shall have any claim against the other party in respect of anything arising out of or in connection with the Underwriting Agreements, subject to certain limitations as set out in the Underwriting Agreements.

If any of the Underwriting Agreements is terminated by the relevant Underwriter on or before the Latest Time for Termination or does not become unconditional, the Open Offer will not proceed.

FORWARD-LOOKING STATEMENTS

All statements in this Prospectus other than statements of historical fact are forward-looking statements. In some cases, forward-looking statements may be identified by the use of words such as “might”, “may”, “could”, “would”, “will”, “expect”, “intend”, “estimate”, “believe”, “plan”, “seek”, “continue”, illustration”, “projection” or similar expressions and the negative thereof. Forward-looking statements in this Prospectus include, without limitation, statements in respect of the Group’s business strategies, product offerings, market position, competition, financial prospects, performance, liquidity and capital resources, as well as statements regarding trends in the relevant industries and markets in which the Group operates, technological advances, financial and economic developments, legal and regulatory changes and their interpretation and enforcement.

The forward-looking statements in this Prospectus are based on management’s present expectations about future events. Management’s present expectations reflect numerous assumptions regarding the Group’s strategies, operations, industry, developments in the credit and other financial markets and trading environment. By their nature, they are subject to known and unknown risks and uncertainties, which could cause actual results and future events to differ materially from those implied or expressed by forward-looking statements. Should one or more of these risks or uncertainties materialise, or should any assumptions underlying forward-looking statements prove to be incorrect, the Group’s actual results could differ materially from those expressed or implied by forward-looking statements. Additional risks not known to the Group or that the Group does not currently consider material could also cause the events and trends discussed in this Prospectus not to occur, and the estimates, illustrations and projections of financial performance not to be realised.

Prospective investors are cautioned that forward-looking statements speak only as at the Latest Practicable Date. Except as required by applicable law, the Group does not undertake, and expressly disclaims, any duty to revise any forward-looking statement in this Prospectus, be it as a result of new information, future events or otherwise.

DEFINITIONS

In this Prospectus, the following expressions shall have the following meanings unless the context requires otherwise:

“2004 Share Options”	the options to subscribe for Shares granted under the 2004 Share Option Scheme
“2004 Share Option Scheme”	the share option scheme adopted by the Company on 5 June 2004, amended on 15 May 2009 and 11 October 2012 and terminated on 30 May 2014
“2013 Convertible Securities”	the convertible securities issued by the Company under the 2013 Open Offer with an aggregate principal amount of approximately HK\$1,847.8 million
“2013 Open Offer”	the open offer of 2013 Convertible Securities in the principal amount of HK\$3.50 each as set out in the listing document of the Company dated 27 March 2013
“2014 Share Options”	the options to subscribe for Shares granted under the 2014 Share Option Scheme
“2014 Share Option Scheme”	the share option scheme adopted by the Company on 30 May 2014
“Affiliates”	(i) in relation to a natural person, any trust managed by such person, or any trust in which such person is beneficially interested in, or an associate (as defined in the Listing Rules) of such person, (ii) in relation to a body corporate, any subsidiary or holding company of such body corporate, any subsidiary of any such holding company for the time being; and (iii) in relation to any partnership or other fund structure, any other person which through share ownership or through any other arrangement directly or indirectly controlling or controlled by or under direct or indirect common control with, such partnership or other fund structure
“Alpha Talent”	Alpha Talent Management Limited, a company incorporated in the British Virgin Islands and a holder of approximately 0.13% shareholding interest in the Company as at the Record Date
“Alpha Talent Irrevocable Undertaking”	the irrevocable undertaking dated 16 December 2014 given by Alpha Talent in favour of the Company and Underwriters as set out in the paragraph headed “Irrevocable Undertakings” in this Prospectus
“Amendment Deeds”	the TPG Amendment Deed and the GIC Amendment Deed

DEFINITIONS

“Announcement”	the announcement of the Company dated 16 December 2014 in relation to, among others, the Open Offer
“Application Form(s)”	the forms of application for use by Qualifying Shareholders to apply for their assured allotments of the Offer Securities under the Open Offer
“Approved Financial Adviser”	an independent reputable accounting firm, merchant bank or other reputable financial institution selected and appointed by the Company
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (other than a Saturday, Sunday or a day on which a tropical cyclone warning signal No. 8 or above or a “black” rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.) on which licensed banks in Hong Kong are open for business and the Stock Exchange is open for the business of dealing in securities
“Capital Distribution”	include distributions in specie, but exclude all cash distributions paid to the Shareholders
“CB Conversion Price”	the conversion price per CB Conversion Share under the Convertible Bonds as amended under the Amendment Deeds
“CB Conversion Shares”	the new Shares to be issued by the Company upon conversion of the Convertible Bonds
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Li Ning Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Conditions”	the terms and conditions to the Convertible Securities to be attached to the certificates substantially in the form set out in the relevant Instrument and each a “Condition”
“Conversion Date”	the Trading Day immediately following the date of the surrender of the certificate for the Convertible Securities and the delivery of the Conversion Notice in connection with the exercise of the Conversion Right

DEFINITIONS

“Conversion Notice”	the notice of conversion in connection with the exercise of the Conversion Right
“Conversion Period”	any time following the Issue Date, subject to, and upon compliance with, the provisions of the Conditions
“Conversion Price”	the price at which each Conversion Share will be issued upon conversion
“Conversion Right”	the right of the holder of the Convertible Securities to convert the Convertible Securities held by it/him/her into Conversion Shares
“Conversion Shares”	the new Ordinary Shares to be issued upon the exercise of the Conversion Rights under the Convertible Securities and each a “Conversion Share”
“Convertible Bonds”	the TPG Convertible Bonds and the GIC Convertible Bonds
“Convertible Securities”	the convertible securities in the principal amount of HK\$2.60 each to be issued to the Qualifying Shareholders by the Company under the Open Offer in lieu of all or part of his/her/its entitlement to such new Ordinary Shares at the election of the Qualifying Shareholders, or a combination of both, and each a “Convertible Security”
“CS Conversion Price”	the conversion price per CS Conversion Share upon conversion of the 2013 Convertible Securities
“CS Conversion Shares”	the new Shares to be issued by the Company upon conversion of the 2013 Convertible Securities
“Current Market Price”	in respect of the Shares on a particular date, the average closing price per Share quoted on the daily quotation sheets of the Stock Exchange for the five Trading Days immediately preceding such date
“Directors”	the directors of the Company
“Directors’ Irrevocable Undertakings”	the irrevocable undertakings dated 16 December 2014 given and delivered by each of the Directors in favour of the Company and the Underwriters not to exercise the 2004 Share Options held by each of them
“Excess Application Form(s)”	the excess application forms to apply for additional Offer Securities to be issued to the Qualifying Shareholders

DEFINITIONS

“Excluded Securities”	the Offer Securities undertaken to be applied for by Viva China, TPG, the GIC Investor, Milestone, Milestone Sports, Mr. Li and Alpha Talent in their capacity as Qualifying Shareholders (which do not take into account of their subscriptions for excess Offer Securities) pursuant to the Open Offer in respect of their aggregate holding of Ordinary Shares as at the Record Date
“Excluded Shareholders”	Overseas Shareholders who the Directors, based on the legal advice provided by the Company’s legal advisers, consider it necessary or expedient to exclude from the Open Offer on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Fair Market Value”	with respect to any asset, security, option, warrant or other right on any date, the fair market value of that asset, security, option, warrant or other right as determined by an Approved Financial Adviser (acting as an expert); provided that: (i) the fair market value of a cash dividend paid or to be paid per Share shall be the amount of such cash dividend per Share determined as at the date of announcement of such dividend; and (ii) where options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by such Approved Financial Adviser) the fair market value of such options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five trading days on the relevant market commencing on the first such trading day on which such options, warrants or other rights are publicly traded
“Final Acceptance Date”	Friday, 23 January 2015, or such other time and date as the Company and the Underwriters may agree as the last date for acceptance of, and payment for, the Offer Securities
“GIC”	GIC Private Limited (previously known as “Government of Singapore Investment Corporation Private Limited”)
“GIC Amendment Deed”	the deed of amendment dated 23 January 2013 entered into between the Company and the GIC Investor to effect the amendments to the GIC Subscription Agreement and the GIC Convertible Bonds
“GIC Convertible Bonds”	the convertible bonds in the principal amount of RMB189,000,000 and due in 2017 issued by the Company to the GIC Investor on 8 February 2012 (as amended pursuant to GIC Amendment Deed) pursuant to the GIC Subscription Agreement, which form part of the Convertible Bonds

DEFINITIONS

“GIC Investor”	Tetrad Ventures Pte Ltd, an investment vehicle managed by GIC Special Investments Pte. Ltd., the private equity investment arm of GIC
“GIC Irrevocable Undertaking”	the irrevocable undertaking dated 16 December 2014 given by the GIC Investor in favour of the Company and Underwriters as set out in the paragraph headed “Irrevocable Undertakings” in this Prospectus
“GIC Subscription Agreement”	the subscription agreement entered into between the Company and the GIC Investor on 19 January 2012 in relation to the issue of the GIC Convertible Bonds
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Share Registrar”	Computershare Hong Kong Investor Services Limited, being the Company’s branch share registrar and transfer office in Hong Kong
“Instrument”	the instrument to be executed by the Company by way of deed poll in relation to the creation of the Convertible Securities
“Irrevocable Undertakings”	the GIC Irrevocable Undertaking, the TPG Irrevocable Undertaking, the Viva China Irrevocable Undertaking, the Milestone Irrevocable Undertaking, the Milestone Sports Irrevocable Undertaking, Mr. Li Irrevocable Undertaking and the Alpha Talent Irrevocable Undertaking
“Issue Date”	the issue date of the Convertible Securities
“Last Full Trading Day”	11 December 2014, being the last full trading day of the Shares on the Stock Exchange immediately prior to the publication of the Announcement
“Latest Practicable Date”	6 January 2015, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information for inclusion in this Prospectus
“Latest Time for Termination”	5:00 p.m. on Monday, 26 January 2015 or such date as the Company and the Underwriters may agree, being the latest time to terminate the Underwriting Agreements

DEFINITIONS

“Macau”	the Macau Special Administrative Region of the PRC
“Milestone”	Milestone Capital Strategic Holdings Limited, a company incorporated in the British Virgin Islands and a holder of approximately 3.49% shareholding interest in the Company as at the Record Date
“Milestone Irrevocable Undertaking”	the irrevocable undertaking dated 16 December 2014 given by Milestone in favour of the Company and the other Underwriters as set out in the paragraph headed “Irrevocable Undertakings” in this Prospectus
“Milestone Sports”	Milestone Sports Limited, a company incorporated in the British Virgin Islands and a holder of approximately 3.14% shareholding interest in the Company as at the Record Date
“Milestone Sports Irrevocable Undertaking”	the irrevocable undertaking dated 16 December 2014 given by Milestone Sports in favour of the Company and the Underwriters as set out in the paragraph headed “Irrevocable Undertakings” in this Prospectus
“Milestone Underwriting Agreement”	the underwriting agreement dated 16 December 2014 entered into between the Company and Milestone in relation to the Open Offer
“Mr. Li”	Mr. Li Ning, the executive Director and the executive chairman and the controlling shareholder of Viva China Holdings, which is a substantial shareholder of the Company
“Mr. Li Irrevocable Undertaking”	the irrevocable undertaking dated 16 December 2014 given by Mr. Li in favour of the Company and the Underwriters as set out in the paragraph headed “Irrevocable Undertakings” in this Prospectus
“Mr. Lo”	Mr. Lo Yu Sai, an independent third party
“Mr. Lo Underwriting Agreement”	the underwriting agreement dated 16 December 2014 entered into between the Company and Mr. Lo in relation to the Open Offer
“NASDAQ”	The NASDAQ Stock Market of the United States
“Offer Securities”	the new Ordinary Shares, credited as fully paid, to be offered to the Qualifying Shareholders and/or the Convertible Securities to be offered to the Qualifying Shareholders under the Open Offer in lieu of all or part of his/her/its entitlement to such new Ordinary Shares, or a combination of both, at the election of the Qualifying Shareholders under the Open Offer

DEFINITIONS

“Open Offer”	the proposed issue by way of open offer of the Offer Securities, for subscription, on the basis of 5 Offer Securities for every 12 existing Shares held on the Record Date, at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents and the Underwriting Agreements
“Ordinary Shares” or “Shares”	shares of HK\$0.10 each in the share capital of the Company
“Overseas Shareholders”	Shareholders whose names, appear on the register of members of the Company at the close of business on the Record Date and whose addresses as shown on such register are outside Hong Kong
“PRC” or “China”	the People’s Republic of China, which for the purposes of this Prospectus excludes Hong Kong, Macau and Taiwan
“Principal Registrar”	Royal Bank of Canada Trust Company (Cayman) Limited
“Prospectus”	the Prospectus to be despatched to the Shareholders containing details of the Open Offer
“Prospectus Documents”	the Prospectus, the Application Form and the Excess Application Form
“Prospectus Posting Date”	Friday, 9 January 2015 or such other date as the Underwriters may agree with the Company, being the date of despatch of the Prospectus Documents
“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company at the close of business on the Record Date, other than the Excluded Shareholders
“Record Date”	Thursday, 8 January 2015, or such other date as may be agreed between the Company and the Underwriters for determining entitlements to the Open Offer
“RMB”	Renminbi, the lawful currency of the PRC
“Scrip Dividend”	a dividend which the Shareholders concerned would or could otherwise have received and which would not have constituted a Capital Distribution
“SFC”	the Securities and Futures Commission of Hong Kong
“Share Award Scheme”	the share award scheme adopted by the Company on 14 July 2006 and amended on 30 April 2009

DEFINITIONS

“Share Incentive Schemes”	the 2004 Share Option Scheme, the 2014 Share Option Scheme and the Share Award Scheme
“Shareholder(s)”	the registered holders of Ordinary Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$2.60 per Offer Security
“Takeovers Code”	the Code on Takeovers and Mergers of Hong Kong
“TPG”	TPG Stallion, L.P.
“TPG Amendment Deed”	the deed of amendment dated 23 January 2013 entered into between the Company and TPG to effect the amendments to the TPG Subscription Agreement and the TPG Convertible Bonds
“TPG Convertible Bonds”	the convertible bonds in the principal amount of RMB561,000,000 and due in 2017 issued by the Company to TPG on 8 February 2012 (as amended pursuant to TPG Amendment Deed) pursuant to the TPG Subscription Agreement, which form part of the Convertible Bonds
“TPG Convertible Securities”	the 2013 Convertible Securities issued to TPG by the Company pursuant to the 2013 Open Offer in outstanding principal amount of HK\$123,888,471
“TPG Group”	TPG and its Affiliates
“TPG Irrevocable Undertaking”	the irrevocable undertaking dated 16 December 2014 given by TPG in favour of the Company and the other Underwriters as set out in the paragraph headed “Irrevocable Undertakings” in this Prospectus
“TPG Subscription Agreement”	the subscription agreement entered into between the Company and TPG Asia, Inc. on 19 January 2012 in relation to the issue of the TPG Convertible Bonds and the rights and obligations of TPG Asia, Inc. under the subscription agreement, which were subsequently novated and assumed by TPG Stallion Holdings, L.P. pursuant to a novation agreement dated 8 February 2012 entered into between the Company, TPG Asia, Inc. and TPG Stallion Holdings, L.P.
“TPG Underwriting Agreement”	the underwriting agreement dated 16 December 2014 entered into between the Company and TPG in relation to the Open Offer

DEFINITIONS

“Trading Day(s)”	a day on which trading of the Shares is conducted on the Stock Exchange in accordance with the rules and regulations of the Stock Exchange promulgated from time to time
“Trustee”	the trustee of the Share Award Scheme
“Underwriters”	Viva China, TPG, Milestone and Mr. Lo
“Underwriting Agreements”	the TPG Underwriting Agreement, the Viva China Underwriting Agreement, the Milestone Underwriting Agreement and the Mr. Lo Underwriting Agreement
“Underwritten Offer Securities”	the Offer Securities (which do not include the Excluded Securities) underwritten by the Underwriters pursuant to the terms of the Underwriting Agreements and “Underwritten Offer Securities not taken up” means those Underwritten Offer Securities (which do not include the Excluded Securities) not taken up by the Qualifying Shareholders under the Application Forms or the Excess Application Forms
“United States”	the United States of America
“Viva China”	Viva China Holdings Ltd, a company incorporated in the British Virgin Islands with limited liability, a substantial shareholder of the Company and a wholly-owned subsidiary of Viva China Holdings
“Viva China Convertible Securities”	the 2013 Convertible Securities issued to Viva China by the Company pursuant to the 2013 Open Offer in outstanding principal amount of HK\$398,156,304
“Viva China Holdings”	Viva China Holdings Limited, 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
“Viva China Irrevocable Undertaking”	the irrevocable undertaking dated 16 December 2014 given by Viva China in favour of the Company and the other Underwriters as set out in the paragraph headed “Irrevocable Undertakings” in this Prospectus
“Viva China Underwriting Agreement”	the underwriting agreement dated 16 December 2014 entered into between the Company and Viva China in relation to the Open Offer
“%”	per cent.

LETTER FROM THE BOARD



LI NING COMPANY LIMITED

李寧有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2331)

Executive Directors

Mr. Li Ning (*Executive Chairman*)

Mr. Jin-Goon Kim (*Executive Vice Chairman*)

Non-executive Director

Mr. Chen Yue, Scott

Independent non-executive Directors

Mr. Koo Fook Sun, Louis

Ms. Wang Ya Fei

Dr. Chan Chung Bun, Bunny

Mr. Su Jing Shyh, Samuel

Registered office

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal place of business

in Hong Kong

Suites 1, 7-15, Level 45

Office Tower, Langham Place

8 Argyle Street, Mongkok

Kowloon, Hong Kong

9 January 2015

To the Qualifying Shareholders, and for information only,

To the Excluded Shareholders,

Dear Sir or Madam,

**PROPOSED OPEN OFFER OF OFFER SECURITIES ON THE BASIS OF
5 OFFER SECURITIES FOR EVERY 12 EXISTING SHARES
HELD ON THE RECORD DATE**

INTRODUCTION

On 16 December 2014, the Board announced that the Company was proposing to raise up to HK\$1,694.93 million, before expenses, by way of an open offer to Qualifying Shareholders of Offer Securities, on the basis of 5 Offer Securities for every 12 existing Ordinary Shares held by Qualifying Shareholders on the Record Date. Each Qualifying Shareholder is entitled to subscribe for the new Ordinary Shares or apply for the Convertible Securities in lieu of all or part of its entitlement to the new Ordinary Shares, or a combination of both, under the Open Offer. The Offer Securities will be offered at the subscription price of HK\$2.60 each, payable in full on acceptance. Save for the Excluded Securities undertaken to be subscribed for by Viva China, TPG, the GIC Investor, Milestone, Milestone Sports, Mr. Li and Alpha Talent pursuant to their respective Irrevocable Undertakings, the Open Offer is fully underwritten

LETTER FROM THE BOARD

by the Underwriters on the basis that (i) save for the Excluded Securities, the Underwriters have conditionally agreed to subscribe for all of the remaining Offer Securities to be issued under the Open Offer in accordance with the respective Underwriting Agreements; (ii) the Company has undertaken not to issue any new Shares or any warrants, options, derivatives or securities convertible into Shares (save and except for issue of new Shares (a) as a result of the exercise of the 2004 Share Options or the conversion of the other existing convertible securities issued by the Company to the extent not inconsistent with the Irrevocable Undertakings and the Director's Irrevocable Undertakings; and (b) in accordance with its obligations under the Open Offer) before the completion of the Open Offer in the Underwriting Agreements; (iii) the Company has obtained the Irrevocable Undertakings from each of the GIC Investor and TPG not to exercise the conversion rights attaching to the respective Convertible Bonds, and from TPG not to exercise the conversion rights attaching to the TPG Convertible Securities; and (iv) the Company has obtained an irrevocable undertaking from each of the Directors not to exercise the 2004 Share Options held by each of them. The ordinary course of business of Viva China, TPG, Milestone and Mr. Lo do not include underwriting of securities.

