



# Xtep International Holdings Limited

(Incorporated in the Cayman Islands with Limited Liability)

Stock Code: 1368.HK

## 2025 Annual Results Presentation

26 March 2026



# 2025 Annual Results Highlights



Group's  
revenue

RMB **14,151** m

▲ **4.2%**

Mass market 

RMB **12,515** m

▲ **1.5%**

Professional sports



RMB **1,636** m

▲ **30.8%**



Profit attributable to  
ordinary equity  
holders of the Company

RMB **1,372** m

▲ **10.8%**



Net cash

RMB **1,707** m

▲ **73.4%**



Net asset value per Share

RMB **3.64**

▲ **12.3%**



Return on equity

**14.5%**

▲ **0.4%** pt



Final dividend per Share

HK **9.5** cents<sup>1</sup>

Payout ratio: 50.4%



<sup>1</sup>The proposed final dividend per Share will be subject to the approval of shareholders at the forthcoming annual general meeting



# Financial Review

# Consolidated Income Statement

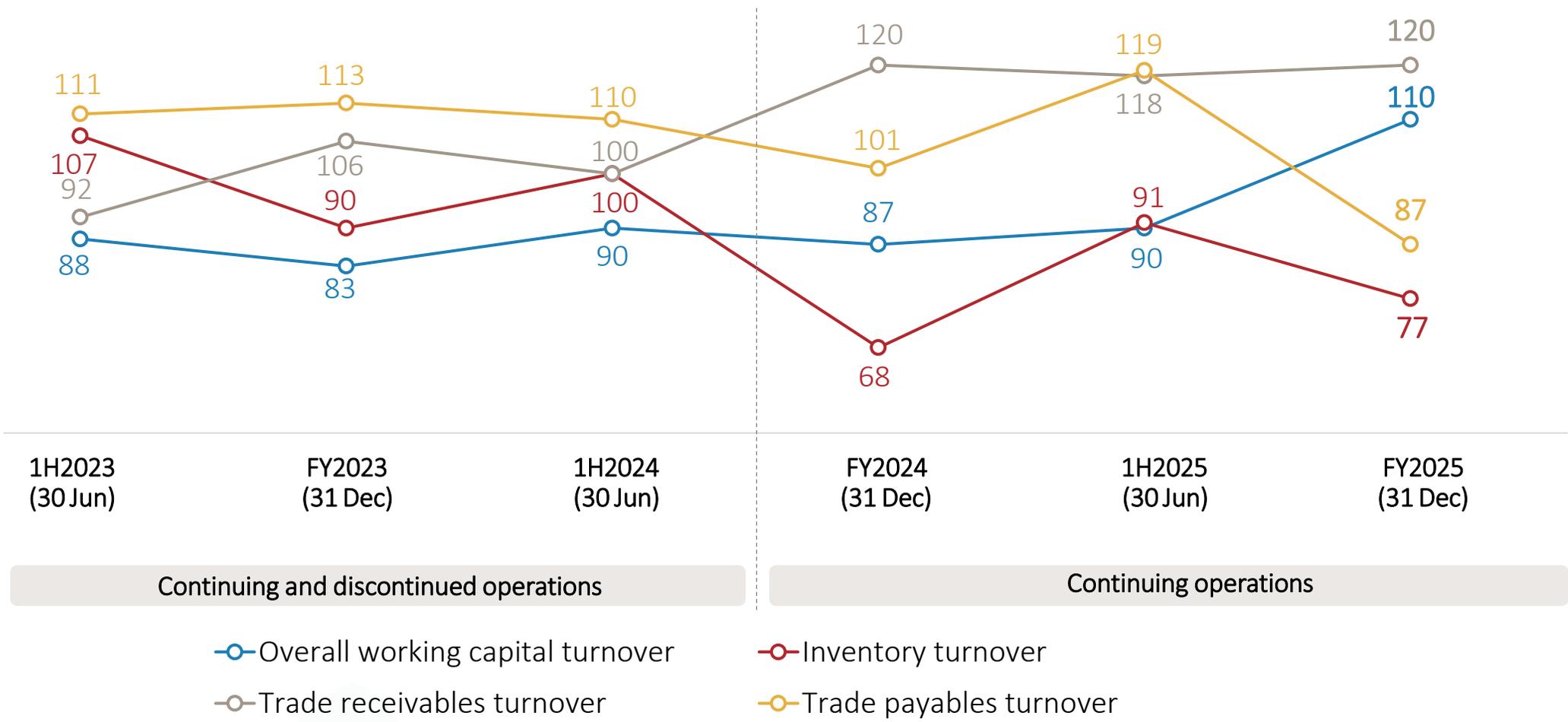
RMB m	2025	2024	YoY change
<b>Continuing operations</b>			
Revenue	14,151	13,577	▲ 4.2%
Gross profit	6,063	5,865	▲ 3.4%
Selling & distribution and general & administrative expenses (“SG&A”)	(4,562)	(4,295)	▲ 6.2%
Operating profit	2,019	1,966	▲ 2.7%
(Loss) from discontinued operation	-	(67)	N/A
Profit attributable to ordinary equity holders	1,372	1,238	▲ 10.8%
Basic earnings per Share	RMB 51.4 cents	RMB 48.7 cents	▲ 5.5%
<b>Continuing operations</b>			
Gross profit margin	42.8%	43.2%	▼ 0.4% pt
SG&A to revenue ratio	32.2%	31.6%	▲ 0.6% pt
Operating profit margin	14.3%	14.5%	▼ 0.2% pt
Group’s net profit margin	9.7%	9.1%	▲ 0.6% pt

# Consolidated Balance Sheet

RMB m	31 Dec 2025	31 Dec 2024	YoY change
Current assets	12,222	11,230	▲ 8.8%
Current liabilities	5,151	5,283	▼ 2.5%
Cash and cash equivalents (A)	3,457	2,979	▲ 16.0%
Pledged bank deposits and term deposits (B)	681	890	▼ 23.5%
Bank borrowings (C)	1,097	2,028	▼ 45.9%
Convertible bonds (D)	1,334	856	▲ 55.7%
<b>Net cash and cash equivalents = (A)+(B)-(C)-(D)</b>	<b>1,707</b>	<b>985</b>	<b>▲ 73.4%</b>
<b>Net current assets</b>	<b>7,071</b>	<b>5,947</b>	<b>▲ 18.9%</b>
<b>Current asset ratio (times)</b>	<b>2.4x</b>	<b>2.1x</b>	<b>▲ 0.3x</b>
Shareholders' equity	10,203	8,703	▲ 17.2%
Net asset value per Share	RMB 3.64	RMB 3.24	▲ 12.3%

