



Chinese Table Tennis Team



LI NING COMPANY LIMITED

2025 INTERIM RESULTS

(Incorporated in the Cayman Islands with limited liability) Stock Codes: 2331 (HKD counter) and 82331 (RMB counter)



Chinese Diving Team



Chinese Shooting Team

DISCLAIMER



This presentation incorporates information contained in the interim results announcement (the “Results Announcement”) for the six months period ended 30 June 2025 of Li Ning Company Limited (the “Company”). This presentation should be read in conjunction with the Results Announcement and is qualified in its entirety by the more detailed information and financial information contained in the Results Announcement.

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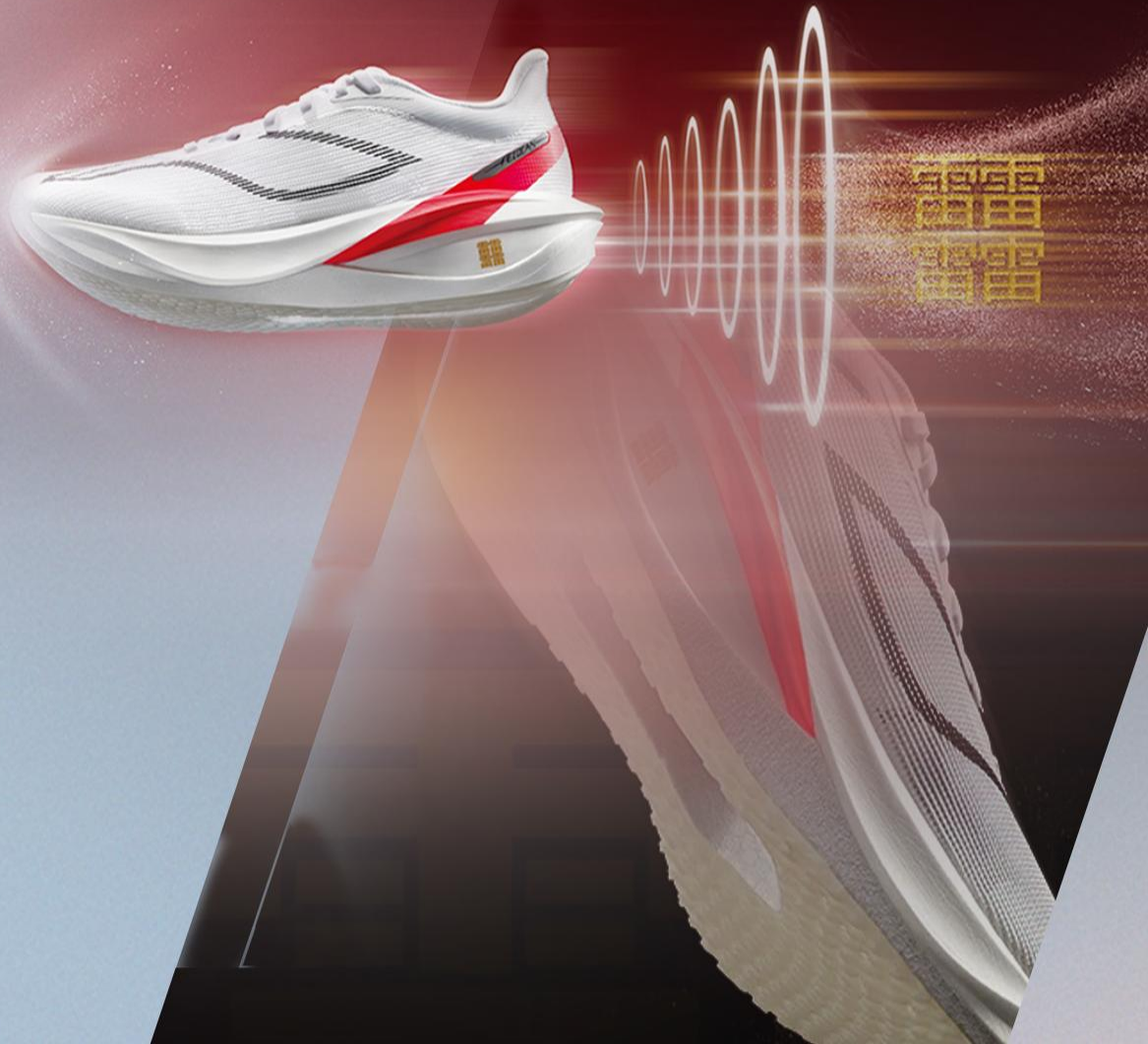
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01

RESULTS HIGHLIGHTS



2025 interim results highlights:

consolidated the foundation to achieve pragmatic growth

Financial highlights (in RMB)

Revenue

14,817 million

↑ Increased by 3.3% YoY

Gross margin

50.0%

✓ Decreased by 0.4 p.p. YoY

Net profit¹

1,737 million

¥ Net profit margin: **11.7%**

Net operating cash inflow

2,411 million

✓ Decreased by 11.7% YoY

The percentage of gross average working capital to revenue

7.3%

🔄 The cash conversion cycle: 31 days, flat YoY

Interim dividend²

33.59 cents/ordinary share

💰 Payout ratio: **50%**

Operational highlights

Overall channels retail sell-through³

↑ Increased by low-single-digit YoY

Offline channel new product sell-through accounted for

84%

🏠 maintaining at a healthy level

Channel inventory

Inventory level: ↑ Increased by low-single-digit YoY

🏠 Inventory turnover and aging structure remained at healthy levels

1: Refer to net profit attributable to equity holders of the Company

2: The Board resolved to declare an interim dividend of RMB 33.59 cents per ordinary share of the Company issued or to be issued upon conversion of convertible securities for the six months ended 30 June 2025

3: Including online and offline



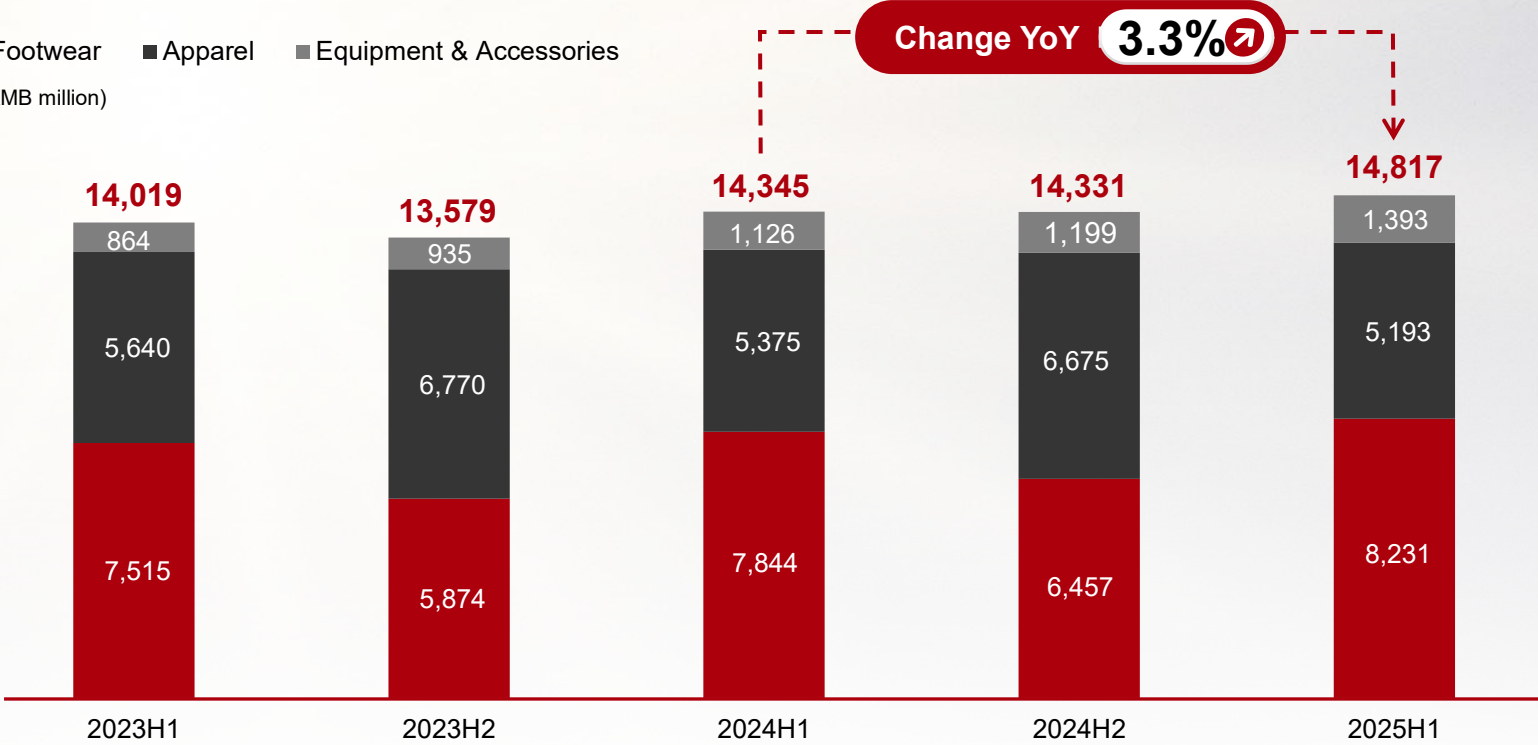
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FINANCIAL REVIEW