The purpose of this Prospectus is to provide you with further details about the Open Offer including (i) the procedures for acceptance of and payment for the Offer Securities and application for excess Offer Securities; (ii) certain financial information of the Group; and (iii) general information of the Group.

THE OPEN OFFER

The details of the Open Offer are set out below:

Issue statistics

Basis of the Open Offer: 5 Offer Securities for every 12 existing Ordinary Shares held on the Record Date with each Qualifying Shareholder being entitled to subscribe for new Ordinary Shares or apply for the Convertible Securities in lieu of all or part of his/her/its entitlement to such new Ordinary Shares, or a combination of both

For clarity, each Convertible Security can be converted into one Conversion Share at the initial Conversion Price (subject to adjustments) which equals to the face value of such Convertible Security

Subscription Price: HK\$2.60 per Offer Security

Number of Ordinary Shares in issue as at the Record Date: 1,434,027,676 Ordinary Shares

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Number of Offer Securities to be issued:	597,511,530 Offer Securities, representing approximately 41.67% of the issued share capital of the Company as at the Record Date (assuming all Qualifying Shareholders elect to receive his/her/its entitlement in the form of new Ordinary Shares)
Number of Offer Securities to be underwritten by the Underwriters:	Save for the Excluded Securities undertaken to be subscribed for by Viva China, TPG, the GIC Investor, Milestone, Milestone Sports, Mr. Li and Alpha Talent pursuant to their respective Irrevocable Undertakings, all of the remaining Offer Securities (i.e. 385,308,450 Underwritten Offer Securities) to be issued under the Open Offer

Outstanding convertible securities of the Company

At the annual general meeting of the Company held on 30 May 2014, the Shareholders approved the adoption of the 2014 Share Option Scheme and the termination of the 2004 Share Option Scheme. The 2004 Share Options granted under the 2004 Share Option Scheme and which remained outstanding immediately prior to the termination of the 2004 Share Option Scheme shall continue to be exercisable in accordance with their terms of grant. No 2014 Share Option has been granted as at the Latest Practicable Date.

As at the Record Date, the Company has (i) 55,293,417 outstanding 2004 Share Options entitling the holders thereof to subscribe for a total of 55,293,417 new Ordinary Shares at various prices ranging from HK\$4.31 per Share to HK\$20.09 per Share (subject to adjustments) (among the 55,293,417 outstanding 2004 Share Options, 26,513,105 2004 Share Options are exercisable on or before the Record Date); (ii) the Convertible Bonds with the aggregate principal amount of approximately RMB750 million entitling TPG and the GIC Investor to convert respectively for 153,340,000 CB Conversion Shares and 51,660,000 CB Conversion Shares at the CB Conversion Price of HK\$4.50 per Share (subject to adjustment), representing approximately 9.36% and 3.15% of the issued share capital of the Company as at the Record Date as enlarged by the full conversion of the Convertible Bonds only; and (iii) the 2013 Convertible Securities with the aggregate outstanding principal amount of approximately HK\$529.25 million entitling the holders thereof to convert respectively for 151,214,775 CS Conversion Shares at the CS Conversion Price of HK\$3.50 per Share (subject to adjustment), representing approximately 9.54% of the issued share capital of the Company as at the Record Date as enlarged by the full conversion of the 2013 Convertible Securities only. Save for the outstanding 2004 Share Options, the Convertible Bonds and the 2013 Convertible Securities, the Company otherwise has no outstanding convertible securities, options or warrants in issue which would otherwise confer any right to subscribe for, convert or exchange into Ordinary Shares.

Subscription Price

The Subscription Price is HK\$2.60 per Offer Security, payable in full upon acceptance. The Subscription Price represents:

- (i) a discount of approximately 23.30% to the closing price of HK\$3.39 per Ordinary Share as quoted on the Stock Exchange on the Latest Practicable Date;

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- (ii) a discount of approximately 21.92% to the closing price of HK\$3.33 per Ordinary Share as quoted on the Stock Exchange immediately before the suspension in the trading in the Shares on the Stock Exchange on 12 December 2014;
- (iii) a discount of approximately 25.07% to the closing price of HK\$3.47 per Ordinary Share as quoted on the Stock Exchange on the Last Full Trading Day;
- (iv) a discount of approximately 32.29% to the average of the closing price of HK\$3.84 per Ordinary Share as quoted on the Stock Exchange for the 10 consecutive trading days up to and including the Last Full Trading Day;
- (v) a discount of approximately 34.84% to the average of the closing price of HK\$3.99 per Ordinary Share as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Full Trading Day;
- (vi) a discount of approximately 38.82% to the average of the closing price of HK\$4.25 per Ordinary Share as quoted on the Stock Exchange for the 90 consecutive trading days up to and including the Last Full Trading Day;
- (vii) a discount of approximately 19.00% to the theoretical ex-entitlement price of approximately HK\$3.21 based on the closing price per Ordinary Share as quoted on the Stock Exchange on the Last Full Trading Day; and
- (viii) a premium of approximately 50.29% over the unaudited consolidated net assets of the Group attributable to the Shareholders as at 30 June 2014 of approximately HK\$1.73 per Ordinary Share.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriters taking into account the market price of the Ordinary Shares up to and including the Last Full Trading Day. The Directors consider the terms of the Open Offer, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Basis of the Open Offer

The basis of the Open Offer is 5 Offer Securities for every 12 existing Ordinary Shares held by the Qualifying Shareholders as at the close of business on the Record Date. Each Qualifying Shareholder will be entitled to apply for Convertible Securities in lieu of all or part of his/her/its entitlement to the new Ordinary Shares, or a combination of both, under the Open Offer. For clarity, each Convertible Security can be converted into one Conversion Share at the initial Conversion Price (subject to adjustments) which equals to the face value of such Convertible Security.

Acceptance for all or any part of a Qualifying Shareholder's entitlement to the Open Offer should be made by completing the Application Form and lodging the same with a remittance for the Offer Securities being applied for.

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The new Ordinary Shares to be offered under the Open Offer will, upon issue, rank *pari passu* in all respects with the existing Ordinary Shares in issue on the date of such issue.

Fractions of entitlements to Offer Securities

Entitlements to the Open Offer will be rounded down to the nearest whole number. No fractional entitlements to the Offer Securities will be offered to the Qualifying Shareholders. All such fractional entitlements will be aggregated and will be made available for subscription by those Qualifying Shareholders who wish to apply for Offer Securities by way of excess application.

Odd lots arrangement

In order to facilitate the trading odd lots (if any) of the Ordinary Shares issued under the Open Offer, the Company has appointed China Galaxy International Securities (Hong Kong) Co., Limited as an agent to provide matching services on a best effort basis, to those Qualifying Shareholders who wish to acquire odd lots of the Ordinary Shares to make up a full board lot, or to dispose of their holding of odd lots of the Ordinary Shares. The Qualifying Shareholders holding odd lots of the Ordinary Shares may contact Mr. Choy Ho Yin of China Galaxy International Securities (Hong Kong) Co., Limited (telephone number: (852) 3698 6820) during the period from Tuesday, 3 February 2015 to Tuesday, 24 February 2015. The Qualifying Shareholders should note that the successful matching of the sale and purchase of odd lots of the Ordinary Shares is not guaranteed. Any Qualifying Shareholder, who is in doubt about the odd lot matching arrangement, is recommended to consult his/her/its own professional advisers.

Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders and, to the extent practicable and legally permitted, the Prospectus for information only to the Excluded Shareholders (if any) on the Prospectus Posting Date.

To qualify for the Open Offer, a Shareholder must:

- (a) be registered as a member of the Company at the close of business on the Record Date; and
- (b) be a Qualifying Shareholder.

Qualifying Shareholders who elect to take up the Convertible Securities in lieu of all or part of his/her/its entitlement to the new Ordinary Shares should note that their shareholding in the Company will be diluted if the other Qualifying Shareholders elect to take up his/her/its entitlement in the form of new Ordinary Shares or if the Convertible Securities held by the other Qualifying Shareholders are converted into new Ordinary Shares.

Closure of Register of Members

For purpose of determining qualification for the Open Offer, the register of members of the Company has been closed from Tuesday, 6 January 2015 to Thursday, 8 January 2015, both dates inclusive. No transfer of the Ordinary Shares has been registered during this period.

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Rights of the Overseas Shareholders and the Excluded Shareholders

The Prospectus Documents are not registered or filed under the applicable securities legislation of any jurisdictions other than Hong Kong. Overseas Shareholders may not be eligible to take part in the Open Offer as explained below.

There were 3 Overseas Shareholders on the Record Date with registered addresses located in the United States, Macau and the PRC, respectively. The Directors have made enquiries regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory bodies or stock exchanges.

Having made enquiries regarding the legal restrictions under the laws of Macau and the requirements of the relevant regulatory body or stock exchanges, the Directors have been advised by the Company's legal advisers that there are no specific legal restrictions and/or regulatory requirements applicable in Macau in terms of offering the Offer Securities with respect to the Open Offer to the Overseas Shareholder with registered address in Macau. In view of this, the Directors have decided to extend the Open Offer to the Overseas Shareholder whose registered address is in Macau. Accordingly, such Overseas Shareholder together with the Shareholders with registered addresses in Hong Kong are Qualifying Shareholders.

Having made enquiries regarding the legal restrictions under the laws of the United States and the PRC and the requirements of the relevant regulatory bodies or stock exchanges, the Directors are of the view that it is necessary and expedient to exclude the Overseas Shareholders in the United States and the PRC and such Overseas Shareholders will be regarded as Excluded Shareholders pursuant to Rule 13.36(2)(a) of the Listing Rules as the offering of the Offer Securities to them would, or might, in the absence of compliance with registration or other special formalities, be unlawful or impracticable and the cost to be incurred would be burdensome to outweigh the practical benefits to the relevant Overseas Shareholders and the Company, if the Offer Securities are to be offered in the United States or the PRC. The Company has sent a copy of the Prospectus to each of the Excluded Shareholders for information only, but not the Application Form or the Excess Application Form.

No action has been taken to permit the offering of the Offer Securities, or the distribution of this Prospectus or the Application Form or the Excess Application Form, in any territory or jurisdiction outside Hong Kong. Accordingly, no person receiving a copy of the Prospectus or the Application Form or the Excess Application Form in any territory or jurisdiction outside Hong Kong may treat it as an offer or invitation to apply for the Offer Securities, unless in the relevant jurisdiction such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements.

It is the responsibility of any person (including but without limitation to nominee, agent, custodian and trustee) receiving a copy of the Prospectus or the Application Form or the Excess Application Form outside Hong Kong and wishing to take up the Offer Securities to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant territory or jurisdiction including the obtaining of any governmental or other consents for observing any other formalities which may be required in such territory or jurisdiction, and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection therewith. The Company will not be responsible for verifying the legal qualification of such Overseas Shareholders and/or residents in such territory or jurisdiction, thus, should the Company suffer any losses or damages due to non-compliance with the relevant laws of such territory or

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jurisdiction by any such Overseas Shareholders and/or residents, the Overseas Shareholders and/or residents shall be responsible to compensate the Company for the same. The Company shall not be obliged to issue the Offer Securities to any such Overseas Shareholders and/or residents, if at the Company's absolute discretion, issuing the Offer Securities to them does not comply with the relevant laws of such territory or jurisdiction. Any acceptance by any person will be deemed to constitute a representation and warranty from such person to the Company that these local laws and requirements have been complied with. If you are in any doubt as to your position, you should consult your professional advisers. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties.

Any Offer Securities which would otherwise have comprised the assured entitlement of the Excluded Shareholders will be available for application by the Qualifying Shareholders who wish to apply for the Offer Securities in excess of their own assured entitlements.

Procedures for acceptance of and payment for the Offer Securities

For each Qualifying Shareholder, an Application Form is enclosed with this Prospectus which entitles Qualifying Shareholders to subscribe for the amount of the Offer Securities shown therein. Each Qualifying Shareholder is entitled to subscribe for the new Ordinary Shares or apply for the Convertible Securities in lieu of all or part of his/her/its entitlement to new Ordinary Shares, or a combination of both, under the Open Offer. If Qualifying Shareholders wish to exercise their rights to subscribe for all the Offer Securities specified in the enclosed Application Form or wish to apply for any number less than their assured entitlement under the Open Offer, Qualifying Shareholders must complete, sign and lodge the Application Form in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Hong Kong Share Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:00 p.m. on Friday, 23 January 2015. All remittances must be made in the valid form(s) of settlement acceptable by the Company in Hong Kong dollars. Cheques must be drawn on an account with, and banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "Li Ning Company Limited – Open Offer Account" and crossed "Account Payee Only".

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, has been lodged with the Hong Kong Share Registrar by not later than 4:00 p.m. on Friday, 23 January 2015 by the relevant Qualifying Shareholder, the assured entitlement under the Open Offer and all rights in relation thereto will be deemed to have been declined and will be cancelled.

The Application Form is for use only by the person(s) to whom it is addressed and is not transferrable. The Application Form contains the full information regarding the procedures to be followed if the Qualifying Shareholders wish to accept wholly or only part of their assured entitlement.

All cheques and banker's cashier orders will be presented for payment immediately upon receipt and all interest earned on such monies, if any, will be retained for the benefit of the Company. Completion and return of the Application Form together with a cheque or banker's cashier order in payment for the Offer Securities accepted will constitute a warranty by the applicant that the cheque or banker's cashier order will be honoured on first presentation. If any cheque or banker's cashier order is dishonoured on first

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presentation, the Application Form is liable to be rejected, and in such event the assured entitlement and all rights given pursuant to it will be deemed to have been declined and will be cancelled. No receipt will be issued in respect of any application received.

If the conditions of the Open Offer are not fulfilled by the Latest Time for Termination, the Open Offer will not proceed and the application monies, without interest, will be returned to the applicants by means of cheques crossed “Account Payee Only” to be despatched by ordinary post to their registered addresses and, in the case of joint applicants, to the registered address of the applicant whose name first appears on the register of members of the Company at the risk of such applicants on or before Monday, 2 February 2015.

Application for excess Offer Securities

The Offer Securities to which the Excluded Shareholders would otherwise have been entitled, any assured entitlements of the Offer Securities which have not been accepted by Qualifying Shareholders, and Offer Securities created by the aggregation of fractional Offer Securities, will be available for excess application by the Qualifying Shareholders.

The Qualifying Shareholders will have the right to apply for any Offer Securities in excess of their own assured entitlements under the Excess Application Form but are not assured of being allocated any Offer Securities in excess of those in their assured entitlements. The Directors will allocate the excess Offer Securities at their discretion, but on a fair and equitable basis, to Qualifying Shareholders who have applied for excess Offer Securities based on a pro-rata basis with reference to the number of excess Offer Securities applied for by the relevant Qualifying Shareholders. For the avoidance of doubt, the allocation of the Offer Securities in excess of assured entitlement will not be based on the number of the Shares held by the relevant Qualifying Shareholders and no preference will be given to topping-up odd lots to whole board lots.

Qualifying Shareholders with their Shares held by a nominee (or which are held in CCASS) should note that the Directors will regard the nominee (including HKSCC) as a single Shareholder according to the register of members of the Company.

Application for excess Offer Securities may be made by completing and signing the enclosed Excess Application Form in accordance with the instructions printed thereon and lodging it, together with a separate remittance for the full amount payable on application in respect of the excess Offer Securities applied for, with the Hong Kong Share Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, by not later than 4:00 p.m. on Friday, 23 January 2015. All remittances must be made in the valid form(s) of settlement acceptable by the Company in Hong Kong dollars. Cheques must be drawn on a bank account with, or cashier orders must be issued by, a licensed bank in Hong Kong and made payable to “**Li Ning Company Limited – Excess Application Account**” and crossed “**Account Payee Only**”.

If no excess Offer Securities are allotted to the Qualifying Shareholders, the amount tendered on application is expected to be refunded to such Qualifying Shareholders in full by ordinary post at their own risk to their registered addresses on or before Monday, 2 February 2015. If the amount of excess Offer Securities allotted to the Qualifying Shareholders is less than that applied for, the surplus application money is also expected to be refunded to such Qualifying Shareholders by ordinary post at their own risk to their

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registered addresses on or before Monday, 2 February 2015. All cheques or cashier orders will be presented for payment immediately upon receipt and all interest earned on such monies will be retained for the benefit of the Company. Completion and return of the Excess Application Form together with a cheque or cashier order in payment for the excess Offer Securities applied for will constitute a warranty by the applicant that the cheque or cashier order will be honoured on first presentation. If any cheque or cashier order is dishonoured on first presentation, the application for excess Offer Securities is liable to be rejected.

Where a Qualifying Shareholder has applied for excess Offer Securities in the form of both new Ordinary Shares and Convertible Securities and the number of Offer Securities allocated to him/her/it is insufficient to meet his/her/its excess application in full, his/her/its allocation of excess Offer Securities will be allotted in a ratio of new Ordinary Shares and Convertible Securities which is as nearly as practicable equal to the ratio in which he has applied for excess Ordinary Shares and excess Convertible Securities.

The Excess Application Form is for use only by the person(s) to whom it is addressed and is not transferable. All documents, including cheques or cashier orders for amounts due, will be sent at the risk of the persons entitled thereto to their registered addresses by the Hong Kong Share Registrar. If any of the conditions of the Open Offer mentioned in the paragraph headed "Conditions of the Open Offer and the Underwriting Agreements" are not fulfilled and/or waived, the Open Offer will not proceed and the application monies received in respect of application for excess Offer Securities will be refunded to the applicants by means of cheques to be despatched by ordinary post to their registered addresses at their own risk on or before Monday, 2 February 2015.

