

## Xtep announced operational update on Mainland China business for the third quarter of 2022

Xtep announced its third quarter operational update on 18 October. Retail sell-through of the core Xtep brand grew by 20% to 25% year on year, with a retail discount of 25% to 30% and a retail inventory turnover of 4.5 to 5 months.

Xtep remains optimistic about the medium- to long-term business outlook as the demand for sportswear products will continue to grow fuelled by favourable national policy support and increasing health consciousness among Chinese consumers. The Group will continue to take the "Fifth Five-Year Plan" as its guiding principle and strive to build the world's top sports brand and become a respected national brands operator.



## SALES UPDATE

## Xtep running shoes garnered several awards from Runner's World again

Core Xtep Brand



Xtep's 160X 3.0 PRO and 160X 3.0 performed extraordinarily in the quality tests conducted by the RW SHOE LAB of Runner's World, and won the "Editor's Choice Award" and the "Hot List Award", respectively. According to the test report, the two 160X models stood out from other running shoes in areas such as energy return and cushioning. Full marks were awarded to their cushioning performance.

Runner's World, the authority in the running community, evaluates and selects running shoes with the best performance for runners every year. Since 2020, Xtep's professional running shoes have been highly recognized by Runner's World, which is a powerful testimonial of Xtep's R&D breakthroughs and leadership in running.

## AWARDS

Xtep Kids



## Xtep Kids' aerospace-themed store opened in Zhangzhou



On 1 October, Xtep Kids' aerospace-themed store officially opened in Zhangzhou. During the store opening, Mr. Wu Jie, one of the first national astronauts, was invited to give a lecture and interact with little aerospace fans to illustrate China's aerospace dream.

The 1,800 square-meter store, designed with aerospace elements, features a variety of product lines for young children and teens. Various aerospace models such as Yutu Lunar Rover, BeiDou Navigation Satellite System and space station, were showcased in the exhibition zone of the store. The integration of both visual displays and products reflect the ingenuity of aerospace spirit and brand culture.



## BRANDING



saucony

MERRELL

## Palladium



## Palladium launched new footwear collection in collaboration with Café Kitsuné



Palladium collaborated with Café Kitsuné, a coffee brand under the French fashion brand Maison Kitsuné advocating the art of living, to launch a new collection. The Palladium x Café Kitsuné model adopts the reinvented PALLBROUSSE OG model, featuring a classic canvas material and a pure rubber sole.

Kitsuné is the Japanese word for fox, a symbol of agility and versatility. A cute and delicate little fox logo is printed on the new footwear collection, which show a simple and clean design style that can be matched with a variety of everyday looks.



## PRODUCTS

## Saucony Shadow 6000 incorporated space-themed elements to reinvent classical shoes



Saucony



Continuing to feature space as its design concept, Saucony applied the best of its past designs related to the theme of the universe, and selected the essential element of each design to recreate a pair of classic retro shoes - Shadow 6000 Space Fight.

The overall shoe body adopts a bold color-blocking design, referencing previous collaborations with Extra Butter and Space Pack. The black and white EVA midsole and transparent crystal outsole were inspired by Moonwalker. In addition, the tongues on both feet are embellished with an astronaut silhouette and the spacecraft logo, which is a common design for Extra Butter's cosmic-themed collections launched in the past.

## PRODUCTS

Merrell



## Merrell launched Hydro Moc 2 with new features to unveil a trendy outdoor life

Merrell's British-based 1TRL team launched the Hydro Moc 2 in October, with detachable design and new colour schemes in response to the continued social media buzz surrounding its first generation.

Featuring the signature breathable ventilated holes, the new collection has front and back pull loops with a touch fastener added to the heel, making it easy to put on and take off. An elastic bungee cord is added to the upper to increase the sense of layers.



## PRODUCTS