

<b>THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION</b>
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**If you are in doubt** as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold** all your shares in Li Ning Company Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser.

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**Li Ning Company Limited**

**(李寧有限公司)**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2331)**

**RE-ELECTION OF DIRECTORS  
GENERAL MANDATE TO ISSUE SHARES  
GENERAL MANDATE TO REPURCHASE SHARES  
PROPOSED AMENDMENTS TO SHARE OPTION SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of Li Ning Company Limited to be held at Atrium Room, Level 39, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 15 May 2009 at 11:00 a.m. is set out in Appendix III to this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the annual general meeting should you so wish.

8 April 2009

<b>CONTENTS</b>
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	<i>Page</i>
<b>Definitions . . . . .</b>	<b>1</b>
<b>Letter from the Chairman . . . . .</b>	<b>2</b>
<b>Appendix I – Explanatory Statement . . . . .</b>	<b>7</b>
<b>Appendix II – Details of Directors Proposed for Re-election. . . . .</b>	<b>10</b>
<b>Appendix III – Notice of Annual General Meeting . . . . .</b>	<b>12</b>

## DEFINITIONS

In this circular, unless the context states otherwise, the following expressions have the following meanings:

“Annual Report 2008”	the annual report of the Company for the financial year ended 31 December 2008 dispatched to the Shareholders together with this circular
“AGM”	the annual general meeting of the Company to be held at Atrium Room, Level 39, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 15 May 2009 at 11:00 a.m.
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Company”	Li Ning Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	31 March 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Notice of AGM”	the notice dated 8 April 2009 convening the AGM as set out in Appendix III to this circular
“Option”	an option to subscribe for Shares granted pursuant to the Share Option Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s) in issue
“Share Option Scheme”	share option scheme adopted by the Company on 5 June 2004
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong

# LETTER FROM THE CHAIRMAN



## 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 (*Chairman*)

Mr. ZHANG Zhi Yong (*Chief Executive Officer*)

Mr. CHONG Yik Kay (*Chief Financial Officer*)

### **Non-executive Directors**

Mr. LIM Meng Ann

Mr. Stuart SCHONBERGER

Mr. CHU Wah Hui

Mr. James Chun-Hsien WEI

### **Independent non-executive Directors**

Mr. KOO Fook Sun, Louis

Ms. WANG Ya Fei

Mr. CHAN Chung Bun, Bunny

### **Registered office**

Cricket Square

Hutchins Drive

P. O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

### **Principal place of business**

Suites 2804 – 5

Shell Tower, Times Square

Causeway Bay

Hong Kong

8 April 2009

*To Shareholders*

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS  
GENERAL MANDATE TO ISSUE SHARES  
GENERAL MANDATE TO REPURCHASE SHARES  
PROPOSED AMENDMENTS TO SHARE OPTION SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

### **INTRODUCTION**

The purpose of this circular is to give Shareholders information on matters to be dealt with at the AGM, which include (i) re-election of Directors; (ii) grant of general mandates to issue and repurchase Shares; and (iii) proposed amendments to Share Option Scheme.

## LETTER FROM THE CHAIRMAN

### RE-ELECTION OF DIRECTORS

In accordance with Article 87 of the Articles of Association and the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules, Mr. Zhang Zhi Yong (an executive Director), Mr. Lim Meng Ann (a non-executive Director) and Ms. Wang Ya Fei (an independent non-executive Director) shall retire from the office and, being eligible, offer themselves for re-election as Directors at the AGM.

In accordance with Article 86(3) of the Articles of Association, Mr. Chong Yik Kay, who was appointed by the Board as an executive Director with effect from 9 February 2009, shall hold office until the AGM and shall then be eligible for re-election.

The biographical details and interests in the Shares of the Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

Mr. Zhang Zhi Yong has renewed his service contract with the Company for a term of three years commencing from 28 June 2007. The aggregate basic annual salary and fees paid to Mr. Zhang under such service contract for the year ended 31 December 2008 was RMB5,988,000. Mr. Zhang is also entitled to discretionary bonuses, participation in the Company's share schemes and other benefits and allowances determined by the Board. Details of emoluments paid to Mr. Zhang for the year ended 31 December 2008 is set out on page 130 in the Annual Report 2008.