# Group's Working Capital Analysis<sup>1</sup>

Working capital turnover (day)



<sup>1</sup> Remark: Turnover days are calculated on a 12-month rolling basis

# Segment Performance<sup>1</sup> (RMB m)

## Mass market



	2025	2024	YoY change
Revenue	12,515	12,327	▲ 1.5%
Gross profit	5,156	5,151	▲ 0.1%
Gross profit margin	41.2%	41.8%	▼ 0.6% pt
Operating profit	1,920	1,954	▼ 1.8%
Operating profit margin	15.3%	15.9%	▼ 0.6% pt

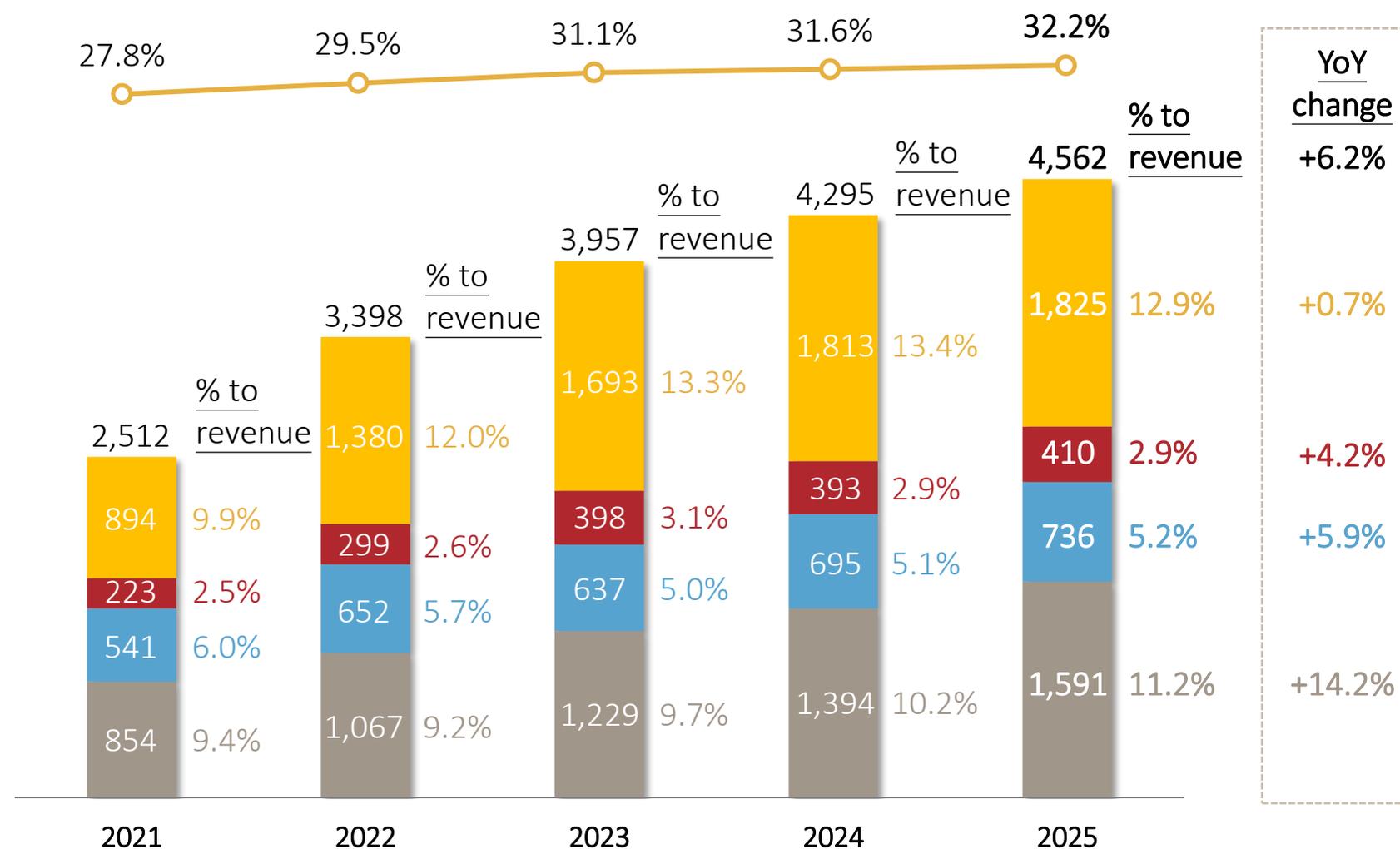
## Professional sports



	2025	2024	YoY change
Revenue	1,636	1,250	▲ 30.8%
Gross profit	908	715	▲ 27.0%
Gross profit margin	55.5%	57.2%	▼ 1.7% pts
Operating profit	114	78	▲ 46.4%
Operating profit margin	7.0%	6.3%	▲ 0.7% pt

<sup>1</sup> Excluding the corporate and other unallocated expenses amounted to RMB225m and RMB312m in 2025 and 2024, respectively

# Group's SG&A Analysis (RMB m)



**12.9%** ▼ 0.5% pt  
**A&P expenses as a % to revenue**

- ▶ Enhance operations management efficiency
- ▶ Marathon and running event sponsorships
- ▶ Brand upgrade for Saucony

**2.9%** No change  
**R&D expenses as a % to revenue**

- ▶ Core Xtep brand: Enhance professional running products and expand product offerings
- ▶ Saucony: Increase R&D in apparel and lifestyle products

■ Advertising and promotions  
 ■ Research and development  
 ■ Staff costs<sup>1</sup>  
 ■ Others  
 ○ As a % to revenue

<sup>1</sup> Excluding the staff costs related to manufacturing and R&D



# Business Review

# Group's Strategic Framework

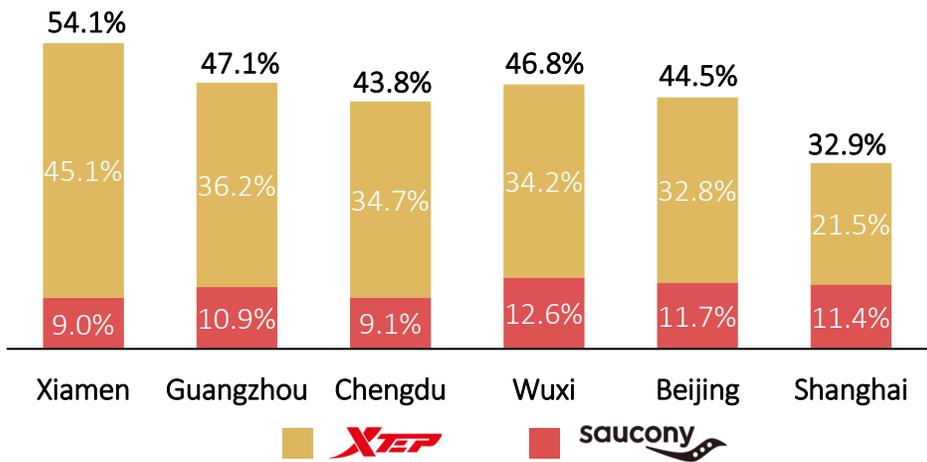


Continuous focus on running  
No. 1 running brand in China

# No. 1 Running Brand in China Drive Continuous Breakthroughs



**No.1** overall wear rate in major marathons



34%

Top 100 **male** runners in China  
No.1 wear rate for  
four consecutive years



21%

Top 100 **female** runners in China  
No.1 wear rate for  
three consecutive years



