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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)

LATEST TRADE FAIR ORDERS AND OPERATIONAL UPDATE

This announcement is made on a voluntary basis by the board of directors (the “**Board**”) of Li Ning Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to provide the following operational update on the Group’s business.

TRADE FAIR RESULTS

Trade fair orders, in terms of tag price, for LI-NING brand products from franchised distributors registered year-on-year growth for fourteen consecutive quarters. The orders from the latest trade fair, which are for the fourth quarter of 2017, held in April this year registered a mid-single-digit growth on a year-on-year basis, meeting our target based on more precise trade fair order strategy.

SAME-STORE-SALES GROWTH

For the quarter ended 31 March 2017, in respect of LI-NING Point-of-Sales (POS) which have been in operation since the beginning of the same quarter last year, the same-store-sales growth for the overall platform (including e-commerce) maintained almost flat on a year-on-year basis. In terms of channels, growth rates of both retail (direct operation) and wholesale (franchised distributors) registered a mid-single-digit decrease on a year-on-year basis, while the e-commerce virtual stores business registered a low-fifty growth on a year-on-year basis.

RETAIL SELL-THROUGH

For the quarter ended 31 March 2017, the retail sell-through of LI-NING POS for the overall platform (including e-commerce) increased by high-single-digit on a year-on-year basis. In terms of channels, retail (direct operation) registered a high-single-digit growth on a year-on-year basis, wholesale (franchised distributors) maintained almost flat on a year-on-year basis, while the e-commerce virtual stores business registered a mid-sixty growth on a year-on-year basis.

POS NUMBERS

As at 31 March 2017, the total number of LI-NING POS in China amounted to 6,352, representing a net decrease of 88 POS since the beginning of this year, as well as the end of previous quarter. Out of the 88 POS, direct retail and wholesale accounts for 41 and 47 POS, respectively.

The Company's shareholders and potential investors should note that this announcement is based on unaudited operational data of the Group and this data has not been audited or reviewed by Group's auditors. The data does not constitute, represent or indicate the full picture of the Group's total revenue or financial performance and the information contained in this announcement may be subject to change and adjustment.

The Company's shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Li Ning Company Limited
Li Ning
Executive Chairman
and Interim Chief Executive Officer

Hong Kong, 28 April 2017

As at the date of this announcement, the executive director of the Company is Mr. Li Ning. The non-executive directors of the Company are Mr. Chen Yue, Scott and Mr. Wu, Jesse Jen-Wei. The independent non-executive directors of the Company are Mr. Koo Fook Sun, Louis, Ms. Wang Ya Fei, Dr. Chan Chung Bun, Bunny and Mr. Su Jing Shyh, Samuel.