Mr. Lim Meng Ann and Ms. Wang Ya Fei have each renewed their service contract with the Company for a term of three years commencing from 28 June 2007. The annual fee payable by the Company to each of them under such service contracts is HK\$250,000.

Mr. Chong Yik Kay has entered into service/employment contracts with the Company and a wholly-owned subsidiary of the Company for a term of three years commencing from 9 February 2009. Pursuant to the service/employment contracts, the aggregate basic annual salary and fees payable to Mr. Chong for the year ending 31 December 2009 is RMB1,910,000. Mr. Chong is also entitled to discretionary bonuses, participation in the Company's share schemes and other benefits and allowances determined by the Board.

The remuneration policy for the Directors is set out in the Corporate Governance Report contained in the Annual Report 2008. Reference has been made by the Company to the duties and responsibilities, individual and company performance and the comparative market conditions in deciding the relevant amount of remuneration of the relevant Director.

None of the above Directors has any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

Save as disclosed in this circular, there are no other matters in relation to the above Directors that need to be brought to the attention of the Shareholders. Save as disclosed in this circular, there is no other information required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Under resolution No. 3(a), the re-election of Directors will be voted by the Shareholders individually.

## LETTER FROM THE CHAIRMAN

### GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

By an ordinary resolution passed by the Shareholders on 9 May 2008, general and unconditional mandates were granted to the Directors to issue and repurchase Shares. Up to the Latest Practicable Date, the Directors have not exercised such mandates to issue or repurchase Shares and such mandates will expire at the closing of the AGM. The Directors believe that renewal of such general mandates is in the interests of the Company and the Shareholders. Accordingly, the following ordinary resolutions will be proposed at the AGM in order to grant to the Directors the new general and unconditional mandates to exercise the powers of the Company to issue and repurchase Shares:

- (i) an ordinary resolution (resolution No. 5) to grant to the Directors a general and unconditional mandate to authorise them to allot, issue and deal with the additional Shares up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM (the “**Issue Mandate**”). The Issue Mandate will end on (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; or (iii) the revocation or variation by ordinary resolution of Shareholders in general meeting, whichever is the earliest;
- (ii) an ordinary resolution (resolution No. 6) to grant to the Directors a general and unconditional mandate to authorise them to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM (the “**Repurchase Mandate**”). The Repurchase Mandate will end on (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; or (iii) the revocation or variation by ordinary resolution of Shareholders in general meeting, whichever is the earliest; and
- (iii) conditional upon the passing of the resolutions No. 5 and No. 6 as stated above, an ordinary resolution (resolution No. 7) to extend the Issue Mandate by an amount representing the aggregate nominal amount of Shares repurchased by the Company under the Repurchase Mandate provided that such aggregated amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the AGM.

On the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the AGM, the Company would be allowed to issue a maximum of 208,304,059 Shares under the Issue Mandate and to repurchase a maximum of 104,152,029 Shares under the Repurchase Mandate.

Shareholders are invited to refer to the Notice of AGM for details of the abovementioned ordinary resolutions. An explanatory statement, as required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate, is also set out in Appendix I to this circular. Appendix I contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether or not to vote for or against the ordinary resolution to grant the Repurchase Mandate at the AGM.

## LETTER FROM THE CHAIRMAN

### PROPOSED AMENDMENTS TO SHARE OPTION SCHEME

Clause 6.4 of the Share Option Scheme provides that the right to exercise an Option is not subject to or conditional upon the achievement of any performance target.

