



Xtep reported record-breaking revenue in 2023 annual results and professional sports segment's revenue was almost doubled



On 18th March, Xtep announced its 2023 annual results, with revenue up by 10.9% to all-time high at RMB14,345.5 million. Profit attributable to ordinary equity holders of the Company also hit record high at RMB1,030.0 million, an increase of 11.8%. Mainland China business delivered strong resilience. Revenue of professional sports segment was almost doubled with Saucony being the first new brand to turn a profit. Athleisure segment's revenue in Mainland China also soared by 224.3%.

The Board has proposed to a final dividend of HK8.0 cents per Share. Together with an interim dividend of HK13.7 cents per Share, the full-year dividend payout ratio was approximately 50.0%.

RESULTS

Xtep hosted "321 Running Festival cum Championship Running Shoes Product Launch Conference"



Core Xtep Brand

On 20th March, Xtep partnered with China Athletics Association to host the "321 Running Festival cum Championship Running Shoes Product Launch Conference" and to establish the "New Asian Record" awards for Chinese athletes to motivate them to achieve international standards in their athletic endeavors. Xtep aims to strengthen the running ecosystem through a more sophisticated product matrix, in order to promote public health and offer professional gear support to more Chinese people.

During the product launch conference, Xtep showcased its "360X" carbon fiber plate running shoe incorporated with three champion technologies. The "XTEP POWER" technology, combined with the T400 carbon fiber plate, enhances propulsion and stability. The "XTEP ACE" technology integrated into the midsole ensures effective shock absorption. Additionally, the "XTEP FIT" technology utilizes extensive foot shape database to create running shoes specifically designed to better suit the foot shapes of Chinese individuals.



PRODUCTS

Xtep launched the "F.L.A.S.H 5.0" basketball shoe



Xtep launched the "F.L.A.S.H 5.0" basketball shoe that promises players an unprecedented experience of lightness, breathability, resilience, and stability. Weighing in at a mere 347g, the series features a lightweight design that significantly reduces the physical burden on players. Additionally, the shoe incorporates "XTEP ACE" midsole technology to effectively absorb shock and deliver an impressive rebound of up to 75%. The "F.L.A.S.H 5.0" also utilizes a combination of TPU and carbon plate for a through-sole design, preventing players from sideways turns and twisting injuries.

PRODUCTS



Xtep Kids



Xtep Kids collaborated with university technology teams to launch "A+ Growth Sneaker"

Xtep Kids joined hands with the Shanghai University of Sport and the Yilan Technology Team of Tsinghua University to introduce the new "A+ Growth Sneaker". Over the past three years, Xtep Kids utilized AI algorithms to accurately collect data, analyze children's sports scenarios, and identify potential injury risks, resulting in sports shoes that are better suited for the shape of Chinese children's feet. The materials used in "A+ Growth Sneaker" have undergone comprehensive upgrades, offering improved shock absorption, breathability, and lightweight characteristics.



The widened fore-sole design reduces the probability of hallux valgus while the heel features a dual 360-degree TPU structure, increasing shoe stability by 50% to protect the ankle to reduce sports injuries. The smart parameterized outsole provides a 75% enhanced grip. Moving forward, Xtep Kids will continue collaborating with sports experts to deliver professional sportswear and solutions for Chinese kids.

PRODUCTS

Palladium unveiled a new store in Xiamen



Palladium

Palladium opened a new store in Xiamen on 2nd April. The new store located in the SM Plaza Phase I, the most popular shopping mall in Xiamen, adopts the same latest Palladium store image "PAMPA DOME" inspired by the Musée du Louvre in France. It features classic orders crisscrossing with curvy surfaces and oval shape spaces to let consumers have a feel of trendy French brand aesthetics. The most comprehensive choices of the brand's core and star product lines can be found in the store for consumers to pick.

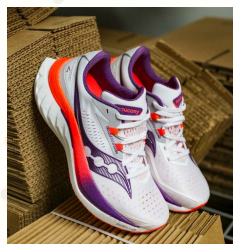


BRANDING

Saucony



Saucony launched "ENDORPHIN PRO 4"



Saucony launched the new flagship high-speed carbon fiber plate running shoe series "ENDORPHIN PRO 4". The series features the PWRRUN HG midsole, which improves the shoes rebound performance to over 95%. SPEEDROLL's S-shaped full-length carbon plate ensures a balanced roll, enabling smoother transitions between the forefoot and rearfoot while running. Additionally, the FLAT-KNIT woven tongue design offers runners a more direct and premium experience.

PRODUCTS