Revenue: professional products propelled growth momentum

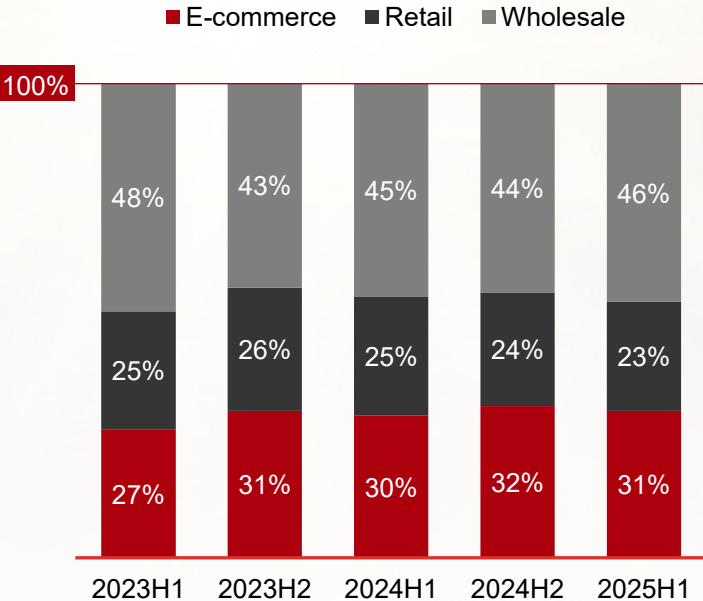
■ Footwear ■ Apparel ■ Equipment & Accessories
(RMB million)



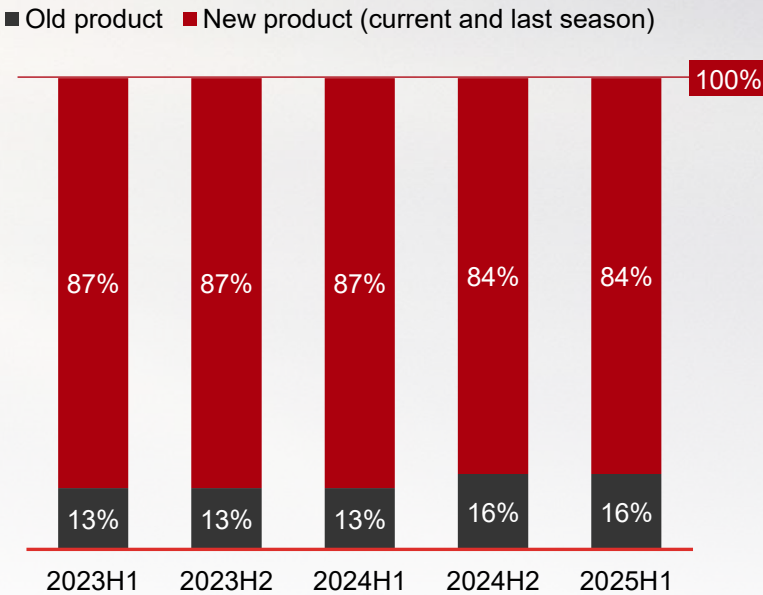
Revenue: group total

Revenue and sell-through mix: **online consistently outperformed offline**

Channel revenue mix



Sell-through mix (incl. retail and wholesale)

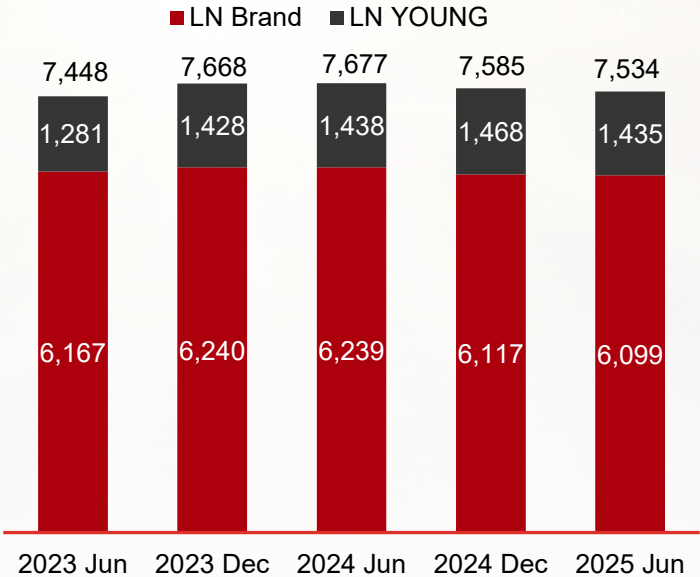


Revenue and retail sell-through: LN brand (including China LI-NING and LI-NING 1990), excl. international markets and LN YOUNG

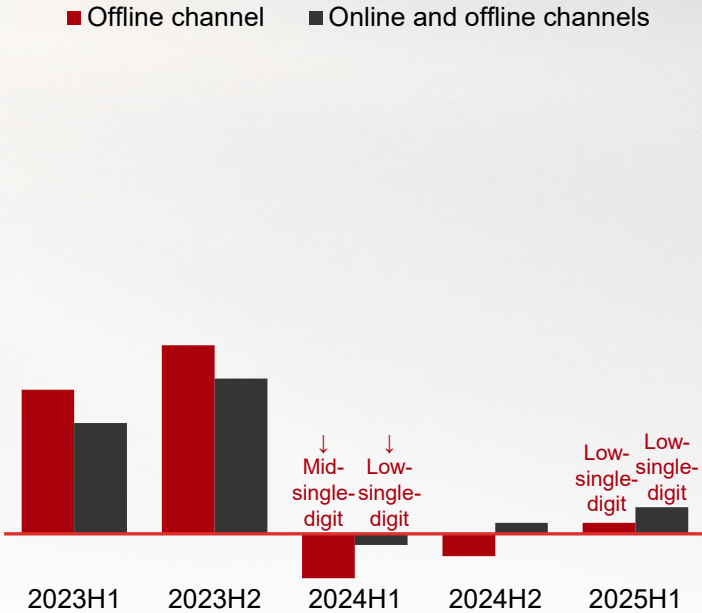


Online and offline: integrated and optimized store network to ensure robust retail-end operation