To allow the Board to have more flexibility in the administration of the Share Option Scheme so that the long-term incentive purpose of the Share Option Scheme can be better achieved by providing additional incentives to key personnel to achieve performance goals and contribute to the long-term success of the Group, the Board proposes to amend the Share Option Scheme in the following manners:

#### (i) **Introductory paragraph of Clause 6.3**

Original wordings of the introductory paragraph of Clause 6.3 of the Share Option Scheme:

*“Subject as hereinafter provided in this Scheme, the Option may be exercised by the Grantee at any time during the Option Period Provided That:–”.*

Proposed amendment to the introductory paragraph of Clause 6.3 of the Share Option Scheme:

By deleting the words “at any time” and substituting therefor the words “in accordance with the terms of the grant letter referred to in Clause 4.3 and the provisions of this Scheme” immediately after “the Option may be exercised by the Grantee” and the amended Clause 6.3 shall read as follows:

*“Subject as hereinafter provided in this Scheme, the Option may be exercised by the Grantee in accordance with the terms of the grant letter referred to in Clause 4.3 and the provisions of this Scheme during the Option Period Provided That:–”*

#### (ii) **Clause 6.4**

Original wordings of Clause 6.4 of the Share Option Scheme:

*“The right to exercise an Option is not subject to or conditional upon the achievement of any performance target.”*

Proposed amendment to Clause 6.4 of the Share Option Scheme:

By deleting the existing Clause 6.4 in its entirety and substituting therefor the following new Clause 6.4:

*“The Board may determine in its absolute discretion whether the right to exercise an Option is subject to or conditional upon the achievement of specified performance target relating to the Company or to the Grantee and/or the satisfaction of such other conditions as the Board may in its absolute discretion determine to be appropriate. Any of the foregoing condition(s) as determined by the Board shall be set out in the grant letter referred to in Clause 4.3.”*

There are no other changes proposed to be made to the terms of the Share Option Scheme save as mentioned above.

## **LETTER FROM THE CHAIRMAN**

In view of the above, the Board proposes, among other things, an ordinary resolution (resolution No. 8) approving the proposed amendments to Clause 6.3 and Clause 6.4 of the Share Option Scheme be passed at the AGM. To the extent that the Directors are aware having made all reasonable enquiries, none of the Shareholders is required to abstain from voting for the said resolution.

### **VOTING BY POLL**

The chairman of the AGM will demand poll voting for all the resolutions set out in the Notice of AGM in accordance with the requirements of the Listing Rules and the Articles of Association.

Pursuant to Article 66 of the Articles of Association, on a poll, every Shareholder present in person or proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative shall have one vote for every fully paid Share of which he/she/it is the holder. Pursuant to Articles 71 and 72 of the Articles of Association, on a poll, votes may be given either personally or by proxy and a person entitled to more than one vote on a poll need not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

The results of the poll will be published by way of an announcement on the Company's website and the website of the Hong Kong Stock Exchange in accordance with the requirements of the Listing Rules.

### **RECOMMENDATION**

The Directors believe that the proposals mentioned above, including the proposals for the re-election of the Directors, the grant of the general mandates to issue, allot and repurchase Shares, the extension of the Issue Mandate and the proposed amendments to the Share Option Scheme are in the interests of the Company and the Shareholders as a whole. Therefore, the Directors recommend the Shareholders to vote in favour of all the relevant resolutions to be proposed at the AGM.

### **DOCUMENT AVAILABLE FOR INSPECTION**

Copy of the Share Option Scheme will be available for inspection at the principal place of business of the Company at Suites 2804-5, Shell Tower, Times Square, Causeway Bay, Hong Kong during normal business hours up to and including 15 May 2009.

Yours faithfully,  
**Li Ning**  
*Chairman*



This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to Shareholders for their consideration of the proposed resolutions in relation to the Repurchase Mandate.

## **SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,041,520,299 Shares. Subject to the passing of resolution No. 6 approving the Repurchase Mandate as set out in the Notice of AGM and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 104,152,029 Shares until (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; or (iii) the revocation or variation by ordinary resolution of Shareholders in general meeting, whichever is the earliest.

## **REASON FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to have a general authority from the Shareholders to enable the Company to purchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an increase of the net asset value of the Company and its assets and/or its earnings per Share and will only be made as and when the Directors believe such repurchases will benefit the Company and the Shareholders as a whole.

## **FUNDING OF REPURCHASES**

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with its financial position as disclosed in the Annual Report 2008) in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. The Directors, however, do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors may from time to time be appropriate for the Company.