Feng Peiyou  
**2:05:58**

2026 Tokyo Marathon  
Broke national record  
No.1 among Asian athletes



160X 7.0 PRO

# Signature Products to Lead Growth

## Expand Product Offerings to Address Diverse Customer Needs

Continuously upgrade the **championship running shoe series**



160X 7.0 PRO



260X 3.0



360X 3.0

Enrich portfolio with the **cushioning running shoe series**



QING YUN 2.0 LITE



QING YUN GO



160X 7.0 JET  
Co-branded running shoe with  
National Games champion He Jie

# Upgrade Retail Channel to Elevate Customer Experience

70%+ New image stores

6,357 Adult branded stores in Chinese Mainland and overseas

- ▶ Enhance DTC strategy
- ▶ Upgrade store image
- ▶ Accelerate expansion in outlets and shopping malls



Gold Label store in Shanghai (200m<sup>2</sup>)

# E-commerce Steers Growth Powered by Flagship Running Products



# 跑者进化之夜

## 暨两千公里5代首发

- ▶ Robust revenue growth
- ▶ Expand **bestselling products**

# X Young Sports Science to Support Height Development

- ▶ Adopted a precise positioning focused on **sports science to support height development and drive business growth**
- ▶ Launched products tailored to parents' needs, including the **"Xtep Growth Sneaker"**

**1,488**

Branded stores in  
Chinese Mainland



# Overseas Business Achieve Rapid Growth by Actively Building a Running Ecosystem

Nearly

**doubled**



Overseas revenue's  
growth

**220%+**



Cross-border  
e-commerce's  
growth

## ▶ Active expansion into Southeast Asia

- Opened a professional running flagship store in Malaysia
- Launched an overseas running club in Singapore



Flagship store in Malaysia (300m<sup>2</sup>)



Running club in Singapore (200m<sup>2</sup>)

# Saucony

## A Century-Old Running Heritage to Empower an Elite Sports Lifestyle

- ▶ Brand premiumization to establish an elite sports lifestyle
- ▶ Continue to upgrade marketing, enhance product offerings, channel and operations
- ▶ Strengthen the sharing of global product and marketing resources



Brand spokesperson  
Eddie Peng



Running training camp in Guangzhou



Sponsor of the “Hood to Coast China Relay” for five consecutive years

# Focus on Running Products Increase Apparel Collections



TRIUMPH 23

▶ Professional running products



▶ Apparel products WOOOLLY series

# Integrate into Elite Sports Lifestyle Introduce Lifestyle, Originals and Co-Branded Products



“AZURA RE” Year of the Horse limited-edition collection



Jae Tips “Flowers Grow Uptown” co-branded series



Nathan Bell co-branded series

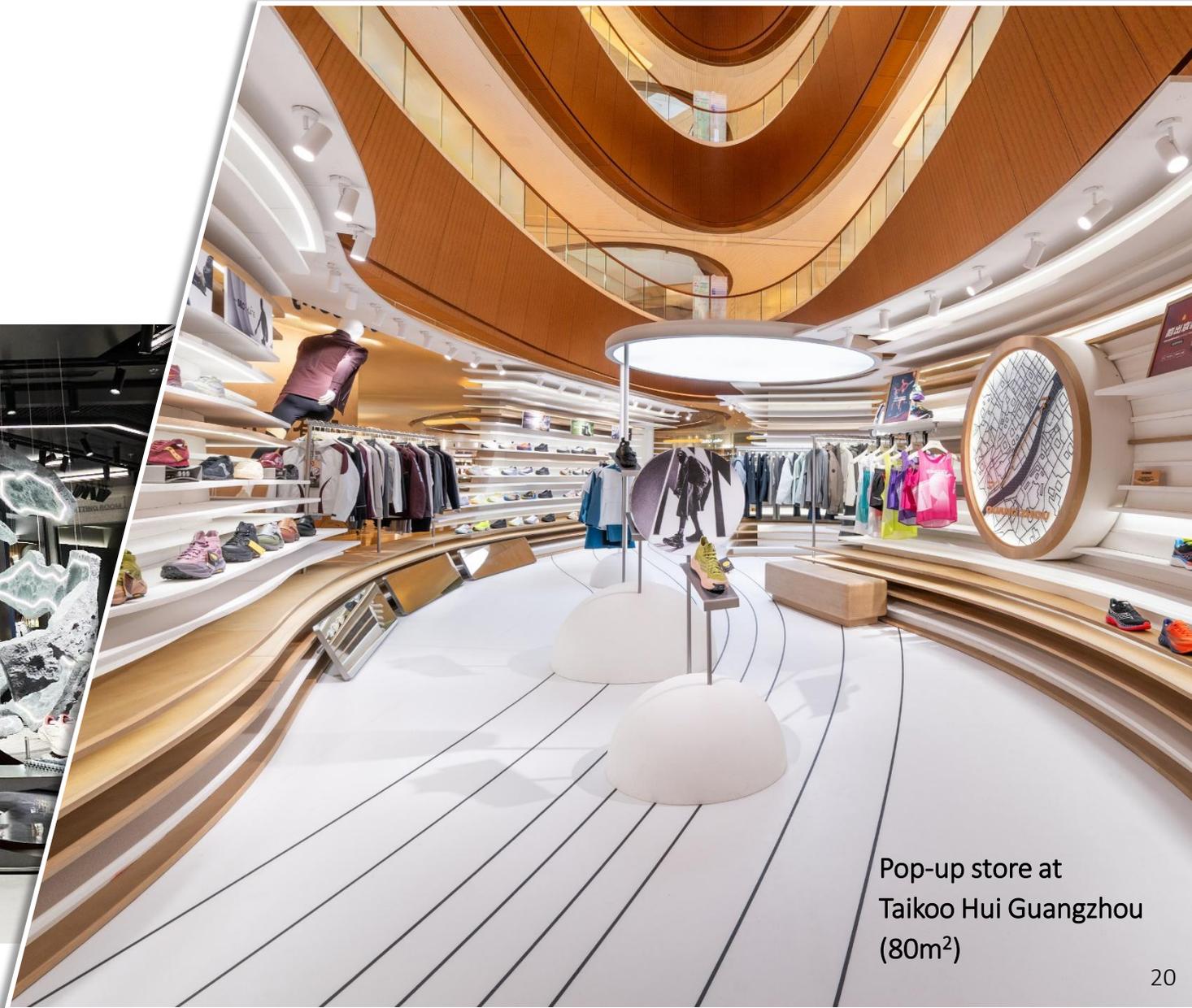
# Channel Upgrade with Store Expansion

# 175

► Branded stores in Chinese Mainland



Concept store at The MixC Hangzhou (267m<sup>2</sup>)