POS number (six months end)



Sell-through growth, YoY% (excl. LN YOUNG)

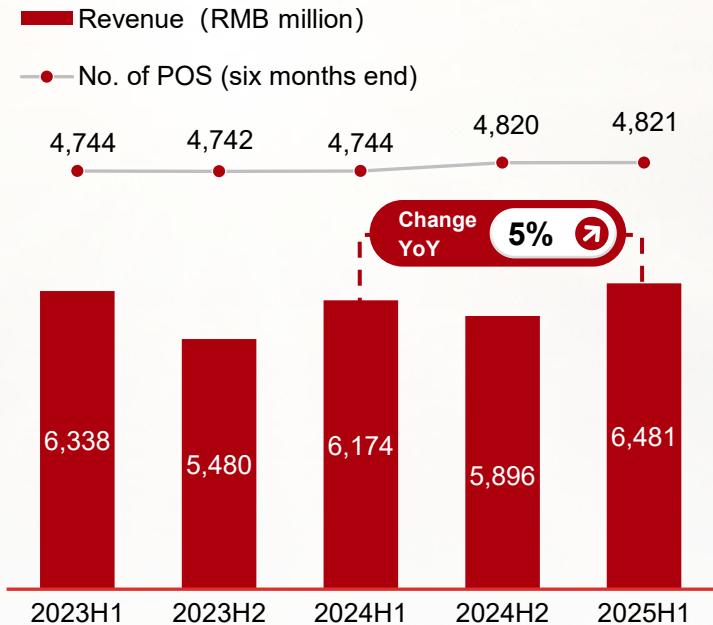


Sell-through growth: LN brand (including China LI-NING and LI-NING 1990), excl. international markets and LN YOUNG

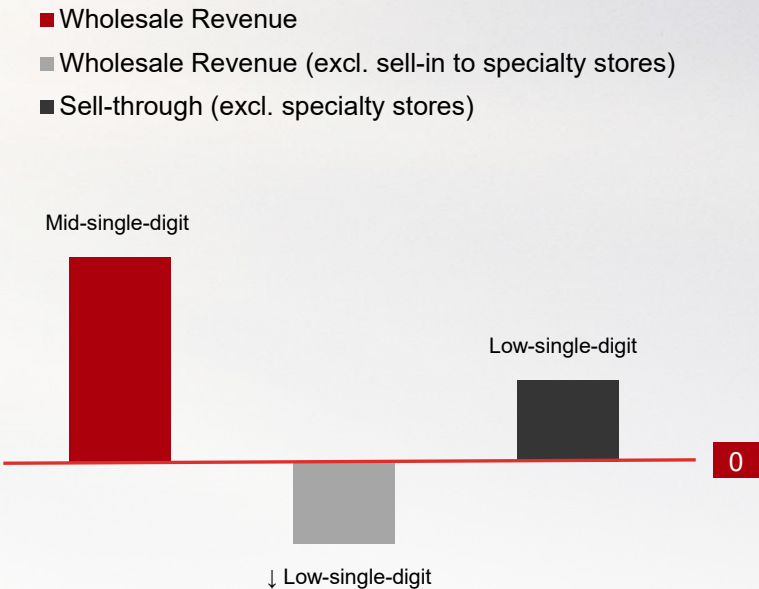


Wholesale business: rationally adjusted the pace of shipments to ensure healthy retail channels

Business performance



Sell-through and revenue change, YoY%

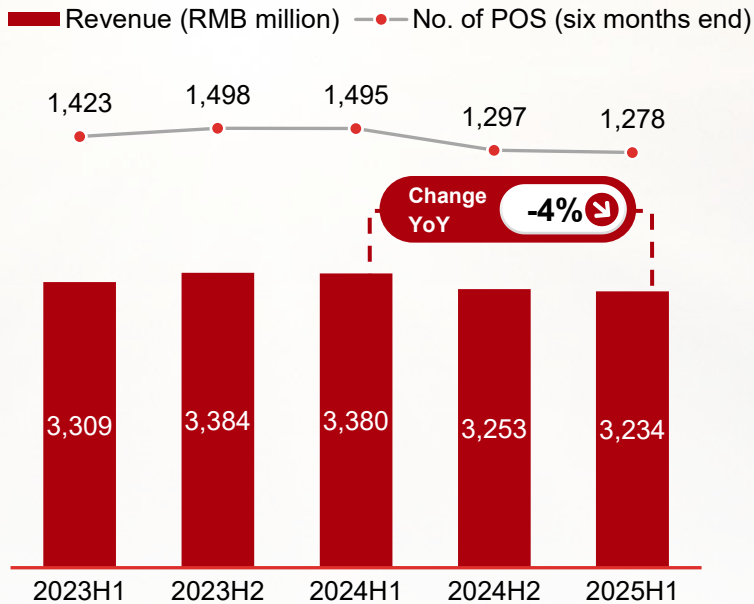


Wholesale business: LN brand (including China LI-NING, product sales of badminton and table tennis categories from specialty-stores), excl. international markets and LN YOUNG



Direct retail business: optimized store structure to enhance retail operational efficiency

Business performance



Revenue change analysis



Direct retail business: refers to direct retail operation, LN brand (including China LI-NING and LI-NING 1990), excl. LN YOUNG



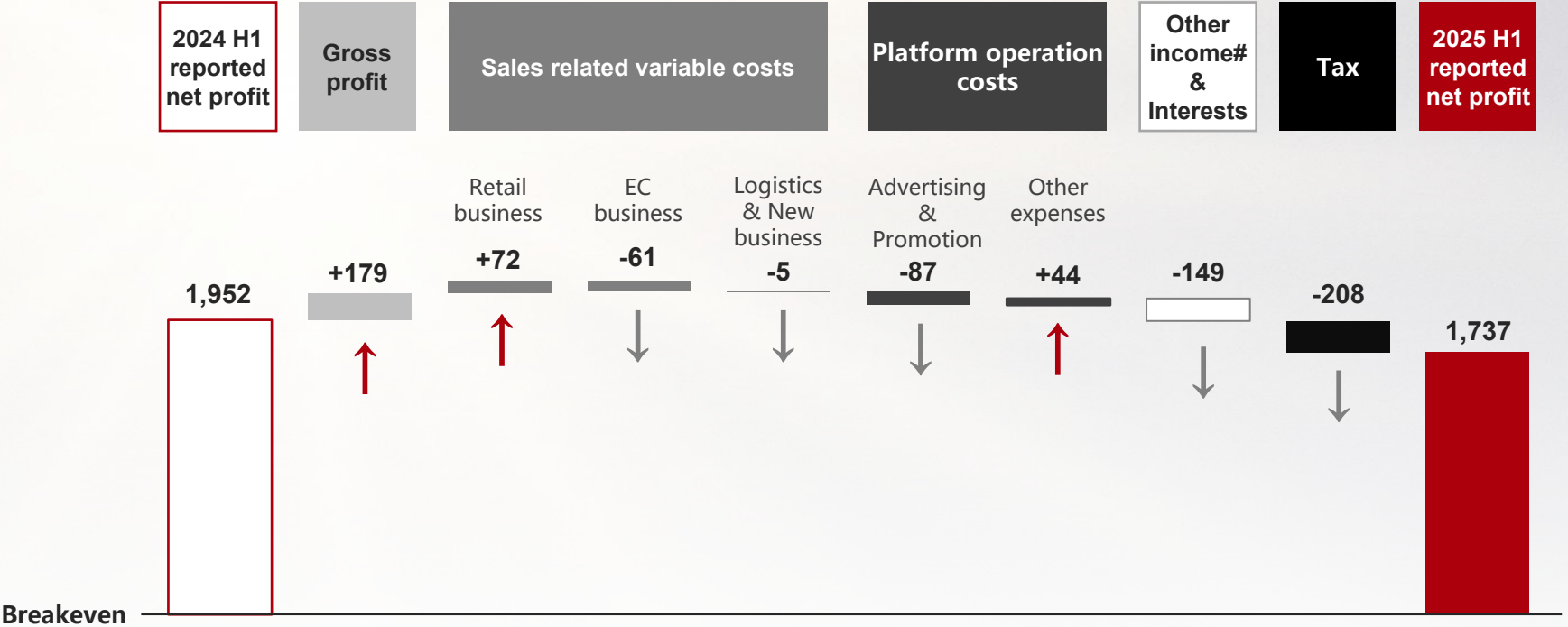
GP margin analysis: margin compression driven by deeper discounts and channel mix shifts



