

# ////// INVESTOR RELATIONS REPORT

The year of 2020 was an extraordinary year with the far-reaching impacts brought by the sudden outbreak of the COVID-19 pandemic in terms of economic development, industry landscape and lifestyle. For the sports industry, despite the short-term volatility, people's lifestyle under the new normal amid the pandemic such as work from home arrangement and indoor fitness has stimulated the increasing demand on sports consumption. Given the increasing public awareness and emphasis on physical and mental health, there was an increase rather than decrease in industry opportunities, hence the sports market remained dynamic with promising prospect to forge ahead. On this basis, the Group continued to further strengthen the development strategy of "Single Brand, Multi-categories, Diversified Channels" with products, channels and retail capability, and supply chain management as main business focuses, and attracted the attention of consumers with continuous innovative and special activities such as fashion weeks and cross-sector crossover collaborations. In addition, the launch of exclusive products and the development of innovative and diversified channels have further enriched the brand image and influence. During the year, the Group saw further improvements in its overall profitability with steady improvements in both operational indicators and operation efficiency.

The steady improvement of brand competitiveness and the excellent results performance have won the brand with more consumers on the one hand, and attracted more attention from global capital market on the other, which has in turn brought about new demands and new challenges on the investor relation of the Company. During the year, in strict compliance with the relevant information disclosure requirements of the Hong Kong Stock Exchange, the Investor Relations Department of the Company took "Communication and Discovery, Transmission and Recommendation" as its major task, and adhered to the communication principle of "accessible, credible and timely" to ensure effective communication between seller/analysts and buyer/investors, striving to demonstrate a more complete picture of the Company's business development to the investment community.

## • **Communication and Discovery**

- Except the black-out period prior to the publication of results announcement, the Investor Relations Department strictly complied with the relevant requirements of the Hong Kong Stock Exchange to disclose information on a regular basis, at the same time maintaining timely communication with the investment community on the Company's operating performance. A smooth and effective two-way communication model was maintained through the active daily meeting and conference call mechanism;
- The Investor Relations Department deepened and broadened the conveying of information by further enhancing the participation in investors' forums and conducting more focused interactive communication;
- The Investor Relations Department actively listened and responded to the demand of the investment community for the knowledge on the business development of the Company, including issues such as "Environment, Social Responsibility, Corporate Governance" which received increasing attention year by year, as well as focused on discovering outstanding industry standards.

- **Transmission and Recommendation**

- As a two-way bridge for information communication, apart from helping the investors experience LINING’s experience value in a more detailed, practical and comprehensive way, the Investor Relations Department summarized and collected the feedbacks from the investment community and reported to the Company’s management, which has become a common work practice;
- The Investor Relations Department consistently summarized and explored excellent industry experience and work practice and report and offer recommendation on such information to the management so as to be committed to providing forward-looking plans to improve operation and corporate governance of the Company.

Investor communication activities of the Company during the year are summarized as below:

| Type of activities                      | 2020  | 2019                              | 2018                              |
|---|---|-----------------------------------|-----------------------------------|
| Roadshows (including reverse roadshows) | <b>2 times</b><br><b>(65 meetings in total)</b> | 2 times<br>(64 meetings in total) | 2 times<br>(67 meetings in total) |
| Forum                                   | <b>8 times</b><br><b>(61 meetings in total)</b> | 8 times<br>(64 meetings in total) | 8 times<br>(79 meetings in total) |
| Meeting                                 | <b>21 times</b>                                 | 110 times                         | 115 times                         |
| Conference call/online conference       | <b>312 times</b>                                | 236 times                         | 241 times                         |
| Store visit                             | –   | 18 times                          | 19 times                          |

Notes:

1. Affected by the COVID-19 pandemic, investor meetings were mainly conducted by way of online or telephone conference in 2020;
2. Affected by the COVID-19 pandemic, store visit activities were suspended in 2020.

In 2020, the Company was awarded the Most Honored Company in “All-Asia Executive Team” organized by Institutional Investor and ranked the first place in a number of awards such as Best Investor Relations Professional and Best ESG Report in Discretionary Consumption Sector, and ranked top three in several awards such as Best Investor Relations Program and Best Investor Relations Team. Another year of honors and awards are not only evidence of confidence in the Company from the capital market, but also represent positive recognition from the investment community for our long-term, consistent and stable investor relation work.

Looking forward to 2021, in line with the Company’s development progress, the Investor Relations Department of the Company will continue to focus on the core working principle of “Communication and Discovery, Transmission and Recommendation”, emphasize on helping the investment community gain a more comprehensive and prompt understanding of the Company’s current development and future approach so as to continuously and proactively maintain confidence of the Company’s long-term development from the capital market.

## **Information for Investors**

### **Share Information**

Listing: Main Board of the Hong Kong Stock Exchange on 28 June 2004  
Stock code: 2331  
Board lot: 500 shares  
No. of issued shares as at 31 December 2020: 2,489,133,234  
Market capitalisation as at 31 December 2020: approximately HK\$132,670,801,372

### **Dividend for 2020**

Interim dividend: Nil  
Final dividend: RMB20.46 cents per share

### **Financial Calendar**

Announcement of annual results: 18 March 2021  
Annual General Meeting: 11 June 2021

### **Corporate Websites**

Li Ning Official Website: <http://www.lining.com>  
Li Ning IR Website: <http://ir.lining.com>

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