

**POU SHENG INTERNATIONAL (HOLDINGS) LIMITED**

**寶勝國際(控股)有限公司**

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號:3813)



# INTERIM REPORT 中期報告 2025



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# CORPORATE INFORMATION

(As of August 11, 2025)

## DIRECTORS

### Non-executive Directors

Chiu, Hui-Yao (Chairman)  
Tsai Patty, Pei Chun  
Li I-nan

### Executive Directors

Hu, Chia-Ho  
Chang, Su-Ching (Chief Executive Officer)  
Chen, Li-Chieh (Chief Financial Officer)

### Independent Non-executive Directors

Chen, Huan-Chung  
Feng Lei Ming  
Liu, Hsi-Liang

## AUDIT COMMITTEE

Chen, Huan-Chung (Chairman)  
Tsai Patty, Pei Chun  
Feng Lei Ming

## REMUNERATION COMMITTEE

Liu, Hsi-Liang (Chairman)  
Chen, Huan-Chung  
Li I-nan

## NOMINATION COMMITTEE

Feng Lei Ming (Chairman)  
Chen, Huan-Chung  
Chang, Su-Ching

## DISCLOSURE COMMITTEE

Hu, Chia-Ho (Chairman)  
Chen, Li-Chieh

## AUTHORISED REPRESENTATIVES

Chen, Li-Chieh  
Yip Wing Ming

## COMPANY SECRETARY

Yip Wing Ming

## REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## PRINCIPAL PLACE OF BUSINESS

22nd Floor, C-Bons International Center  
108 Wai Yip Street, Kwun Tong  
Kowloon, Hong Kong

## INDEPENDENT AUDITOR

Deloitte Touche Tohmatsu  
*Registered Public Interest Entity Auditors*

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Investor Services  
(Bermuda) Limited  
5 Reid Street, PO Box HM 1475  
Hamilton HM FX  
Bermuda

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor  
Services Limited  
Shops 1712-1716, 17th Floor Hopewell Centre  
183 Queen's Road East Wanchai  
Hong Kong

## PRINCIPAL BANKERS

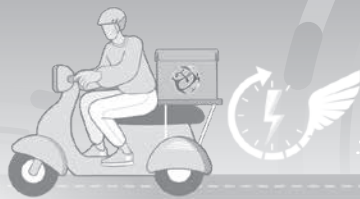
Australia and New Zealand Bank (China)  
Company Limited  
Australia and New Zealand Banking Group  
Limited  
Citibank (China) Co., Limited  
Industrial and Commercial Bank of China Limited  
Mizuho Bank (China), Limited  
Mizuho Bank, Limited  
Standard Chartered Bank (China) Limited  
Standard Chartered Bank (Hong Kong) Limited  
Standard Chartered Bank (Taiwan) Limited  
Taipei Fubon Commercial Bank Company  
Limited  
Taishin International Bank Company Limited  
United Overseas Bank Limited

## WEBSITE

[www.pousheng.com](http://www.pousheng.com)

## STOCK CODE

3813



## THE GROUP'S FINANCIAL HIGHLIGHTS

For the six months ended June 30,			
Financial performance	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)	Change
Revenue	9,159,425	9,983,269	-8.3%
Gross profit	3,069,210	3,415,700	-10.1%
Operating profit	281,596	482,555	-41.6%
Profit attributable to owners of the Company	187,615	335,722	-44.1%
Gross profit margin (%)	33.5%	34.2%	-0.7 ppt
Operating profit margin (%)	3.1%	4.8%	-1.7 ppt
Basic earnings per share (RMB cents)	3.62	6.48	-44.1%
Dividend per share			
Interim dividend (HK\$)	0.0115	0.02	-42.5%
Special dividend (HK\$)	0.0115	0.02	-42.5%
As at			
Financial position	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)	Change
Inventories	4,865,388	4,946,314	-1.6%
Trade and other receivables	2,009,997	2,124,515	-5.4%
Cash and cash equivalents	1,232,169	1,419,052	-13.2%
Bank borrowings	196,778	39,273	401.1%



# INTERIM RESULTS

## REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**Deloitte.**

**德勤**

**TO THE BOARD OF DIRECTORS OF  
POU SHENG INTERNATIONAL (HOLDINGS) LIMITED**

寶勝國際（控股）有限公司

*(incorporated in Bermuda with limited liability)*

### Introduction

We have reviewed the condensed consolidated financial statements of Pou Sheng International (Holdings) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 6 to 22, which comprises the condensed consolidated statement of financial position as of June 30, 2025 and the related condensed consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.