Pop-up store at  
Taikoo Hui Guangzhou  
(80m<sup>2</sup>)



Hiking



Outdoor lifestyle



Trail running

# Merrell Dedicated to Professional Outdoor Sports

- ▶ Focus on high-quality online growth
- ▶ Prioritize core product line for hiking lifestyle



**Sustainability**

# Key Sustainability Achievements



“A” rating in MSCI ESG Rating



“A” rating In HKQAA Sustainability  
Outperformed **over 80%** of peers



“AA” in Wind ESG Rating



2024-2025 Forbes China  
“Sustainable Innovation  
Development Enterprise”



2025 People Corporate Social  
Responsibility –  
Case study in CSR

## Protect the planet

### ▶ Textile waste recycling program



Xiamen Marathon race shirts made of the recycled yarn

- ▶ Adopted eco-friendly printing and antibacterial technologies in racing kit

**51.3 tons**

Total annual weight of fabric waste recycled

- ▶ Solar power used in self-operated factories:

**9.1 million kWh**

▲ **689%**



## Sustainable value chain

- ▶ Conducted social responsibility and environmental management training for **73** suppliers and completed ESG audits for **144** suppliers



**99%**

ESG audit compliance rate among suppliers

- ▶ Joined the Zero Discharge of Hazardous Chemicals (ZDHC) and encouraged footwear chemical suppliers to obtain certification for **61** chemical products, meeting Level 3 requirements of the ZDHC Manufacturing Restricted Substances List

## Put people first

- ▶ Cash and supplies donations:

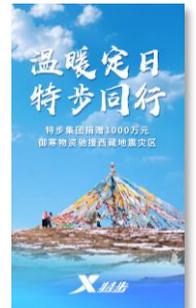
RMB **64+** million

- ▶ Female in management: **37%**

- ▶ Employee training hours:

**670,000 hours**

- ▶ Marathon and running event sponsorship: **74**





# Prospects

# Prospects



- ▶ Strengthen our leadership as the No.1 running brand in China
- ▶ Leverage flagship products to fuel growth and expand product offerings to achieve the “professional-to-mass influence” strategy
- ▶ Upgrade store image and expand into outlets and shopping malls
- ▶ Continue to roll out DTC strategy and respond swiftly to the evolving market



*Focus on running  
Build momentum*



- ▶ A century-old running heritage maintaining rapid growth
- ▶ Brand premiumization to enhance product, marketing and channel strategy
- ▶ Reinforce the professional image with flagship running products, while increasing the apparel and lifestyle offerings
- ▶ Expand presence at prime locations across high-tier cities, enhance store productivity and optimize e-commerce operations



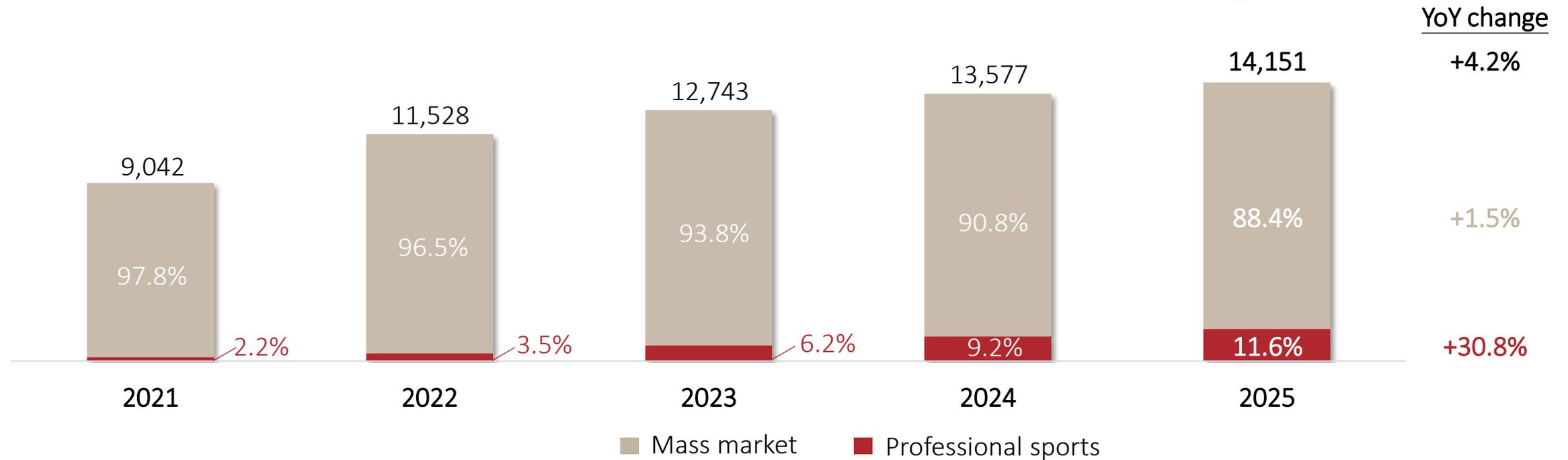
- ▶ Strengthen product and channel strategies to capture the robust growth potential of the outdoor industry