Gross profit margin: net changes in major items

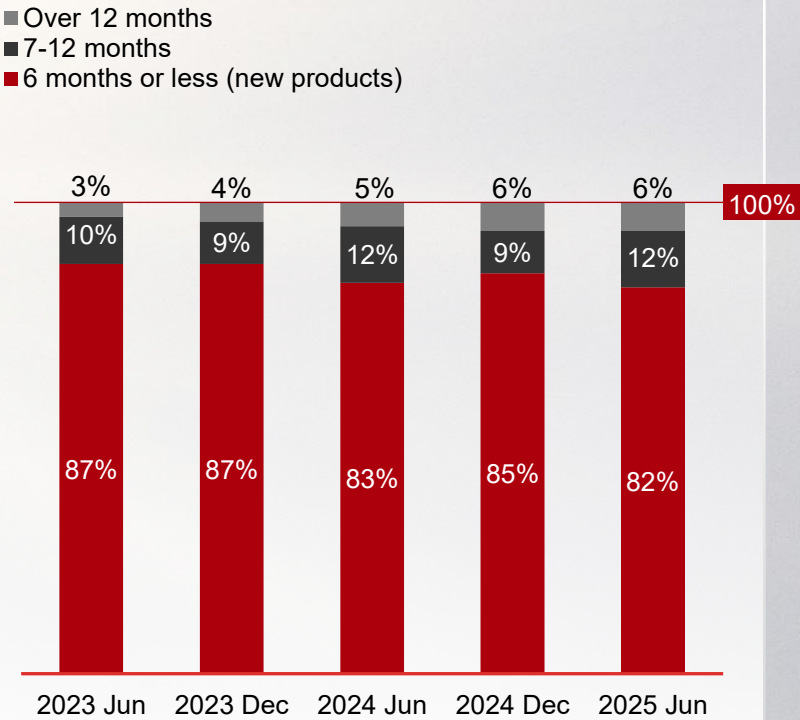
Profitability analysis: **focused on core resource investment to drive long-term returns**

(RMB million)



Profitability analysis: net change in major P&L items
Other income includes (i) other income and other gains (net), (ii) share profit from associates and joint venture

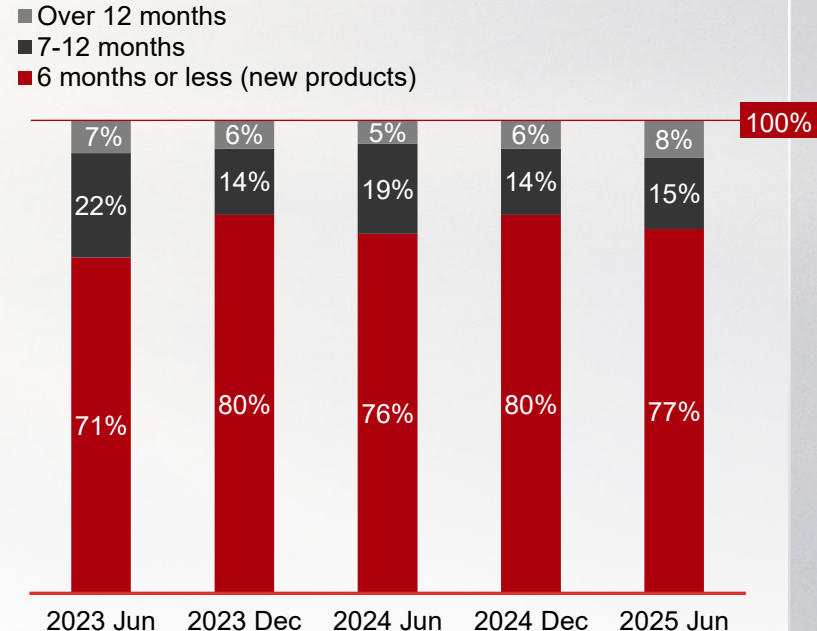
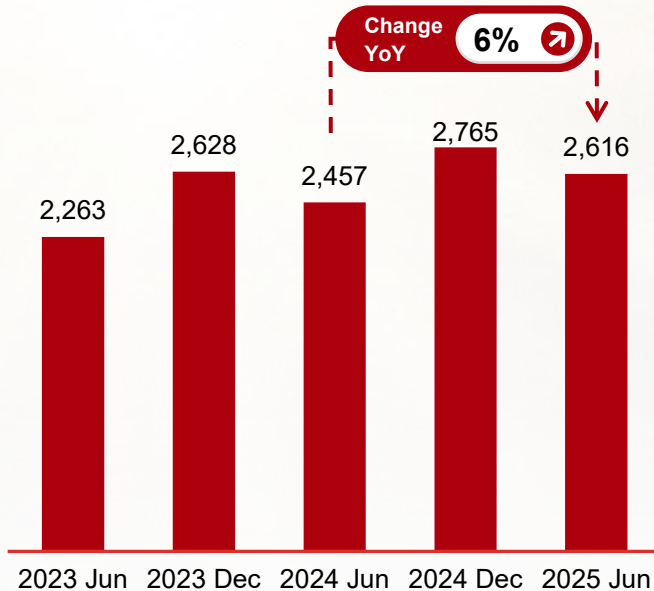
Channel inventory: inventory turnover and aging structure remained healthy