# INTERIM RESULTS

## REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

### Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

### Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

August 11, 2025

# INTERIM RESULTS

The board (the "Board") of directors (the "Directors") of Pou Sheng International (Holdings) Limited (the "Company") announces the unaudited interim results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended June 30, 2025 with the corresponding comparative figures as follows:

## CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED JUNE 30, 2025

		For the six months ended June 30,	
	NOTES	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Revenue	3	9,159,425	9,983,269
Cost of sales		(6,090,215)	(6,567,569)
Gross profit		3,069,210	3,415,700
Other operating income and gains (losses)		102,671	118,664
Selling and distribution expenses		(2,508,356)	(2,672,160)
Administrative expenses		(381,929)	(379,649)
Operating profit		281,596	482,555
Finance costs	5	(28,091)	(35,380)
Finance income		21,599	27,736
		(6,492)	(7,644)
Profit before taxation		275,104	474,911
Income tax expense	4	(74,998)	(136,905)
<b>Profit for the period</b>	5	<b>200,106</b>	338,006
Attributable to:			
Owners of the Company		187,615	335,722
Non-controlling interests		12,491	2,284
		<b>200,106</b>	338,006
Earnings per share	7		
– Basic		RMB3.62 cents	RMB6.48 cents
– Diluted		RMB3.61 cents	RMB6.48 cents



# INTERIM RESULTS

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2025

	For the six months ended June 30,	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
<b>Profit for the period</b>	<b>200,106</b>	338,006
<b>Other comprehensive (expense) income</b>		
<i>An item that will not be reclassified to profit or loss</i>		
Fair value (loss) gain on investments in equity instrument at fair value through other comprehensive income	(716)	1,256
<i>An item that may be reclassified subsequently to profit or loss</i>		
Exchange differences arising on the translation of foreign operations	(1,626)	3,313
Other comprehensive (expense) income for the period	(2,342)	4,569
<b>Total comprehensive income for the period</b>	<b>197,764</b>	342,575
Attributable to:		
Owners of the Company	185,273	340,291
Non-controlling interests	12,491	2,284
	<b>197,764</b>	342,575



# INTERIM RESULTS

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT JUNE 30, 2025

		At June 30, 2025 RMB'000 (unaudited)	At December 31, 2024 RMB'000 (audited)
	NOTES		
<b>Non-current assets</b>			
Investment properties		126,500	126,500
Property, plant and equipment	8	722,966	786,134
Right-of-use assets	8	1,237,740	1,398,364
Deposits paid for acquisition of property, plant and equipment		35,710	47,981
Rental deposits		108,238	109,213
Intangible assets	8	97,106	96,158
Goodwill		522,163	522,163
Interests in joint ventures		-	-
Equity instrument at fair value through other comprehensive income		2,749	3,088
Bank deposits over three months		337,840	437,840
Deferred tax assets		138,842	102,826
		<b>3,329,854</b>	3,630,267
<b>Current assets</b>			
Inventories		4,865,388	4,946,314
Trade and other receivables	9	2,009,997	2,124,515
Taxation recoverable		29,399	71,232
Bank deposits over three months		1,124,123	846,510
Cash and cash equivalents		1,232,169	1,419,052
		<b>9,261,076</b>	9,407,623



# INTERIM RESULTS

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

AT JUNE 30, 2025

		At June 30, 2025 RMB'000 (unaudited)	At December 31, 2024 RMB'000 (audited)
	NOTE		
<b>Current liabilities</b>			
Trade and other payables	10	1,857,721	2,349,583
Contract liabilities		261,419	314,030
Taxation payable		16,098	12,396
Bank borrowings		196,778	39,273
Lease liabilities		512,507	538,548
		<b>2,844,523</b>	3,253,830
<b>Net current assets</b>		<b>6,416,553</b>	6,153,793
<b>Total assets less current liabilities</b>		<b>9,746,407</b>	9,784,060
<b>Non-current liabilities</b>			
Deferred tax liabilities		20,475	21,293
Lease liabilities		748,574	891,971
		<b>769,049</b>	913,264
<b>Net assets</b>		<b>8,977,358</b>	8,870,796
<b>Capital and reserves</b>			
Share capital		46,438	46,438
Reserves		8,822,118	8,728,047
Equity attributable to owners of the Company		<b>8,868,556</b>	8,774,485
Non-controlling interests		108,802	96,311
<b>Total equity</b>		<b>8,977,358</b>	8,870,796

