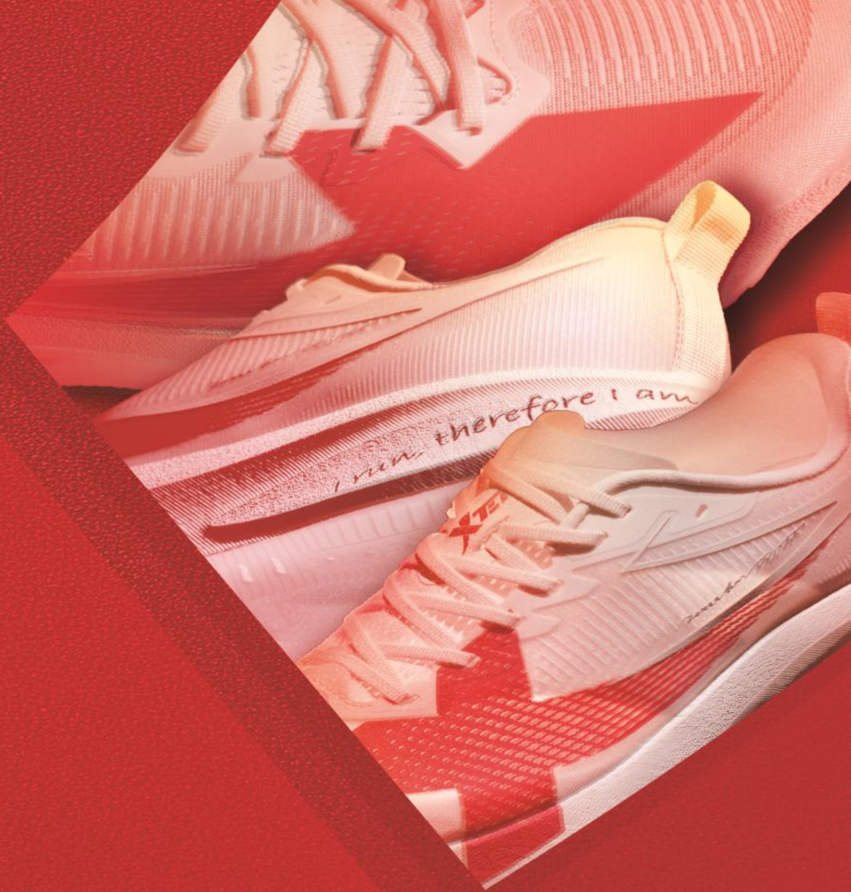
Xtep International Holdings Limited

(Incorporated in the Cayman Islands with Limited Liability)
Stock Code: 1368.HK



2026 Interim Results Presentation

25 August 2026

2026 Interim Results Highlights

1 Steady business with robust performance in the professional sports segment

2 Strong brand momentum with solid gross profit margin improvement

3 Sound financial position with strong operating cash flow and net cash

4 Stable dividend payout to enhance shareholder returns

Group's revenue	RMB 6,795 m	▼ 0.6%
Mass market (XTEP)	RMB 5,920 m	▼ 2.2%
Professional sports (saucony, MERRELL)	RMB 875 m	▲ 11.4%
Group's gross profit margin	46.4%	▲ 1.4% pts
Group's net profit	RMB 818 m	Net profit margin 12.0%
Operating cash flow	RMB 847 m	▲ 9.5%
Net cash	RMB 2,326 m	Compared with 31 December 2025 ▲ 36.3%
Interim dividend per Share	HK 18.0 cents	Payout ratio 53.8%

Financial Review

Revenue - Steady Business with Robust Performance in the Professional Sports Segment

Group's revenue

RMB **6,795** m

▼ 0.6%

Mass market XTEP

RMB **5,920** m

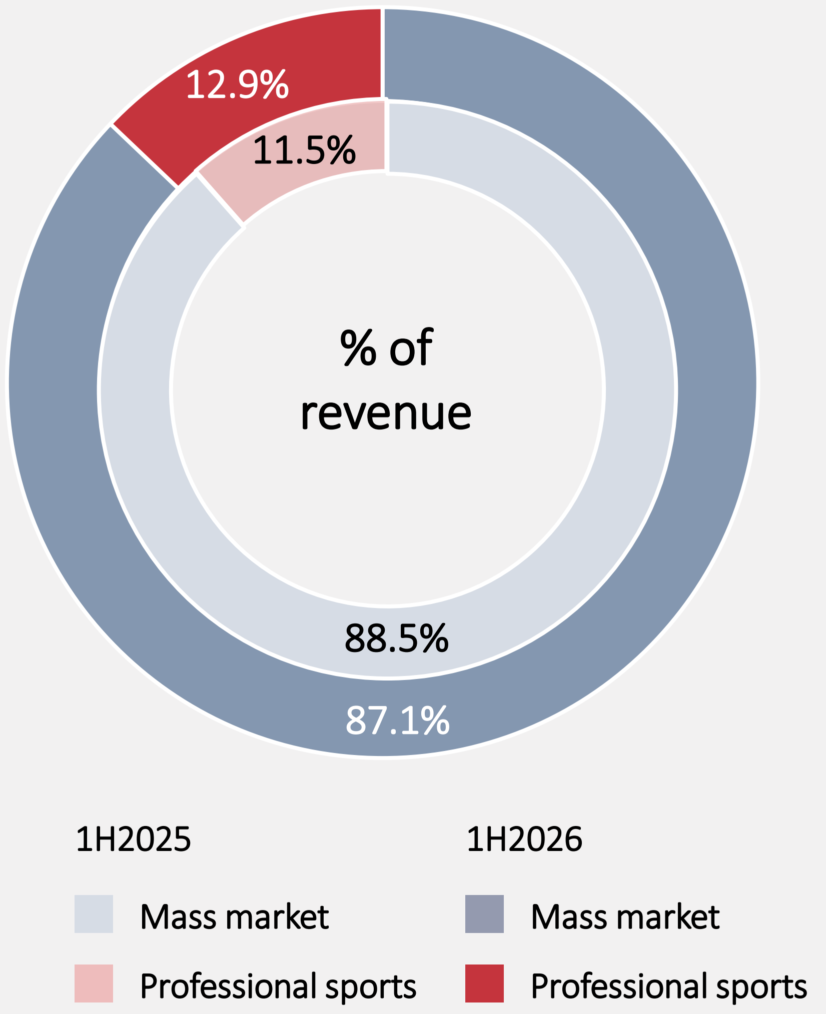
▼ 2.2%

Professional sports saucony MERRELL

RMB **875** m

▲ 11.4%

- Mass market: E-commerce and kids business lead growth alongside active channel optimization
- Professional sports: Premiumization strategy for high-quality growth