Channel inventory: including online and offline

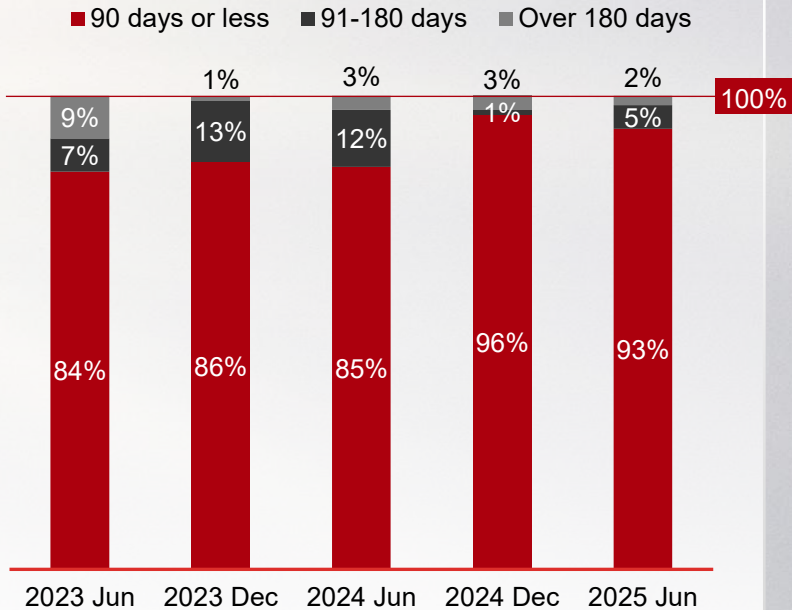
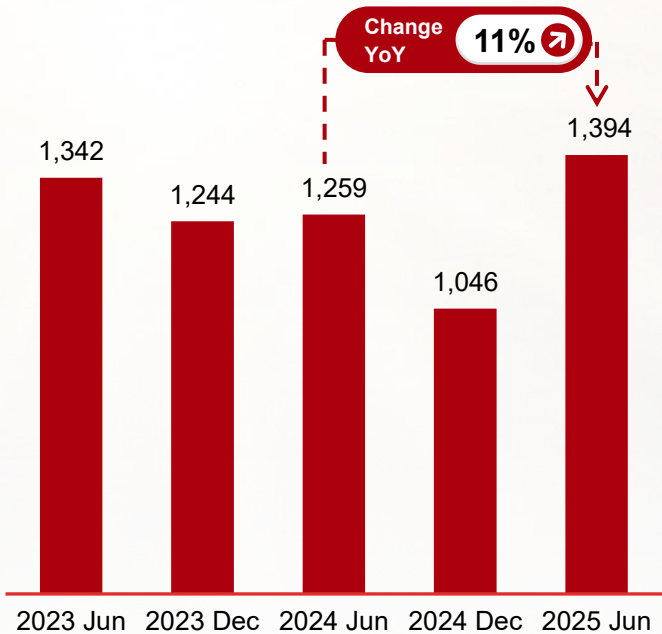
Company inventory: **healthy inventory level and aging structure**

At cost, before provision (RMB million)

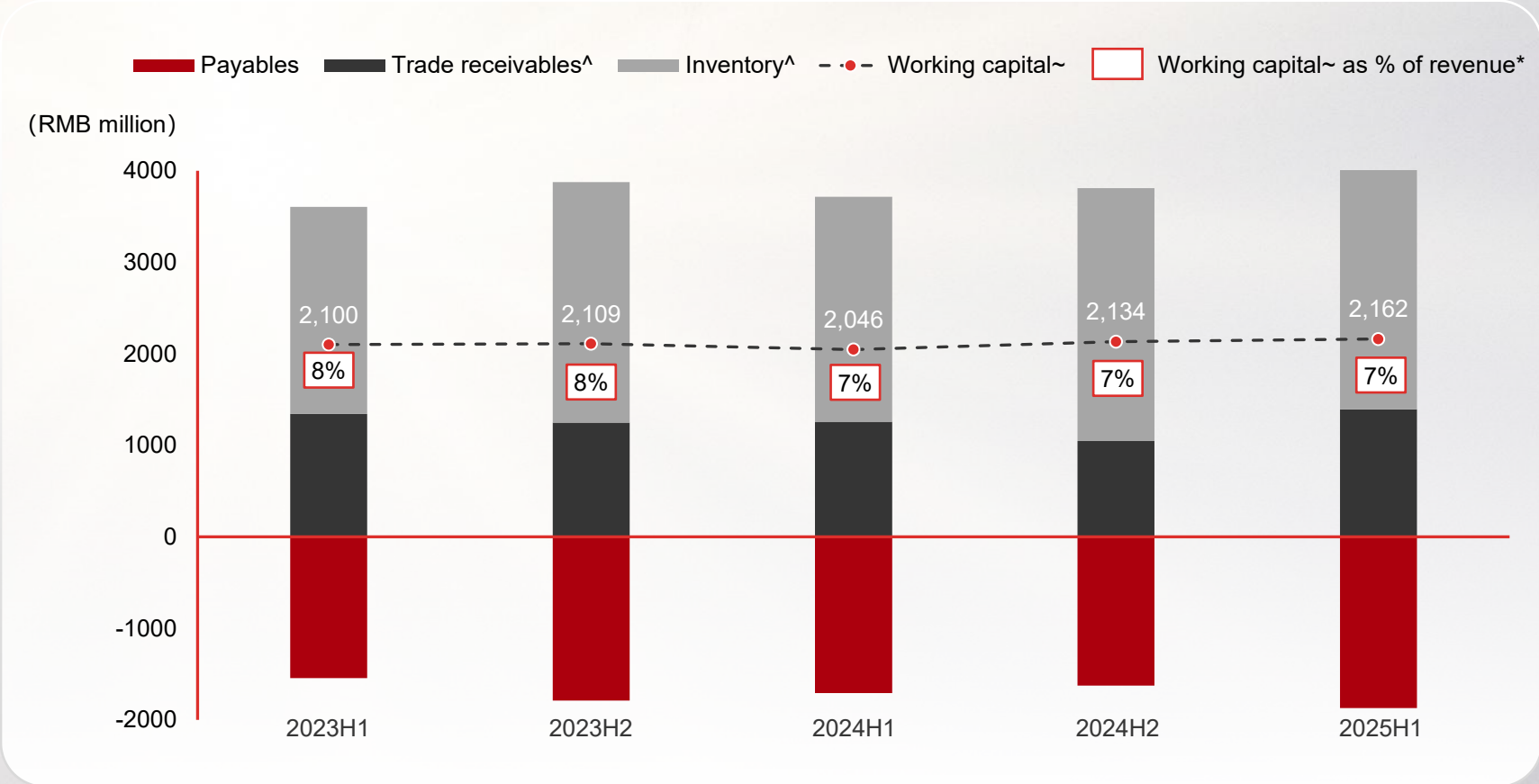


Trade receivables: at a reasonably healthy level

At gross amount, before provision (RMB million)



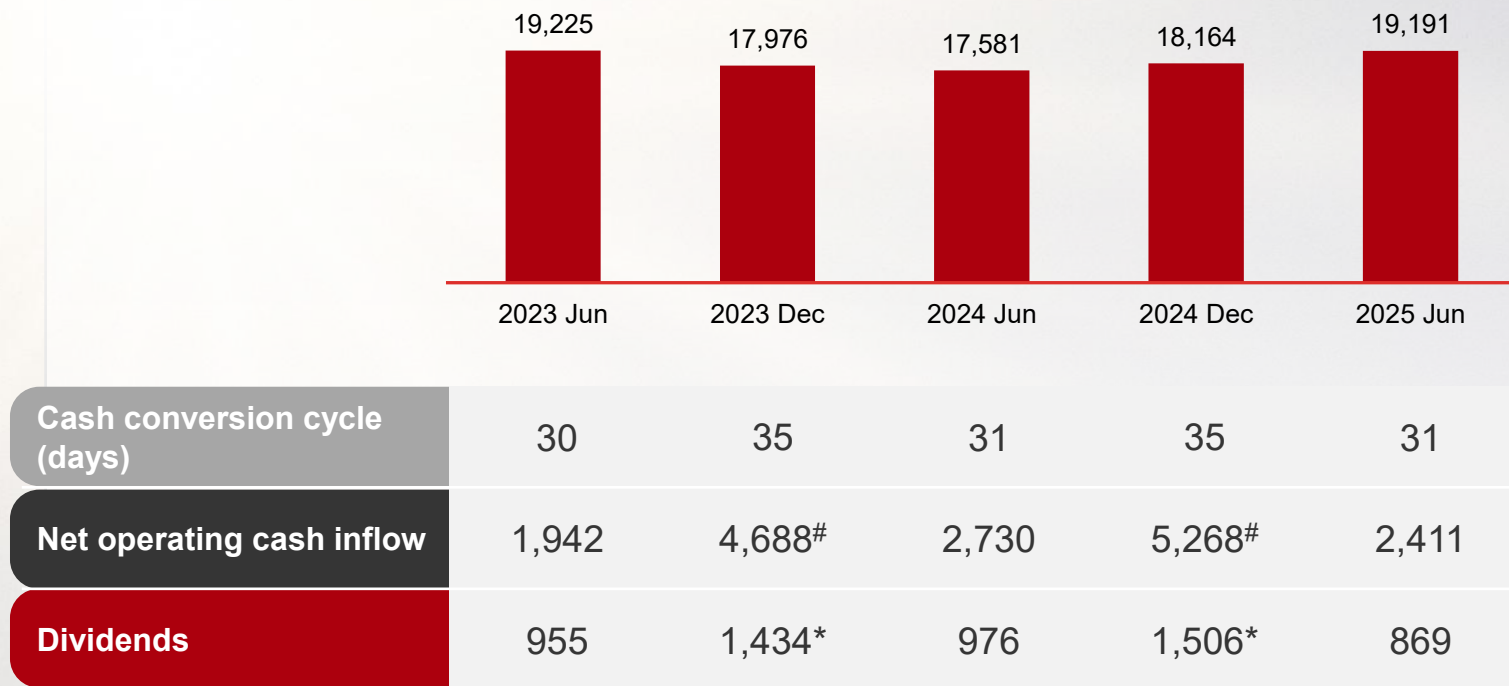
Working capital efficiency: robust efficiency drove sustainable business development