# INTERIM RESULTS

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 2025

	Equity attributable to owners of the Company															
	Share capital RMB'000	Share premium RMB'000	Special reserve RMB'000 (note (i))	Other reserve RMB'000 (note (ii))	Revaluation reserve RMB'000	Merger reserve RMB'000 (note (iii))	Property revaluation reserve RMB'000	Reserve on instrument at FVTOCI RMB'000	Shares held under share award scheme RMB'000	Share award reserve RMB'000	Non-distributable reserve RMB'000 (note (iv))	Translation reserve RMB'000	Accumulated profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At January 1, 2024 (audited)	46,438	5,145,233	676,506	(1,484,754)	55,395	29,544	6,381	(355)	(204,188)	4,288	1,133,375	(14,757)	3,125,025	8,518,131	92,450	8,610,581
Fair value gain on investments in equity instrument at fair value through other comprehensive income	-	-	-	-	-	-	-	1,256	-	-	-	-	-	1,256	-	1,256
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	-	-	-	-	-	3,313	-	3,313	-	3,313
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	335,722	335,722	2,284	338,006
Total comprehensive income for the period	-	-	-	-	-	-	-	1,256	-	-	-	3,313	335,722	340,291	2,284	342,575
Recognition of equity-settled share-based payments, net of amount lapsed relating to share awards not yet vested	-	-	-	-	-	-	-	-	-	547	-	-	-	547	-	547
Share award vested	-	-	-	-	-	-	-	-	4,865	(3,775)	-	-	(1,090)	-	-	-
Deregistration of a non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,864)	(3,864)
Release upon deregistration of subsidiaries	-	-	-	-	-	-	-	-	-	-	(50,799)	-	50,799	-	-	-
Dividend recognised as distribution (Note 6)	-	-	-	-	-	-	-	-	-	-	-	-	(56,652)	(56,652)	-	(56,652)
Capital contribution by a non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,400	1,400
Transfer	-	-	-	-	-	-	-	-	-	-	12,208	-	(12,208)	-	-	-
At June 30, 2024 (unaudited)	46,438	5,145,233	676,506	(1,484,754)	55,395	29,544	6,381	901	(199,323)	1,060	1,094,784	(11,444)	3,441,596	8,802,317	92,270	8,894,587
At January 1, 2025 (audited)	46,438	5,145,233	676,506	(1,484,754)	55,395	29,544	6,381	901	(197,652)	3,491	1,111,583	(11,517)	3,392,936	8,774,485	96,311	8,870,796
Fair value loss on investments in equity instrument at fair value through other comprehensive income	-	-	-	-	-	-	-	(716)	-	-	-	-	-	(716)	-	(716)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	-	-	-	-	-	(1,626)	-	(1,626)	-	(1,626)
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	187,615	187,615	12,491	200,106
Total comprehensive income for the period	-	-	-	-	-	-	-	(716)	-	-	-	(1,626)	187,615	185,273	12,491	197,764
Recognition of equity-settled share-based payments, net of amount lapsed relating to share awards not yet vested	-	-	-	-	-	-	-	-	-	3,534	-	-	-	3,534	-	3,534
Release upon deregistration of subsidiaries	-	-	-	-	-	-	-	-	-	-	(5,512)	-	5,512	-	-	-
Dividend recognised as distribution (Note 6)	-	-	-	-	-	-	-	-	-	-	-	-	(94,736)	(94,736)	-	(94,736)
Transfer	-	-	-	-	-	-	-	-	-	-	14,883	-	(14,883)	-	-	-
At June 30, 2025 (unaudited)	46,438	5,145,233	676,506	(1,484,754)	55,395	29,544	6,381	185	(197,652)	7,025	1,120,954	(13,143)	3,476,444	8,868,556	108,802	8,977,358



# INTERIM RESULTS

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

FOR THE SIX MONTHS ENDED JUNE 30, 2025

notes:

- (i) The special reserve represents the difference between the nominal value of the share capital issued by the Company and the share premium and the nominal value of the share capital of the subsidiaries comprising the Group prior to the group reorganisation in 2008.
- (ii) The other reserve represents the difference between the fair value of the consideration paid or received and the relevant share of carrying value of the subsidiaries' net assets/liabilities acquired from or disposed of to the non-controlling interests, after reattribution of relevant reserve.
- (iii) The merger reserve represents the difference in the fair value of the consideration paid to the Company's intermediate holding company, Yue Yuen Industrial (Holdings) Limited ("Yue Yuen") for the acquisition of subsidiaries controlled by Yue Yuen and the share capital and premium of the acquired subsidiaries.
- (iv) According to the relevant laws in the People's Republic of China (the "PRC"), the subsidiaries of the Company established in the PRC are required to transfer at least 10% of their net profit after taxation, as determined under the PRC accounting regulations, to a non-distributable reserve fund until the reserve balance reaches 50% of their registered capital. The transfer to this reserve must be made before the distribution of a dividend to equity owners. The non-distributable reserve fund can be used to offset the previous years' losses, if any.

# INTERIM RESULTS

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

	For the six months ended June 30,	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
<b>Net cash from operating activities</b>	<b>399,258</b>	873,308
<b>Net cash used in investing activities</b>		
Placement of bank deposits over three months	(750,108)	(754,500)
Payment/deposits paid for acquisition of property, plant and equipment	(111,627)	(183,031)
Payment for acquisition of intangible assets	(7,797)	(7,732)
Payments for right-of-use assets	(1,548)	(2,852)
Withdrawal of bank deposits over three months	572,509	304,500
Refund for rental deposits	2,468	4,817
Interest received	21,599	27,736
Proceeds from disposal of property, plant and equipment	791	3,005
	(273,713)	(608,057)
<b>Net cash used in financing activities</b>		
Repayments of bank borrowings	(100,000)	(276,964)
Repayments of leases liabilities, including related interests	(371,561)	(425,784)
Interest paid on bank borrowings and advances from a related party	(1,523)	(1,222)
New bank borrowings raised	252,510	276,739
Capital contribution by non-controlling interests	-	1,400
Dividends paid	(94,736)	(56,652)
	(315,310)	(482,483)