Gross Profit and Gross Profit Margin

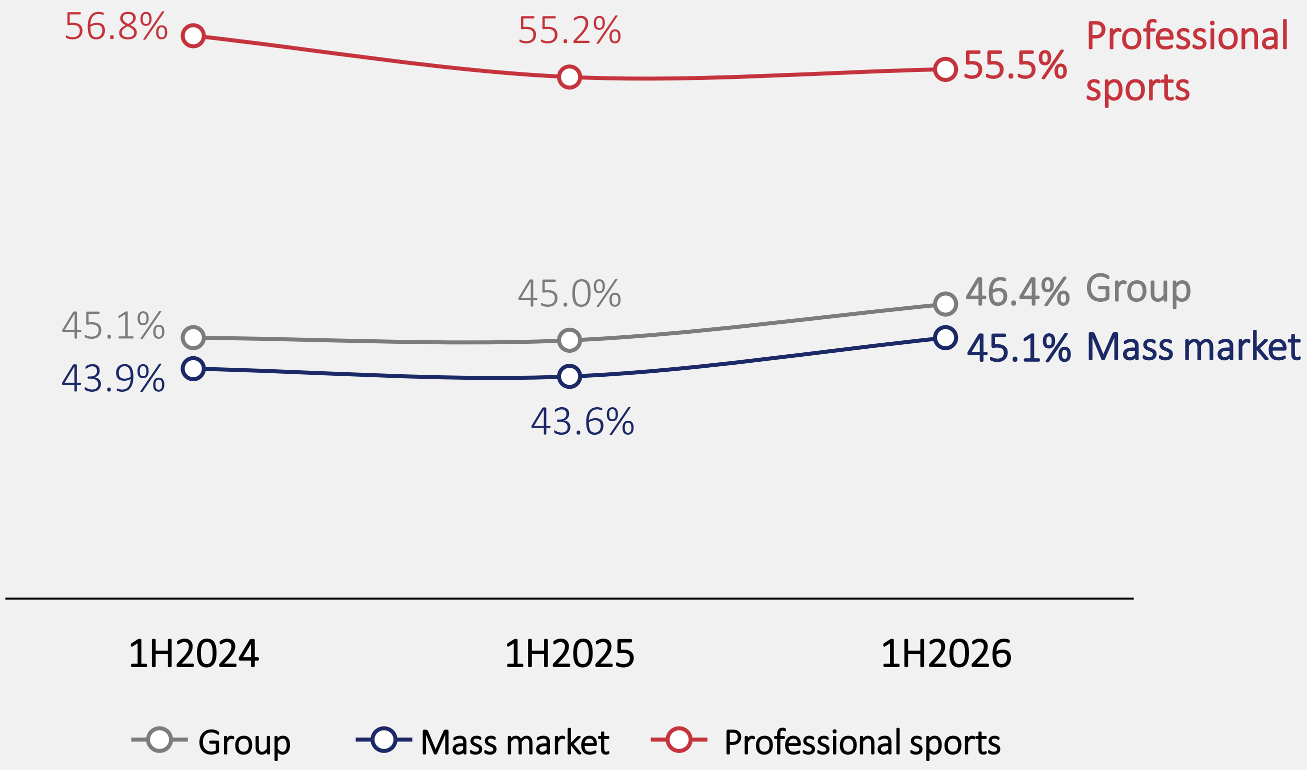
Group's gross profit

RMB **3,155** m

▲ 2.6%

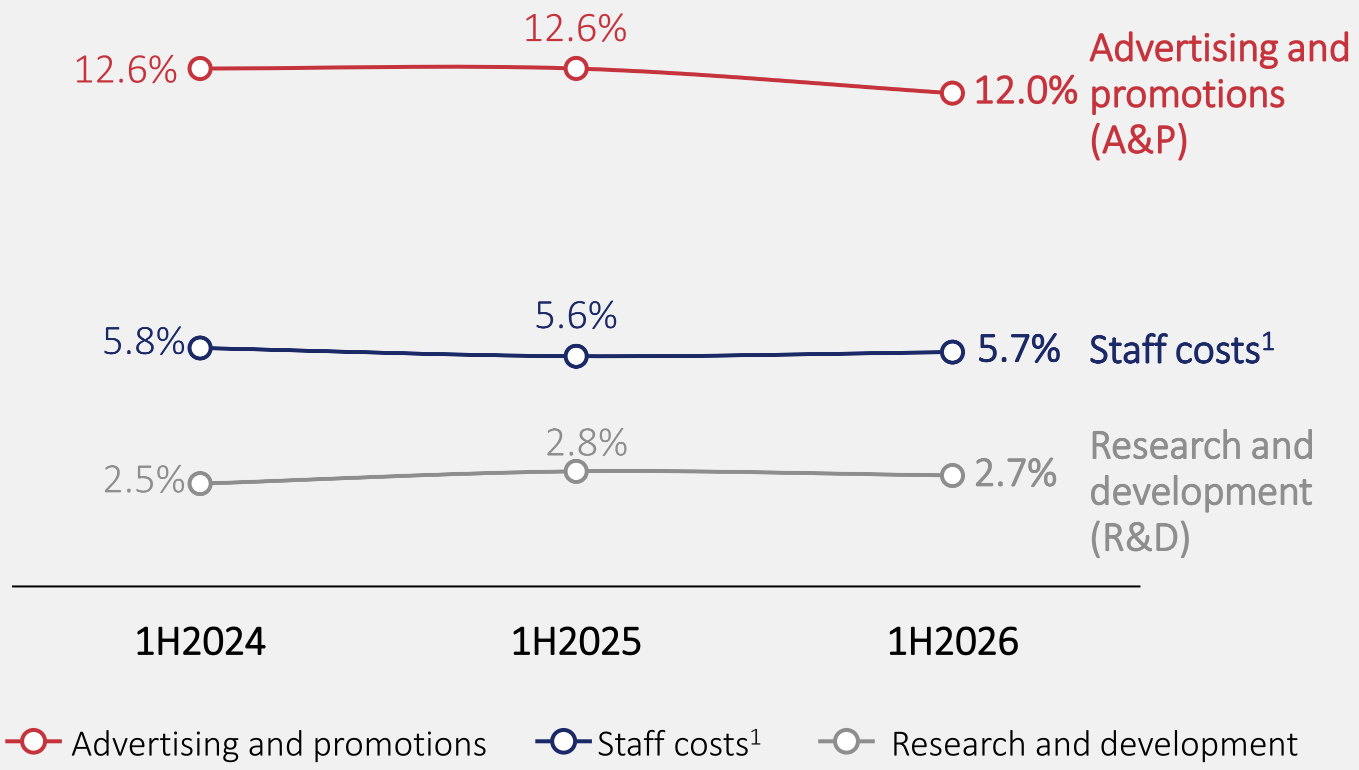
- Mass market: Enhanced gross profit margin in the e-commerce and kids business with an increasing mix of functional products
- Professional sports: Premiumization strategy to improve flagship product discounting and economies of scale in apparel and lifestyle offerings