## **TAKEOVERS CODE**

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Takeovers Code and the provision may apply as a result of any such increase.

As at the Latest Practicable Date, according to the register kept by the Company pursuant to Section 336 of the SFO, Mr. Li Ning, Chairman of the Company, and his brother Mr. Li Chun were deemed to be interested in 331,837,750 Shares and 323,374,000 Shares, representing approximately 31.86% and 31.05% of the issued shares of the Company, respectively. Mr. Li Ning's deemed interest in Shares includes the interest held by Mr. Li Chun through controlled corporations and trust. In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, the interest held by Mr. Li Ning and Mr. Li Chun would then (if the present shareholding otherwise remains the same) be increased to approximately 35.40% and 34.50% of the issued share capital of the Company, respectively. The Directors are of the view that such increase may give rise to an obligation to make a mandatory offer pursuant to Rule 26 and Rule 32 of the Takeovers Code. The Directors have no intention to exercise the Repurchase Mandate in such a way and to such extent that would give rise to an obligation on the part of Mr. Li Ning or Mr. Li Chun to make a mandatory general offer under Rule 26 and Rule 32 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequence of repurchases which would arise under the Takeovers Code or would result in the amount of Shares held by public being reduced to less than 25%.

**GENERAL**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) has any present intention to sell any Shares to the Company or its subsidiaries if the resolution in relation to the Repurchase Mandate is approved by the Shareholders.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any Share to the Company, or that he/she/it has undertaken not to do so in the event that the resolution in relation to the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Hong Kong Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company under the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

**SHARE REPURCHASE MADE BY THE COMPANY**

The Company has not purchased any Share (whether on the Hong Kong Stock Exchange or otherwise) during the six months prior to the Latest Practicable Date.

**SHARE PRICES**

The highest and lowest prices at which the Shares were traded on the Hong Kong Stock Exchange during each of the 12 months prior to the Latest Practicable Date were as follows:

	<b>Per Share</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2008</b>		
April	23.40	18.50
May	25.65	21.30
June	22.25	17.08
July	20.35	15.90
August	20.90	16.38
September	20.00	12.40
October	14.90	8.79
November	13.20	9.30
December	13.68	10.36
<b>2009</b>		
January	13.10	10.44
February	11.76	9.48
March	13.70	8.98

The following are the particulars of the Directors (as required by the Listing Rules) proposed to be elected at the AGM.

1. **Mr. ZHANG Zhi Yong**, aged 40, is the Chief Executive Officer and an executive Director. Mr. Zhang joined the Group in October 1992 as a finance manager of Beijing Li Ning Footwear Co., Ltd., became the financial controller of Beijing Li Ning Sports Goods Co., Ltd. in April 1999 and was the general manager of the company from February 2001 to June 2004. Since the listing of the Company in June 2004, Mr. Zhang has been the Company's Chief Executive Officer and executive Director, responsible for the overall strategy of the Group, and promoting the development of human resources, information resources and financial resources in line with the Group's brand development. Since 1992 when he began his career in the sports goods industry in China, Mr. Zhang has accumulated 17 years of China experience in the industry with thorough understanding of the change of the PRC consumer market, the building of brand images and change management for Chinese firms. Mr. Zhang holds a bachelor's degree from Beijing College of Economics (北京經濟學院) and an executive M.B.A. degree from Guanghua School of Management of Peking University (北京大學光華管理學院).

As at the Latest Practicable Date, Mr. Zhang had interests, within the meaning of Part XV of the SFO, in (i) 4,006,899 Shares, among which 756,899 Shares are held as personal interest and 3,250,000 Shares are held by a corporation controlled by Mr. Zhang; (ii) options to subscribe for 9,663,000 Shares granted under the Company's share option scheme; and (iii) 752,001 restricted shares granted under the Company's restricted share award scheme, representing 1.38% of the issued shares of the Company.

Save as disclosed, Mr. Zhang did not hold directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years nor did he hold any other major appointments.