Any Offer Securities not applied for by the Qualifying Shareholders will be taken up by the Underwriters.

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the tax implications of applying for, holding, disposing of or dealing in the Offer Securities. None of the Company, the Directors or any other parties involved in the Open Offer accepts responsibility of any tax effects or liabilities of holders of the Offer Securities resulting from the application for, holding, disposal of, or dealing in the Offer Securities.

No receipt will be issued in respect of any application monies received.

Certificates of the Offer Securities for applicants holding the Ordinary Shares in his/her/its own name

Subject to the fulfilment of the conditions of the Open Offer, certificates for all fully-paid Ordinary Shares and/or Convertible Securities are expected to be posted to those entitled thereto by ordinary post to their registered addresses at their own risk on or before Monday, 2 February 2015. One share certificate will be issued for all the new Ordinary Shares subscribed for and allotted to an applicant and/or one certificate will be issued for all the Convertible Securities applied by and allotted to an applicant by the Hong Kong Share Registrar.

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Certificates of the Offer Securities for applicants holding the Ordinary Shares through CCASS

For beneficial owners holding their Ordinary Shares through CCASS and decide to subscribe for the Offer Securities in the form of Ordinary Shares, HKSCC will directly credit the number of Ordinary Shares allocated to his/her/its CCASS account.

For beneficial owners holding their Ordinary Shares through CCASS and decide to subscribe for the Offer Securities in the form of Convertible Securities, they are required to withdraw the Convertible Securities from CCASS and transfer the Convertible Securities into his/her/its own name as soon as possible after the Convertible Securities allocated are credited to the CCASS accounts. A fee of HK\$1.00 will be charged by HKSCC for each withdrawal. They must first complete the registration of Convertible Securities in his/her/its own name before they convert the Convertible Securities to the Conversion Shares. A fee of HK\$2.50 per certificate will be charged by the Hong Kong Share Registrar for issue of the split certificate of the Convertible Securities, which shall be borne by the Company. HKSCC will not provide any services in respect of any Convertible Securities. Please refer to the paragraph headed "Transfer and Conversion of Convertible Securities" below for the transfer and conversion procedures of Convertible Securities and the subsequent fees payable.

Refund cheques

Refund cheques in respect of wholly or partially unsuccessful applications for excess Offer Securities (if any) are expected to be posted to the applicants by ordinary post to their registered address at their own risk on or before Monday, 2 February 2015.

Conditions of the Open Offer

The Open Offer is conditional upon the Underwriting Agreements having become unconditional. The conditions to the Underwriting Agreements are set out in the paragraph headed "Conditions of the Open Offer and the Underwriting Agreements" below.

If the conditions of the Underwriting Agreements are not fulfilled and/or waived or if the Underwriting Agreements are terminated pursuant to their terms and conditions, the Open Offer will not proceed.

Convertible Securities not to be listed

No listing of the Convertible Securities will be sought on the Stock Exchange or any other stock exchange. The Company has applied to the Stock Exchange for the listing of, and permission to deal in, all the new Ordinary Shares and the Conversion Shares to be issued under the Open Offer.

The Convertible Securities will not be eligible for admission into CCASS

The Convertible Securities are not listed on the Stock Exchange or any other stock exchange. No application will be made for the listing of the Convertible Securities on the Stock Exchange or any other stock exchange. No application will be made for the admissibility, deposit, clearance or settlement of the Convertible Securities in CCASS. No transfer, clearing or settlement services will be provided by HKSCC in

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respect of the Convertible Securities. An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares to be issued upon the exercise of the Conversion Rights. Subject to the granting of listing of, and permission to deal in, the Conversion Shares on the Stock Exchange, the Conversion Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Conversion Shares or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the general rules of CCASS and CCASS operational procedures in effect from time to time. You should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, certified public accountant or other professional advisers for details of the settlement arrangements and how such arrangements may affect your rights and interests.

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the tax implications of the holding or disposal of, or dealings in the Offer Securities or the Conversion Shares. It is emphasised that none of the Company, the Directors or any other parties involved in the Open Offer accepts responsibility for any tax effects or liabilities of holders of the Offer Securities or the Conversion Shares resulting from the purchase, holding or disposal of, or dealing in the Offer Securities or the Conversion Shares.

SUMMARY OF THE PRINCIPAL TERMS OF THE CONVERTIBLE SECURITIES

A summary of the principal terms of the Convertible Securities is set out below.

Principal amount	Assuming all the Qualifying Shareholders apply for the Convertible Securities in lieu of all or part of their entitlement to the new Ordinary Shares under the Open Offer, not more than approximately HK\$1,553.53 million.
Interest	Nil
Distribution	Whenever the Company declares and pays a dividend or distribution, whether of cash, assets or other property (other than a Scrip Dividend), or a Capital Distribution in respect of the issued Shares, the holders of all outstanding Convertible Securities on the relevant record dates shall be entitled to a distribution calculated on the basis of the same amount of such dividend or distribution or Capital Distribution per Share multiplied by the number of Conversion Shares that their outstanding Convertible Securities can be fully converted into at the then Conversion Price. Such distribution shall be paid on the same day when the relevant dividends or Capital Distributions are paid to the Shareholders.

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Conversion Price	<p>The initial Conversion Price (subject to adjustments) shall be HK\$2.60 per Conversion Share, which is the same as the Subscription Price.</p> <p>The Conversion Price was determined after arm's length negotiations between the Company and the Underwriters having regard to the prevailing market price of the Share prior to the date of the Announcement and the Subscription Price.</p>
Conversion of the Convertible Securities	<p>Subject to, and upon compliance with, the provisions in relation to the Conversion Notice, the logistics concerning the conversion, the Conversion Date and the payment of stamp duty and other amounts payable by the holders of the Convertible Securities as set out in the Conditions, the Conversion Rights may be exercised during the Conversion Period. Please refer to the section headed "Conversion of the Convertible Securities" below for further details. The number of Conversion Shares to be issued equals to the whole or such part of the principal amount of the Convertible Securities to be converted divided by the initial Conversion Price (subject to adjustments).</p> <p>Assuming all Qualifying Shareholders elect to receive their entitlements in full in the form of Convertible Securities and the full conversion of the Convertible Securities at the initial Conversion Price, based on the number of Ordinary Shares in issue as at the Record Date, the Convertible Securities will be converted into approximately 597,511,530 Conversion Shares, representing approximately 41.67% of the existing issued share capital of the Company as at the Record Date and approximately 29.41% of the issued share capital of the Company at the Record Date as enlarged by the issue of such Conversion Shares only.</p> <p>Fractions of Conversion Shares will not be issued on conversion and no cash adjustment will be made in respect thereof.</p> <p>There are no restrictions on any subsequent sale of the Conversion Shares.</p>
Adjustment to Conversion Price	<p>Conversion Price will be subject to adjustment in the following events:—</p> <p>(a) Consolidation, subdivision or reclassification: If and whenever there shall be an alteration to the nominal value of the Shares as a result of consolidation, subdivision or</p>

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reclassification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where:

- A is the nominal amount of one Share immediately after such alteration; and
- B is the nominal amount of one Share immediately before such alteration.

Such adjustment shall become effective on the date the alteration takes effect.

(b) **Capitalisation of profits or reserves:**

- (i) If and whenever the Company shall issue any Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves (including any share premium account) including Shares paid up out of distributable profits or reserves and/or share premium account issued, save where Shares are issued in lieu of the whole or any part of a specifically declared cash dividend (the “**Relevant Cash Dividend**”), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate nominal amount of the issued Shares immediately before such issue; and
- B is the aggregate nominal amount of the issued Shares immediately after such issue.

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Such adjustment shall become effective on the date of issue of such Shares or if a record date is fixed therefor, immediately after such record date.

- (ii) In the case of an issue of Shares by way of a Scrip Dividend where the Current Market Price of such Shares exceeds the amount of the Relevant Cash Dividend or the relevant part thereof and which would not have constituted a Capital Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the issue of such Shares by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the aggregate nominal amount of the issued Shares immediately before such issue;
- B is the aggregate nominal amount of Shares issued by way of such Scrip Dividend multiplied by a fraction of which (i) the numerator is the amount of the whole, or the relevant part, of the Relevant Cash Dividend and (ii) the denominator is the Current Market Price of the Shares issued by way of Scrip Dividend in respect of each existing Share in lieu of the whole, or the relevant part, of the Relevant Cash Dividend; and
- C is the aggregate nominal amount of Shares issued by way of such Scrip Dividend; or by making such adjustment as the Approved Financial Adviser (acting as an expert), shall certify to the holders of the Convertible Securities is fair and reasonable.

Such adjustment shall become effective on the date of issue of such Shares or if a record date is fixed therefor, immediately after such record date.

- (c) **Rights issues of Shares or options over Shares:** If and whenever the Company shall issue Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class, by way of rights, of options, warrants or other rights to subscribe for or purchase

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any Shares, in each case at less than 95% of the Current Market Price per Share on the last Trading Day preceding the date of the announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Shares in issue immediately before such announcement;
- B is the number of Shares which the aggregate amount (if any) payable for the Shares issued by way of rights or for the options or warrants or other rights issued or granted by way of rights and for the total number of Shares comprised therein would purchase at such Current Market Price per Share; and
- C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be).

- (d) **Rights issues of other securities:** If and whenever the Company shall issue any securities (other than Shares or options, warrants or other rights to subscribe for or purchase Shares) to all or substantially all Shareholders as a class, by way of rights, or the issue or grant by the Company to all or substantially all Shareholders as a class by way of rights, of any options, warrants or other rights to subscribe for or purchase or otherwise acquire, any securities (other than Shares or options, warrants or other rights to subscribe for or purchase Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A - B}{A}$$

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where:

- A is the Current Market Price of one Share on the last Trading Day preceding the date on which such issue or grant is publicly announced; and
- B is the Fair Market Value on the date of such announcement of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue of the securities or grant of such rights, options or warrants (as the case may be).

- (e) **Issues at less than Current Market Price:** If and whenever the Company shall issue (otherwise than as mentioned in paragraph (c) above) any Shares (other than Shares issued on the exercise of Conversion Rights or on the exercise of the options or awards granted by the Company pursuant to its employee share option schemes (including the Share Incentive Schemes), or any other rights of conversion into, or exchange or subscription for, Shares) or the issue or grant of (otherwise than as mentioned in paragraph (c) above and other than the options or awards granted by the Company pursuant to its employee share option schemes (including the Share Incentive Schemes)) options, warrants or other rights to subscribe or purchase Shares in each case at a price per Share which is less than 95% of the Current Market Price on the last Trading Day preceding the date of announcement of the terms of such issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Shares in issue immediately before the issue of such additional Shares or the grant of such options, warrants or other rights to subscribe for or purchase any Shares;
- B is the number of Shares which the aggregate consideration (if any) receivable by the Company for such additional Shares to be issued or otherwise made

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available or, as the case may be, upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Share; and

C is the maximum number of additional Shares issued or the maximum number of Shares that may be issued upon exercise of such options, warrants or rights.

References to additional Shares in the above formula shall, in the case of an issue or grant by the Company of options, warrants or other rights to subscribe for or purchase Shares, mean such Shares to be issued, or otherwise made available, assuming that such options, warrants or other rights are exercised in full at the initial exercise price (if applicable) on the date of issue or grant of such options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such additional Shares or, as the case may be, the grant of such options, warrants or other rights.

- (f) **Other issues at less than Current Market Price:** Save in the case of an issue of securities arising from a conversion or exchange of other existing securities in accordance with the terms applicable to such existing securities, if and whenever the Company or any subsidiary of the Company (otherwise than as mentioned in paragraphs (c), (d) or (e) above) or (at the direction or request of or pursuant to any arrangements with the Company or any Subsidiary) any other company, person or entity (otherwise than as mentioned in paragraphs (c), (d) or (e) above) shall issue any securities (other than the Convertible Securities and the options or awards granted by the Company pursuant to its employee share option schemes (including the Share Incentive Schemes)) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for or purchase of, or to otherwise acquire, Shares issued or to be issued by the Company or securities which by their terms may be redesignated Shares receivable upon conversion, exchange, subscription or redesignation at a consideration per Share which is less than 95% of the Current Market Price on the last Trading Day preceding the date of announcement of the terms of issue of such securities, the

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Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Shares in issue immediately before such issue or grant (but where the relevant securities carry rights of conversion into, or rights of exchange or subscription for, or purchase or acquisition of, Shares which have been issued by the Company for the purposes of, or in connection with, such issue, less the number of Shares so issued);
- B is the number of Shares which the aggregate consideration (if any) receivable by the Company for the Shares to be issued or otherwise made available upon conversion or exchange or on exercise of the right of subscription or purchase or acquisition attached to such securities or, as the case may be, the Shares would purchase at such Current Market Price per Share; and
- C is the maximum number of Shares to be issued or otherwise made available upon conversion or exchange of such securities or on the exercise of such rights of subscription or purchase or acquisition attached thereto at the initial conversion, exchange or subscription price or rate or, as the case may be, the maximum number of Shares to be issued or to arise or to be made available from any such redesignation.

Such adjustment shall become effective on the date of issue of such securities.

- (g) **Modification of rights of Conversion:** If and whenever there is any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any such securities as are mentioned in paragraph (f) above (other than in accordance with the existing terms applicable to such securities) so that the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is less than 95% of the Current Market Price on the last Trading Day preceding the date of announcement of the

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proposals for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Shares in issue immediately before such modification (but where the relevant securities carry rights of conversion into, or rights of exchange or subscription for, or purchase or acquisition of, Shares which have been issued by the Company for the purposes of, or in connection with, such issue, less the number of Shares so issued);
- B is the number of Shares which the aggregate consideration (if any) receivable by the Company for the Shares to be issued, or otherwise made available, on conversion or exchange or on exercise of the right of subscription, purchase or acquisition attached to the securities so modified would purchase at (a) such Current Market Price per Share or (b) the existing conversion, exchange, subscription or purchase price of such securities if such price is lower than the Current Market Price per Share; and
- C is the maximum number of Shares to be issued, or otherwise made available, on conversion or exchange of such securities or on the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription or purchase price or rate but giving credit in such manner as an Approved Financial Adviser (acting as an expert), considers appropriate (if at all) for any previous adjustment under the paragraphs (g) or (f) above.

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such securities.

- (h) **Other events:** If either: (A) the rights of conversion, exchange, purchase or subscription attaching to any options, rights or warrants to subscribe for or purchase Shares or any securities convertible into or exchangeable for Shares or the rights carried

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by such securities to subscribe for or purchase Shares are modified (other than pursuant to, and as provided in, the existing terms and conditions of such options, rights, warrants or securities); or (B) the Company determines that an adjustment should be made to the Conversion Price as a result of one or more events or circumstances not referred to in any other provisions of this anti-dilution adjustment provision which in either case have or would have an effect on the position of the holders of the Convertible Securities as a class compared with the position of the holders of all the securities (and options, rights and warrants relating thereto) of the Company, taken as a class, which is analogous to any of the events referred to in paragraphs (a) to (g) above, then, in any such case, the Company shall at its own expense request an Approved Financial Adviser (acting as expert) to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the Conversion Price, and the date on which such adjustment should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination provided that where the circumstances giving rise to any adjustment pursuant to this anti-dilution adjustment provision have already resulted or will result in an adjustment to the Conversion Price or where the circumstances giving rise to any adjustment arise by virtue of circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this anti-dilution adjustment provision as may be advised by the Approved Financial Adviser (acting as expert) to be in their opinion appropriate to give the intended result.

Ranking of Conversion Shares

The Conversion Shares shall be duly and validly issued, fully paid and registered, and free from encumbrances and all such Conversion Shares shall rank *pari passu* in all respects with the fully paid Shares in issue on the relevant date of registration of the Conversion Shares on the Company's register of members (after issue of the Conversion Shares upon conversion of the Convertible Securities) (the "**Registration Date**") and shall accordingly entitle the holders thereof to participate in full in all dividends or other distributions the record date for which falls on a date on or after the relevant Registration Date.

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Register of holders	<p>The Company will or will procure its principal share registrar and transfer office in the Cayman Islands to maintain and keep the register (the “Register of Holders”) on which the names and addresses of the holders of the Convertible Securities, the principal outstanding amounts of the Convertible Securities, the dates of the issue of the certificates of the Convertible Securities, the dates of all transfers and the names and addresses of all transferees, particulars of all conversions and redemptions of the Convertible Securities, and particulars of all cancellations and replacements of certificates of the Convertible Securities are entered.</p> <p>The registration of transfers may be suspended and the Register of Holders may be closed at such times and for such periods as the Board may from time to time direct, provided that the same shall not be closed for a period in aggregate more than thirty (30) Business Days in any one year. Any transfer of the Convertible Securities or exercise of the Conversion Rights while the Register of Holders are so closed shall, as between the Company and the person claiming under the relevant transfer of Convertible Securities or, as the case may be, as between the Company and the holders of the Convertible Securities who have so exercised their respective Conversion Rights (but not otherwise), be considered as made immediately after the re-opening of the Register of Holders.</p>
Transferability	<p>Subject to, among others, the closure of the Register of Holders as stated above, Convertible Securities may be transferred or transmitted by operation of law in whole or in part at any time. Please refer to the section headed “Transfer of Convertible Securities” below for further details.</p> <p>No transfer of title to the Convertible Securities will be valid unless and until entered on the Register of Holders.</p>
Voting	<p>The holders of the Convertible Securities shall not be entitled to receive notices of, attend or vote at any general meetings of the Company or any meetings of any class of the Company’s shares, by reason only of it being a holder of Convertible Securities.</p>
Application for listing	<p>The Convertible Securities are not listed on the Stock Exchange or any other stock exchange. No application will be made for the listing of the Convertible Securities on the Stock Exchange or any other stock exchange. No application will be made for the admissibility, deposit, clearance or settlement of the Convertible Securities in CCASS. No transfer, clearing or settlement services will be provided by HKSCC in respect of the Convertible Securities.</p>

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An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in the Conversion Shares to be issued upon the exercise of the Conversion Rights.