~ Simple average of the beginning and end of the period
^ Gross amounts of inventory, trade receivables without netting off provisions
* Annualised income

Balance sheet summary: **healthy operating cash flow**

Net cash position[^] (RMB million)



[^]Net cash = cash and cash equivalents (including restricted bank deposits + time deposits) - borrowings

[#] Net cash generated from operating activities for the year

^{*} Including interim dividends and final dividends



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STRATEGIC DIRECTION



Leveraging industry growth and opportunities to drive LI-NING's experience value



Nationwide sports enthusiasm and supportive policies are unlocking industry potential and driving high quality development

Rising demand for sports products is fueling steady market growth

Partnerships with the Chinese Olympic Committee and sports marketing are fully elevating Li Ning's experiential value



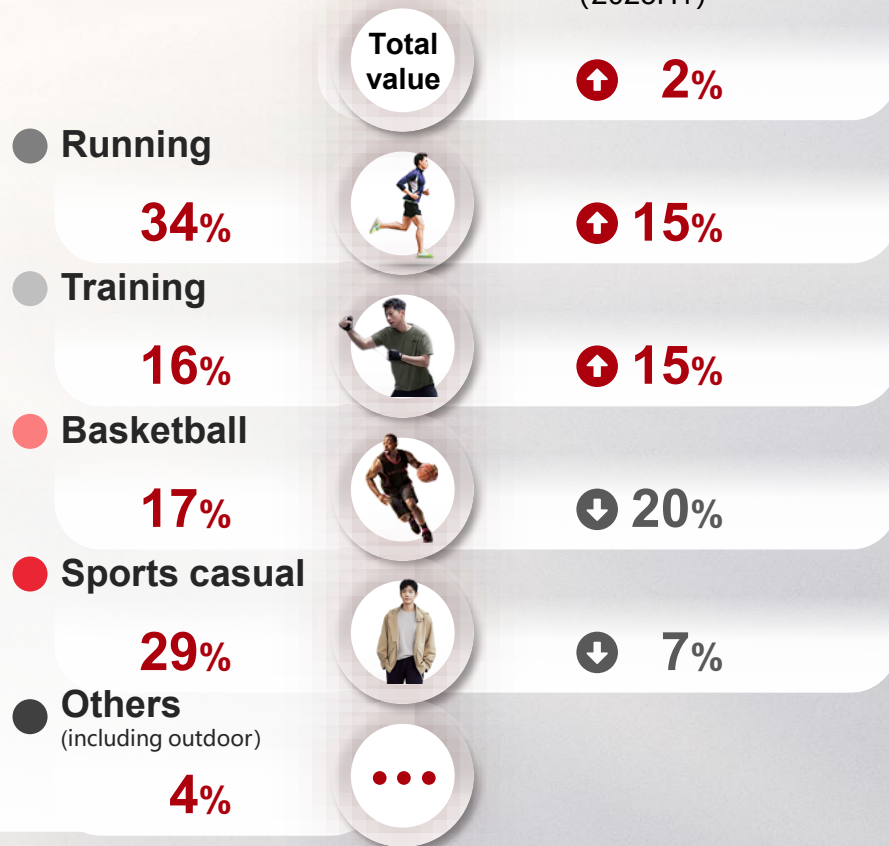
Continuing to drive “single brand, multi-categories, diversified channels” strategy



Leveraging expertise to expand into sub-segments and drive business growth



Retail sell-through* - YoY change (2025H1)



*Including online and offline



Running – breakthroughs beyond every step

Product Performance Leaps Ahead



Rouge Rabbit 8 Pro

Upgraded full-length
one-piece BOOM midsole

Rebound performance

↑ **20%**

Heel features an enhanced wraparound TPU for improved torsion resistance and protection

Stability

↑ **11%**

Breakthrough to higher endurance and faster running speed



Yue Ying 5 Pro

Equipped with Super BOOM
midsole technology

Midsole rebound ratio*

reduced to **10.8**

The first jogging shoe equipped with Super Boom technology further improves the technical layout of LI-NING's professional running shoe matrix

Brand Strength Professional Recognition



In 1H25, total
professional running
shoe sales exceeded

14 million pairs

Among these, the three
core series - Super
Light, Rouge Rabbit,
and Feidian - achieved
total sales of over

5.26 million pairs



During the period,
empowered sponsored
athletes achieved a total of

44 championships

84 podium finishes

in international and
domestic competitions



Through event partnership,
LI-NING provided a signature
event experience to

55,000 athletes

At the Beijing Half Marathon, LI-NING running shoes achieved a

61.35% usage rate,
ranking **TOP1** among runners
finishing in 90 minutes

The ratio of the midsole's cushioning to rebound performance. A lower rebound ratio indicates a more precise balance between stronger cushioning and high responsiveness

Basketball – nurturing rising stars and leading the future with expertise



- At the 2025 NBA Draft, LI-NING's signed Chinese player Yang Hansen was selected 16th overall in the first round by the Portland Trail Blazers, becoming the third Chinese player ever chosen by NBA in the first round.
- Starting with Yang Hansen, LI-NING has integrated Eastern aesthetics to design his exclusive personal logo. His debut signature basketball shoe, the Yu Shuai Ultra Low, features a full-length Boom midsole and carbon fiber arch support, perfectly engineered for the needs of agile, modern centers.



- Leveraging star athlete partnerships and e-commerce channels, LI-NING created the **DLO1**, an entry-level signature shoe for NBA star D'Angelo Russell. This collaboration, combined with Russell's China tour, launched a new breakout product.
- With the signing of CBA All-Star import Kenneth Lofton Jr., the next-generation **Wade 808 5 ULTRA** was officially launched. Featuring an embedded Super BOOM midsole, the shoe delivers an all-new feel and enhanced on-court performance.



Training – empowered by aerospace technology, elevating sports comfort to new dimensions



Jointly established the Aerospace Technology Innovation Application Laboratory with the **Aerospace Technology Innovation Application Platform** to explore advanced aerospace technologies for versatile sports and fitness gear.

Applied “**Aerospace Quick-Drying**” and “**Aerospace UV Defense**” technologies to design two major products: **Quick-Drying Clothing** and **Mirror UV Defense Clothing**, which received positive market feedbacks.



Air-Cooling Clothing

Advanced moisture-wicking and cooling fabric technology delivers a fresher, cooler, and more comfortable wearing experience for consumers.



Airflow Clothing

Suspended airflow yarn structure creates a breathable layer between fabric and skin, greatly enhancing ventilation and comfort.