# Appendix

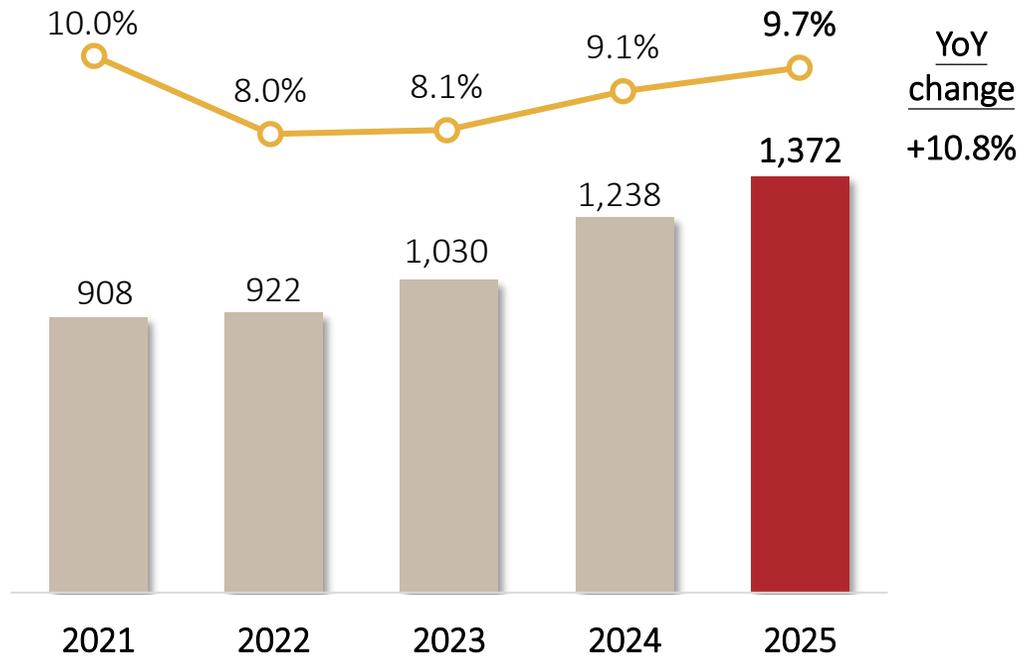
# Group's Revenue by Brand Nature (RMB m) (From Continuing Operations)



RMB m	2025	2024	YoY change
Mass market	12,515	12,327	▲ 1.5%
Professional sports	1,636	1,250	▲ 30.8%
<b>Overall</b>	<b>14,151</b>	<b>13,577</b>	<b>▲ 4.2%</b>

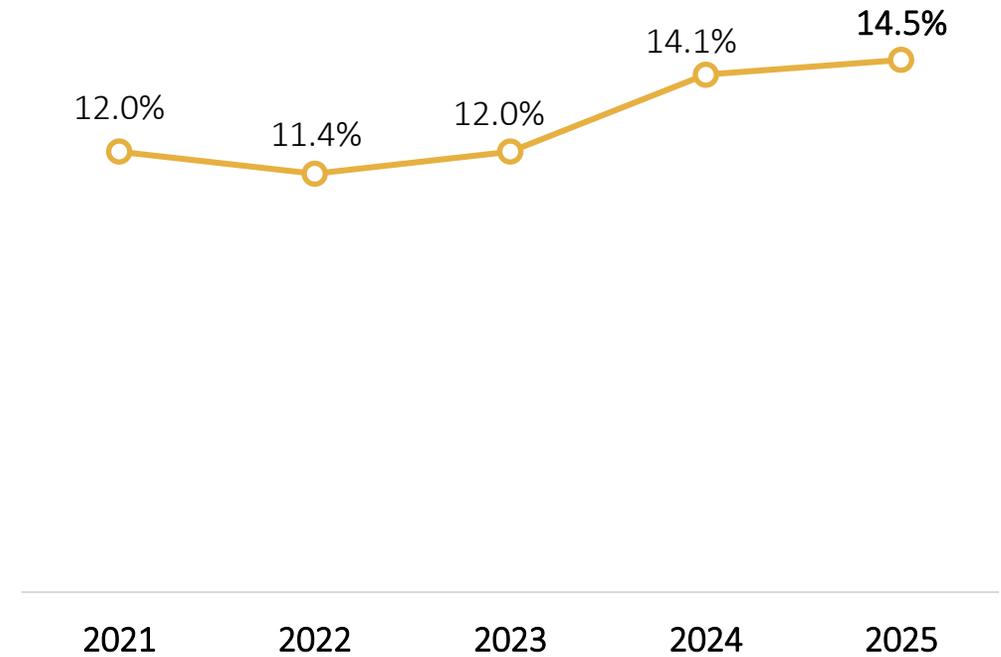
# Group's Net Profit and Return on Equity<sup>1</sup>

Profit attributable to ordinary equity holders (RMB m)



■ Profit attributable to ordinary equity holders  
 ○ As a % to revenue

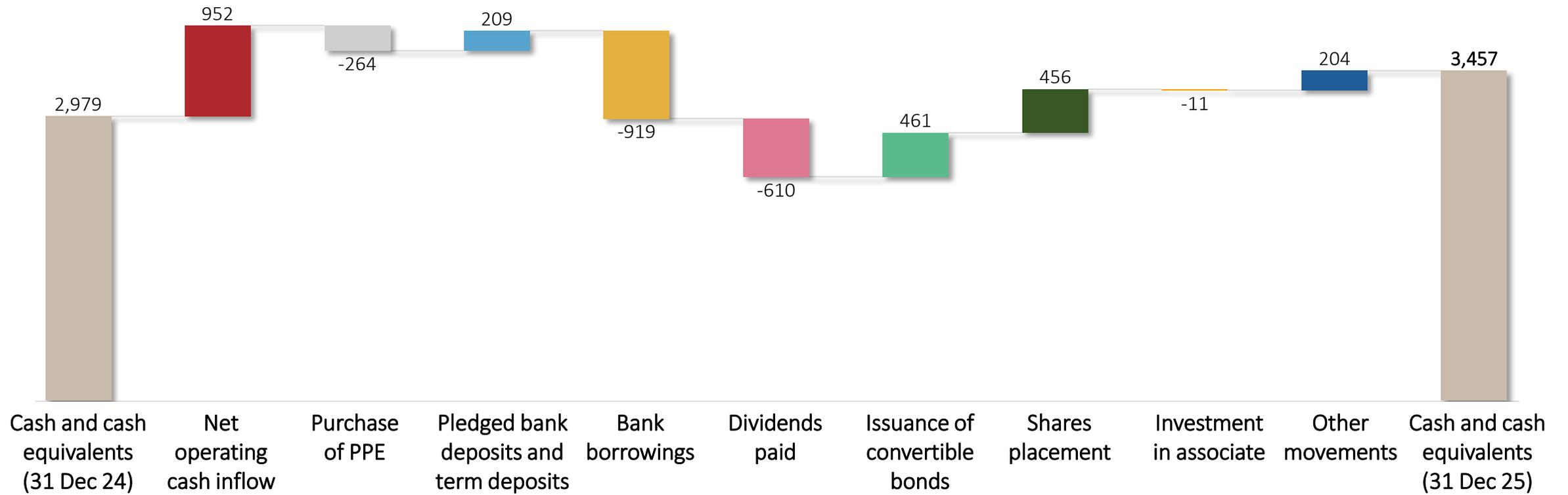
Return on equity (%)