No redemption	The Convertible Securities shall be non-redeemable.
Maturity date	There is no maturity date in respect of any Convertible Securities.
Status	The Convertible Securities constitute direct, unsecured and subordinated obligations of the Company and shall at all times rank <i>pari passu</i> without any preference among themselves. In the event of the dissolution, liquidation or winding up of the Company, the rights and claims of a holder of the Convertible Securities shall (a) rank ahead of those persons whose claims are in respect of any class of share capital of the Company and (b) at all times rank <i>pari passu</i> with the Company's other present and future unsecured and subordinated obligations, but (c) shall be subordinated in right of payment to the claims of all present and future senior and unsubordinated creditors of the Company.
No breach of Listing Rules	<p>The Company is not obliged to adjust the Conversion Price or issue Conversion Shares in satisfaction of the Conversion Rights in breach of its obligations under the Listing Rules or the Takeovers Code.</p> <p>In particular, no Conversion Right may be exercised by any holder of the Convertible Securities when the Company has clear evidence that, immediately following the issue of the Conversion Shares upon exercise of their Conversion Right, it would be unable to meet the public float requirement under the Listing Rules as a direct result of such issue of Shares.</p> <p>Under any of the above circumstances, no compensation will be given by the Company to any holder of the Convertible Securities.</p>
Undertakings	<p>The Company has undertaken, among others, that, for so long as and only when any Convertible Securities remains outstanding:</p> <p>(a) the Company shall from time to time keep available for issue, free from pre-emptive rights, out of its authorised but unissued capital, sufficient Shares to satisfy in full the allotment and issuance of the Conversion Shares and shall ensure that all Shares delivered on conversion of the Convertible Securities will be duly and validly issued as fully-paid and non-assessable;</p>

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- (b) to the extent permitted by applicable law, the Company shall not modify the rights attaching to the Shares with respect to voting, dividends or liquidation but this Condition shall not prevent (i) a consolidation or subdivision of the Shares or the conversion of any Shares into stock or vice versa, (ii) a modification to the rights attaching to the Shares which is not materially prejudicial to the interests of the holders of the Convertible Securities, (iii) the amendment of the articles of association of the Company to enable title to securities of the Company (including Shares) to be evidenced and transferred without a written instrument, (iv) any other alteration to the articles of association of the Company made in connection with the matters described in (a) to (g) herein or which are supplemental or incidental to any of the foregoing (including amendments made to enable or facilitate procedures relating to such matters and amendments dealing with the rights and obligations of holders of securities (including Shares) dealt with under such procedures) or (v) any issue of equity share capital or corporate action which results in an adjustment of the Conversion Price;
- (c) the Company shall use its best endeavours to (i) maintain a listing for all the issued Shares on the Stock Exchange; and (ii) obtain a listing on the Stock Exchange for all the Conversion Shares;
- (d) it will pay the expenses of the issue and delivery of, and all expenses of obtaining and maintaining the listing for, Shares arising on conversion of the Convertible Securities;
- (e) the Company shall ensure that all Conversion Shares shall be duly and validly issued, fully paid and registered, and free from encumbrances and all such Shares shall rank *pari passu* in all respects with the fully paid Shares in issue on the relevant Registration Date and shall accordingly entitle the holders thereof to participate in full in all dividends or other distributions the record date for which falls on a date on or after the relevant Registration Date;
- (f) as soon as possible after the announcement of the full terms of any event which give rise to adjustments of the Conversion Price pursuant to the Conditions (or, if later, as soon as the relevant adjustment thereunder can reasonably be determined), give notice to the holders of the Convertible Securities advising them of the date on which the relevant adjustment of the Conversion Price is to become effective, the size of adjustment

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on the Conversion Price and the effect (if any) on the rights of the holder of the Convertible Securities to exercise its Conversion Right herein; and

- (g) the Company shall comply with and procure the compliance of all conditions imposed by the Stock Exchange for approval of the issue of the Convertible Securities or for the listing of and permission to deal in the Conversion Shares and ensure the continued compliance thereof.

If an offer is made to all holders of the Shares (or such holders other than the offeror and/or any Company controlled by the offeror and/or persons associated or acting in concert with the offeror) to acquire all or a portion of the Shares or if any person proposes a scheme with regard to such acquisition, it shall forthwith give notice of such offer or scheme to the holders of the Convertible Securities at the same time as any notice thereof is sent to its Shareholders (or as soon as practicable thereafter) stating that details concerning such offer or scheme may be obtained from the specified office of the Company and, where such an offer or scheme has been recommended by the Board or where such an offer has become or been declared unconditional in all respects, use its best endeavours to procure that a like offer or scheme is extended in accordance with the Takeovers Code to the holders of the Convertible Securities and the holders of any Conversion Shares issued during the period of the offer or scheme.

TRANSFER AND CONVERSION OF CONVERTIBLE SECURITIES

Transfer of Convertible Securities

The Convertible Securities are transferrable by way of transfer intention notice (the “**Transfer Intention Notice**”). The Principal Registrar will maintain a register of holders of Convertible Securities in the Cayman Islands. The Hong Kong Share Registrar, has been appointed as the branch registrar and transfer agent in Hong Kong to receive documents in respect of splitting and registration of transfer of the Convertible Securities and to submit the same to the Principal Registrar for registration. Any transfer of Convertible Securities is subject to the Conditions in relation to (i) the delivery and deposit of the Transfer Intention Notice as set out in paragraphs 1 and 2 below; (ii) the transfer request not being made after a Conversion Notice has been delivered with respect to the relevant Convertible Securities or during the period of (a) seven (7) Business Days ending on (and including) any distribution payment date in respect of any payment of distribution on the Convertible Securities as set out in paragraph 3 below or (b) the Registers of Holders being closed; and (iii) the payment of the fee as set out in paragraph 4 below. The logistics of any transfer are set out below:

1. To transfer the Convertible Securities, the holder thereof must deliver and deposit at his own expense at the office of the Hong Kong Share Registrar the Transfer Intention Notice duly completed and signed by and on behalf of the transferor and the transferee, together with the

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relevant certificate(s) of the Convertible Securities and such evidence as the Company may reasonably require to prove the authority of the individual(s) who have executed the Transfer Intention Notice.

2. The Transfer Intention Notice can be obtained at the office of the Hong Kong Share Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and the completed and signed Transfer Intention Notice may be delivered for registration at the aforesaid office of the Hong Kong Share Registrar between 9:00 a.m. and 4:30 p.m. on any business day.
3. No transfer of any Convertible Securities will be registered (i) after a Conversion Notice has been delivered with respect to such Convertible Securities; or (ii) during the period of seven (7) Business Days ending on (and including) any distribution payment date in respect of any payment of distribution on the Convertible Securities. Each new certificate to be issued upon a transfer of Convertible Securities will be issued within ten (10) Business Days from the date of the transfer request and be made available for collection at the aforesaid office of the Hong Kong Share Registrar.
4. A fee will be charged by the Hong Kong Share Registrar for the transfer of the Convertible Securities, currently being HK\$250.00 plus HK\$20.00 per share certificate to be issued using the ten (10) business days' service.
5. Each new certificate to be issued upon a transfer of the Convertible Securities will be made available for personal collection by the holder entitled thereto during normal business hours (from 9:00 a.m. to 4:30 p.m.) on any business day at the aforesaid office of the Hong Kong Share Registrar from the tenth business day onwards following receipt of the documents specified above by the Hong Kong Share Registrar and upon production of such identification papers as may be reasonably requested by the Company, the Principal Registrar or the Hong Kong Share Registrar.
6. Where some but not all of the Convertible Securities in respect of which a certificate is issued are to be transferred, the holder must (i) first split the certificate by lodging it with the Hong Kong Share Registrar and a new certificate in respect of the balance of the Convertible Securities not so transferred will be made available for personal collection by the holder entitled thereto during normal business hours (from 9:00 a.m. to 4:30 p.m.) on any business day at the aforesaid office of the Hong Kong Share Registrar from the tenth business day onwards following receipt of the documents specified above by the Hong Kong Share Registrar and upon production of such identification papers as may be reasonably requested by the Company, the Principal Registrar or the Hong Kong Share Registrar; and (ii) then lodge the split certificate (representing the exact amount of Convertible Securities to be transferred) together with the signed Transfer Intention Notice in accordance with the logistics set out in paragraphs 1 to 4 above. Each new certificate to be issued upon a transfer of the Convertible Securities will be issued in the same manner as described in paragraph 5 above.
7. No stamp duty will be payable for any transfer of the Convertible Securities in Hong Kong on the basis that the Register of Holders will be kept in the Cayman Islands.

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Conversion of the Convertible Securities

Any registered holder of the Convertible Securities may, subject as provided herein, at any time during the Conversion Period, exercise the Conversion Rights. Any conversion of the Convertible Securities is subject to the Conditions in relation to (i) the delivery and deposit of the Conversion Notice in the manner as set out in paragraph 1 below, (ii) the conversion request not being made after a Transfer Intention Notice has been delivered with respect to the relevant Convertible Securities or during the period of seven (7) Business Days ending on (and including) any distribution payment date in respect of any payment of distribution on the Convertible Securities as set out in paragraph 3 below, (iii) the payment of Taxes (as defined below) as set out in paragraph 2 below and the fee as set out in paragraph 4 below; and (iv) the Company not being in breach of the public float requirement under the Listing Rules immediately after the conversion. The logistics of the conversion of the Convertible Securities are set out below:

1. To exercise the Conversion Right attaching to any Convertible Securities, the holder thereof must deliver and deposit at his own expense during normal business hours (from 9:00 a.m. to 4:30 p.m.) at the aforesaid office of the Hong Kong Share Registrar a duly completed and executed Conversion Notice, which can be obtained at the aforesaid office of the Hong Kong Share Registrar together with the certificate(s) of evidencing the number of Convertible Securities to be converted and the relevant certificate(s) and confirmation that any amounts required to be paid by the holder of the relevant Convertible Securities under paragraph 2 below have been so paid during the Conversion Period. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Company consents in writing to such withdrawal.
2. A holder of any Convertible Securities delivering a certificate in respect of such Convertible Securities for conversion must pay directly to the relevant authorities (a) any taxes and capital, stamp, issue and registration duties arising on conversion (other than any taxes or capital or stamp duties payable in Hong Kong by the Company in respect of the allotment and issue of Ordinary Shares and listing of the Ordinary Shares on the Stock Exchange) and (b) all, if any, taxes arising by reference to any disposal or deemed disposal by it of the Convertible Securities in connection with such conversion (together, “**Taxes**”). The holder of the Convertible Securities must declare in the relevant Conversion Notice that any Taxes have been paid to the relevant tax authorities pursuant to this condition.
3. No conversion of any Convertible Securities will be effected after a Transfer Intention Notice has been delivered or during the period of seven (7) Business Days ending on (and including) any distribution payment date in respect of any payment of distribution on the Convertible Securities.
4. A fee will be charged by the Hong Kong Share Registrar for the conversion of Convertible Securities, currently being HK\$2.50 per certificate to be issued or cancelled.
5. As soon as practicable, and in any event not later than ten (10) Business Days after the Conversion Date, the Company will, subject to the receipt of the Conversion Notice and the relevant certificate evidencing the number of Convertible Securities to be converted and the payment of any amounts payable by the holder of the Convertible Securities as required by

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paragraph 2 above, register the person or persons designated in the Conversion Notice as holder(s) of the relevant number of Shares in the Company's register of members; and will make such certificate or certificates available for collection at the aforesaid office of the Hong Kong Share Registrar.

Splitting of Certificates of the Convertible Securities

Any holder of Convertible Securities can split the certificate held by him/her/it by lodging it with the Hong Kong Share Registrar during the normal business hours (from 9:30 a.m. to 4:30 p.m.) on any business days at the aforesaid office of the Hong Kong Share Registrar. A fee will be charged by the Hong Kong Share Registrar for the splitting of Convertible Securities, currently being HK\$2.50 per certificate using the tenth (10) business days' service, which is identical to the fee charged by it for the splitting of Ordinary Share certificates.

The Company has prepared a list of questions and answers (available in both English and Chinese) ("FAQs") to enhance the Shareholders' understanding of certain details of the Open Offer. The FAQs have been uploaded to the "FAQ Section" of the Company's website at www.lining.com. The FAQs are intended to provide Shareholders with information relating to the Open Offer only and should not be (i) relied on as advices or recommendations from the Company or the Underwriters or China Galaxy International Securities (Hong Kong) Co., Limited; or (ii) considered as part of the Prospectus Documents. If any Shareholders or potential investors are in any doubt about any of the contents of the FAQs, such persons should obtain independent professional advice.

IRREVOCABLE UNDERTAKINGS

Pursuant to the Viva China Irrevocable Undertaking, Viva China has irrevocably undertaken to each of the Company and the other Underwriters, among others, that (i) Viva China shall procure that all the Ordinary Shares held by it (i.e. an aggregate of 266,374,000 Shares (representing approximately 19.01% of the issued share capital of the Company as at the date of the Announcement)) will remain beneficially owned by it and will remain beneficially owned by it between the date of the Viva China Irrevocable Undertaking and up to the close of business on the Record Date as they are as at the date of the Viva China Irrevocable Undertaking; (ii) it shall subscribe for its full entitlement of the 110,989,165 Offer Securities in accordance with the terms of the Open Offer and the Prospectus Documents and shall elect to receive its entitlement and all excess applications made by it entirely in the form of Convertible Securities; and (iii) it shall not transfer any of the Viva China Convertible Securities on or before the Record Date without the written consent of the Company and if Viva China exercises its conversion rights under the Viva China Convertible Securities on or before the Record Date, it shall subscribe for its full entitlement of the Offer Securities accordingly, and shall not transfer the Shares so issued.

On 30 December 2014, Viva China exercised its conversion rights under the Viva China Convertible Securities to convert the Viva China Convertible Securities in the principal amount of HK\$115,500,000 into 33,000,000 Shares. Therefore, Viva China shall subscribe for its full entitlement of 124,739,165 Offer Securities pursuant to the Viva China Irrevocable Undertaking.

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Pursuant to the TPG Irrevocable Undertaking, TPG has irrevocably undertaken to each of the Company and the other Underwriters, among others, that (i) TPG shall procure that all the Ordinary Shares currently held by it (i.e. an aggregate of 53,000,000 Shares (representing approximately 3.78% of the issued share capital of the Company as at the date of the Announcement)) will remain beneficially and directly owned by it and will remain beneficially owned by it between the date of the TPG Irrevocable Undertaking and up to the close of business on the Record Date as they are as at the date of the TPG Irrevocable Undertaking; (ii) it shall subscribe for its full entitlement of the 22,083,330 Offer Securities in accordance with the terms of the Open Offer and the Prospectus Documents and shall elect to receive its entitlement and all excess applications made by it entirely in the form of Convertible Securities; (iii) it shall not, on or before the Record Date, (a) transfer the TPG Convertible Bonds or exercise any conversion rights thereunder; and (b) transfer the TPG Convertible Securities or exercise any conversion rights thereunder, without the written consent from the Company.

Pursuant to the GIC Irrevocable Undertaking, the GIC Investor has irrevocably undertaken to each of the Company and the Underwriters, among others, that (i) the GIC Investor shall procure that all the Ordinary Shares currently held by it (i.e. an aggregate of 58,735,500 Shares (representing approximately 4.19% of the issued share capital of the Company as at the date of the Announcement)) will remain beneficially and directly owned by it and will remain beneficially owned by it between the date of the GIC Irrevocable Undertaking and up to the close of business on the Record Date as they are as at the date of the GIC Irrevocable Undertaking; (ii) it shall subscribe for its full entitlement of the 24,473,125 Offer Securities in accordance with the terms of the Open Offer and the Prospectus Documents; and (iii) it shall not transfer the GIC Convertible Bonds or exercise any conversion rights thereunder on or before the Record Date without the written consent from the Company.

Pursuant to the Milestone Irrevocable Undertaking, Milestone has irrevocably undertaken to each of the Company and the other Underwriters, among others, that (i) Milestone shall procure that all the Ordinary Shares currently held by it (i.e. an aggregate of 50,000,000 Shares (representing approximately 3.57% of the issued share capital of the Company as at the date of the Announcement)) will remain beneficially and directly owned by it and will remain beneficially owned by it between the date of the Milestone Irrevocable Undertaking and up to the close of business on the Record Date as they are as at the date of the Milestone Irrevocable Undertaking; and (ii) it shall subscribe for its full entitlement of the 20,833,330 Offer Securities in accordance with the terms of the Open Offer and the Prospectus Documents.

Pursuant to the Milestone Sports Irrevocable Undertaking, Milestone Sports has irrevocably undertaken to each of the Company and the Underwriters, among others, that (i) Milestone Sports shall procure that all the Ordinary Shares currently held by it (i.e. an aggregate of 45,000,000 Shares (representing approximately 3.21% of the issued share capital of the Company as at the date of the Announcement)) will remain beneficially and directly owned by it and will remain beneficially owned by it between the date of the Milestone Sports Irrevocable Undertaking and up to the close of business on the Record Date as they are as at the date of the Milestone Sports Irrevocable Undertaking; and (ii) it shall subscribe for its full entitlement of the 18,750,000 Offer Securities in accordance with the terms of the Open Offer and the Prospectus Documents.

Pursuant to the Mr. Li Irrevocable Undertaking, Mr. Li has irrevocably undertaken to each of the Company and the Underwriters, among others, that (i) he shall procure that all the Ordinary Shares currently held by him (i.e. an aggregate of 1,370,073 Shares (representing approximately 0.10% of the issued share

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capital of the Company as at the date of the Announcement)) will remain beneficially owned by him and will remain beneficially owned by him between the date of the Mr. Li Irrevocable Undertaking and up to the close of business on the Record Date as they are as at the date of the Mr. Li Irrevocable Undertaking; and (ii) he shall subscribe for his full entitlement of the 570,860 Offer Securities in accordance with the terms of the Open Offer and the Prospectus Documents.

Pursuant to the Alpha Talent Irrevocable Undertaking, Alpha Talent has irrevocably undertaken to each of the Company and the Underwriters, among others, that (i) Alpha Talent shall procure that all the Ordinary Shares currently held by it (i.e. an aggregate of 1,807,850 Shares (representing approximately 0.13% of the issued share capital of the Company as at the date of the Announcement)) will remain beneficially owned by it and will remain beneficially owned by it between the date of the Alpha Talent Irrevocable Undertaking and up to the close of business on the Record Date as they are as at the date of the Alpha Talent Irrevocable Undertaking; and (ii) it shall subscribe for its full entitlement of the 753,270 Offer Securities in accordance with the terms of the Open Offer and the Prospectus Documents.

Save as disclosed above, as at the Record Date the Board has not received any information from any Qualifying Shareholders of their intention to take up the Offer Securities under the Open Offer.

UNDERWRITING AGREEMENTS

On 16 December 2014, the Company entered into the Underwriting Agreements, on principally the same terms (except as disclosed below in this section), with each of Viva China, TPG, Milestone and Mr. Lo.

