



LI NING COMPANY LIMITED

(李寧有限公司)

(Incorporated in the Cayman Islands with limited liability)

[For Immediate Release]

Li Ning Announces Results of Placing and Public Offer

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Exceeded 132 times and 11 times Subscription Rates in the Hong Kong Public Offer and International Placing Respectively

Final Offer Price set at HK\$2.15 per share

(25 June 2004 – Hong Kong) – **Li Ning Company Limited** ('Li Ning' or the 'Group'; HKSE stock code: 2331), one of the leading sports brand enterprises in the PRC, announced today that its Hong Kong Public Offer and International Placing recorded encouraging subscription rates of over 132 times and over 11 times, respectively. Offer Price for its Initial Public Offer has been set at HK\$2.15 per share.

The Share Offer comprises an International Placing and a Hong Kong Public Offer. A total of 246,516,000 shares will be issued under the Share Offer. As a result of the over-subscription in the Hong Kong Public Offer, the clawback mechanism has been applied. The total number of Offer Shares available under the Hong Kong Public Offer will be increased to 123,258,000 Offer Shares, representing 50% of the total number of Offer Shares available under the Share Offer, and the total number of Offer Shares under the International Placing has been reduced to 123,258,000 Offer Shares, representing 50% of the total number of Offer Shares available under the Share Offer.

Trading of the shares on the Main Board of The Stock Exchange of Hong Kong Limited is expected to commence on Monday, 28 June 2004. DBS Asia Capital Limited is the Global Coordinator, Bookrunner, Lead Manager and Sponsor of the Share Offer.

Commenting on the subscription results, Mr. Li Ning, Chairman of the Group stated, "We are happy to see that investors have shown such great interest in our initial public offering. We hope that the response from both institutional and retail investors is a good indication of their understanding and recognition of the LI-NING brand and the Company's growth potential."

"Looking ahead, we will continue our effective marketing and promotion activities and further enhance our nationwide distribution and retail network to build upon our prominent market presence. Upholding the mission of "*LI-NING - Flying High in China Sports*", we have every confidence in becoming the leader in the PRC's sports industry and operator and owner of international sports brands. We pledge ourselves to create and provide quality sporting goods for people pursuing a healthy lifestyle, and to cultivate promising value for our shareholders in the years to come," concluded Mr. Li.

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Li Ning Company Limited is one of the leading sports brand enterprises in the PRC. We have our own branding, research, design, manufacturing, distribution and retail capabilities. Our products include sports footwear, apparel and accessories for sport and leisure use primarily sold under the LI-NING brand, which is owned by us, and the KAPPA brand, which is exclusively licenced to us for use in the PRC and Macau. We have established an extensive distributorship and retail network in the PRC market.

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