○ Return on equity

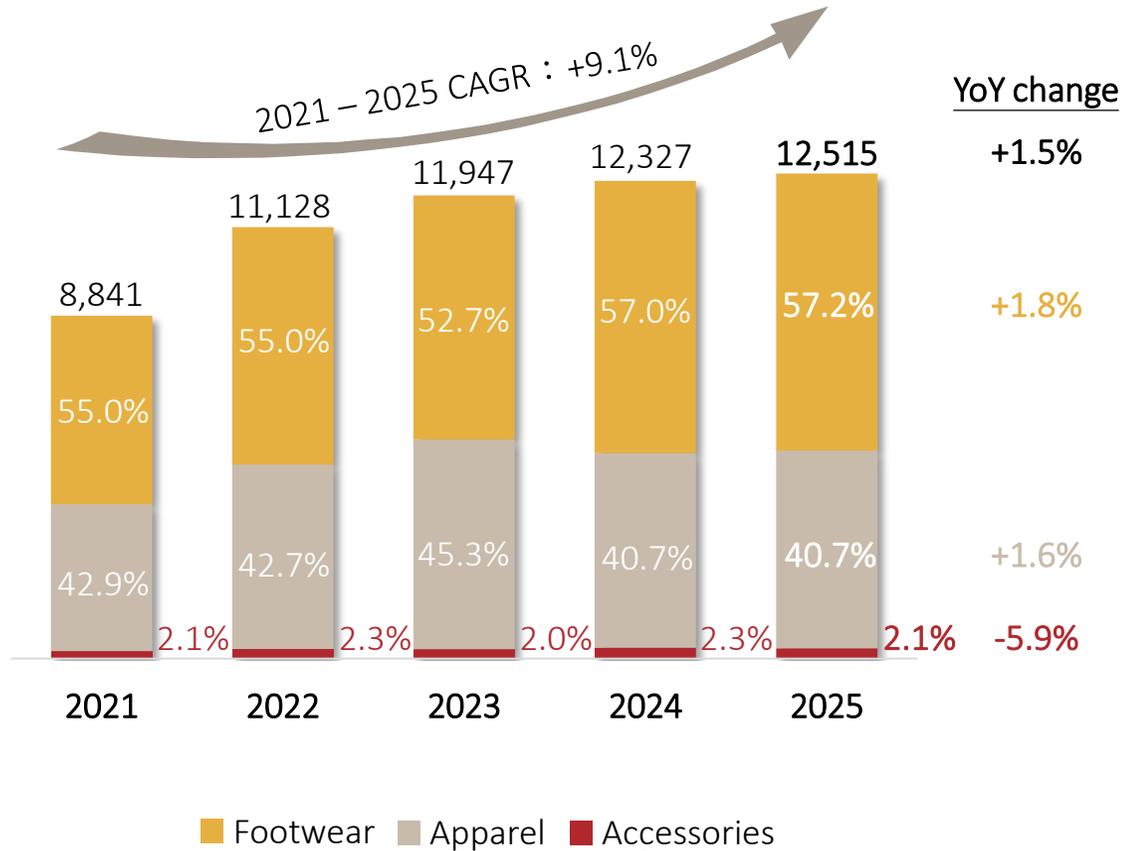
<sup>1</sup>Including continuing and discontinued operations