The Viva China Underwriting Agreement

Date: 16 December 2014

Parties: (1) The Company; and
(2) Viva China as an Underwriter

Convertible Securities Underwritten (*Note*): Viva China will underwrite such number of the Underwritten Offer Securities as determined by the following formula and will elect to take up such Underwritten Offer Securities entirely in the form of Convertible Securities:-

$$\text{Viva China's Commitment} = \text{Underwritten Offer Securities not taken up} \times \frac{A}{A+B+C+D}$$

where

A = 183,192,543 – the successful excess applications (if any) for Offer Securities made by Viva China

B = 97,147,440 – the successful excess applications (if any) for Offer Securities made by TPG

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C = 35,032,055 – the successful excess applications (if any) for Offer Securities made by Milestone

D = 76,923,077 – the successful excess applications (if any) for Offer Securities made by Mr. Lo

provided that Viva China's commitment is always subject to a maximum number of 183,192,543 Underwritten Offer Securities

Underwriting commission payable to Viva China: 2.5% of the aggregate subscription price in respect of the 183,192,543 Underwritten Offer Securities, being the maximum number of Underwritten Offer Securities underwritten by Viva China, which is approximately HK\$11.91 million and payable in cash in accordance with the Viva China Underwriting Agreement

The TPG Underwriting Agreement

Date: 16 December 2014

Parties: (1) The Company; and
(2) TPG as an Underwriter

Convertible Securities Underwritten (*Note*): TPG will underwrite such number of the Underwritten Offer Securities as determined by the following formula and will elect to take up such Underwritten Offer Securities entirely in the form of Convertible Securities:–

$$\text{TPG's Commitment} = \text{Underwritten Offer Securities not taken up} \times \text{B} / (\text{A} + \text{B} + \text{C} + \text{D})$$

where

A = 183,192,543 – the successful excess applications (if any) for Offer Securities made by Viva China

B = 97,147,440 – the successful excess applications (if any) for Offer Securities made by TPG

C = 35,032,055 – the successful excess applications (if any) for Offer Securities made by Milestone

D = 76,923,077 – the successful excess applications (if any) for Offer Securities made by Mr. Lo

provided that TPG's commitment is always subject to a maximum number of 97,147,440 Underwritten Offer Securities

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Underwriting commission payable to TPG: 2.5% of the aggregate subscription price in respect of the 97,147,440 Underwritten Offer Securities, being the maximum number of Underwritten Offer Securities underwritten by TPG, which is approximately HK\$6.31 million and payable by cash in accordance with the TPG Underwriting Agreement

The Milestone Underwriting Agreement

Date: 16 December 2014

Parties: (1) The Company; and
(2) Milestone as an Underwriter

Convertible Securities Underwritten (*Note*): Milestone will underwrite such number of the Underwritten Offer Securities as determined by the following formula:-

Milestone's Commitment = Underwritten Offer Securities not taken up
 $X C / (A + B + C + D)$

where

A = 183,192,543 – the successful excess applications (if any) for Offer Securities made by Viva China

B = 97,147,440 – the successful excess applications (if any) for Offer Securities made by TPG

C = 35,032,055 – the successful excess applications (if any) for Offer Securities made by Milestone

D = 76,923,077 – the successful excess applications (if any) for Offer Securities made by Mr. Lo

provided that Milestone's commitment is always subject to a maximum number of 35,032,055 Underwritten Offer Securities

Underwriting commission payable to Milestone: 2.5% of the aggregate subscription price in respect of the 35,032,055 Underwritten Offer Securities, being the maximum number of Underwritten Offer Securities underwritten by Milestone, which is approximately HK\$2.28 million and payable by cash in accordance with the Milestone Underwriting Agreement

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The Mr. Lo Underwriting Agreement

Date: 16 December 2014

Parties: (1) The Company; and
(2) Mr. Lo as an Underwriter

Convertible Securities Underwritten (*Note*): Mr. Lo will underwrite such number of the Underwritten Offer Securities as determined by the following formula:-

$$\text{Mr. Lo's Commitment} = \frac{\text{Underwritten Offer Securities not taken up}}{\text{D}/(\text{A}+\text{B}+\text{C}+\text{D})}$$

where

A = 183,192,543 – the successful excess applications (if any) for Offer Securities made by Viva China

B = 97,147,440 – the successful excess applications (if any) for Offer Securities made by TPG

C = 35,032,055 – the successful excess applications (if any) for Offer Securities made by Milestone

D = 76,923,077 – the successful excess applications (if any) for Offer Securities made by Mr. Lo

provided that Mr. Lo's commitment is always subject to a maximum number of 76,923,077 Underwritten Offer Securities

Underwriting commission payable to Mr. Lo: 2.5% of the aggregate subscription price in respect of the 76,923,077 Underwritten Offer Securities, being the maximum number of Underwritten Offer Securities underwritten by Mr. Lo, which is approximately HK\$5.00 million and payable by cash in accordance with the Mr. Lo Underwriting Agreement

Note: All such numbers assume that (i) no Qualifying Shareholders (other than Viva China, TPG, the GIC Investor, Milestone, Milestone Sports, Mr. Li and Alpha Talent in respect of their applications under their respective Irrevocable Undertakings) will apply for any Offer Securities under their assured entitlements; and (ii) no Qualifying Shareholders will apply for any Offer Securities by way of excess application.

The commissions payable to the Underwriters were determined after arm's length negotiations between the Company and the Underwriters with reference to current prevailing market rate. The Directors are of the view that the underwriting commissions are in line with the market rate and that the commissions given to the Underwriters are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Directors (including the independent non-executive Directors) are of the view that the Underwriting Agreements have been entered into on normal commercial terms.

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Conditions of the Open Offer and the Underwriting Agreements

The Open Offer is conditional upon the Underwriting Agreements having become unconditional. The obligations of each of the Underwriters under the respective Underwriting Agreement are conditional upon the following conditions being fulfilled:

- (a) the delivery to the Stock Exchange for authorisation, and the registration with the Registrar of Companies in Hong Kong, respectively, not later than the Prospectus Posting Date, of one copy of each of the Prospectus Documents in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);
- (b) the delivery to the Underwriters the documents as set out in the Underwriting Agreements;
- (c) the despatch of the Prospectus Documents to the Qualifying Shareholders, and the despatch of the Prospectus stamped "For Information Only" to the Excluded Shareholders (if and to the extent legally and practically permissible) on the Prospectus Posting Date;
- (d) the grant (subject to allotment) by the Listing Committee of the Stock Exchange, and not having withdrawn or revoked such grant, of the listing of and permission to deal in all the new Ordinary Shares and the Conversion Shares to be issued under the Open Offer, either unconditionally or subject to such conditions as are accepted by the Company (and the satisfaction of such conditions (if any and where relevant)) on or prior to the Latest Time for Termination;
- (e) the delivery of the Irrevocable Undertakings and the Directors' Irrevocable Undertakings to the Company and the Underwriters on the date of the Underwriting Agreements;
- (f) none of the Underwriting Agreements having been validly terminated by the relevant Underwriter in accordance with the terms thereof;
- (g) the execution and delivery of the Underwriting Agreements and the obligations of the Underwriters under the respective Underwriting Agreements in respect of the Open Offer becoming unconditional in accordance with their terms; and
- (h) all authorisation, consent, approval or resolution required to enable each of the Underwriters, if any, to lawfully enter into and comply with their respective obligations contemplated in the respective Underwriting Agreements and the Prospectus Documents have been obtained and are in full force and effect such that the transactions contemplated under the respective Underwriting Agreement will be completed in accordance with the terms as contemplated and described in this Prospectus.

Each of the Underwriters may, in its sole and absolute discretion, (i) extend the time for satisfaction or fulfilment of any of the conditions set out above and/or (ii) waive condition (b) set out above. If any of the conditions of the Open Offer is not fulfilled (or in respect of condition (b), waived by the Underwriters) or shall become incapable of being fulfilled on or before 15 February 2015 (or such later time and date as

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may be agreed in writing between the Company and the Underwriters), all obligations and liabilities of the Company and the Underwriters under the respective Underwriting Agreements shall cease, and neither the Company nor the Underwriters shall have any claim against the other parties, save that all fees and expenses accrued according to the terms of the Underwriting Agreements shall be borne by the Company, and the Open Offer will not proceed.

As at the Record Date, only conditions (a), (b) and (e) have been fulfilled.

Termination of the Underwriting Agreements

Each of the Underwriters may, at its sole and absolute discretion, terminate its respective Underwriting Agreements by notice in writing given by the relevant Underwriter to the Company at any time prior to the Latest Time for Termination if the obligations of the Underwriter under the relevant Underwriting Agreements have not ceased and there has developed, occurred, existed or come into effect:

- (a) any moratorium, suspension of or material restriction on trading in securities generally on the Stock Exchange, the New York Exchange or NASDAQ; or
- (b) there is any suspension in trading of the Shares on the Stock Exchange for a continuous period of 10 Business Days (other than suspension resulting from the Open Offer or the transactions contemplated under the Underwriting Agreements); or
- (c) permission to deal in and listing of the new Ordinary Shares and the Conversion Shares to be issued under the Open Offer has been withdrawn by the Stock Exchange; or
- (d) the Company is in breach of any of its obligations under each of the Underwriting Agreements which is material in the context of the Open Offer.

Upon termination of the Underwriting Agreements, all obligations and liabilities of the Underwriters under the Underwriting Agreements shall cease, and no party to the Underwriting Agreements shall have any claim against the other party in respect of anything arising out of or in connection with the Underwriting Agreements, subject to certain limitations as set out in the Underwriting Agreements.

If any of the Underwriting Agreements is terminated by the relevant Underwriter on or before the Latest Time for Termination or does not become unconditional, the Open Offer will not proceed.

Information on the Underwriters

(I) Viva China

Viva China is a company incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of Viva China Holdings, which 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. Viva China principally engages in investment holding and Viva China Holdings principally engages in, inter alia, sports talent management, competition and event production and management, sports-themed community development. As at the Record Date, Viva China, which holds approximately 20.88%

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interests in the Company, is a substantial Shareholder and thus a connected person of the Company. As at the Latest Practicable Date, Viva China Holdings is owned as to approximately 25.09% by Lead Ahead Limited (“**Lead Ahead**”), approximately 15.06% by Victory Mind Assets Limited (“**Victory Mind**”) and 28.24% by Dragon City Management (PTC) Limited (“**Dragon City**”). Lead Ahead is owned as to 60% by Mr. Li and 40% by his brother, Mr. Li Chun. Victory Mind is indirectly held by a corporate trustee of two discretionary trusts, the beneficiaries of which include the respective family members of Mr. Li and Mr. Li Chun. Dragon City is the trustee of a unit trust, the units of which are owned by two family trusts the beneficiaries of which include the respective family members of Mr. Li and Mr. Li Chun. Mr. Li and Mr. Li Chun are taken to be interested in 60% and 40% respectively of the shares in Dragon City. The ordinary course of business of Viva China does not include underwriting.

(2) *TPG*

TPG Group is a leading global private investment firm founded in 1992 with US\$66 billion of assets under management and offices in San Francisco, Fort Worth, Austin, Dallas, Houston, New York, Beijing, Hong Kong, London, Luxembourg, Melbourne, Moscow, Mumbai, São Paulo, Shanghai, Singapore and Tokyo. TPG Group has extensive experience with global public and private investments executed through leveraged buyouts, recapitalizations, spinouts, growth investments, joint ventures and restructurings. The firm’s investments span a variety of industries including healthcare, energy, industrials, consumer/retail, technology, media & communications, software, financial services, travel, entertainment and real estate. The ordinary course of business of TPG does not include underwriting.

(3) *Milestone*

Milestone is an affiliate of Milestone Capital. Founded in 2002, Milestone Capital is a China focused private equity investment and advisory firm with offices in Beijing and Shanghai. Through Milestone and Milestone Capital’s investment funds, the firm has managed approximately US\$1 billion in assets, investing in China’s media, alternative energy, consumer, and healthcare sectors. Milestone Capital has been an investor in the Company since early 2013. The ordinary course of business of Milestone does not include underwriting.

(4) *Mr. Lo*

To the best knowledge, information and belief of the Directors, and having made all reasonable enquiries, Mr. Lo is an independent third party of the Company and its connected person (as defined under the Listing Rules). Mr. Lo is a merchant and conducts a consumer products distribution business in Macau and does not engage in underwriting in his ordinary course of business.

LISTING RULES IMPLICATIONS

As the Open Offer would not increase the issued share capital of the Company by more than 50% and Rule 7.26A has been complied with, Shareholders’ approval under Rule 7.24(5) or Rule 7.26A of the Listing Rules is not required.

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Viva China, who directly holds approximately 20.88% interests in the Company as at the Record Date, is a substantial Shareholder and thus a connected person of the Company. Accordingly, the payment of the underwriting commission to Viva China pursuant to the Viva China Underwriting Agreement constitutes a connected transaction of the Company. As the percentage ratios (other than the profits ratio) in respect of the underwriting commission payable by the Company to Viva China is more than 0.1% but less than 5%, the payment of the underwriting commission by the Company to Viva China is subject to reporting and announcement but is exempt from the independent Shareholders' approval under the Listing Rules. According to Rules 14A.92(1) and 14A.92(2) of the Listing Rules, the issue of the Offer Securities to Viva China (in its capacity as a substantial Shareholder and an Underwriter) under the Open Offer is fully exempt from reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Save for Mr. Li, Mr. Jin-Goon Kim and Mr. Chen Yue, Scott (who have abstained from voting on the board resolution regarding the Open Offer, including entering into the Viva China Underwriting Agreement (for Mr. Li) and the TPG Underwriting Agreement (for Mr. Jin-Goon Kim and Mr. Chen Yue, Scott)), none of the other Directors has a material interest in the Open Offer, including the Viva China Underwriting Agreement and the TPG Underwriting Agreement.

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CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

Shareholding structure of the Company

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the following table sets out the shareholding structure of the Company (i) as at the Record Date; (ii) immediately upon completion of the Open Offer; and (iii) upon full conversion of all Convertible Securities under various scenarios as set out below:

	(i) As at the Record Date			(ii) Immediately upon completion of the Open Offer			(iii) Upon full conversion of all Convertible Securities							
	No. of Shares	%	No. of Shares	No. of Convertible Securities	%	No. of Shares	No. of Convertible Securities	%	No. of Shares	%	No. of Shares	(Note 1)		
Viva China Alpha Talent (Note 2)	299,374,000	20.88%	299,374,000	124,739,165	20.88%	299,374,000	304,669,101	18.60%	299,374,000	20.88%	424,113,165	20.88%	604,043,101	29.73%
	1,807,850	0.13%	1,807,850	753,270	0.13%	1,807,850	753,270	0.16%	2,561,120	0.13%	2,561,120	0.13%	2,561,120	0.13%
	1,940,933	0.09%	1,940,933	570,860	0.09%	1,940,933	570,860	0.12%	1,940,933	0.09%	1,940,933	0.09%	1,940,933	0.09%
	881,944	0.06%	881,944	367,470	0.06%	881,944	367,470	0.06%	881,944	0.06%	1,299,414	0.06%	881,944	0.04%
	303,433,867	21.16%	303,433,867	124,739,165	21.16%	303,433,867	304,669,101	18.94%	303,433,867	21.16%	429,864,632	21.16%	609,427,998	29.99%
TPG GIC Investor Milestone Sports Mr. Li and Alpha Talent	53,000,000	3.70%	53,000,000	22,083,330	3.70%	53,000,000	117,500,601	3.29%	53,000,000	3.70%	75,083,330	3.70%	170,500,601	8.39%
	83,208,625	4.09%	83,208,625	24,473,125	4.09%	83,208,625	58,735,500	5.17%	83,208,625	4.09%	83,208,625	4.09%	83,208,625	4.10%
	50,000,000	3.49%	50,000,000	20,833,330	3.49%	50,000,000	6,549	6.54%	50,000,000	3.49%	55,241,474	3.49%	105,241,474	5.18%
	45,000,000	3.14%	45,000,000	18,750,000	3.14%	45,000,000	75,553,099	4.70%	45,000,000	3.14%	63,750,000	3.14%	63,750,000	3.14%
	923,858,309	64.42%	923,858,309	384,940,980	64.42%	923,858,309	923,858,309	57.40%	923,858,309	64.42%	1,308,799,289	64.42%	755,553,099	37.2%
Others (Note 3)	1,308,799,289	78.84%	1,308,799,289	471,080,765	78.84%	1,308,799,289	1,130,593,809	81.06%	1,308,799,289	78.84%	1,601,674,574	78.84%	1,422,112,108	70.01%
Total	1,434,027,676	100.00%	1,434,027,676	466,822,495	100.00%	1,434,027,676	422,169,702	100.00%	1,434,027,676	100.00%	2,031,539,206	100.00%	2,031,539,206	100.00%

Notes:

- For illustration purposes only, the conversion of any Convertible Securities or Viva China Convertible Securities by Viva China may cause the aggregate equity interests in the Company held by Viva China and parties acting in concert with it equal to or over 30% of the then outstanding issued share capital of the Company. In such case, an obligation on Viva China to make a mandatory general offer for the Shares (not already owned by it or parties acting in concert with it) may arise unless a whitewash waiver is obtained where Viva China will have to be subject to compliance of the relevant requirements under the Takeovers Code.
- Alpha Talent is wholly owned by Mr. Li. Mr. Li is therefore deemed to be interested in the 1,807,850 Shares held by Alpha Talent. Mr. Li is a director of Alpha Talent.
- As at the Record Date, the Trustee holds 464,137 Shares. According to the scheme document of the Share Award Scheme and the trust deed of the Trustee, the Trustee is not allowed to accept any of its assured entitlement of Offer Securities or apply for any excess Offer Securities in the Open Offer.

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ADJUSTMENTS TO THE EXERCISE PRICE OF THE 2004 SHARE OPTIONS

As disclosed in the Announcement, pursuant to the terms of the 2004 Share Option Scheme, the exercise price of the outstanding 2004 Share Options may be adjusted in accordance with the 2004 Share Option Scheme as a result of completion of the Open Offer. If there are any adjustments made upon completion of the Open Offer, the Company will notify the holders of the 2004 Share Options of such adjustments and make a further announcement in due course.

ADJUSTMENTS TO THE CB CONVERSION PRICE AND THE CS CONVERSION PRICE

As disclosed in the Announcement, pursuant to the terms and conditions attaching to the Convertible Bonds and the 2013 Convertible Securities, the CB Conversion Price of the outstanding Convertible Bonds and the CS Conversion Price of the outstanding 2013 Convertible Securities may be adjusted in accordance with the terms and conditions thereof. If there are any adjustments made upon completion of the Open Offer, the Company will notify the holders of the Convertible Bonds and the 2013 Convertible Securities of such adjustments and make a further announcement in due course.

FUND RAISING ACTIVITIES INVOLVING ISSUE OF SECURITIES IN THE PAST 12 MONTHS

The Company did not conduct any fund raising activities in the past 12 months immediately preceding the date of this Prospectus.

PRINCIPAL BUSINESS OF THE GROUP

The Group is one of the leading sports brand enterprises in the PRC. 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 use which are primarily sold under its own LI-NING brand.