Gross profit margin (%)



Selling & Distribution and General & Administrative Expenses

Expense ratio (%)



[1]Excluding the staff costs related to manufacturing and R&D

12.0% ▼ 0.6% pt

A&P expenses as a % to revenue

- Enhance operational efficiency
- Prioritize sponsorships in premier marathons and running events
- Premiumization strategy of Saucony

2.7% ▼ 0.1% pt

R&D expenses as a % to revenue

- Core Xtep brand: Upgrade flagship products and expand product offerings
- Saucony: Increase investment in the R&D of apparel and lifestyle products

Operating Profit and Operating Profit Margin

Group's adjusted operating profit[1]

RMB **1,204** m

▼ 6.2%

Segment operating profit

Mass market

RMB **1,120** m

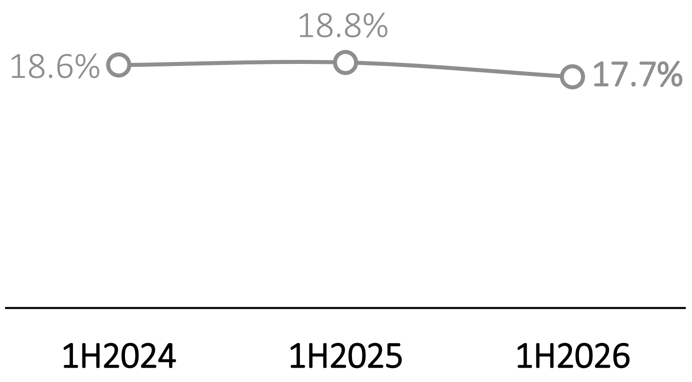
▼ 7.3%

Professional sports

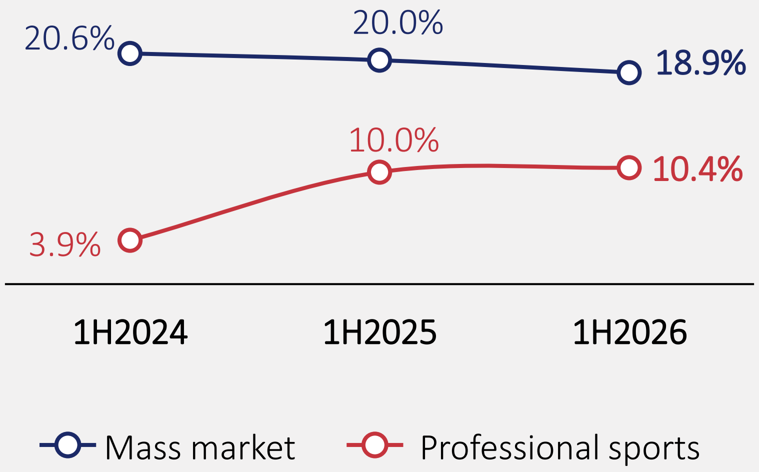
RMB **91** m

▲ 15.5%

Group's adjusted operating profit margin[1]



Segment operating profit margin



- Mass market: Increase in **e-commerce logistics, platform fees** and **DTC-related operating costs**
- Professional sports: Effective **cost control** and expanding **economies of scale**

[1]Excluding RMB43 million of share award expenses in 1H2026, and the reversal of RMB21 million of share award expenses in 1H2025

