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**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**

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A notice convening the annual general meeting of Li Ning Company Limited to be held at Island Ballroom A, Level 5, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 13 May 2011 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.

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## DEFINITIONS

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

|                            |  |
|----------------------------|--|
| “AGM”                      | the annual general meeting of the Company to be held at Island Ballroom A , Level 5, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 13 May 2011 at 11:00 a.m. |
| “Annual Report 2010”       | the annual report of the Company for the year ended 31 December 2010 dispatched to the Shareholders together with this circular  |
| “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”  | 25 March 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular  |
| “Listing Rules”            | Rules Governing the Listing of Securities on the Hong Kong Stock Exchange  |
| “Notice of AGM”            | the notice dated 1 April 2011 convening the AGM as set out in Appendix III to this circular  |
| “PRC” or “China”           | the People’s Republic of China   |
| “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. 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

1 April 2011

*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. Chu Wah Hui (a non-executive Director), Mr. James Chun-Hsien Wei (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.

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.

Each of Mr. Chu Wah Hui, Mr. James Chun-Hsien Wei and Ms. Wang Ya Fei had a service agreement with the Company for a term of three years commencing from 1 June 2007, 1 September 2007 and 28 June 2007, respectively. Following the expiry of the relevant service agreement, Mr. Chu Wah Hui, Mr. James Chun-Hsien Wei and Ms. Wang Ya Fei had renewed their respective service agreements with the Company for another term of three years commencing from 1 June 2010, 1 September 2010 and 28 June 2010, respectively. Under such service agreements, the annual fee paid by the Company to each of Mr. Chu and Mr. Wei for the year ended 31 December 2010 was RMB215,000 and the annual fee paid by the company to Ms. Wang for the year ended 31 December 2010 was RMB270,000. Details of the emoluments paid to Mr. Chu, Mr. Wei and Ms. Wang for the year ended 31 December 2010 are set out on page 163 in the Annual Report 2010.

The remuneration policy for the Directors is set out in the Corporate Governance Report contained in the Annual Report 2010. 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.

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 the above 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 14 May 2010, 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 210,644,167 Shares under the Issue Mandate and to repurchase a maximum of 105,322,083 Shares under the Repurchase Mandate.

## LETTER FROM THE CHAIRMAN

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.

### 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](http://www.lining.com) and [www.irasia.com/listco/hk/lining](http://www.irasia.com/listco/hk/lining)) and the website of the Hong Kong Stock Exchange ([www.hkex.com.hk](http://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 1,053,220,836 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 105,322,083 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 2010) 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 325,800,184 Shares and 323,374,000 Shares, representing approximately 30.93% and 30.70% 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 34.37% and 34.11% 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 purchase 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><br><i>HK\$</i> | <b>Lowest</b><br><i>HK\$</i> |
| <b>2010</b>  |                               |                              |
| March  | 29.50                         | 23.85                        |
| April  | 31.95                         | 27.45                        |
| May  | 31.20                         | 23.05                        |
| June   | 29.35                         | 25.20                        |
| July   | 27.70                         | 24.00                        |
| August   | 27.90                         | 24.75                        |
| September  | 25.60                         | 22.80                        |
| October  | 24.85                         | 21.85                        |
| November   | 23.80                         | 19.90                        |
| December   | 22.40                         | 16.22                        |
| <b>2011</b>  |                               |                              |
| January  | 17.48                         | 13.02                        |
| February   | 15.34                         | 13.60                        |
| March (up to and including the<br>Latest Practicable Date) | 16.94                         | 12.94                        |