# INTERIM RESULTS

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

FOR THE SIX MONTHS ENDED JUNE 30, 2025

	For the six months ended June 30,	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Net decrease in cash and cash equivalents	(189,765)	(217,232)
Cash and cash equivalents at beginning of the period	1,419,052	1,827,563
Effect of foreign exchange rate changes	2,882	1,499
Cash and cash equivalents at end of the period	1,232,169	1,611,830



# INTERIM RESULTS

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

### 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2025 are the same as those presented in the Group’s annual consolidated financial statements for the year ended December 31, 2024.

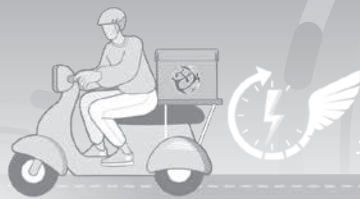
#### Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on January 1, 2025 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standard in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.



# INTERIM RESULTS

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 3. REVENUE AND SEGMENTAL INFORMATION

The Group is principally engaged in the distribution and retailing of sportswear and footwear products and provision of large scale commercial spaces to retailers and distributors for commissions from concessionaire sales. The Group's results and revenue are reported as a whole on a regular basis to the chief operating decision maker, being the executive directors of the Company, for the purposes of performance assessment and resource allocation.

The following is an analysis of the Group's revenue recognised at a point in time:

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Sales of sportswear and footwear products	9,105,516	9,924,029
Commissions from concessionaire sales	53,909	59,240
	9,159,425	9,983,269

### 4. INCOME TAX EXPENSE

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
PRC Enterprise Income Tax		
– Current period	121,652	125,213
– Overprovision in prior periods	(24,819)	(11,547)
Withholding tax on dividend	15,000	15,254
Current tax charge – total	111,833	128,920
Deferred tax (credit) charge	(36,835)	7,985
	74,998	136,905



# INTERIM RESULTS

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 5. FINANCE COSTS/PROFIT FOR THE PERIOD

	For the six months ended June 30,	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
<b>(a) Finance costs</b>		
Interest expenses on bank borrowings	1,482	1,191
Interest expenses on advances from a related party	47	50
Interest expenses on lease liabilities	26,562	34,139
	<b>28,091</b>	<b>35,380</b>
<b>(b) Profit for the period</b>		
Profit for the period has been arrived at after charging (crediting):		
Total staff costs (included in selling and distribution expenses and administrative expenses)	1,053,815	1,092,906
Depreciation of right-of-use assets	337,733	389,640
Depreciation of property, plant and equipment	153,813	162,410
Net changes in allowance for inventories (included in cost of sales)	18,754	(1,484)
Amortisation of intangible assets (included in selling and distribution expenses)	6,856	4,553
Gross rental income from investment properties, net of direct expenses	(2,760)	(3,065)
Subsidy income from government (included in other operating income and gains (losses))	(25,837)	(22,949)
Loss on disposal/written off of property, plant and equipment (included in other operating income and gains (losses))	6,450	3,300
Impairment losses (reversal) recognised on trade and other receivables, net (included in other operating income and gains (losses))	(4,403)	2,429



# INTERIM RESULTS

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 5. FINANCE COSTS/PROFIT FOR THE PERIOD (continued)

#### (b) Profit for the period (continued)

For the six months ended June 30, 2025 and 2024, cost of inventories recognised as an expense represents cost of sales as shown in the condensed consolidated income statement.

### 6. DIVIDENDS

	For the six months ended June 30,	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Dividends recognised as distribution during the period:		
2024 final dividend of HK\$0.01 per share (six months ended June 30, 2024: 2023 final dividend of HK\$0.012 per share)	47,368	56,652
2024 special dividend of HK\$0.01 per share (six months ended June 30, 2024: nil)	47,368	-
	94,736	56,652

Subsequent to the end of the current interim period, the Directors have determined that an interim dividend of HK\$0.0115 per ordinary share of the Company (the "Share") and a special dividend of HK\$0.0115 per Share (six months ended June 30, 2024: interim dividend of HK\$0.02 per Share and special dividend of HK\$0.02 per Share) amounting to approximately HK\$122,502,000 in aggregate will be paid to the holders of the Shares (the "Shareholders") whose names appear in the register of members of the Company (the "Register of Members") on Tuesday, September 16, 2025.