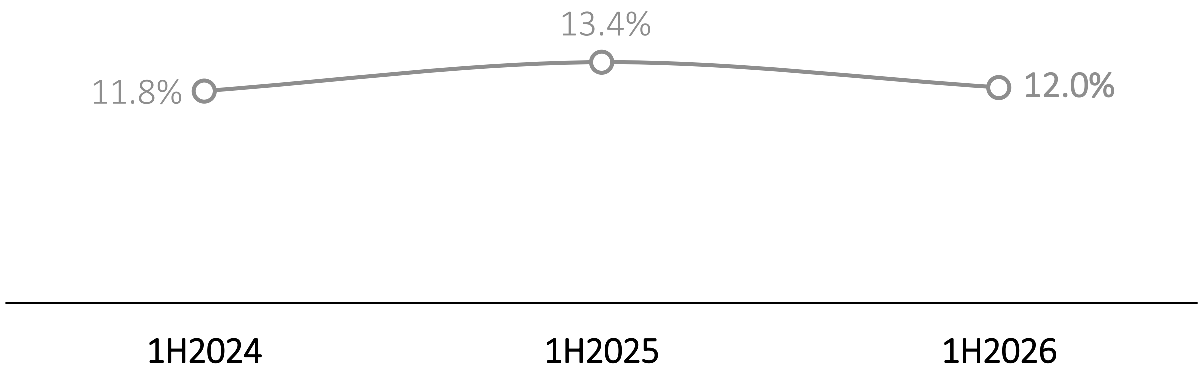
Net Profit and Shareholder Returns

Group's net profit

RMB **818** m

▼ 10.5%

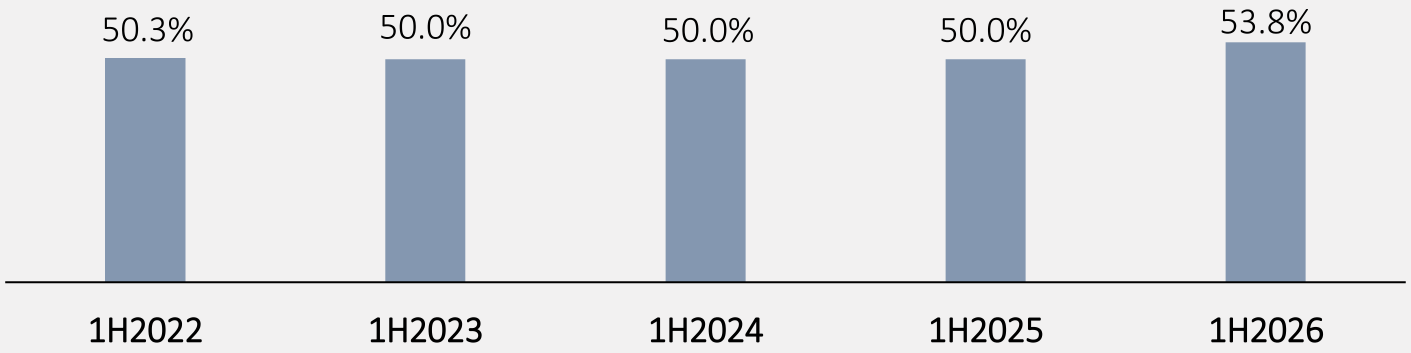
Group's net profit margin



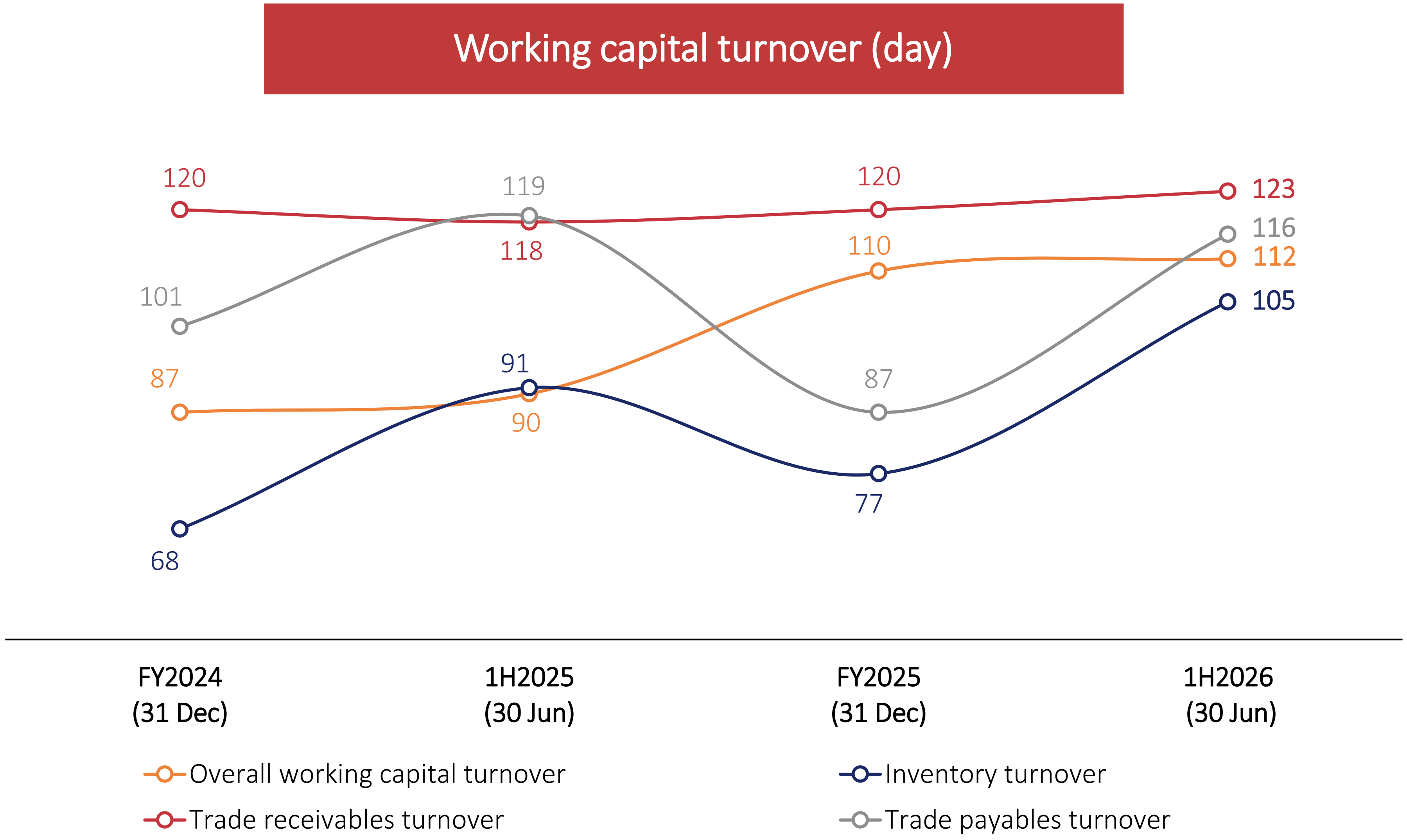
Interim dividend per Share

HK **18.0** cents

Interim dividend payout ratio



Working Capital Analysis[1]