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

Since the implementation of the comprehensive transformation blueprint as first disclosed in the announcement of the Company dated 4 July 2012, the series of adjustments made to date have resulted in an improvement in the Group's operations and set the Company on a clear path to growth. The Group has relentlessly adhered to its three strategic focuses, including focusing on the China market, LI-NING brand, and the five core sports categories with the highest growth potential in China – basketball, badminton, running, training and lifestyle. New products were developed for the Group's target market of ever-growing middle class sports consumers in the country, which includes both professional and mass market sports fans. These new products have achieved a unique competitiveness in the Group's core market. In addition, benefitting from the "Channel Revival Plan", the optimization of the Group's network has resulted in the Group's various distributors and sub-distributor partners seeing improved profitability. The Group has also completed the build out of its retail operation platform. Through the sports marketing, product-driven and retail-oriented platform, it has laid a solid foundation for the Group's new phase of growth. Next year will mark the beginning of the Group's growth phase. The Board considered that the Open Offer will continue to enable the Group to develop new products, enhance the Group's competitiveness in the market and improve overall retail operational capability across the channels and the Group.

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The Board has reviewed alternative sources of funding for the next phase of its development and considered that the Open Offer is in the best interests of both the Company and its Shareholders as it provides an equitable means for the Company's Qualifying Shareholders to participate in the future development of the Company and the opportunity to maintain their respective shareholding interests.

The estimated net proceeds of the Open Offer will be approximately HK\$1,515.03 million which are equivalent to the net price of approximately HK\$2.54 per Offer Security. In the event that the Open Offer becomes unconditional, the Company intends to apply such net proceeds as to (i) approximately 40% for paying down the Group's debt; (ii) approximately 25% for investing in store network expansion and retail capabilities optimization; (iii) the remaining balance for general working capital.

WARNING OF THE RISKS OF DEALING IN ORDINARY SHARES

The existing Ordinary Shares have been dealt in on an ex-entitlement basis from Friday, 2 January 2015 based on the expected timetable. The Open Offer is conditional upon (i) the fulfillment of the conditions set out under the sub-section headed "Conditions of the Open Offer and the Underwriting Agreements" above; and (ii) the Underwriters not terminating the Underwriting Agreement in accordance with the terms set out therein, as described above. Accordingly, the Open Offer may or may not proceed.

Any Shareholders or other persons dealing in existing Shares up to the date on which the Open Offer becomes unconditional will accordingly bear the risk that the Open Offer may not become unconditional or may not proceed. Any Shareholders or other persons contemplating dealings in the Shares are recommended to consult their own professional advisers.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this Prospectus. If any person (including agent, custodian, broker, nominee and trustee) has any questions in relation to the Open Offer, please telephone the hotline at (852) 2862 8646 during normal business hours between 9:00 a.m. and 6:00 p.m. from Monday to Friday (other than public holidays).

Yours faithfully
For and on behalf of the Board of
Li Ning Company Limited
Li Ning
Executive Chairman

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

The published audited consolidated financial statements of the Group for the years ended 31 December 2011, 2012 and 2013 are disclosed in the annual reports of the Company for the years ended 31 December 2011 (pages 85 to 147), 2012 (pages 102 to 171) and 2013 (pages 90 to 163). The published unaudited condensed consolidated financial information of the Group for the six months ended 30 June 2014 are disclosed in the interim report of the Company for the six months ended 30 June 2014 (pages 33 to 68). The aforesaid financial information can be accessed on the websites of the Company (<http://www.lining.com> and <http://www.irasia.com/listco/hk/lining>) and the website of the Stock Exchange (<http://www.hkexnews.hk>).

The said financial statements are hereby incorporated by reference in, and form an integral part of, this Prospectus.

2. INDEBTEDNESS

At the close of business on 30 November 2014, being the latest practicable date for the purpose of this indebtedness statement, the Group had total interest bearing external borrowings of approximately RMB788,355,000, license fees payable of approximately RMB147,902,000 and convertible bonds of approximately RMB683,863,000. Except for external borrowings of approximately RMB498,987,000 being secured by certain land use rights and buildings amounting to approximately RMB486,935,000 situated in mainland China, others are unsecured and unguaranteed.

Except for the above mentioned and part from intra-group liabilities, the Group did not, as at the close of business on 30 November 2014, have any:

- (a) debt securities, whether issued and outstanding, authorized or otherwise created but unissued, or term loans;
- (b) other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance (other than normal trade bills), acceptance credits or hire purchase commitments;
- (c) other mortgages or charges; or
- (d) other guarantees or contingent liabilities.

3. WORKING CAPITAL

Taking into account the financial resources available to the Group, including the internally generated funds, the bank loans available during the period, and the estimated net proceeds of the Open Offer, the Directors are of the opinion that the Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of this Prospectus.

4. MATERIAL ADVERSE CHANGE

As disclosed in the 2014 interim report of the Company, the net loss attributable to equity holders of the Company increased by approximately RMB402 million to approximately RMB586 million (six months ended 30 June 2013: approximately RMB184 million) primarily due to (i) upfront investment to implement the transformation plan and reduced sell-in following a period of channel inventory de-stocking; (ii) provision for doubtful debts; and (iii) write-down of deferred tax assets and certain investments, closure of flagship stores, and other one-off expense items.

Also, as disclosed in the 2014 interim report of the Company, the Group's key transformation initiatives as well as investments in direct-retail network expansion and marketing resources of core sports categories allowed the Group to gradually release its full earning potential for sustainable growth in the long run. However, it will take time for such initiatives to realise financial benefits. Meanwhile, there is still pressure on the Group's business and financial performance indicators in the short term. The Company will continue to incur a loss for the year ended 31 December 2014, as investors might expect.

As at the Latest Practicable Date, save as disclosed above, the Directors were not aware of any material adverse change in the financial or trading position or prospects of the Group since 31 December 2013, being the date to which the latest audited consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS

During the year of 2014, China sportswear industry encountered new development opportunities. The state government introduced new policies to encourage further participation in sports activities by the public, which brought opportunities to the sportswear industry. Consumer demand kept increasing while the preferences have been changing quickly, becoming more sophisticated with detailed expectations. The competition among domestic sportswear brands became more intense, while the commoditization problem still remains.

During the five-month period from July to November in 2014, revenue growth rate, on a year-on-year basis, was higher than the 8% growth rate registered in the first half of 2014 as disclosed in 2014 interim results announcement and interim report.

In terms of operational performance, channel profitability continued to improve: (a) Trade fair orders, in terms of tag price, registered year-on-year growth for five consecutive quarters up to the 2015 Q2 season (2015 Q3 data is yet to be finalized); and (b) Quarterly same-store-sales growth turned positive during the second half of 2014.

In terms of financial performance, operating leverage from the improved revenue during the second half of 2014 is yet to be realized, and operational improvement will take time to reflect in the financial results.

As of 30 November 2014, the Company had approximately RMB551 million cash and cash equivalents. After offsetting interest bearing external borrowings, the Company had net debt of approximately RMB237 million.

The Company strived to improve the business in three areas including, products, retail operational capability and operational efficiency, during the year 2014. With the in-depth understanding of consumer preferences and demand, the Company committed to research and development on products with a more fashionable appearance and upgraded functionality. With focuses on five core categories, the Company launched products in different price ranges with high value proposition, which recorded higher growth compared with the overall business. The new products continuously gained consumers' recognition which contributed to the sell-through growth. The Company targets to upgrade its overall retail operational capability across all channels, including self-owned, distributors and sub-distributors. With the efforts been made, the current overall capability improved. More accurate information of the consumer preferences, market trends and frontline sales status could be known and fully utilized as resources for future development. The optimization of channels has resulted in various distributor and sub-distributor partners seeing improved profitability. The next step will be sales channels innovation, including the opening of new LNC stores – a new channel for mid-to-high product range of sportslife products, city community stores and sports shoes outlets. With the market opportunities brought by the continued success of e-commerce, the Company targets to build Li Ning ecological system built on an internet basis, in order to bring vitality to the Li Ning Brand. The Company aims to unleash the potential of existing more than 5,000 stores by strengthening the communications with customers both online and offline. The investment in building the platform and marketing promotion has created certain pressure for the improvement of overall profitability. By entering into the next phase, one of the major emphases is to improve the overall operational efficiency in order to optimize the cost structure.

In order to support the next growth phase, the Company proposed the Open Offer in December 2014, the proceeds of which will be used for:–

1. paying down the Group's debt – this will improve debt coverage ratio and optimize the Group's capital structure;
2. investing in store network expansion and retail capabilities optimization – this will enhance the Group's market penetration and retail capabilities, as well as expand and optimize store network;
3. reserve for general working capital – to support its next stage of growth as the Group increases sales and product deliveries through its distributor and direct retail networks.

The management has planned the blueprint for next growth phase. Year 2015 will mark the beginning of the Company's new growth phase. The Company will continuously devote to researching and developing new products, enhancing its competitiveness, as well as cooperation with channel partners to explore more opportunities in the market and further improve the retail operational capability. Year 2015 to 2017 will be the critical period for the Company to achieve new breakthrough for the next growth phase.

**APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE GROUP**

For illustrative purposes, the financial information prepared in accordance with paragraph 4.29 of the Listing Rules is set out here to provide prospective investors with further information about how the financial information of the Group might be affected by the completion of the Open Offer as if the Open Offer had been completed on 30 June 2014.

1. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The following is an illustrative and unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the equity holders of the Company which has been prepared on the basis of the notes set out below, for the purpose of illustrating the effect of the proposed Open Offer of the Offer Securities as if it had taken place on 30 June 2014. The unaudited pro forma statement of adjusted consolidated net tangible assets has been prepared for illustrative purposes only, and because of its hypothetical nature, may not give a true picture of the financial position of the Group had the proposed Open Offer of the Offer Securities been completed as at 30 June 2014 or at any future date.

	Unadjusted unaudited consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 June 2014 <i>(Note 1)</i> RMB'000	Estimated net proceeds from the proposed Open Offer of the Offer Securities <i>(Note 2)</i> RMB'000	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 June 2014 RMB'000	Unaudited pro forma adjusted consolidated net tangible assets per Share <i>(Note 3)</i> RMB	Unaudited pro forma adjusted consolidated net tangible assets per Share <i>(Note 4)</i> HK\$
Based on the aggregate Subscription Price for Offer Securities of HK\$1,484,848,027 at Subscription Price of HK\$2.60 per Offer Security	1,688,434	1,144,495	2,832,929	1.46	1.84

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Notes:

1. The unadjusted unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 June 2014 is based on the unaudited consolidated net assets of the Group attributable to equity holders of the Company as at 30 June 2014 of RMB2,137,844,000 with an adjustment for the intangible assets of RMB449,410,000. The net tangible assets per Share before the completion of the Open Offer was RMB1.23 (equivalent to approximately HK\$1.56) based on 1,370,628,953 Shares in issue as at 30 June 2014.
2. The estimated net proceeds from the Open Offer are based on the Subscription Price of Offer Securities to be issued in the principal amount of HK\$1,484,848,027 (on the basis of five new Ordinary Shares or Convertible Securities in the principal amount of HK\$2.60 for every twelve Shares held as at 30 June 2014) at the Subscription Price of HK\$2.60 per Offer Security and after deduction of the estimated related expenses of approximately HK\$38,500,000.

The net proceeds from the Open Offer as presented above is calculated assuming that 571,095,395 shares would be issued based on the number of shares of 1,370,628,953 in issue as of 30 June 2014 without considering any new shares actually issued after 30 June 2014. The estimated net proceeds from the Open Offer is approximately HK\$1,515,030,000 (equivalent to approximately RMB1,198,840,000) based on the actual shares in issue as of the Record Date.

3. The unaudited pro forma adjusted consolidated net tangible assets per Share are determined after the adjustments as described in note 2 above and on the basis that 1,941,724,348 Shares were in issue which comprised of 1,370,628,953 Shares in issue as at 30 June 2014 (assuming no Shares was issued upon the exercise of vested 2004 Share Options, the conversion of 2013 Convertible Securities and the conversion of the Convertible Bonds) and 571,095,395 new Ordinary Shares or Convertible Securities were issued and all such Convertible Securities were then fully converted into Ordinary Shares immediately, assuming the Open Offer of the Offer Securities has been completed on 30 June 2014.
4. For the purpose of this unaudited pro forma statement of adjusted consolidated net tangible assets of the Group, the amounts stated in RMB are converted into Hong Kong dollars at the People's Bank of China rate of HK\$1.00 to RMB0.7913 prevailing on 30 November 2014.
5. No adjustments have been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2014.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this Prospectus.

2. **INDEPENDENT REPORTING ACCOUNTANT’S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION INCLUDED IN A PROSPECTUS**

TO THE DIRECTORS OF LI NING COMPANY LIMITED

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Li Ning Company Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as at 30 June 2014, and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages 52 to 53 of the Company’s prospectus dated 9 January 2015, in connection with the proposed open offer of offer securities (the “**Proposed Open Offer**”) of the Company. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described on pages 52 to 53.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the Proposed Open Offer on the Group’s financial position as at 30 June 2014 as if the Proposed Open Offer had taken place at 30 June 2014. As part of this process, information about the Group’s financial position has been extracted by the directors from the Group’s financial information for the period ended 30 June 2014, on which a review report has been published.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Reporting Accountant’s Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus”, issued by the HKICPA. This standard requires that the reporting accountant complies with ethical requirements and plans and performs procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Proposed Open Offer at 30 June 2014 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant’s judgment, having regard to the reporting accountant’s understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE GROUP**

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 9 January 2015

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL

The share capital of the Company as at the Record Date and following completion of the Open Offer and upon full conversion of the Convertible Securities are as follows:

(i) As at Record Date

<i>Authorised:</i>	<i>HK\$</i>
10,000,000,000 Shares of HK\$0.10 each in issue as at the Record Date	1,000,000,000.00
<u>1,434,027,676</u> Shares in issue as at the Record Date	<u>143,402,767.60</u>

(ii) Immediately following the completion of the Open Offer

<i>Authorised:</i>	<i>HK\$</i>
10,000,000,000 Shares of HK\$0.10 each in issue as at the Record Date	1,000,000,000.00
<u>2,031,539,206</u> Shares in issue	<u>203,153,920.60</u>

Issued and paid-up and agreed to be issued (assuming (a) every Qualifying Shareholder applies for full assured allotment in the form of new Ordinary Shares only; and (b) no Ordinary Shares are issued (whether pursuant to the exercise of the 2004 Share Options or conversion of the Convertible Bonds or the outstanding 2013 Convertible Securities or whatsoever) or repurchased before then):

All the existing issued Shares rank *pari passu* in all respects including all rights as to dividends, voting and return of capital. All the new Ordinary Shares, when allotted, issued and fully paid, upon completion of the Open Offer and conversion of the Convertible Securities, will rank *pari passu* in all respects with the Shares in issue including as regards to all rights as to dividends, voting and return of capital.

The issued Shares are listed on the Stock Exchange. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange. No application is being made or is currently proposed or sought for the Shares or the Convertible Securities or any other securities of the Company to be listed or dealt in on any other stock exchange. There is no arrangement under which future dividends are/will be waived or agreed to be waived.

Share Option Scheme

At the annual general meeting of the Company held on 30 May 2014, the Shareholders approved the adoption of 2014 Share Option Scheme and the termination of the 2004 Share Option Scheme. The 2014 Share Option Scheme will be valid and effective for a period of 10 years commencing on 30 May 2014.

The purpose of the 2014 Share Option Scheme is to provide incentives to the new participants to contribute to the Company and to enable the Company to recruit high-calibre employees and attract human resources that are valuable to the Group. Eligible participants are employees, officers, agents, consultants or representatives of the Company or any of its subsidiaries, including any executive or non-executive directors of the Company or any of its subsidiaries who, as the Board may determine in its absolute discretion, have made valuable contribution to the business of the Group based on their performance and/or years of service, or are regarded as valuable human resources of the Group based on their work experience, knowledge in the industry and other relevant factors.

The maximum number of Shares in respect of which 2014 Share Options may be granted under the 2014 Share Option Scheme together with any options outstanding and yet to be exercised under the 2014 Share Option Scheme and any other schemes shall not exceed 30% of the issued share capital of the Company from time to time. In addition, subject to the restrictions imposed by the Listing Rules, the total number of Shares which may be available for issue upon exercise of all options to be granted under the 2014 Share Option Scheme, together with all options to be granted under any other share option schemes of any member of the Group, must not represent more than 10% of the nominal amount of issued shares of the Company as at 30 May 2014, being the adoption date of the 2014 Share Option Scheme. On the basis of 1,370,236,257 Shares in issue on the date of adoption of the 2014 Share Option Scheme, the maximum number of Shares that may be issued upon exercise of options that may be granted under the 2014 Share Option Scheme is 137,023,625 Shares. No 2014 Share Option has been granted under the 2014 Share Option Scheme since the date of its adoption and up to the Record Date.