# INTERIM RESULTS

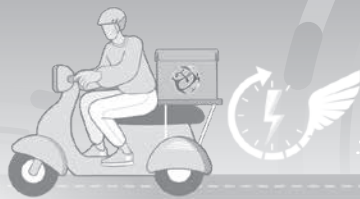
## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	For the six months ended June 30,	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Earnings:		
Earnings for the period attributable to owners of the Company for the purposes of basic and diluted earnings per share	187,615	335,722
	For the six months ended June 30,	
	2025 (unaudited)	2024 (unaudited)
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share	5,183,714,855	5,181,024,601
Effect of dilutive potential ordinary shares:		
– Unvested awarded shares	11,983,003	2,662,649
Weighted average number of ordinary shares for the purpose of diluted earnings per share	5,195,697,858	5,183,687,250

The weighted average number of ordinary shares shown above has been arrived at after deducting the shares held by the trustee of the share award scheme of the Company.



# INTERIM RESULTS

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 8. PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND INTANGIBLE ASSETS

During the current interim period, the Group acquired property, plant and equipment of RMB97,796,000 (six months ended June 30, 2024: RMB175,055,000).

During the current interim period, the Group has disposed of/written off certain property, plant and equipment with an aggregate carrying amount of RMB7,241,000 (six months ended June 30, 2024: RMB6,305,000) for cash proceeds of RMB791,000 (six months ended June 30, 2024: RMB3,005,000), resulting in a loss on disposal/written off of RMB6,450,000 (six months ended June 30, 2024: RMB3,300,000).

During the current interim period, the Group entered into several new lease agreements for the use of retail stores with lease terms generally between 1 to 6 years (six months ended June 30, 2024: 1 to 6 years). Some of the leases in which the Group is the lessee contain variable lease payments terms that are linked to sales generated from retail stores. The Group recognised right-of-use assets resulting from new leases and lease modifications amounting to RMB157,629,000 and RMB76,218,000, respectively (six months ended June 30, 2024: RMB150,327,000 and RMB86,965,000, respectively). The Group derecognised the right-of-use assets resulting from lease modifications amounting to RMB56,738,000 (six months ended June 30, 2024: RMB102,205,000).

At the end of the current interim period, capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements as was RMB23,473,000 (December 31, 2024: RMB16,967,000), and the Group entered into new leases for several retail stores that have not yet commenced, with an average non-cancellable period ranging from 1 to 5 years (December 31, 2024: 1 to 6 years), the total future undiscounted cash flows over the non-cancellable period amounted to RMB18,289,000 (December 31, 2024: RMB41,028,000).

During the current interim period, the Group incurred RMB7,797,000 (six months ended June 30, 2024: RMB7,732,000) for computer software recorded under intangible assets.

# INTERIM RESULTS

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 9. TRADE AND OTHER RECEIVABLES

The Group generally allows credit periods of 30 days to 60 days which are agreed with each of its trade customers. The aged analysis of the Group's trade receivables, net of allowance for doubtful debts, presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates, is as follows:

	At June 30, 2025 RMB'000 (unaudited)	At December 31, 2024 RMB'000 (audited)
0 – 30 days	899,678	955,328
31 – 90 days	18,646	18,373
Over 90 days	215	–
	<b>918,539</b>	973,701

### 10. TRADE AND OTHER PAYABLES

The aged analysis of the Group's trade payables, presented based on the invoice date at the end of the reporting period, is as follows:

	At June 30, 2025 RMB'000 (unaudited)	At December 31, 2024 RMB'000 (audited)
0 – 30 days	678,616	954,011
31 – 90 days	–	12,968
Over 90 days	5,608	5,011
	<b>684,224</b>	971,990



# INTERIM RESULTS

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 11. SHARE AWARD SCHEME

The Company's share award scheme was adopted pursuant to a board resolution passed on May 9, 2014, amended on November 11, 2016, and further amended and restated on November 13, 2023. Movements in the number of share awards outstanding are as follows:

	Number of share awards	
	2025	2024
As at January 1, (audited)	<b>22,080,000</b>	5,227,200
Vested	-	(3,507,400)
Lapsed	<b>(2,880,000)</b>	(20,800)
As at June 30, (unaudited)	<b>19,200,000</b>	1,699,000

A total of 142,464,760 ordinary shares of the Company were held by the trustee of the Share Award Scheme as at June 30, 2025 (December 31, 2024: 142,464,760 ordinary shares).

# INTERIM RESULTS

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 12. RELATED PARTY DISCLOSURES

#### Transactions and balances

The Group had the following significant related party transactions and balances:

		For the six months ended June 30,	
Relationship	Nature of transactions	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
<i>Intermediate holding company:</i>			
Yue Yuen and its subsidiaries	Operating lease payment paid by the Group	570	601
	Management fees charged to the Group	2,481	1,462
<i>Companies owned by a trust set up for the benefits of the family members of a director of the Company and the director is one of the ultimate beneficiaries of the trust:</i>			
Hung Tak Investment Limited	Operating lease payment paid by the Group	-	853
Non-controlling interest of a subsidiary	Sales of sportswear products by the Group	16,421	14,949
	Commission from concessionaire sales by the Group	435	640
	Other operating income received by the Group	157	155
	Interest expense charged to the Group	47	50
		At June 30, 2025 RMB'000 (unaudited)	At December 31, 2024 RMB'000 (audited)
Relationship	Nature of balances		
<i>Intermediate holding company:</i>			
Yue Yuen and its subsidiaries	Other payables of the Group	1,484	1,296
Non-controlling interest of a subsidiary	Trade receivable of the Group	1,741	2,183
	Other payables of the Group	2,800	2,800