[1] Remark: Turnover days are calculated on a 12-month rolling basis

Financial Position and Cash Flow

RMB m	30 Jun 2026	31 Dec 2025	Change
Cash and cash equivalents (A)	3,449	3,457	▼ 0.2%
Pledged bank deposits and term deposits (B)	786	681	▲ 15.4%
Bank borrowings (C)	637	1,097	▼ 41.9%
Convertible bonds (D)	1,272	1,334	▼ 4.7%
Net cash and cash equivalents = (A)+(B)-(C)-(D)	2,326	1,707	▲ 36.3%
Current asset ratio (times)	2.5x	2.4x	▲ 0.1x
Net asset value per Share	RMB 3.88	RMB 3.64	▲ 6.6%
RMB m	**1H2026**	**1H2025**	**YoY change**
Net operating cash inflow	847	774	▲ 9.5%
Capital expenditure	22	90	▼ 75.8%

Business Review

Group's Strategic Framework

No. 1 running brand in China

Continuous focus on running

Mass market

XTEP

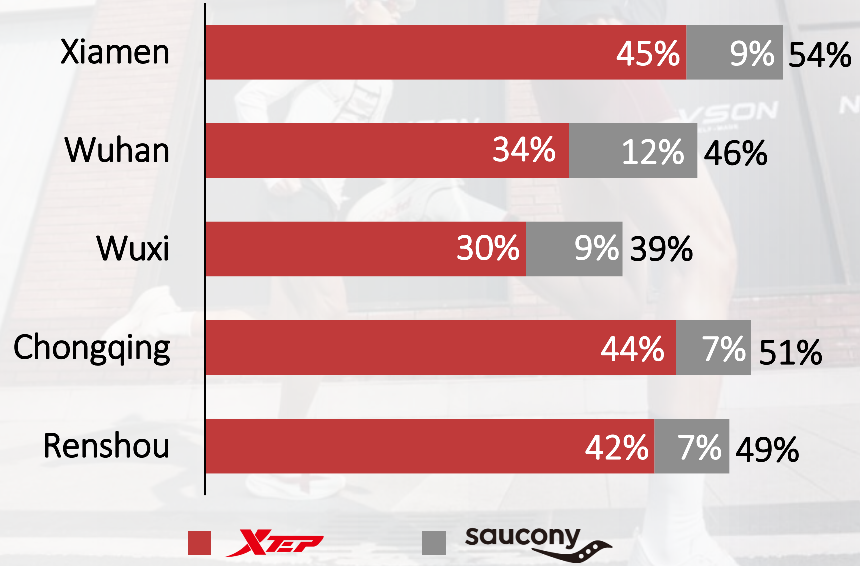
Premium market

saucony MERRELL

Leverage Professional Expertise to Expand into the Mass Market

No. 1 running brand in China

No.1 overall wear rate in marathons



Feng Peiyou
Broke national record with a time of 2:05:58

Continue to expand product offerings

Core Xtep Brand - E-commerce and Overseas Business Steer Growth Amid Continuous Channel Optimization

E-commerce drives growth

Fueled by flagship products

Channel optimization with smooth DTC progress

Number of stores in Chinese Mainland and overseas **6,308**

Large-format county-level store in Yinchuan, Ningxia

Image store in Johor Bahru, Malaysia

Overseas revenue doubled with rapid expansion in Southeast Asia

X Young - Sports Science to Support Height Development

X Young achieved steady growth

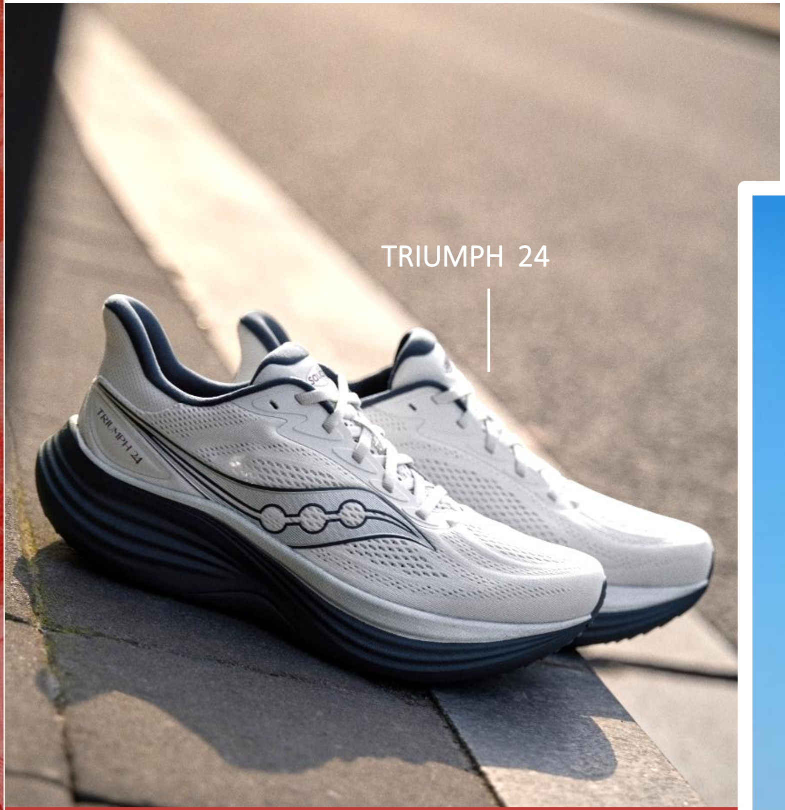
Precise positioning to support height development with sports

“Growth Store” drives differentiated experience and store productivity

Stores in Chinese Mainland 1,455

X Young “Dancing to the Stars”