2004 Share Options granted under the 2004 Share Option Scheme and which remained outstanding immediately prior to the termination of the 2004 Share Option Scheme shall continue to be exercisable in accordance with their terms of grant. The outstanding 2004 Share Options granted

under the 2004 Share Option Scheme as at the Record Date entitled the holders to subscribe for 55,293,417 Shares. Details of the 2004 Share Options granted under the 2004 Share Option Scheme as at the Record Date are as follows:

Grantee	Date of grant	Exercise price per Share HK\$	Number of Shares issuable under the options as at the Record Date	Vesting period	Exercise period
Executive Directors					
Li Ning	17/01/2014	7.00	1,370,073	17/01/2014 – 31/12/2014	17/01/2014 – 31/12/2018
Jin-Goon Kim	20/12/2012	4.92*	312,906	21/12/2013 – 21/12/2017	21/12/2013 – 31/12/2018
	17/01/2014	7.00	6,850,369	17/01/2014 – 31/12/2014	17/01/2014 – 31/12/2018
		7.00	6,850,369	(Note)	(Note)
Non-executive Directors					
Chen Yue, Scott	20/12/2012	4.92*	312,906	21/12/2013 – 21/12/2017	21/12/2013 – 31/12/2018
Independent non-executive Directors					
Koo Fook Sun, Louis	19/01/2009	10.45*	286,726	19/01/2010 – 19/01/2014	19/01/2010 – 19/01/2015
	15/07/2011	9.09*	227,705	01/07/2012 – 01/07/2014	01/07/2012 – 15/07/2017
	20/12/2012	4.92*	312,906	21/12/2013 – 21/12/2017	21/12/2013 – 31/12/2018
Wang Ya Fei	19/01/2009	10.45*	286,726	19/01/2010 – 19/01/2014	19/01/2010 – 19/01/2015
	15/07/2011	9.09*	227,705	01/07/2012 – 01/07/2014	01/07/2012 – 15/07/2017
	20/12/2012	4.92*	312,906	21/12/2013 – 21/12/2017	21/12/2013 – 31/12/2018
Chan Chung Bun, Bunny	19/01/2009	10.45*	286,726	19/01/2010 – 19/01/2014	19/01/2010 – 19/01/2015
	15/07/2011	9.09*	227,705	01/07/2012 – 01/07/2014	01/07/2012 – 15/07/2017
	20/12/2012	4.92*	312,906	21/12/2013 – 21/12/2017	21/12/2013 – 31/12/2018
Su Jing Shyh, Samuel	20/12/2012	4.92*	312,906	21/12/2013 – 21/12/2017	21/12/2013 – 31/12/2018
Employees of the Group					
In aggregate	19/01/2009	10.45*	6,088,393	19/01/2010 – 19/01/2014	19/01/2010 – 19/01/2015
In aggregate	22/10/2009	20.09*	1,821,008	01/07/2010 – 01/07/2012	01/07/2010 – 22/10/2015
In aggregate	15/07/2011	9.09*	1,845,704	01/07/2012 – 01/07/2014	01/07/2012 – 15/07/2017
In aggregate	20/12/2012	4.92*	13,257,767	21/12/2013 – 21/12/2017	21/12/2013 – 31/12/2018
In aggregate	13/08/2013	5.07	5,765,542	31/03/2014 – 14/08/2018	31/03/2014 – 31/12/2019
In aggregate	18/12/2013	6.79	983,692	19/12/2014 – 19/12/2018	19/12/2014 – 31/12/2019
In aggregate	17/01/2014	7.00	3,226,483	18/01/2015 – 18/01/2019	18/01/2015 – 31/12/2020
In aggregate	04/04/2014	5.10	649,515	05/04/2015 – 05/04/2019	05/04/2015 – 31/12/2020

Grantee	Date of grant	Exercise price per Share HK\$	Number of Shares		
			issuable under the options as at the Record Date	Vesting period	Exercise period
Other participants					
In aggregate	22/10/2009	20.09*	326,567	01/07/2010 – 01/07/2012	01/07/2010 – 22/10/2015
In aggregate	04/07/2012	4.31*	726,058	04/07/2013 – 04/07/2015	04/07/2013 – 31/12/2015
In aggregate	13/08/2013	5.07	123,960	31/03/2014 – 14/08/2018	31/03/2014 – 31/12/2019
In aggregate	17/01/2014	7.00	1,950,000	17/01/2014 – 01/09/2016	17/01/2014 – 30/09/2019
In aggregate	17/01/2014	7.00	37,188	18/01/2015 – 18/01/2019	18/01/2015 – 31/12/2020
			<u>55,293,417</u>		

* As a result of the 2013 Open Offer, the exercise prices were adjusted in accordance with the 2004 Share Option Scheme on 22 April 2013. Please refer to the announcement of the Company dated 25 April 2013 for details.

Note: The vesting of the 6,850,369 options is subject to certain conditions set out in the relevant grant letter instead of a vesting period. Upon vesting, this part of options are exercisable from vesting date to 31 December 2018.

Share Award Scheme

On 14 July 2006 (the “**Adoption Date**”), the Board adopted the Share Award Scheme which any individual being a director, employee, officer, agent or consultant of the Company or any of its subsidiaries is entitled to participate in. The purpose of the scheme is to facilitate the Company’s objectives of attracting new and motivating existing talents and retaining both in the Company. The scheme shall be valid for a term of ten years from the Adoption Date and is administered by the administrative committee and the trustee of the scheme.

Pursuant to the Share Award Scheme, the Company shall transfer cash to the trustee from time to time for the acquisition of Shares to be held upon trust for the benefits of the selected participants. Shares granted to the selected participants (the “**Restricted Shares**”) are subject to restrictions and limitations and will become unrestricted upon vesting at the end of each vesting period. No Restricted Shares will be granted under the scheme if the number of Restricted Shares granted at any time during the scheme period has exceeded 5% of the Company’s share capital in issue from time to time. Apart from the expenses incurred by the trustee attributable or payable in connection with the vesting of the Restricted Shares which shall be borne by the selected participants, vested shares shall be transferred at no cost to the selected participants.

The Share Award Scheme has been amended on 30 April 2009 pursuant to a Board resolution to allow the administrative committee of the scheme to determine in its absolute discretion such vesting criteria or periods for the Restricted Shares to be vested, including, without limitation, the satisfaction of specified performance criteria relating generally to the Company or particularly to a

selected participant or such other restrictions or conditions as the administrative committee may in its discretion determine to be appropriate. Any of the foregoing vesting criteria or restrictions shall be set out in the grant letter as referred to in the scheme.

By resolutions of the Board on 4 July 2012, the Share Award Scheme has been further amended to allow purchases of Shares from the market from time to time (instead of one-off purchase after each grant) such that sufficient amount of Shares are available for vesting of the relevant Restricted Shares. In addition, the maximum number of Restricted Shares under the Share Award Scheme has been increased from 2% of Shares in issue as at the Adoption Date to 5% of Shares in issue from time to time.

The purpose of the amendments is to allow the Board to have more flexibility in the administration of the scheme and to allow the scheme to offer better long-term incentive to the grantees.

Details of the Restricted Shares under the Share Award Scheme as at Latest Practicable Date are as follows:

Grantee	Date of grant	Fair value per Restricted Share (Note 1) HK\$	Number of Restricted Shares as at the Latest Practicable Date	Vesting period
A consultant	03/09/2010	23.30	440,000	01/07/2011 – 01/07/2016
Li Ning	17/01/2014	6.71	1,370,073	(Note 2)

Note:

- The fair values of the Restricted Shares were based on the closing price per Share at the date of grant.
- The vesting of the 1,370,073 Restricted Shares is subject to certain conditions set out in the relevant grant letter instead of a vesting period.

Convertible Bonds

On 8 February 2012, the Company issued the Convertible Bonds bearing interest at the rate of 4% per annum and due on 8 February 2017 (the “**Maturity Date**”), in the aggregate principal amount of RMB750,000,000 at the initial CB Conversion Price of HK\$7.74 per CB Conversion Share (subject to anti-dilutive adjustment). On 23 January 2013, the CB Conversion Price was reset to HK\$4.5 per CB Conversion Share (subject to anti-dilutive adjustment). Unless previously redeemed, converted or purchased and cancelled, these Convertible Bonds will be redeemed at the outstanding principal amount with unpaid interests on the Maturity Date. The face value of the outstanding Convertible Bonds as at the Latest Practicable Date amounted to RMB750,000,000. No Convertible Bonds had been converted to CB Conversion Shares during the period from the date of issue to the Latest Practicable Date.

2013 Convertible Securities

In April 2013, the Company issued the 2013 Convertible Securities in the aggregate principal amount of HK\$1,847,838,000 to eligible Shareholders on the basis of each of such 2013 Convertible Securities for every two existing Shares held on 19 March 2013 under the 2013 Open Offer. No interest is payable to the holders of the 2013 Convertible Securities. The 2013 Convertible Securities are convertible into CS Conversion Shares at the initial CS Conversion Price of HK\$3.5 per CS Conversion Share. The issuance of the 2013 Convertible Securities was completed on 18 April 2013. As at the Record Date, the aggregate outstanding principal amount of the 2013 Convertible Securities amounted to approximately HK\$529.25 million entitling the holders thereof to convert into 151,214,775 CS Conversion Shares at the initial CS Conversion Price of HK\$3.50 per CS Conversion Share (subject to adjustment).

Save as disclosed herein, the Company had no other outstanding convertible securities, options, warrants or similar rights as at the Record Date.

3. DIRECTORS' INTERESTS

As at the Latest Practicable Date, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, to be notified to the Company and the Stock Exchange, as adjusted based on 1,434,027,676 Shares in issue as at the Latest Practicable Date, were as follows:

Name of Director	Number of Shares/ underlying Shares held	Note	Capacity	Approximate % of total issued Shares
Li Ning	728,306,851 (Long position)	1	Personal interest & Interests of controlled corporations	50.79
Jin-Goon Kim	14,013,644 (Long position)	2	Personal interest	0.98
Chen Yue, Scott	312,906 (Long position)	3	Personal interest	0.02
Koo Fook Sun, Louis	1,172,787 (Long position)	4	Personal interest	0.08
Wang Ya Fei	1,174,381 (Long position)	5	Personal interest	0.08
Chan Chung Bun, Bunny	1,016,787 (Long position)	6	Personal interest	0.07
Su Jing Shyh, Samuel	312,906 (Long position)	7	Personal interest	0.02

Notes:

1. Mr. Li is interested in 302,551,923 Shares, among which 1,370,073 Shares are held as personal interest, and he is deemed to be interested in an aggregate of 301,181,850 Shares held by Viva China and Alpha Talent. Moreover, Mr. Li is deemed to be interested in 425,754,928 underlying Shares, among which 1,370,073 Shares are share options granted by the Company, 1,370,073 Shares are unvested restricted shares granted by the Company, a total amount of HK\$398,156,304 of convertible securities which is entitled to the conversion of 113,758,944 Shares, and a total of 309,255,838 Offer Securities under the Irrevocable Undertakings and Viva China Underwriting Agreement. Details are as follows:
 - (a) Viva China is interested in 299,374,000 Shares and 421,690,652 underlying Shares, among which the outstanding 2013 Convertible Securities in an amount of HK\$398,156,304 entitling to the conversion of 113,758,944 Shares and Viva China will subscribe for/underwrite up to a total of 307,931,708 Offer Securities under Viva China Irrevocable Undertaking and Viva China Underwriting Agreement. Viva China is wholly owned by Viva China Holdings. Viva China Holdings is owned as to approximately 15.06% by Victory Mind; approximately 25.09% by Lead Ahead and approximately 28.24% by Dragon City. Victory Mind, Lead Ahead and Dragon City in turn are respectively 57%, 60% and 60% owned by Ace Leader Holdings Limited (which is 100% owned by a discretionary trust of which Mr. Li is a settlor) and Mr. Li. As a result, Mr. Li is deemed to be interested in the Shares held by Viva China Holdings. Mr. Li is the chairman and chief executive officer of Viva China Holdings.
 - (b) Alpha Talent is interested in 1,807,850 Shares and 753,270 underlying Shares. Alpha Talent is wholly owned by Mr. Li. Pursuant to the Alpha Talent Irrevocable Undertaking, Alpha Talent will subscribe for 753,270 Offer Securities. Mr. Li is therefore deemed to be interested in the Shares held by Alpha Talent. Mr. Li is a director of Alpha Talent.
 - (c) Pursuant to the Mr. Li Irrevocable Undertaking, Mr. Li will subscribe for 570,860 Offer Securities.
2. Mr. Jin-Goon Kim is taken to be interested as a grantee of options to subscribe for 312,906 Shares at an exercise price of HK\$4.92 per Share and 13,700,738 Shares at an exercise price of HK\$7.00 per Share under the 2004 Share Option Scheme.
3. Mr. Chen Yue, Scott is taken to be interested as a grantee of options to subscribe for 312,906 Shares at an exercise price of HK\$4.92 per Share under the 2004 Share Option Scheme.
4. Mr. Koo Fook Sun, Louis is interested in 345,450 Shares and is taken to be interested as a grantee of options to subscribe for 286,726 Shares at an exercise price of HK\$10.45 per Share, 227,705 Shares at an exercise price of HK\$9.09 per Share and 312,906 Shares at an exercise price of HK\$4.92 per Share under the 2004 Share Option Scheme.
5. Ms. Wang Ya Fei is interested in 347,044 Shares and is taken to be interested as a grantee of options to subscribe for 286,726 Shares at an exercise price of HK\$10.45 per Share, 227,705 Shares at an exercise price of HK\$9.09 per Share and 312,906 Shares at an exercise price of HK\$4.92 per Share under the 2004 Share Option Scheme.
6. Mr. Chan Chung Bun, Bunny is interested in 189,450 Shares and is taken to be interested as a grantee of options to subscribe for 286,726 Shares at an exercise price of HK\$10.45 per Share, 227,705 Shares at an exercise price of HK\$9.09 per Share and 312,906 Shares at an exercise price of HK\$4.92 per Share under the 2004 Share Option Scheme.
7. Mr. Su Jing Shyh, Samuel is taken to be interested as a grantee of options to subscribe for 312,906 Shares at an exercise price of HK\$4.92 per Share under the 2004 Share Option Scheme.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company or their respective associates had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provision of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, to be notified to the Company and the Stock Exchange.

4. INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to any Director or chief executive of the Company and based on 1,434,027,676 Shares in issue as at the Latest Practicable Date, the following persons (other than any Director or the chief executive of the Company) had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Name of the Shareholder	Number of Shares held	Number of underlying Shares			Total (Long position)	Underlying Shares under the Irrevocable Undertakings and Underwriting Agreements	Capacity	Approximate % of total issued Shares
		Convertible Bonds due 2017	2013 Convertible Securities					
Li Chun	299,374,000	-	113,758,944	413,132,944	307,931,708	Interest of controlled corporations	50.28	
Viva China Holdings	299,374,000	-	113,758,944	413,132,944	307,931,708	Interest of controlled corporation	50.28	
David Bonderman	53,000,000	153,340,000	35,396,706	241,736,706	119,230,770	Interest of controlled corporations	25.17	
James G. Coulter	53,000,000	153,340,000	35,396,706	241,736,706	119,230,770	Interest of controlled corporations	25.17	
Genesis Asset Managers, LLP	152,097,292	-	-	152,097,292	-	Investment manager	10.61	
Minister for Finance	74,579,126	51,660,000	-	126,239,126	24,473,125	Interest of controlled corporations	10.51	
Lou Yunli	95,000,000	-	-	95,000,000	74,615,385	Interest of controlled corporations	11.83	
James Christopher Kralik	95,000,000	-	-	95,000,000	74,615,385	Interest of controlled corporations	11.83	
Lo Yu Sai	-	-	-	-	76,923,077	Personal Interest	5.36	
FIL Limited	84,405,742	-	-	84,405,742	-	Investment manager	5.89	

Notes:

1. Viva China, a wholly-owned subsidiary of Viva China Holdings, is interested in the 299,374,000 Shares and convertible securities in the total amount of HK\$398,156,304 entitling to the conversion of a total of 113,758,944 Shares. Viva China Holdings is owned as to approximately 15.06% by Victory Mind, approximately 25.09% by Lead Ahead and approximately 28.24% by Dragon City. Each of Lead Ahead and Dragon City is owned as to 60% by Mr. Li and 40% by Mr. Li's brother, Mr. Li Chun, respectively. Victory Mind is owned as to 57% by Ace Leader Holdings Limited (which is wholly-owned by a discretionary trust of which Mr. Li is a settlor) and 38% by Jumbo Top Group Limited (which is wholly-owned by a discretionary trust of which Mr. Li Chun is a settlor). Therefore Mr. Li Chun is deemed to be interested in the Shares held by Viva China Holdings. He is the brother of Mr. Li.
2. 53,000,000 Shares and the Convertible Bonds due 2017 in the principal amount of RMB561,000,000 and the 2013 Convertible Securities in the principal amount of HK\$123,888,471 entitling to the conversion in aggregate of 153,340,000 Shares and 35,396,706 Shares respectively are held by TPG Stallion, L.P. which is wholly owned by TPG Asia Advisors V, Inc. and, in turn, which is owned as to 50% by Mr. David Bonderman and 50% by Mr. James G. Coulter.
3. 58,735,500 Shares and the Convertible Bonds due 2017 in the principal amount of RMB189,000,000 entitling to the conversion of a total of 51,660,000 Shares are directly held by the GIC Investor which is wholly owned by GIC (Ventures) Pte Ltd (formerly known as Government of Singapore Investment Corporation (Ventures) Pte Ltd). GIC Special Investments Pte Ltd manages the investment of the GIC Investor, and is wholly owned by GIC. GIC also directly holds 15,843,626 Shares and is wholly owned by Minister for Finance.
4. Linden Street Capital Limited, a company owned as to 50% by Lou Yunli and 50% by James Christopher Kralik, is deemed to be interested in the 50,000,000 shares held by Milestone Capital Strategic Holdings Limited and 45,000,000 shares held by Milestone Sports Limited.

Save as disclosed herein, as at the Latest Practicable Date, there was no other person so far as is known to the Directors and chief executives of the Company (other than a Director or chief executive of the Company) had an interest or a short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

5. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Group within the two years immediately preceding the date of this Prospectus and are or may be material to the Group:

- (1) On 23 January 2013, the Company and TPG and the GIC Investor entered into the TPG Amendment Deed and the GIC Amendment Deed, respectively, to effect the amendments to the TPG Subscription Agreement, the GIC Subscription Agreement and the respective Convertible Bonds, pursuant to which the CB Conversion Price of the Convertible Bonds was reset to HK\$4.5 per CB Conversion Share (subject to anti-dilutive adjustment) in consideration of TPG and GIC's respective concessions in waiving and withdrawing certain key rights and the Company's covenants under the TPG Convertible Bonds and the GIC Convertible Bonds, respectively. For further details of the Amendment Deeds, please refer to the announcement of the Company dated 23 January 2013;

- (2) On 23 January 2013, the Company entered into the underwriting agreements with Viva China and TPG respectively in relation to the 2013 Open Offer (“**2013 Viva China Underwriting Agreement**” and “**2013 TPG Underwriting Agreement**”). As the 2013 Open Offer was over-subscribed, the obligations of Viva China and TPG (in their capacity act as the underwriters of the 2013 Open Offer (the “**2013 Open Offer Underwriters**”)) to underwrite the 2013 Open Offer under the 2013 Viva China Underwriting Agreement and 2013 TPG Underwriting Agreement ceased forthwith. Pursuant to the 2013 Viva China Underwriting Agreement and 2013 TPG Underwriting Agreement, Viva China and TPG agreed to underwrite 60% and 40% of underwritten securities respectively at an underwriting commission of approximately HK\$18.6 million and HK\$12.4 million which was calculated on the basis on 2.5% on the principal amount of the 2013 Convertible Securities underwritten. On 23 January 2013, Viva China, TPG and the GIC Investor (in their capacity act as the then Shareholders) also gave their irrevocable undertakings to the Company and the 2013 Open Offer Underwriters that, among others, each of them shall take up the relevant 2013 Convertible Securities which will be issued to them and/or their respective nominee(s) as their respective assured entitlement under the 2013 Open Offer upon and subject to the terms and conditions therein stated. For further details of the 2013 Open Offer, please refer to the Prospectus of the Company dated 27 March 2013 and the announcements of the Company dated 23 January 2013 and 18 April 2013; and
- (3) the Underwriting Agreements, the details of which have been set out in the section headed “Underwriting Agreements” in the “Letter from the Board”.