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

### Business Environment

In the six months ended June 30, 2025 (the "Period"), the retail landscape in mainland China remained dynamic, with promotional activities becoming the norm. Offline foot traffic continued to decline significantly, while new e-commerce models such as livestreaming and instant retail further intensified market competition. Despite this, overall consumption improved at a decent pace, driven by the expansion of trade-in policies. According to the National Bureau of Statistics of China, mainland China's gross domestic product ("GDP") grew by 5.3% in the first half of 2025, while total retail sales of consumer goods rose by 5.0% year-on-year during the same period. However, the footwear and apparel retail industry has not been among the beneficiaries and continues to lag behind overall consumption.

The mainland China market experienced subdued consumer confidence and elevated industry inventory levels, leading to weak foot traffic and aggressive promotional activity. In response to these conditions, the Group dynamically adjusted its promotion strategy, prudently implementing orderly discounts to capitalise on sales opportunities during platform festival promotion events. Despite remaining committed to effective inventory management, optimising its inventory mix and sales structure, strengthening its product selection and the efficiency of product allocation system, and capitalising on its enhanced digital capabilities and continued stringent expense controls, the Group experienced operational deleverage due to the scale of the sales decline. This, coupled with increased discounts within the promotional environment, impacted the Group's profitability.

Notably, amid the sector's highly competitive e-commerce landscape, the Group continued to enhance its omni-channel capabilities while maintaining a high degree of agility and flexibility in its decision-making, systematically developing its online presence. In addition to the Group's continuously growing B2C public traffic domain, its private traffic domain performed particularly well, with livestreaming sales increasing by over 100%.





# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW (continued)

### Business Environment (continued)

At the same time, the Group continued to focus on improving conversion rates within its directly operated brick-and-mortar (“B&M”) network and enhancing in-season full-price sales. This was achieved by dynamically managing its store portfolio and enhancing productivity and operational efficiency at the store level, while deepening engagement with consumers and the services provided to them. The Group also intensified and expanded its collaboration with brand and platform partners in ways that prioritised healthier and balanced sales, strengthened its membership programmes and inventory integration, and broadened its appeal to a wider consumer base.

### Hybrid Channel Management – B&M

Amid the changing economic environment, the Group’s retail network experienced a further slowdown in sales momentum, driven by weak foot traffic and a mid-teens percentage decline in same-store sales. Although the Group continued to diversify its geographic footprint with sub-distributors to achieve a balanced sales distribution across different city tiers, lower-tier cities also experienced sluggish foot traffic, substantially undermining the performance of its sub-distributors channels, which recorded significant quarter-on-quarter deterioration during the Period.

During the Period, the Group continued to progress its retail refinement strategy of selectively rightsizing or upgrading stores, boosting store-level productivity. It continued to adopt a holistic view towards new store openings, including for its existing brand portfolio and for new brands, optimising total investment returns by prioritising geographic regions that demonstrate an outstanding operating track record and convincing potential. New stores were only opened following thorough assessments that prioritise margins and business quality. As of June 30, 2025, the Group directly operated 3,408 stores across the Greater China region.



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW (continued)

### Hybrid Channel Management - B&M (continued)

Movement of directly operated stores during the six months ended:

	June 30, 2025	June 30, 2024
At the beginning of the Period	3,448	3,523
Net decrease	(40)	(45)
At the end of the Period	3,408	3,478

B&M retail channels remain a critical and irreplaceable sales touchpoint for consumers in the Greater China region who want to discover new products and experience a unique, personalised and seamless shopping experience for sports products and services. During the Period, the Group continued to optimise its store formats and enhance its digital capabilities by integrating its Pan-WeChat Ecosphere, highly-integrated membership programmes and other digital services and tools into its B&M network, which, in turn, enriched the consumer experience despite the dynamic consumption landscape. During the Period, the Group further expanded its self-owned “YYQUALITY” – a multi-brand outlet store concept, offering consumers high-quality merchandise at great value, along with a one stop diverse shopping experience. More importantly, the Group conducted a review of regional operational structures and developed efficiency enhancement projects to optimise store entry and transaction rates, repeat purchases and higher-margin in-season sales within its offline network.



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW (continued)

### Hybrid Channel Management – Omni-channels

The Group's omni-channels include its higher-margin private traffic domain known as the Pan-WeChat Ecosphere. This ecosystem encompasses various platforms, including WeChat stores, Douyin live-streaming shopping events, and shopping mall membership platforms. The Group's other omni-channels include its operations located at public traffic domains, such as Tmall, JD, Vipshop, and other B2B channels, utilising competitive pricing strategies to maximise sales volume to facilitate the clearance of slow-moving merchandise and support cash conversion efficiency.