Saucony - Elevate a Century-Old Running Heritage Through Brand Premiumization



Focus on running
Improve flagship product discounting

Empower diverse **elite lifestyles**
Expand **apparel and lifestyle offerings**

Focus on premium marketing campaigns

Saucony - Prioritize Premium Channels to Solidify Brand Momentum

Image store at K11 Art Mall in Hong Kong

Focus on prime locations in high-tier cities with image and flagship stores

Image store at West Bund Central in Shanghai

Number of Stores in China

180

Merrell - Professional Outdoor Sports Brand

Leverage e-commerce to achieve high-quality growth

Prioritize core product line for hiking lifestyle

Sustainability - Key Achievements in 1H2026

Authoritative ratings

MSCI ESG RATINGS
CCC | B | BB | BBB | A | AA | AAA

MSCI ESG
"A" rating

S&P Global Ratings

S&P ESG score
Outperformed over 84% of textile peers

Protect the planet

Upper made from recycled PET plastic bottles

160X 7.0 PRO
Eco-friendly shoe

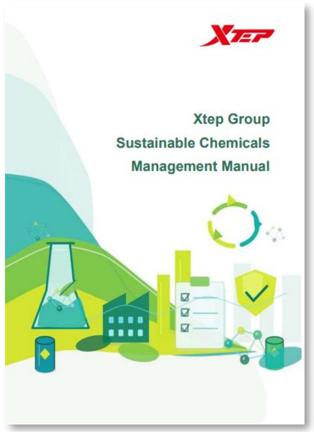
Carbon reduction of
12.7g/pair

Total weight of fabric waste recycled from supply chain reached 92 tons

"Return to New Life · Run for a Clean Future"
Labor Day cleanup run

Sustainable value chain

Published the *Sustainable Chemicals Management Manual*



Supported suppliers to achieve ZDHC MRSL Level 3 compliance for 74 chemical products

ESG training for supply chain management

Put people first

Female in management
37%

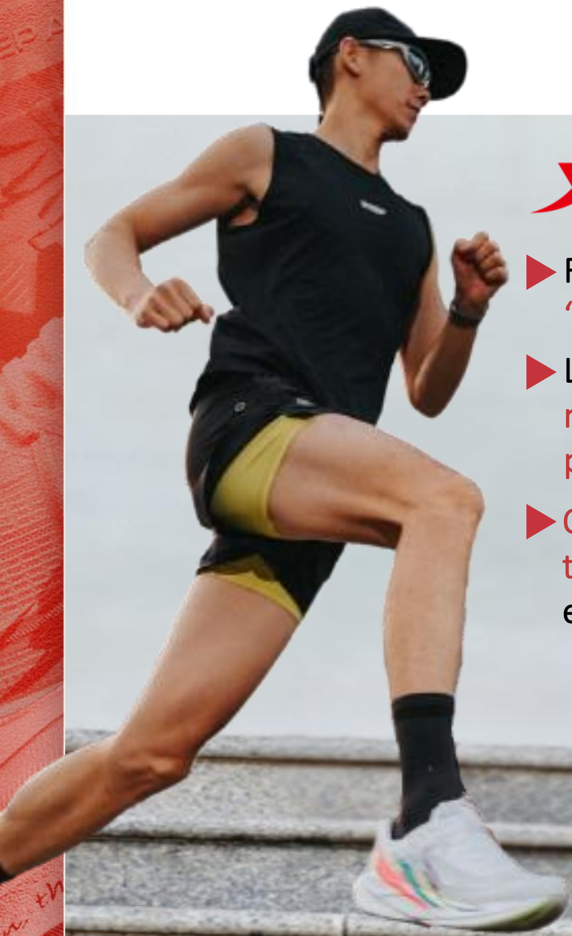
Marathon and running event sponsorship
38

Cash and supplies donations
RMB 14+million

Project Hope · Xtep Campus Charity Initiative


Prospects

Prospects



XTEP

- Reinforce running position to achieve "professional-to-mass influence" strategy
- Leverage flagship products to accelerate mass market penetration and enhance professional running leadership
- Optimize channel structure and drive DTC transformation to improve operational efficiency

saucony

- A century-old running heritage achieving long-term high-quality growth
  - Drive brand premiumization through marketing, product, and channel strategies
    - Actively expand into elite consumers and reinforce brand image
      - Expand presence at prime locations across high-tier cities and enhance store productivity

MERRELL

- Continuously invest in product and e-commerce platform to capture the growth potential of the outdoor industry