Save as the aforesaid, no material contracts (not being contracts entered into in the ordinary course of business) have been entered into by any member of the Group within the two years immediately preceding the date of this Prospectus which are or may be material to the Group.

6. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against either the Company or any of its subsidiaries.

7. EXPERT AND CONSENT

The following sets out the qualification of the expert who has given opinion or advice which is contained in this Prospectus:

Name	Qualification
PricewaterhouseCoopers	Certified Public Accountants

As at the Latest Practicable Date, PricewaterhouseCoopers did not have any shareholding in any member of the Group and PricewaterhouseCoopers did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group and did not have any interest, either direct or indirect, in any assets which have been, since 31 December 2013

(being the date to which the latest published audited consolidated financial statements of the Company were made up) acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, PricewaterhouseCoopers has given and has not withdrawn its written consent to the issue of this Prospectus with inclusion of its report in the form and context in which it is included.

8. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT

Name	Address
<i>Executive Directors:</i>	
Mr. Li Ning	Flat B, 19th Floor Nicholson The Repulse Bay 109 Repulse Bay Road Hong Kong
Mr. Jin-Goon Kim	Flat 11E Block E 119A Repulse Bay Road Hong Kong
<i>Non-executive Director:</i>	
Mr. Chen Yue, Scott	Room 0701, 6F, Unit 1 Building 22, Block 2 Upper East Side Apartments No.6 North Road of East Fourth Ring Road Chaoyang District, Beijing 100016 PRC
<i>Independent non-executive Directors:</i>	
Mr. Koo Fook Sun, Louis	Flat C, 12th Floor, Tower 7 68 Bel-Air Peak Ave Bel-Air on the Peak Island South (Phase IV) Pok Fu Lam Hong Kong

Ms. Wang Ya Fei	18-1-202# Yilin Jiayuan Lincui Road Chaoyang District Beijing 100192 PRC
Dr. Chan Chung Bun, Bunny	25 Tung Tau Wan Road Stanley Hong Kong
Mr. Su Jing Shyh, Samuel	19A, The House, 969 Beijing Road West Shanghai 200041 PRC

Senior management:

Mr. Tsang, Terence Wah-Fung	No. 8 Xing Guang 5th Street Opto-Mechatronics Industrial Park Zhongguancun Science & Technology Area Tongzhou District Beijing, PRC
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Executive Directors

Mr. Li Ning

Mr. Li Ning, aged 51, is the founder of the LI-NING brand and the Group's executive chairman and an executive Director. Mr. Li also serves as the chairman of the executive committee and a member of the nomination committee of the Company. He is primarily responsible for formulating the Group's overall corporate strategies and planning, and perform the duties as a Chief Executive Officer with support from the incumbent senior management of the Company.

Mr. Li is one of the most outstanding athletes in the 20th century. In the 6th World Cup Gymnastics Competition in 1982, Mr. Li unprecedentedly won six gold medals in men's artistic gymnastics events and was named the "Prince of Gymnastics" (體操王子) in the PRC. In the 23rd Los Angeles Olympic Games in 1984, Mr. Li won three gold, two silver and one bronze medals, making him the athlete winning the most medals of that Olympic Games. In 1987, Mr. Li became the Asian member of the Athlete's Commission of the International Olympic Committee. From 1993 to 2000, Mr. Li served as a member of the Men's Artistic Gymnastics Technical Committee of the Federation Internationale De Gymnastique. He is currently an honorary member of the Federation Internationale De Gymnastique. In 1999, Mr. Li was voted one of the "World's Most Excellent Athletes in the 20th Century" by the World Sports Correspondent Association.

After retiring from his athlete career in 1989, Mr. Li initiated the idea of LI-NING brand with the goal of creating the first national sports goods brand in the PRC. He has dedicated the past over 20 years to the development of the Group's business, making great contribution to the development of the sporting goods industry in China. Mr. Li also serves as chairman, chief executive officer and executive director of Viva China Holdings. Mr. Li holds a bachelor's degree in law from School of Law of Peking University (北京大學), an executive M.B.A. degree from Guanghua School of Management of Peking University (北京大學光華管理學院), a technical honorary doctorate from Loughborough University in the United Kingdom and a degree of Doctor of Humanities honoris causa of The Hong Kong Polytechnic University. In June 2010, Mr. Li was also conferred honorary fellowship from The Hong Kong University of Science and Technology.

Mr. Li has also been actively involved in charities via his "Li Ning Foundation" (李寧基金) and his genuine support to the active and retired Chinese athletes and coaches in establishing "The Chinese Athletes Educational Foundation" (中國運動員教育基金), which aims at providing subsidies for further education and trainings for athletes and to support educational development in impoverished and remote areas in China. In October 2009, Mr. Li was appointed by The United Nations World Food Programme (WFP) as "WFP Goodwill Ambassador against Hunger".

Mr. Jin-Goon Kim

Mr. Jin-Goon Kim, aged 47, is the Group's executive vice chairman and an executive Director. Mr. Kim provides guidance and support to the Group and attends to other responsibilities as a Partner of TPG, a world's leading private equity investment firm. Mr. Kim also serves as a member of the executive committee and the nomination committee of the Company. Mr. Kim became a director of the Company in April 2012 and served as Interim Chief Executive Officer of the Company from March to November 2014. Mr. Kim is a partner of TPG and a member of TPG's Operations Group. From December 2007 to January 2011, he was an executive director and interim chief executive officer of China Grand Automotive Service Co., Ltd. (廣匯汽車服務股份公司), and was appointed as vice-chairman of the board from April 2012 to September 2013 and built China's leading passenger car retail and service network. As a director of the board from July 2008 to January 2014, Mr. Kim led the turnaround of UniTrust Finance & Leasing Corporation (恆信金融租賃有限公司), a leading capital equipment leasing company in China. Mr. Kim is also a non-executive director of the board of Daphne International Holdings Limited ("Daphne") since April 2011, a leading ladies' shoe company in China and a company listed on the Main Board of the Stock Exchange, and has led TPG's operational initiatives to help transform Daphne's core operations and pioneer industry's first fast retail business model. Prior to joining TPG, Mr. Kim worked for Dell Inc. as the managing director of its Korea business from 2002 to 2006. Prior to that from 2000 to 2002, Mr. Kim was vice president of Internet Business Capital Corporation in Cambridge, Massachusetts, a privately funded early-stage venture capital firm and from 1996 to 2000, he was the engagement manager at McKinsey & Company, an international management consulting firm. Mr. Kim received his undergraduate degree in Arts majored in Government and East Asian Studies from Harvard University with High Honors, conducted post graduate research in Nanjing-Hopkins Center in China, and returned to Harvard University to pursue his Master of Public Policy.

Non-executive Director***Mr. Chen Yue, Scott***

Mr. Chen Yue, Scott, aged 37, is a non-executive Director, a member of the executive committee and the remuneration committee of the Company. Mr. Chen joined the Group in April 2012. TPG, which has interests in the Convertible Bonds, the 2013 Convertible Securities and Ordinary Shares, is an affiliate of TPG Group, a leading global investment firm. Mr. Chen is a partner and managing director of TPG. Mr. Chen is head of TPG's Beijing office and co-leads investment opportunities for TPG in Greater China. Mr. Chen's investment focus spans across all industries but specializes in the consumer and retail, healthcare as well as technology, media, and telecom industries. Since joining TPG in 2001, Mr. Chen has been based in TPG's Singapore, Hong Kong and Beijing offices and has evaluated and executed private equity transactions across multiple industries spanning across most Asia Pacific countries. He is serving and has served on the boards of companies including co-chairman of United Family Healthcare since 2014, UTAC Holdings Ltd. since 2007 and Taishin International Bank Co., Ltd. from 2008 to 2010. Prior to joining TPG, from 1999 to 2001, Mr. Chen worked as an analyst in the Technology Mergers & Acquisitions Group of Lehman Brothers Holdings Inc. in New York. Mr. Chen graduated from University of Colorado with a Bachelor Degree in Business Administration in 1999.

Independent non-executive Directors***Mr. Koo Fook Sun, Louis***

Mr. Koo Fook Sun, Louis, aged 58, is an independent non-executive Director and chairman of the audit committee of the Company. Mr. Koo joined the Group in June 2004. Mr. Koo is the managing director of Hercules Capital Limited, a corporate finance advisory firm. Prior to the founding of Hercules Capital Limited, he was the managing director and the head of corporate finance department of a major international bank, and a director and chief executive officer of a company listed on the Main Board of the Stock Exchange. Mr. Koo also serves currently as an independent non-executive director of Midland Holdings Limited, Good Friend International Holdings Inc., Xingda International Holdings Limited and Richfield Group Holdings Limited, all of which are listed on the Main Board of the Stock Exchange. From October 2003 to June 2012, Mr. Koo served as an independent non-executive director of Weichai Power Co., Limited, a company listed on the Main Board of the Stock Exchange. Mr. Koo graduated with a bachelor's degree in business administration from the University of California at Berkeley in the United States and is a certified public accountant.

Ms. Wang Ya Fei

Ms. Wang Ya Fei, aged 59, is an independent non-executive Director, chairperson of the remuneration committee and a member of the audit committee of the Company. Ms. Wang joined the Group in January 2003. Ms. Wang has over 20 years of experience in management and corporate finance matters. Ms. Wang has been appointed as chairman of Caelum Asset Management Company with effect from September 2011. She also serves as an independent director of Xueda Education Group, listed on the New York Stock Exchange. Ms. Wang was the director and deputy general

manager of Beijing Investment Consultants Inc. from 1996 to September 2011, and an associate professor in Guanghua School of Management of Peking University (北京大學光華管理學院) from 1995 to September 2011. Ms. Wang holds a bachelor's degree in international politics from Fudan University (復旦大學) in Shanghai and was an exchange scholar in Maryland University, College Park in the United States. Ms. Wang also holds a M.B.A. degree from University of Lancaster in the United Kingdom.

Dr. Chan Chung Bun, Bunny

Dr. Chan Chung Bun, Bunny, aged 57, is an independent non-executive Director and a member of the audit committee, the remuneration committee and the nomination committee of the Company. Dr. Chan joined the Group in June 2004. Dr. Chan has more than 30 years of experience in the garment industry and is currently the chairman of Prospective Holdings Ltd. Dr. Chan has also served as independent non-executive director respectively of Great Harvest Maeta Group Holdings Limited since September 2010 and of Speedy Global Holdings Limited since December 2012, both companies are listed on the Main Board of the Stock Exchange. Dr. Chan is active in community affairs in Hong Kong, he is currently the chairman of the Kwun Tong District Council of Hong Kong and has been appointed as the chairman of the Commission on Youth of Hong Kong from 1 April 2009. Dr. Chan was appointed as Justice of Peace in 2002 and was awarded the Bronze Bauhinia Star medal in 2004 and Silver Bauhinia Star medal in 2009 and Gold Bauhinia Star medal in 2014 by the Hong Kong Government. In December 2013, Dr. Chan was conferred Doctor of Business Administration, honoris causa, by the Open University of Hong Kong.

Mr. Su Jing Shyh, Samuel

Mr. Su Jing Shyh Samuel, aged 62, is an independent non-executive Director and chairman of the nomination committee of the Company. Mr. Su joined the Group in July 2012. Mr. Su is the chairman and chief executive officer of the China Division of Yum! Brands, Inc. ("Yum!"), a company listed on the New York Stock Exchange. He also serves as an executive director and the vice chairman on Yum!'s board of directors. Mr. Su earned his undergraduate degree at the National Taiwan University, a M.Sc. degree of Chemical Engineering at Pennsylvania State University and an MBA at the Wharton School. Before joining Yum!, Mr. Su worked with Procter & Gamble in Germany and Taiwan. Mr. Su started his career with Yum! in 1989 as KFC International's director of marketing for the North Pacific region. In 1993, he became vice president of North Asia for both KFC and Pizza Hut. Mr. Su was named president of Greater China for Tricon Global Restaurants International upon Pepsi's spin-off of the restaurant business in 1997. Yum!'s China Division today leads the development of the KFC, Pizza Hut Dine-in Restaurants, Pizza Hut Home Service, East Dawning and Little Sheep brands in mainland China. Mr. Su was a non-executive director of Little Sheep Group Limited from 2 June 2009 to 2 February 2012, which was delisted from the Main Board of the Stock Exchange in February 2012.

Save as disclosed in this Prospectus and as at the Latest Practicable Date, none of the Directors hold any position in the Company or any of its subsidiaries nor have any relationship with any other Director, senior management, substantial shareholder or controlling shareholder of the Company. Save as disclosed in this Prospectus and as at the Latest Practicable Date, none of the Directors has held any directorship in other listed companies in Hong Kong or overseas in the past three years.

Save as disclosed above and as at the Latest Practicable Date, none of the Directors is a director or an employee of a company which has an interest or short position in the Shares and underlying Shares of which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Senior Management

Mr. Tsang, Terence Wah-Fung

Mr. Tsang, Terence Wah-Fung (“**Mr. Tsang**”), aged 53, chief financial officer of the Group, joined the Group in April 2013, and is responsible for finance, internal audit, company secretary and investor relationship. Mr. Tsang has over 24 years of experience in the apparel industry. His previous employment included that for Guess Inc, Ashworth Inc and Levi Strauss Company. Mr. Tsang had held various management roles including as chief financial officer, chief operation officer, Asia president and senior vice president for business unit throughout his career. He is a Certified Public Accountant. Mr. Tsang holds a Bachelor of Science in Accounting and a Master of Business Administration from State University of New York.

As at the Latest Practicable Date, Mr. Tsang did not hold any position in the Company or any of its subsidiaries or have any relationship with any other Director, senior management, substantial shareholder or controlling shareholder of the Company. As at the Latest Practicable Date, Mr. Tsang did not hold any directorship in other listed companies in Hong Kong or overseas in the past three years. As at the Latest Practicable Date, Mr. Tsang was not a director or an employee of a company which has an interest or short position in the Shares and underlying Shares of which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

9. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE OPEN OFFER

Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Head office and principal place of business in Hong Kong	Suites 1, 7-15, L45 Office Tower, Langham Place 8 Argyle Street Mongkok, Kowloon Hong Kong
Operational headquarter	No. 8 Xing Guang 5th Street Opto-Mechatronics Industrial Park Zhongguancun Science & Technology Area Tongzhou District Beijing, PRC

Company secretary	Ms. Tai Kar Lei
Authorised representatives	Mr. Li Ning Flat B, 19th Floor Nicholson The Repulse Bay 109 Repulse Bay Hong Kong Mr. Chen Yue, Scott Room 0701, 6F, Unit 1 Building 22, Block 2 Upper East Side Apartments No.6 North Road of East Fourth Ring Road Chaoyang District, Beijing 100016 PRC
Legal adviser as to Hong Kong and United States law in relation to the Open Offer and to the Company	Troutman Sanders LLP 34th Floor, Two Exchange Square 8 Connaught Place Hong Kong
Legal adviser as to Cayman Islands law in relation to the Open Offer	Conyers Dill & Pearman (Cayman) Limited 2901 One Exchange Square 8 Connaught Place Central Hong Kong
Legal adviser as to Macanese law in relation to the Open Offer	Manuela António – Lawyers and Notaries Alameda Dr. Carlos D’Assumpção, nos. 411-417 Dynasty Plaza, 15th floor D-H Macau Macau SAR
Legal adviser as to PRC law in relation to the Open Offer	King & Wood Mallesons 55th Floor Guangzhou International Finance Center 5 Zhujiang Xilu Zhujiang New Town Guangzhou, Guangdong 510623 PRC

Principal share registrar and transfer office	Royal Bank of Canada Trust Company (Cayman) Limited 4th Floor, Royal Bank House 24 Shedden Road, George Town Grand Cayman KY1-1110 Cayman Islands
Hong Kong branch share registrar and transfer office	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen's Road East Wanchai, Hong Kong
Principal banker	Hong Kong Hang Seng Bank Limited 19/F., 83 Des Voeux Road, Central, Hong Kong DBS Bank Ltd., Hong Kong Branch 18/F., The Center, 99 Queen's Road Central Hong Kong PRC Industrial & Commercial Bank of China Tower B, Tianyin Mansion No. 2, Fuxingmennan Street, Xicheng District Beijing, China China Construction Bank No. 25, Financial Street, Xicheng District Beijing 100033, China Bank of China No. 2 Chaoyangmennei Street Dongcheng District Beijing, China China Merchants Bank No. 58 East Xinglong Street, Dongcheng District, Beijing 100062, China China MinSheng Banking Corporation Limited No.2, Fuxingmennei Ave., Xicheng District Beijing 100031, China Hang Seng Bank (China) Limited 9th North Office Tower Beijing Kerry Center 1 Guanghai Road Chaoyang District Beijing 100020, China

DBS Bank (China) Limited
5F Windland International Finance Center
No.7 Financial Street Xicheng District
Beijing 100033, China

Auditors
PricewaterhouseCoopers
Certified Public Accountants
22/F, Prince's Building
Central
Hong Kong

10. LEGAL EFFECT

This Prospectus, the Application Form and the Excess Application Form, and all offers, acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong.

11. BINDING EFFECT

This Prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penalty provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

12. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents, together with the written consent referred to in the paragraph headed "7. Expert and consent" in this appendix, has been delivered to the Registrar of Companies in Hong Kong for registration, and has been so registered, as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

13. GENERAL

- (a) As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation)).
- (b) None of the Directors or expert contained in this Prospectus, has, or has had, any direct or indirect interest in any assets which have been acquired, disposed of or leased to, or which are proposed to be acquired, disposed of or leased to, the Company or any of its subsidiaries since 31 December 2013, the date to which the latest published audited consolidated financial statements of the Company were made up.
- (c) There was no contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date in which any Director was materially interested and which was significant in relation to the business of the Group.

- (d) As at the Latest Practicable Date, there was no restriction affecting the remittance of profits or repatriation of capital of the Company into Hong Kong from outside of Hong Kong.
- (e) The expenses in connection with the Open Offer, including financial advisory fees, underwriting fee, printing, registration, translation, legal and accountancy charges are estimated to amount to approximately HK\$38.50 million and are payable by the Company.
- (f) The company secretary of the Company is Ms. Tai Kar Lei, who is a fellow member of The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.
- (g) The English texts of the Prospectus Documents shall prevail over their respective Chinese texts.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business in Hong Kong of the Company, from 9 January 2015 to 23 January 2015 (both days inclusive):

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for the two years ended 31 December 2012 and 2013 respectively;
- (c) the report from PricewaterhouseCoopers on the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group, the text of which is set out in appendix II to this Prospectus;
- (d) the Instrument;
- (e) the material contracts referred to in the paragraph headed “5. Material contracts” of this appendix; and
- (f) the written consent of PricewaterhouseCoopers referred to in the paragraph headed “7. Expert and consent” of this appendix.