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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
AND
NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Li Ning Company Limited to be held at Island Ballroom C, Level 5, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 14 May 2010 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 2010

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DEFINITIONS

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

“Annual Report 2009”	the annual report of the Company for the financial year ended 31 December 2009 dispatched to the Shareholders together with this circular
“AGM”	the annual general meeting of the Company to be held at Island Ballroom C, Level 5, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 14 May 2010 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
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	31 March 2010, 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 2010 convening the AGM as set out in Appendix III to this circular
“PRC” or “China”	the People’s Republic of China

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

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 2010

To Shareholders

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS
GENERAL MANDATE TO ISSUE SHARES
GENERAL MANDATE TO REPURCHASE SHARES
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; and (ii) grant of general mandates to issue and repurchase Shares.

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. Li Ning (an executive Director), Mr. Koo Fook Sun, Louis (an independent non-executive Director) and Mr. Chan Chung Bun, Bunny (an independent non-executive Director) shall retire from the office and, being eligible, offer themselves for re-election as Directors at the AGM.

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

Mr. Li Ning has a service agreement with the Company for a term of three years commencing from 28 June 2007, which will be renewed for another term of three years commencing from 28 June 2010. The aggregate basic annual salary and fees paid to Mr. Li under such service agreement for the year ended 31 December 2009 was RMB3,327,000. Mr. Li is also entitled to discretionary bonuses and other benefits and allowances determined by the Board. Details of emoluments paid to Mr. Li for the year ended 31 December 2009 are set out on page 151 in the Annual Report 2009.

Each of Mr. Koo Fook Sun, Louis and Mr. Chan Chung Bun, Bunny has entered into a service agreement with the Company for a term of three years commencing from 28 June 2007, which will be renewed for another term of three years commencing from 28 June 2010. The annual fees paid by the Company to Mr. Koo and Mr. Chan under such service agreements for the year ended 31 December 2009 were RMB270,000 and RMB215,000, respectively. Details of the emoluments paid to Mr. Koo and Mr. Chan for the year ended 31 December 2009 are set out on page 151 in the Annual Report 2009.

The remuneration policy for the Directors is set out in the Corporate Governance Report contained in the Annual Report 2009. 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.

Mr. Li Ning is a substantial shareholder of the Company within the meaning of Part XV of the SFO. Mr. Li Ning's brother, Mr. Li Chun, is also a substantial shareholder of the Company within the meaning of Part XV of the SFO. Apart from these, none of the above retiring Directors has any other relationship with any other 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 15 May 2009, 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 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 209,752,842 Shares under the Issue Mandate and to repurchase a maximum of 104,876,421 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

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 websites (www.lining.com and www.irasia.com/listco/hk/lining) and the website of the Hong Kong Stock Exchange (www.hkex.com.hk) 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 and the extension of the Issue Mandate 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.

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 1,048,764,214 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 104,876,421 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 2009) 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 326,419,184 Shares and 323,374,000 Shares, representing approximately 31.12% and 30.83% 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 34.58% and 34.26% 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 did 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:

	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2009		
April	16.24	12.62
May	19.66	15.10
June	23.00	17.90
July	27.00	20.55
August	26.00	20.20
September	25.30	21.00
October	24.10	21.00
November	27.30	21.05
December	29.50	25.00
2010		
January	29.50	22.50
February	25.80	22.20
March	29.50	23.85

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

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

1. **Mr. LI Ning (李寧)**, aged 47, is the founder of the LI-NING brand and the Group's Chairman and an executive Director. He is primarily responsible for formulating the Group's overall corporate strategies and planning.

Mr. Li Ning 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 only 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 in 1989 from his athlete career, Mr. Li Ning 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 20 years to the development of the Group's business, making great contribution to the development of the PRC's sports goods industry. 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.

Mr. Li Ning has also been actively involved in charities via his "Li Ning Fund Association" (李寧基金會) 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 Ning was appointed by The United Nations World Food Programme (WFP) as China's first "WFP Goodwill Ambassador against Hunger".

Save as disclosed, Mr. Li 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.

As at the Latest Practicable Date, Mr. Li had interests, within the meaning of Part XV of the SFO, in 326,419,184 Shares (among which 1,237,334 Shares are short positions), representing 31.12% of the issued shares of the Company.

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

2. **Mr. KOO Fook Sun, Louis**, aged 53, is an independent non-executive Director, Chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee. 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 Hong Kong Stock Exchange. Mr. Koo also serves currently as an independent non-executive director of Weichai Power Company Limited, Midland Holdings Limited, Good Friend International Holdings Inc. and Xingda International Holdings Limited (all of which are listed on the Main Board of the Hong Kong Stock Exchange) and Richfield Group Holdings Limited (listed on the Growth Enterprise Market of the Hong Kong Stock Exchange). Mr. Koo graduated with a bachelor's degree in business administration from University of California, Berkeley in the United States and is a certified public accountant.

From September 2006 to December 2009, Mr. Koo served as an independent non-executive director of China Communications Construction Company Limited (also a company listed on the Main Board of the Hong Kong Stock Exchange); and from January 2007 to October 2009, he was the vice chairman and chief financial officer of 2020 ChinaCap Acquirco, Inc. (a company listed on NYSE Amex).

Save as disclosed, Mr. Koo 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.

As at the Latest Practicable Date, Mr. Koo had interests, within the meaning of Part XV of the SFO, in (i) 130,100 Shares; (ii) options to subscribe for 456,800 Shares granted under the Company's share option scheme; and (iii) 18,200 restricted shares granted under the Company's restricted share award scheme, representing 0.058% of the issued shares of the Company.

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

3. **Mr. CHAN Chung Bun, Bunny**, aged 52, is an independent non-executive Director. Mr. Chan joined the Group in June 2004. Mr. Chan has about 30 years of experience in the garment industry and is currently the chairman of Prospective Holdings Ltd.. Mr. Chan is active in community affairs in Hong Kong. He is currently the chairman of Kwun Tong District Council of Hong Kong and has been appointed as the chairman of the Commission on Youth of Hong Kong for a term of two years commencing from 1 April 2009. Mr. 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 by the Hong Kong Government.

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Save as disclosed, Mr. Chan 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.

As at the Latest Practicable Date, Mr. Chan had interests, within the meaning of Part XV of the SFO, in (i) 18,100 Shares; (ii) options to subscribe for 404,800 Shares granted under the Company's share option scheme; and (iii) 18,200 restricted shares granted under the Company's restricted share award scheme, representing 0.042% of the issued shares of the Company.

Mr. Chan has given an annual confirmation of his independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Board has reviewed and assessed the independence of Mr. Chan in accordance with each factor set out in Rule 3.13(1) to (8) of the Listing Rules and considers Mr. Chan 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 Island Ballroom C, Level 5, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong, on Friday, 14 May 2010 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 2009.
2. To declare a final dividend for the year ended 31 December 2009 to the shareholders of the Company.
3. (a) To re-elect the following directors of the Company:
 - (i) Mr. Li Ning as an executive director;
 - (ii) Mr. Koo Fook Sun, Louis as an independent non-executive director; and
 - (iii) Mr. Chan Chung Bun, Bunny 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 acquires 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 recognised 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.”

By order of the Board
Li Ning
Chairman

Hong Kong, 8 April 2010

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 2009. 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 17M 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, 13 May 2010 to Friday, 14 May 2010 (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, 12 May 2010.
- (4) A circular providing information in relation to re-election of directors of the Company and resolutions No. 5 to No. 7 is enclosed in the Company's annual report 2009.