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

1. **Mr. CHU Wah Hui**, aged 59, is a non-executive Director and a member of the Nomination Committee. Mr. Chu joined the Group in June 2007. Mr. Chu is currently an executive director and chief executive officer of Next Media Limited, a company listed on the Main Board of the Hong Kong Stock Exchange. He is also a director and a nominating and corporate governance committee member of the board of Mettler-Toledo International Inc., a U.S. corporation listed on the New York Stock Exchange. Mr. Chu was non-executive chairman of PepsiCo International's Asia Region between 2007 and 2008. He was president of PepsiCo International — China Beverages Business Unit from 1998 to 2007 and concurrently chairman of PepsiCo (China) Investment Company Limited from 1999 to 2007. Before joining PepsiCo International in 1998, Mr. Chu held various management positions in several U.S. multinational companies, namely, Quaker Oats, HJ Heinz, Whirlpool and Monsanto. Mr. Chu obtained his Bachelor of Science degree from the University of Minnesota and M.B.A. degree from Roosevelt University, both in the United States.

Save as disclosed, Mr. Chu 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. Chu had interests, within the meaning of Part XV of the SFO, in (i) 147,013 Shares, among which 102,013 Shares are held as personal interest and 45,000 Shares are held as family interest; (ii) options to subscribe for 244,987 Shares granted under the Company's share option scheme; and (iii) 6,100 restricted shares granted under the Company's restricted share award scheme, representing 0.038% of the issued shares of the Company.

2. **Mr. James Chun-Hsien WEI**, aged 53, is a non-executive Director. Mr. Wei joined the Group in September 2007. Mr. Wei has been appointed as an executive board member of Beiersdorf Aktiengesellschaft, a global skin and beauty care company listed on the German Stock Exchange, with effect from 1 June 2009. Prior to that, Mr. Wei was the senior vice president of Avon Products, Inc., Asia Pacific ("Avon") and had been responsible for Avon's operations in 10 markets, including Japan, Taiwan, Australia, Philippines and India from 2003 to May 2009. Before joining Avon, Mr. Wei spent 19 years at Procter & Gamble where he rose to become the vice president and general manager of Procter & Gamble Greater China, overseeing the company's health and beauty care business in that region. Mr. Wei holds a B.S.E.E. degree from National Taiwan University and a M.B.A. degree from the University of Chicago in the United States.

Mr. Wei served as an independent non-executive director of Tsann Kuen (China) Enterprise Co., Ltd. (廈門燦坤實業股份有限公司), a company listed on the Shenzhen Stock Exchange, from May 2003 to May 2008.

Save as disclosed, Mr. Wei 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. Wei had interests, within the meaning of Part XV of the SFO, in (i) 28,200 Shares; (ii) options to subscribe for 314,800 Shares granted under the Company's share option scheme; and (iii) 6,100 restricted shares granted under the Company's restricted share award scheme, representing 0.033% of the issued shares of the Company.

3. **Ms. WANG Ya Fei**, aged 55, 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 20 years of experience in management and corporate finance matters. 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. Ms. Wang also serves as a non-executive director of Xueda Education Group which became listed on the New York Stock Exchange in November 2010. 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 a M.B.A. degree from University of Lancaster in the United Kingdom.

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 he hold any other major appointments.

As at the Latest Practicable Date, Ms. Wang had interests, within the meaning of Part XV of the SFO, in (i) 194,200 Shares; (ii) options to subscribe for 404,800 Shares granted under the Company's share option scheme; and (iii) 6,100 restricted shares granted under the Company's restricted share award scheme, representing 0.057% of the issued shares of the Company.

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 still 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 Island Ballroom A, Level 5, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong, on Friday, 13 May 2011 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 2010.
2. To declare a final dividend for the year ended 31 December 2010 to the shareholders of the Company.
3. (a) To re-elect the following directors of the Company:
  - (i) Mr. Chu Wah Hui as a non-executive director;
  - (ii) Mr. James Chun-Hsien Wei as a non-executive director; and
  - (iii) 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, employees, officers, agents, consultants or representatives 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 Rules 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, 1 April 2011

*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 2010. 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 determining the entitlement to the proposed final dividend and the right to attend and vote at the above meeting, the register of members of the Company will be closed from Thursday, 12 May 2011 to Friday, 13 May 2011 (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 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, 11 May 2011.
- (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 2010.