2. **Mr. CHONG Yik Kay**, aged 41, is the Chief Financial Officer and an executive Director. Mr. Chong joined the Group on 9 February 2009. Mr. Chong has 17 years of experience in the field of accounting, financial and business management. Prior to joining the Group, he was the senior finance director of Dell (China) Company Limited responsible for the China, Hong Kong and Taiwan regions. Prior to that, he was the finance head of the customer business development of Procter & Gamble (China) Limited responsible for the China region. Mr. Chong holds a bachelor degree in Economics and Statistics from the National University of Singapore.

As at the Latest Practicable Date, Mr. Chong did not have any interests in Shares, within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Chong did not hold directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years nor did he hold any other major appointments.

3. **Mr. LIM Meng Ann**, aged 45, is a non-executive Director, Chairman of the Nomination Committee and a member of the Remuneration Committee. Mr. Lim joined the Group in July 2003. Mr. Lim is partner and head of Actis China Limited (“Actis”), a leading private equity firm focusing on emerging markets. Mr. Lim is responsible for Actis’ private equity investment in China, which he joined in July 2007. Prior to joining Actis, Mr. Lim was the senior vice president of, and was responsible for the investment activities in Greater China for GIC Special Investments Pte. Ltd., the private equity arm of Government of Singapore Investment Corporation Pte. Ltd., which he joined in 1997. Prior to that, he was an investment officer of International Finance Corporation, the private sector investment arm of the World Bank group, from 1993 to 1997. Currently Mr. Lim is also a director of 2020 ChinaCap Acquirco, Inc., a company listed on the New York Stock Exchange Amex. Mr. Lim holds a bachelor’s degree of engineering (first class honors) from University College of London and an M.B.A. degree from University of Strathclyde. He is also a Chartered Financial Analyst.

As at the Latest Practicable Date, Mr. Lim had interests, within the meaning of Part XV of the SFO, in (i) 28,000 Shares; (ii) options to subscribe for 314,800 Shares granted under the Company’s share option scheme; and (iii) 74,300 restricted shares granted under the Company’s restricted share award scheme, representing 0.04% of the issued shares of the Company.

Save as disclosed, Mr. Lim did not hold directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years nor did he hold any other major appointments.

4. **Ms. WANG Ya Fei**, aged 53, is an independent non-executive Director, Chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee. Ms. Wang joined the Group in January 2003. Ms. Wang has 18 years of experience in management and corporate finance. Ms. Wang has been the director and deputy general manager of Beijing Investment Consultants Inc. since 1996. She has also been an associate professor in Guanghua School of Management of Peking University (北京大學光華管理學院) since 1995. She 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 an M.B.A. degree from University of Lancaster in the United Kingdom.

As at the Latest Practicable Date, Ms. Wang had interests, within the meaning of Part XV of the SFO, in (i) 6,000 Shares; (ii) options to subscribe for 568,800 Shares granted under the Company’s share option scheme; and (iii) 30,300 restricted shares granted under the Company’s restricted share award scheme, representing 0.06% of the issued shares of the Company.

Save as disclosed, Ms. Wang did not hold directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years nor did she hold any other major appointments.

Ms. Wang has given an annual confirmation of her independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Board has reviewed and assessed the independence of Ms. Wang in accordance with each factor set out in Rule 3.13(1) to (8) of the Listing Rules and the Board considers Ms. Wang to be independent.

**Li Ning Company Limited****( 李 寧 有 限 公 司 )***(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 2331)**

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting of Li Ning Company Limited (the “**Company**”) will be held at Atrium Room, Level 39, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong, on Friday, 15 May 2009 at 11:00 a.m. for the following purposes:

1. To receive and adopt the audited financial statements and the reports of the directors and the auditor of the Company for the year ended 31 December 2008.
2. To declare a final dividend for the year ended 31 December 2008 to the shareholders of the Company.
3. (a) To re-elect the following directors of the Company:
  - (i) Mr. Zhang Zhi Yong as an executive director;
  - (ii) Mr. Chong Yik Kay as an executive director;
  - (iii) Mr. Lim Meng Ann as a non-executive director; and
  - (iv) Ms. Wang Ya Fei as an independent non-executive director.