Focus on running

Build momentum

Appendix

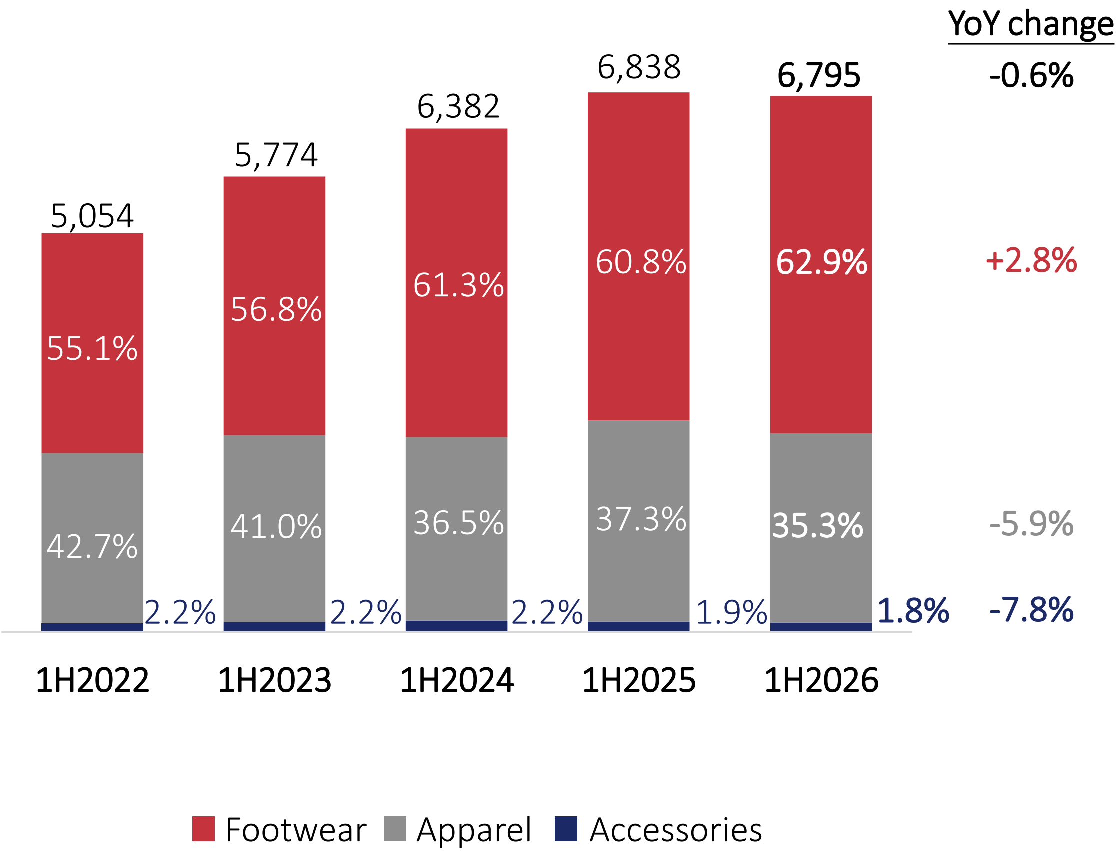
Consolidated Income Statement

RMB m	1H2026	1H2025	YoY change
Revenue	6,795	6,838	▼ 0.6%
Gross profit	3,155	3,074	▲ 2.6%
Selling & distribution and general & administrative expenses ("SG&A")	(2,323)	(2,123)	▲ 9.5%
Adjusted operating profit[1]	1,204	1,284	▼ 6.2%
Operating profit	1,161	1,305	▼ 11.0%
Profit attributable to ordinary equity holders	818	914	▼ 10.5%
Basic earnings per Share	RMB30.0 cents	RMB34.6 cents	▼ 13.1%
Gross profit margin	46.4%	45.0%	▲ 1.4% pts
SG&A to revenue ratio	34.2%	31.0%	▲ 3.2% pts
Adjusted operating profit margin[1]	17.7%	18.8%	▼ 1.1% pts
Operating profit margin	17.1%	19.1%	▼ 2.0% pts
Net profit margin	12.0%	13.4%	▼ 1.4% pts

[1]Excluding RMB43 million of share award expenses in 1H2026, and the reversal of RMB21 million of share award expenses in 1H2025

Group's Revenue and Gross Profit Analysis

Revenue by product[1] (RMB m)

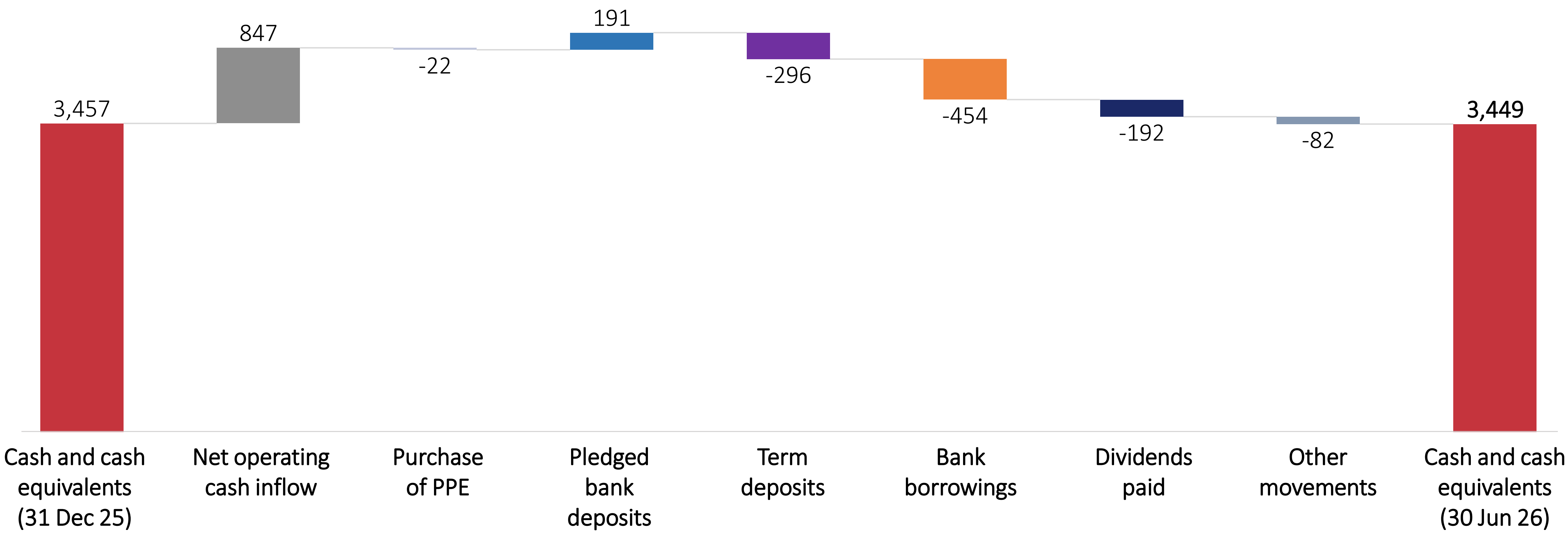


Gross profit margin by product (%)

	1H2026	1H2025	YoY change
Footwear	**48.7%**	46.5%	▲ 2.2% pts
Apparel	**43.0%**	42.9%	▲ 0.1% pt
Accessories	**36.6%**	35.2%	▲ 1.4% pts
Overall	**46.4%**	45.0%	▲ 1.4% pts

[1] Revenue from continuing operations for 1H2022, 1H2023, and 1H2024

Cash Flow Analysis (RMB m)



Core Xtep Brand – Mainstream Performance Products

Elite series	Professional series	Mass market series
RMB 1,700 ← RMB 900	RMB 800 ← RMB 500	RMB 500 ← RMB 200
160X 8.0 ULTRA *RMB1,699*	260X 3.0 *RMB799*	360X 3.0 LITE *RMB499*
160X 7.0 MONXTER *RMB1,699*	XTEP 100 3.0PRO *RMB799*	2000 KM *RMB499*
160X 8.0 PRO *RMB1,299*	LING YUN MAX *RMB799*	REACTOVE COIL 13 *RMB499*
160X 7.0 PRO *RMB1,299*	360X 3.0 *RMB599*	FEATHER FOAM *RMB439*
KUANG YE 3.0 PRO *RMB1,299*	360X 3.0 FLY *RMB599*	ULTRA FAST *RMB399*
160X 8.0 *RMB999*	LING YUN *RMB599*	QING YUN 2.0 LITE *RMB399*
160X 7.0 *RMB999*	2000 KM PRO *RMB569*	QING YUN 2.0 GO *RMB299*