The Group continued to strengthen its digital capabilities throughout the Period, leveraging a differentiated and multi-faceted operation matrix to further deepen its engagement with diverse shopping groups and enhance operational efficiency. The Group's online sales momentum, led by its public traffic domain's online multi-storefront model and Pan-WeChat Ecosphere, remained resilient. Omni-channel sales grew approximately 16% year-on-year, with its contribution to total sales rising to approximately 33% during the Period. This partly offset weak foot traffic within its B&M stores while supporting effective inventory management.

The Pan-WeChat Ecosphere continued to serve as an extension of the Group's B&M network, supporting conversion rates and contributing to offline direct retail sales while providing quality, personalised and comprehensive customer service with a human touch. The Group also heightened the efficiency of its operations by further integrating its Douyin live-streams conducted by designated Key Opinion Staff and influencers, facilitating more localised operations by upgrading operations at both the regional and store levels, fully integrating its inventory across mainland China, and strengthening cooperation with brand partners. It also continued to embed value-added services, diverse content, and member-exclusive benefits into the Pan-WeChat Ecosphere to achieve quality sales and more repeat purchases.



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW (continued)

### Enhanced Strategic Alliance with Business Partners

The Group further deepened its strategic partnerships with its business partners to provide an impeccable and diverse shopping experience, and enhance consumer connectivity. Leveraging its YYsports WeChat Mini-Program and live-streaming across the Greater China region, the Group continued to boost its connected digital membership programmes while offering diversified content, interactive features and other related services, to support in-depth membership management and facilitate a premium and seamless online and offline consumer experience. The Group further supported membership growth and increased in-season sell-through by strengthening its membership programmes integration with brand partners and expanding brand-authorised Douyin accounts.

Moreover, the Group continued to reinforce its product-sharing platform (“PSP”) and improve its efficiency in product allocation and logistics management, while enhancing its connected inventory programme with brand partners to efficiently share products and services across different platforms and channels, optimising its inventory mix and accelerating sales cycles.

### Strengthened Operational Excellence with Digital Transformation

During the Period, the Group continued to advance its core strategy of digital transformation, enhancing the integration and upgrade of its SAP system. Leveraging its multi-functional modules, the Group integrated and optimised its business and finance functions, and improved the efficiency of strategic decision-making at the management level. Through its further upgraded and fully integrated business intelligence platform, the Group is able to monitor all of its operations through digital cloud-based financial dashboards with enhanced efficiency. It is continuing to optimise other digital tools and dashboards to drive its retail excellence, particularly in areas such as real-time in-store efficiency, resource optimisation and membership services through digital empowerment.



# MANAGEMENT DISCUSSION AND ANALYSIS

## PERFORMANCE ANALYSIS

### Financial Review

During the Period, the Group recorded revenue of RMB9,159.4 million, representing a decrease of 8.3% compared with the same period of last year. Gross profit was RMB3,069.2 million, representing a decrease of 10.1% when compared to the same period of last year. Profit attributable to owners of the Company for the Period decreased by 44.1% to RMB187.6 million due to increased markdowns and operational deleverage.

### Revenue

During the Period, the Group's total revenue decreased by 8.3% to RMB9,159.4 million amid an increasingly dynamic retail environment, with volatile foot traffic and a quarter-over-quarter deterioration in sub-distributors channel hindering overall sales, despite the relatively resilient performance of its omni-channels.

### Gross Profit

The Group's gross profit during the Period amounted to RMB3,069.2 million. Despite its efforts to optimise inventory mix and sales structure, the Group's gross profit margin decreased by 0.7 percentage point to 33.5% due to aggressive promotions across the retail industry and increased average markdowns.

### Selling & Distribution Expenses and Administrative Expenses

The Group's selling and distribution expenses during the Period were RMB2,508.4 million (first half of 2024: RMB2,672.2 million), accounting for 27.4% of the Group's revenue (first half of 2024: 26.8%). Selling and distribution expenses primarily include concessionaire fees, depreciation of right-of-use assets in relation to stores, sales personnel salaries and commissions, other depreciation and amortisation charges, and other expenses that mainly include store operation expenses, property management fees, logistics expenses and other expenses.

Administrative expenses during the Period were RMB381.9 million (first half of 2024: RMB379.6 million), accounting for 4.2% of the Group's revenue (first half of 2024: 3.8%). Administrative expenses primarily include management and administrative personnel salaries, depreciation and amortisation charges and other expenses.



# MANAGEMENT DISCUSSION AND ANALYSIS

## PERFORMANCE ANALYSIS (continued)

### Selling & Distribution Expenses and Administrative Expenses (continued)

The Group's selling and distribution expenses and administrative expenses in during the Period were RMB2,890.3 million, a decrease of 5.3% year-on-year. This was equivalent to 31.6% of total revenue, with the savings accruing from the active management of rentals and people efficiency.