Sports casual – partnering with global IPs and drawing on cultural inspiration to create innovative products



Disney Pixar Collaboration Series

Inspired by iconic characters of Toy Story, this series blends retro trends and playful aesthetics into product design, offering consumers stylish and versatile sportswear choices.



Enriching Women's Product Matrix

Capturing spring/summer vibes with sporty and vibrant collections, this line features fresh retro colors and minimalist patterns, empowering women to express confidence and energy through sports.



Integration of Chinese Culture and Brand

This renewed collaboration with the Palace Museum combines rich cultural heritage with the spirit of Chinese sports, giving products deeper national and cultural significance.



Brand marketing – enhancing product functionality with aerospace technology and supporting the development of China's sports industry



LI-NING and the Chinese Olympic Committee held a signing ceremony at the General Administration of Sport of China to announce their partnership



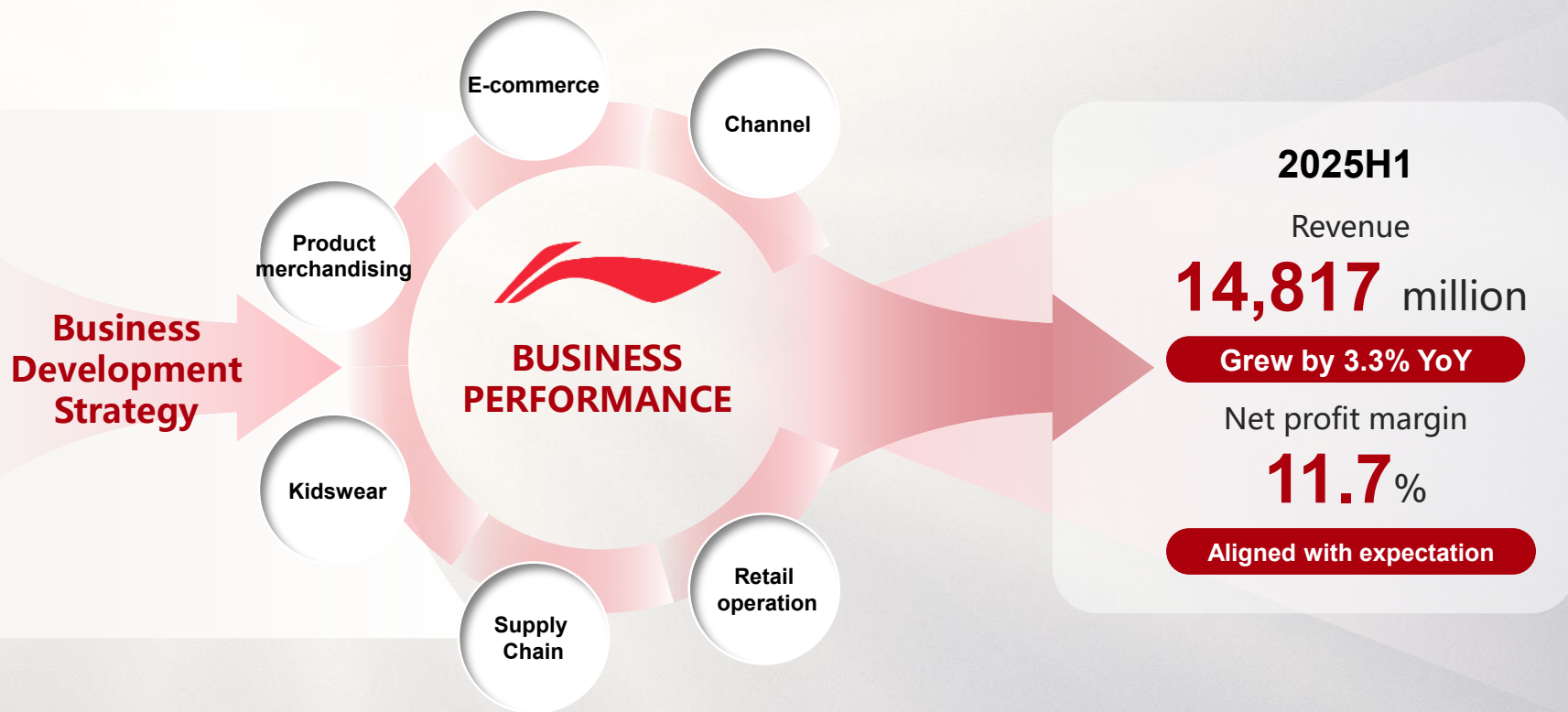
LI-NING and the China National Space Administration News Center jointly promote innovation in sports through aerospace technology

04

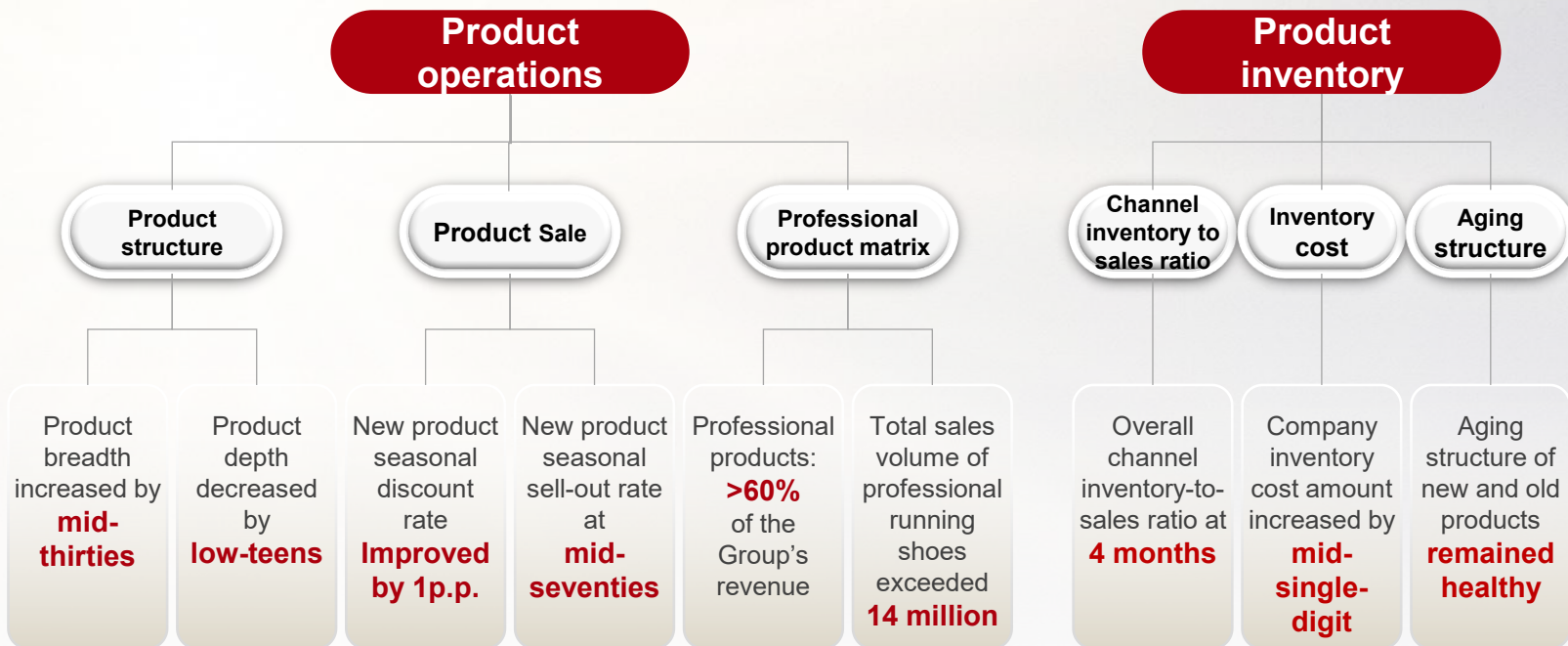
OPERATIONAL PROGRESS



Steady operations with a solid foundation



Product operations: professional products drive business growth, with healthy inventory levels and turnover efficiency



Retail operations: offline business showing signs of stabilization



*Excluding online channel



Channels: continuous structural optimization and focus on key channels

Store performance

Total selling square
footage
unchanged

Average single-store
selling square footage at
242 sq.m.