(b) To authorise the board of directors of the Company to fix the directors’ remuneration.
4. To re-appoint Messrs. PricewaterhouseCoopers, Certified Public Accountants, as the auditor of the Company and authorise the board of the directors of the Company to fix their remuneration.

To consider as ordinary business and, if thought fit, to pass with or without modification, the following resolutions as ordinary resolutions of the Company:

5. “**THAT:**
  - (a) subject to paragraph (c) below, a general mandate be and is hereby unconditionally granted to the directors of the Company (“**Directors**”) to exercise during the Relevant Period (as defined in paragraph (d) below) all the powers of the Company to allot, issue and deal with additional shares in the Company and to make or grant offers, agreements, options or warrants which would or might require the exercise of such powers;

- (b) the mandate in paragraph (a) shall authorise the Directors during the Relevant Period (as defined in paragraph (d) below) to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) below);
- (c) the aggregate nominal value of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the mandate in paragraph (a), otherwise than pursuant to (i) a Right Issue (as defined in paragraph (d) below); or (ii) any option scheme or similar arrangement for the time being adopted by the Company for the purpose of granting or issuing shares or rights to acquire shares of the Company to the directors, officers and/or employees of the Company and/or any of its subsidiaries; or (iii) any scrip dividend or similar arrangement pursuant to the articles of association of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said mandate shall be limited accordingly;
- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Company’s articles of association or any applicable law to be held; and
- (iii) the date on which authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Right Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong).”

6. **“THAT:**

(a) a general mandate be and is hereby unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined in paragraph (b) below) all the powers of the Company to repurchase or otherwise acquire shares of HK\$0.10 each in the capital of the Company in accordance with all applicable laws and the requirements of the Rule Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, provided that the aggregate nominal amount of shares so repurchased or otherwise acquired shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution;

(b) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Company’s articles of association or any applicable law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

7. **“THAT**, conditional upon the passing of resolutions No. 5 and No. 6 set out in the notice convening this meeting, the aggregate nominal amount of the shares which are repurchased or otherwise acquired by the Company pursuant to resolution No. 6 shall be added to the aggregate nominal amount of the shares which may be issued pursuant to resolution No. 5.”

To consider as special business and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution of the Company:

8. **“THAT** the share option scheme adopted by the Company on 5 June 2004 (the **“Share Option Scheme”**) be and is hereby amended in the following manners:

(a) By deleting the words “at any time” and substituting therefor the words “in accordance with the terms of the grant letter referred to in Clause 4.3 and the provisions of this Scheme” immediately after “the Option may be exercised by the Grantee” and the amended Clause 6.3 shall read as follows:

“Subject as hereinafter provided in this Scheme, the Option may be exercised by the Grantee in accordance with the terms of the grant letter referred to in Clause 4.3 and the provisions of this Scheme during the Option Period Provided That:”



- (b) By deleting the existing Clause 6.4 in its entirety and substituting therefor the following new Clause 6.4:

“The Board may determine in its absolute discretion whether the right to exercise an Option is subject to or conditional upon the achievement of specified performance target relating to the Company or to the Grantee and/or the satisfaction of such other conditions as the Board may in its absolute discretion determine to be appropriate. Any of the foregoing condition(s) as determined by the Board shall be set out in the grant letter referred to in Clause 4.3.””

By order of the Board

**Li Ning**

*Chairman*

Hong Kong, 8 April 2009

*Notes:*

- (1) A shareholder entitled to attend and vote at the above meeting may appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
- (2) A form of proxy for use at the above meeting (or at any adjournment thereof) is enclosed in the Company's annual report 2008. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for the holding of the above meeting or any adjournment thereof.
- (3) For the purpose of determination of entitlement to the proposed final dividend and to attend and vote at the above meeting, the register of members of the Company will be closed from Thursday, 14 May 2009 to Friday, 15 May 2009 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and be entitled to attend and vote at the above meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 13 May 2009.
- (4) A circular providing information in relation to re-election of directors of the Company and resolutions No. 5 to No. 8 is enclosed in the Company's annual report 2008.