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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)

UPDATE ON DISCLOSEABLE TRANSACTION IN RELATION TO THE INVESTMENT AGREEMENT

Reference is made to the announcement of the Company dated 8 November 2019 (the “**Announcement**”) in relation to the Group’s investment in the Project pursuant to the Investment Agreement. Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

UPDATE ON THE PROJECT AND THE INVESTMENT AMOUNT

Li Ning Guangxi had successfully acquired the land use right over the Land, and has been making investments on the construction of the supply chain base as set out in the Announcement. As disclosed in the Announcement, the maximum investment amount (the “**Investment Amount**”) pursuant to the Investment Agreement was estimated to be approximately RMB1.5 billion. Having said that, Li Ning Guangxi and the Committee had entered into an investment agreement dated 23 May 2023 (the “**2023 Investment Agreement**”), pursuant to which the Investment Amount shall be increased from approximately RMB1.5 billion to approximately RMB3.3 billion.

Save as disclosed above, all other principal terms of the Investment Agreement as disclosed in the Announcement remain unchanged.

REASONS FOR AND BENEFITS OF INCREASING THE INVESTMENT AMOUNT

The higher Investment Amount is primarily due to the establishment of a high-end intelligent manufacturing and flexible supply chain base and a high-level research and development (R&D) and experience center to meet the company’s future development needs. In formulating the updated construction plan for the Project, the Group not only includes the construction of production facilities, but also put an emphasis on putting more resources into R&D and experience to enhance the Group’s technological R&D capability and to provide consumers with better product experience, sports experience and consumption experience. With the higher Investment Amount to implement the

upgraded plan, the Group is committed to complete the Project to expand its production capacity and output of differentiated sports products, and enhance its R&D functions, in order to gain further market share. The Directors are therefore of the view that the increase in the Investment Amount and the terms of the 2023 Investment Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

This announcement is made by the Company pursuant to Rule 14.36 of the Listing Rules as the revision in the maximum Investment Amount under the Investment Agreement constitutes a material variation of the terms of the Investment Agreement as previously announced in the Announcement.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the above-mentioned increased Investment Amount exceeds 5% but all are less than 25%, the Company's investment under the Investment Agreement with the enlarged Investment Amount still constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements, but exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

By order of the Board
Li Ning Company Limited
Li Ning

Executive Chairman and Joint Chief Executive Officer

Hong Kong, 23 May 2023

As at the date of this announcement, the executive directors of the Company are Mr. Li Ning, Mr. Kosaka Takeshi and Mr. Li Qilin. The independent non-executive directors of the Company are Mr. Koo Fook Sun, Louis, Ms. Wang Ya Fei, Dr. Chan Chung Bun, Bunny and Ms. Wang Yajuan.