Average monthly store
productivity at
RMB 300,000

Sell-through structure

Sell-through contribution
of high-tier market#
~60%

Core commercial
occupancy rate at
90%

Big store* penetration

Number of big stores
1,527

Average single-store
selling square footage
~409 sq.m.

9th generation stores upgrade

The number of 9th
generation stores
exceeded **1,317**

Average monthly store
productivity
~RMB 320,000

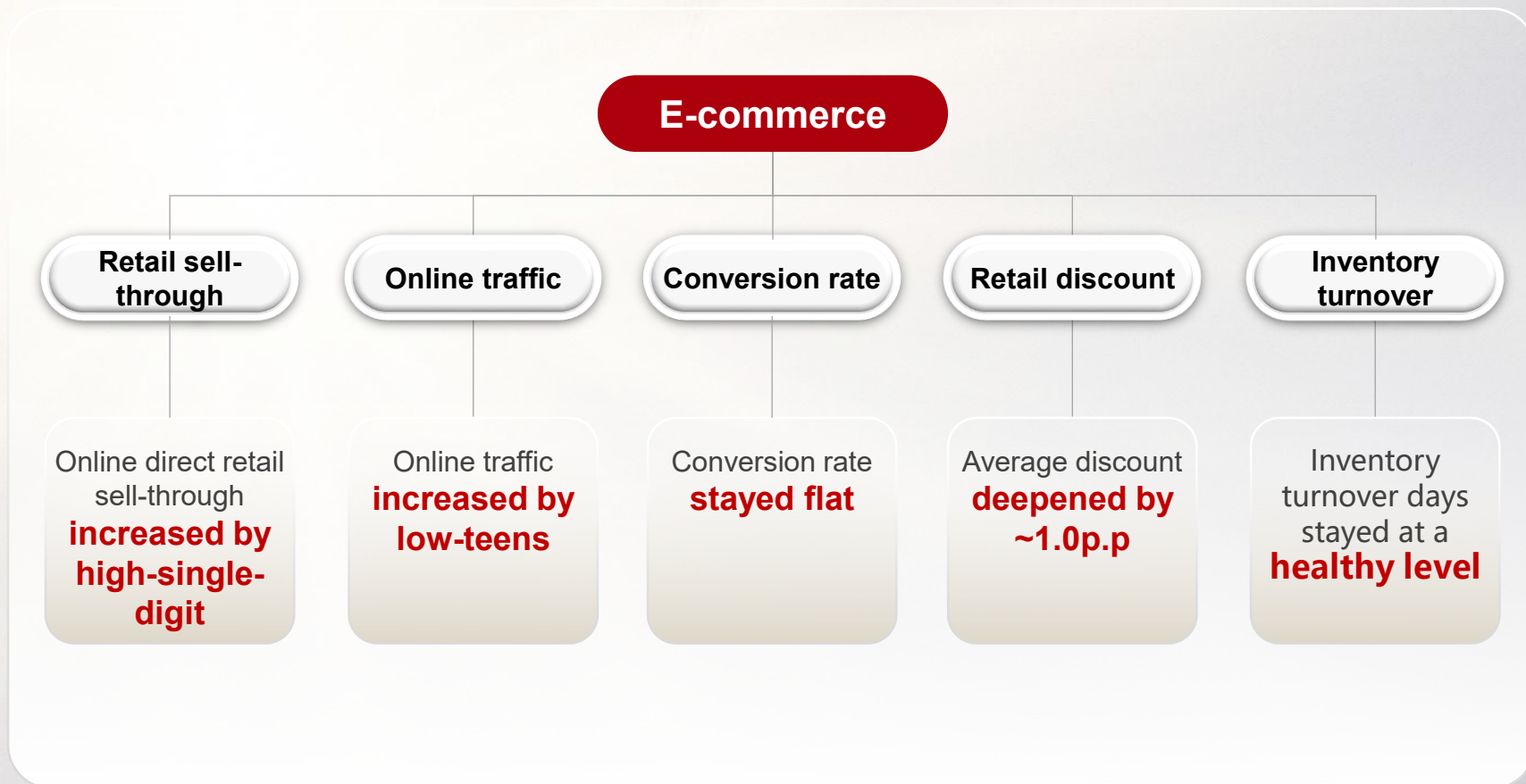


* Store selling square footage exceeds 300 square meters

Including stores in metropolises and first tier cities



E-commerce: operating indicators in line with expectations



Kidswear business: positive momentum with stable and well-managed operating metrics

Retail efficiency

Retail sell-through* increased
by **low-teens**

Unit per transaction remained
flat

Average selling price
Increased slightly

Channel efficiency

No. of stores totalled
1,435

Average monthly store
productivity at
RMB 140,000

* Excluding online channel



05

APPENDIX



Appendix 1 — summary of income statement and balance sheet

(RMB million)	2025 Six months ended 30 June	2024	Better/ (Worse)
Revenue	14,817	14,345	3.3%
Gross Profit	7,415	7,236	2.5%
Distribution costs	(4,293)	(4,327)	0.8%
Administrative expenses	(777)	(680)	(14.2%)
Other income and other gains-net	94	184	(48.9%)
Operating Profit	2,438	2,402	1.5%
EBITDA	3,512	3,444	2.0%
Profit Attributable to Equity Holders	1,737	1,952	(11.0%)
Basic Earnings per share (RMB cents)	67.4	75.8	(11.0%)

(RMB million)	30 Jun 2025	31 Dec 2024	Better/ (Worse)
Cash and Cash Equivalents	11,798	7,499	57.3%
Borrowings	0	0	N/A
Net Cash*	19,191	18,164	5.7%
Current Liabilities	7,691	7,586	(1.4%)
Current Ratio (times)	2.88	2.71	0.17
Total Liabilities to Total Asset Ratio	26.1%	26.9%	0.8p.p.

* Net Cash = Cash and Cash Equivalents + Restricted Bank Deposits + Time Deposits – Borrowings



Appendix 2 — profit margins and key operating indicators

(RMB million)	2025 Six months ended 30 June	2024	Better/ (Worse)
Gross Profit Margin	50.0%	50.4%	(0.4p.p.)
Operating Profit Margin	16.5%	16.7%	(0.2p.p.)
EBITDA Margin	23.7%	24.0%	(0.3p.p.)
Margin of Profit Attributable to Equity Holders	11.7%	13.6%	(1.9p.p.)
R&D Expenses (as % of revenue)	2.3%	2.2%	(0.1p.p.)
A&P Expenses (as % of revenue)	9.0%	8.7%	(0.3p.p.)
Staff Costs (as % of revenue)	7.7%	8.5%	0.8p.p.

(RMB million)	2025 Six months ended 30 June	2024	Better/ (Worse)
Inventory Turnover (Days)	61	62	1
Trade Receivables Turnover (Days)	14	15	1
Trade Payables Turnover (Days)	44	46	(2)
Cash Conversion Cycle (Days)	31	31	-
Return on Equity (ROE)	6.5%	7.8%	(1.3p.p.)
Return on Asset (ROA)	4.8%	5.6%	(0.8p.p.)
CAPEX (RMB million)	557	2,442	(77.2%)