# Cash Flow Analysis (RMB m)



# Core Xtep Brand – Revenue and Gross Profit Analysis

## Revenue by product (RMB m)

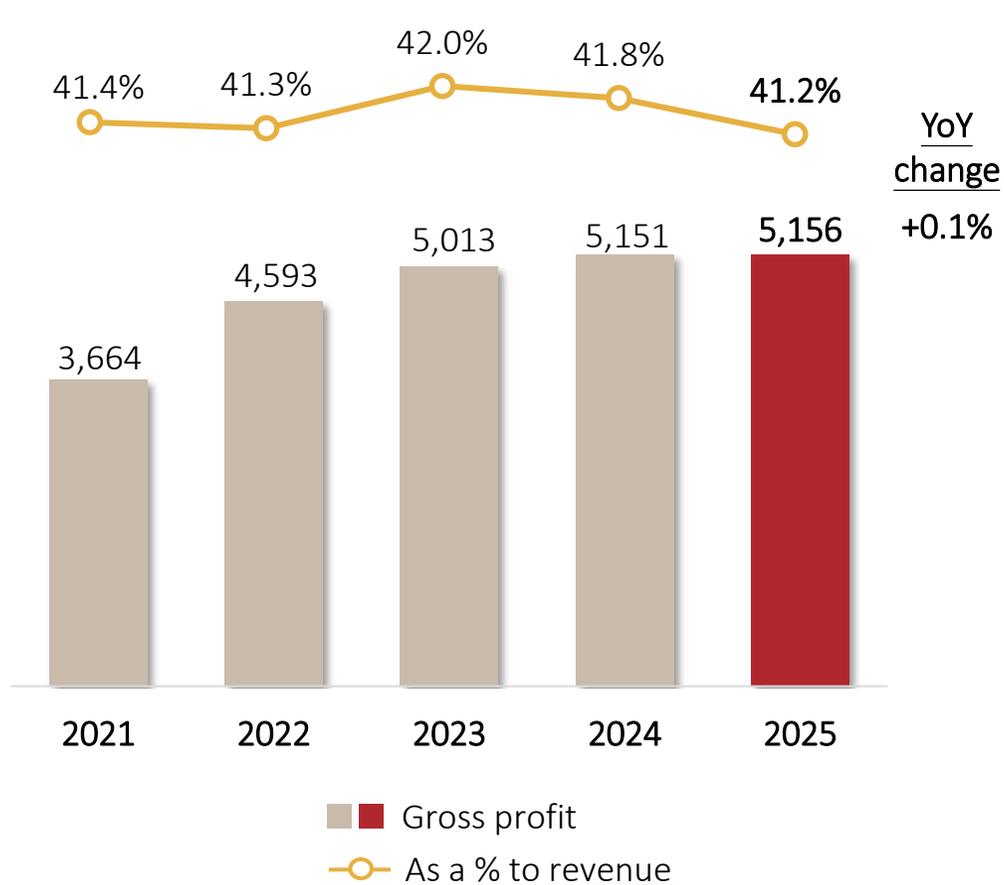


## Gross profit margin by product (%)

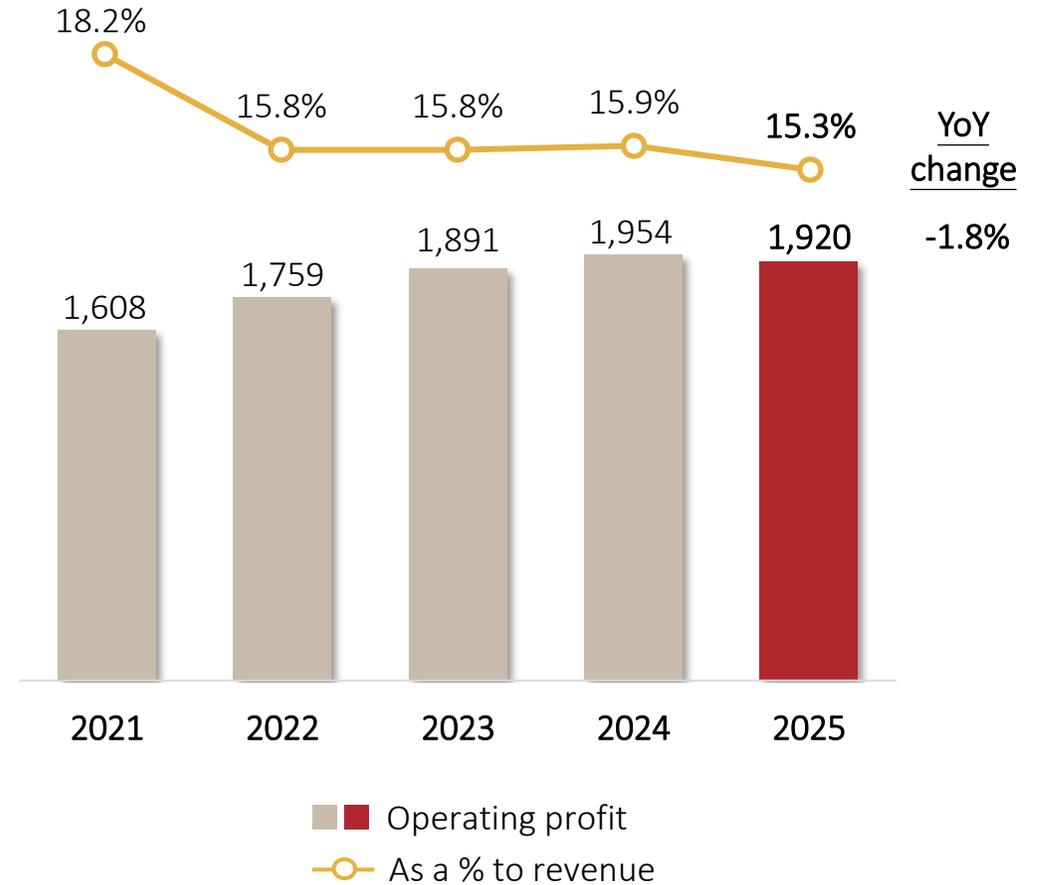
	2025	2024	YoY change
Footwear	42.6%	42.9%	▼ 0.3% pt
Apparel	39.6%	40.8%	▼ 1.2% pts
Accessories	34.0%	32.0%	▲ 2.0% pts
Overall	41.2%	41.8%	▼ 0.6% pt

# Core Xtep Brand – Profitability Analysis

## Gross profit (RMB m)



## Operating profit<sup>1</sup> (RMB m)

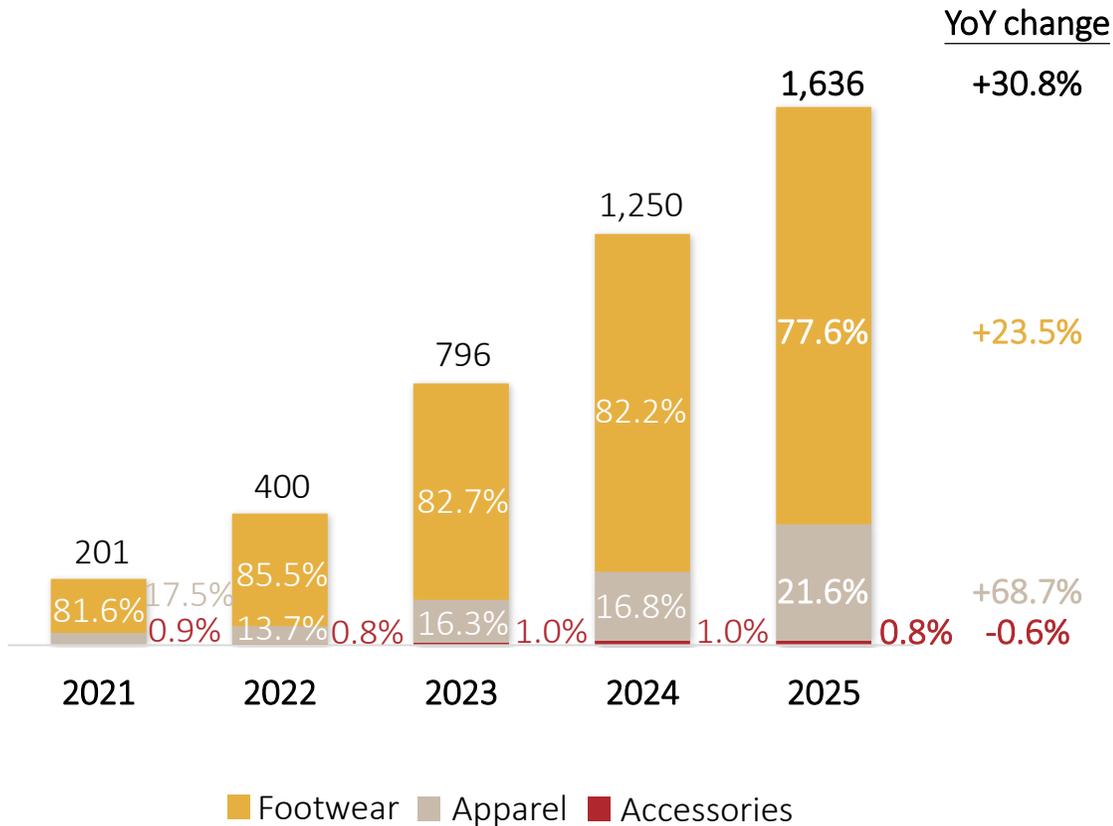


<sup>1</sup> Operating profit excluded corporate expenses

# Saucony & Merrell – Revenue and Gross Profit Analysis



## Revenue by product (RMB m)



## Gross profit margin by product (%)

	2025	2024	YoY change
Footwear	57.4%	59.1%	▼ 1.7% pts
Apparel	48.1%	47.7%	▲ 0.4% pt
Accessories	63.1%	60.3%	▲ 2.8% pts
<b>Overall</b>	<b>55.5%</b>	<b>57.2%</b>	<b>▼ 1.7% pts</b>