The shoes are equipped with carbon fiber plate

Saucony – Comprehensive Collection

Running series

Propulsion | Rebound | Cushion | Stability

RMB 2,090 ← RMB 790


ENDORPHIN ELITE 3
RMB2,090


ENDORPHIN SPEED 5
RMB1,390


TRIUMPH 24
RMB1,390


HURRICANE 25
RMB1,390


ENDORPHIN PRO 5
RMB1,690


ENDORPHIN AZURA+
RMB1,190


RIDE 19
RMB990


TEMPUS 3
RMB1,390


SLAY 4
RMB990


KINVARA 16
RMB890


PHOENIX INFERNO 5
RMB790


GUIDE 19
RMB990

Commuter series

Commuter

RMB 1,490 ← RMB 950


TRIUMPH LFS PRM
RMB1,490


WHITE PRM
RMB1,190


TRIUMPH LFS WOOOLLY
RMB1,390


WHITE SL
RMB990


GUIDE ID 2
RMB950


GRIPPER VACATION
RMB990

Lifestyle series

Lifestyle

RMB 990 ← RMB 690


PEREGRINE 16 SHIFT
RMB990


KINVARA 1
RMB990

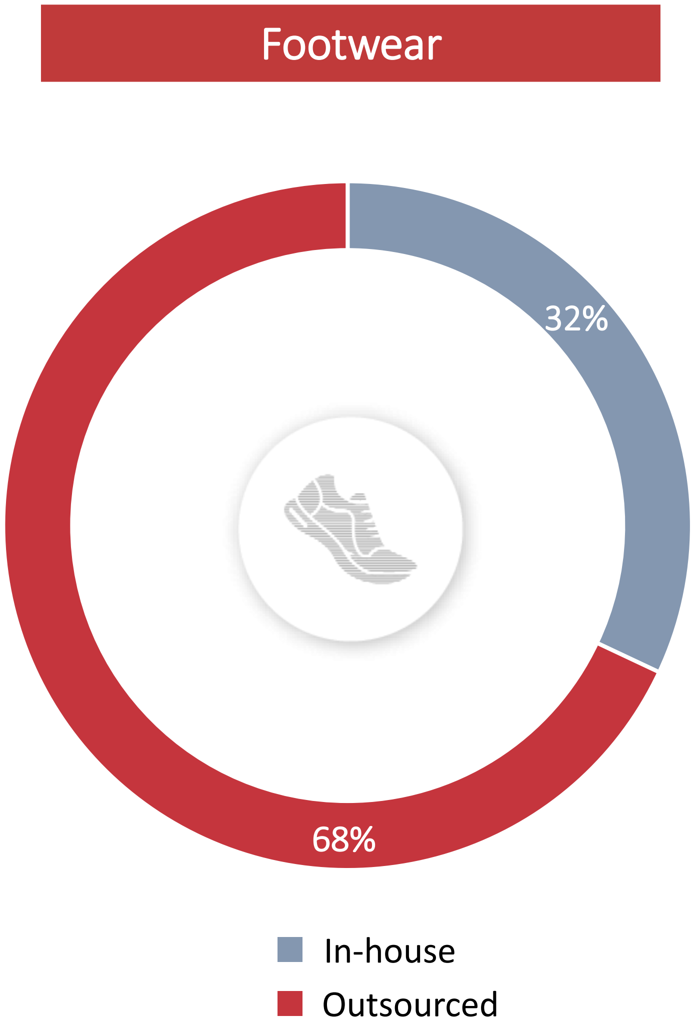

TRIUMPH 4
RMB890

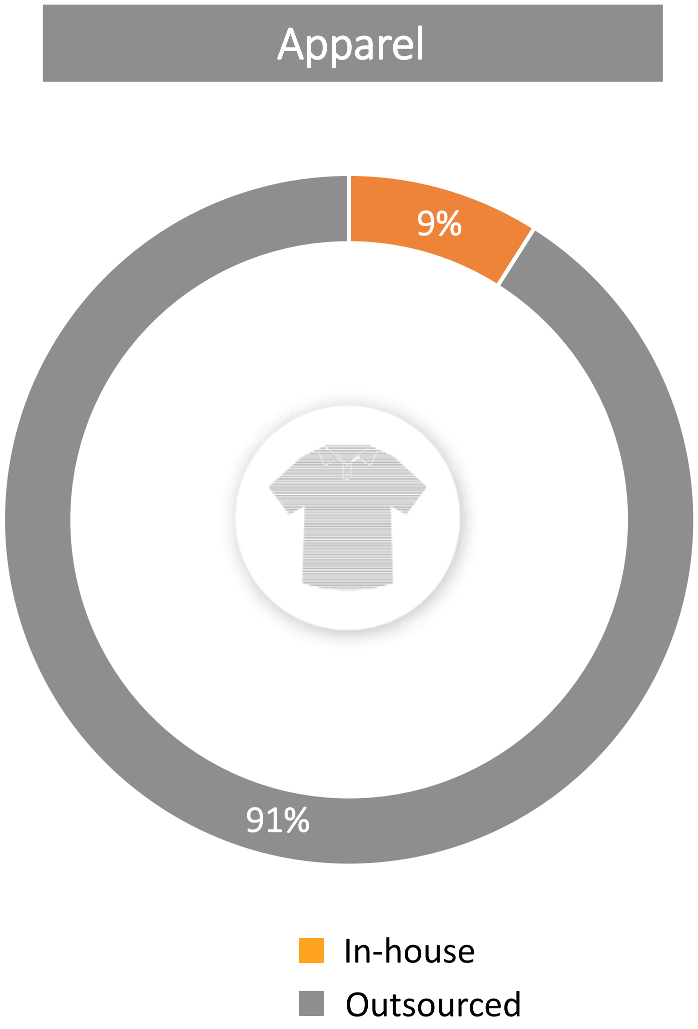

OMNI 9
RMB890


KINVARA 4 RE
RMB690


SPIKES 80S
RMB690

Group’s Production Capacity Allocation





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