# Core Xtep Brand – Mainstream Performance Products



**PRICE RANGE (RMB)**

1,700 ← ————— 900
800 ← ————— 500
500 ← ————— 200

Elite series	Professional series	Mass market series
 <p><b>160X 7.0 MONXTER</b> RMB1,699</p>	 <p><b>260X 3.0</b> RMB799</p>	 <p><b>360X 3.0 LITE</b> RMB499</p>
 <p><b>160X 7.0 PRO</b> RMB1,299</p>	 <p><b>260X 2.0</b> RMB799</p>	 <p><b>2,000 KM</b> RMB499</p>
 <p><b>160X 6.5 PRO</b> RMB1,299</p>	 <p><b>XTEP 100 3.0PRO</b> RMB799</p>	 <p><b>REACTOVE COIL 12</b> RMB499</p>
 <p><b>160X 6.0 PRO</b> RMB1,299</p>	 <p><b>QING YUN 2.0 ST</b> RMB799</p>	 <p><b>FEATHER FOAM</b> RMB439</p>
 <p><b>ZOUWU 2.0 PRO</b> RMB1,099</p>	 <p><b>360X 3.0</b> RMB599</p>	 <p><b>ULTRA FAST</b> RMB399</p>
 <p><b>160X 7.0</b> RMB999</p>	 <p><b>360X 2.0</b> RMB599</p>	 <p><b>QING YUN 2.0 LITE</b> RMB399</p>
 <p><b>160X 6.5</b> RMB999</p>	 <p><b>QING YUN 2.0</b> RMB599</p>	 <p><b>QING YUN 2.0 GO</b> RMB299</p>

 The shoes are equipped with carbon fiber plate

# Saucony – Comprehensive Collection

## Professional series

### Racing

RMB 2,090 ← RMB 1,690



ENDORPHIN ELITE 2  
RMB2,090



ENDORPHIN PRO 5  
RMB1,690



ENDORPHIN PRO 4  
RMB1,690

### Training

RMB 1,390 ← RMB 790

#### Speed



ENDORPHIN SPEED 5  
RMB1,390



SLAY 3  
RMB990



KINVARA 16  
RMB890

#### Cushion



TRIUMPH 23  
RMB1,390



RIDE 19  
RMB990



PHOENIX INFERNO 5  
RMB790

#### Stability



HURRICANE 25  
RMB1,390



TEMPUS 3  
RMB1,390



GUIDE 19  
RMB990

## Commuter series

### Commuter

RMB 1,390 ← RMB 690



TRIUMPH LFS  
RMB1,390



GUIDE ID 2  
RMB950



GUARD 2  
RMB690



WHITE  
RMB1,090



MS GRIPPER  
RMB990



PUFF 4  
RMB690

## Originals series

### Heritage

RMB 1,190 ← RMB 990



OMNI 9  
RMB1,190



TRIUMPH 4  
RMB1,190



PARAMOUNT  
RMB990



GUIDE 7  
RMB990

### Classic revamp

RMB 790 ← RMB 690



KINVARA PWR  
RMB790



GRID FUSION  
RMB790



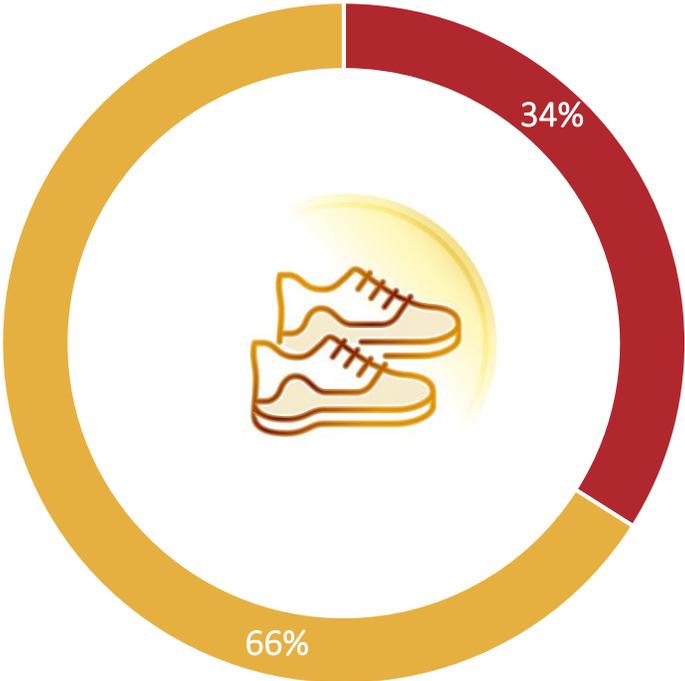
KINVARA 4 RE  
RMB690



SURGE SPIKES 80S  
RMB690

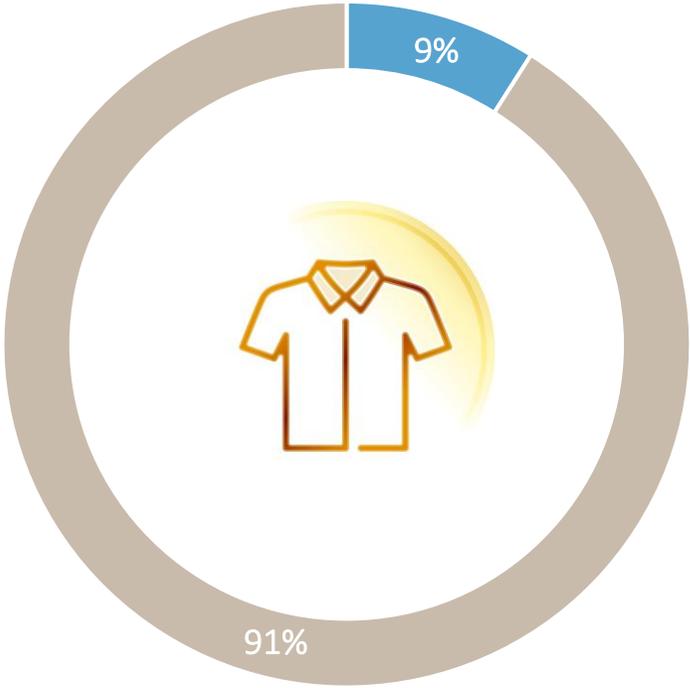
# Group's Production Capacity Allocation

## Footwear



- In-house
- Outsourced

## Apparel



- In-house
- Outsourced

# Disclaimer

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