### Operating Profit

The Group's operating profit during the Period was RMB281.6 million, a decrease of 41.6%. The operating margin was 3.1%, a decrease of 1.7 percentage points year-on-year, thanks to the Group's cost-reduction and efficiency-improvement efforts that partially offset operating deleverage.

### Finance Income and Finance Costs

Finance income during the Period was RMB21.6 million, compared to RMB27.7 million in the first half of 2024. Finance costs during the Period decreased by 20.6% to RMB28.1 million, compared to RMB35.4 million in the first half of 2024. This reduction was mainly attributed to a decrease in interest expenses on lease liabilities.

### Profit for the Period

During the Period, the Group recorded a net profit of RMB200.1 million, while profit attributable to owners of the Company was RMB187.6 million. The margin of profit attributable to owners of the Company was 2.0%, representing a decrease of 1.4 percentage points year-on-year.

### Working Capital Efficiency

The average inventory turnover period for the Period was 146 days (first half of 2024: 130 days). At the end of the Period, inventory aged over 12 months represented less than 10% of total inventory, reflecting the Group's successful efforts to maintain healthy inventory levels and enhance inventory efficiency. The balance of inventory as at June 30, 2025 was RMB4,865.4 million, a decrease from RMB4,946.3 million as at December 31, 2024. The average trade receivables turnover period was 19 days (first half of 2024: 18 days), which remained consistent with the credit terms of 30 to 60 days that the Group gives its department store counters and retail distributors. The average trade payables turnover period during the Period was 25 days (first half of 2024: 32 days).



# MANAGEMENT DISCUSSION AND ANALYSIS

## PERFORMANCE ANALYSIS (continued)

### Liquidity and Financial Resources

As at June 30, 2025, the Group maintained a strong financial position, with bank balances and cash (which consist of bank deposits over three months and cash and cash equivalents) amounting to RMB2,694.1 million (December 31, 2024: RMB2,703.4 million) while working capital (current assets minus current liabilities) was RMB6,416.6 million (December 31, 2024: RMB6,153.8 million). Total bank borrowings were RMB196.8 million (December 31, 2024: RMB39.3 million). All bank borrowings are short-term in nature which are repayable within one year. Bank balances and cash and bank borrowings were mainly denominated in Renminbi. As of June 30, 2025, all of the Group's bank loans bore interest at fixed rates.

The Group's gearing ratio as of June 30, 2025, represented by total interest-bearing borrowings (excluding lease liabilities) as a percentage of total equity, was 2.2% (December 31, 2024: 0.4%). The Group maintained a solid net cash position (bank balances and cash minus bank borrowings) of RMB2,497.4 million (December 31, 2024: RMB2,664.1 million).

The net cash generated from operating activities during the Period was RMB399.3 million. The Group believes its liquidity requirements will continue to be satisfied by the combination of capital generated from operating activities and future bank borrowings. The net cash used in investing activities during the Period was RMB273.7 million, while the net cash used in financing activities was RMB315.3 million.

### Capital Expenditure

The Group maintained its selective and prudent approach to capital expenditure planning, focused on areas including: the strategic opening of new stores; the ongoing upgrade of experience-driven B&M stores that offer a better shopping experience; store productivity improvements; and the further roll-out of its long-term digital transformation strategy, namely the optimisation of its SAP ERP system. Total capital expenditure during the Period decreased to RMB119.4 million (first half of 2024: RMB190.8 million). As at June 30, 2025, the Group had no material contingent liabilities.





# MANAGEMENT DISCUSSION AND ANALYSIS

## PERFORMANCE ANALYSIS (continued)

### Capital Expenditure (continued)

As at June 30, 2025, capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements was RMB23.5 million (December 31, 2024: RMB17.0 million). The Group also entered into new leases for several retail stores that have not yet commenced, with an average non-cancellable period ranging from 1 to 5 years (December 31, 2024: 1 to 6 years), with the total future undiscounted cash flows over the non-cancellable period amounting to RMB18.3 million (December 31, 2024: RMB41.0 million).

### Foreign Exchange

The Group conducts its business primarily in the Greater China region and the majority of its transactions are denominated in Renminbi. As at June 30, 2025, the Group had no hedging financial instruments for managing its foreign exchange exposure. As the exchange rate of the Renminbi against foreign currencies may fluctuate, the Group may enter into forward contracts, currency swaps or options to hedge against currency risks arising from foreign currency transactions when necessary.

The Group has a dedicated treasury division and internal treasury policies and approval guidelines to manage and control its exposure to financial derivatives-related risk. The use of financial derivatives and approval procedures would be in accordance with the Group's internal policies and guidelines.

## PROSPECTS AND FUTURE DEVELOPMENTS

The Group remains committed to operational excellence and its digital transformation strategy. It will also continue to enhance its business portfolio, diversify its channel mix, boost operational efficiency, uphold its strategic approach to dynamic inventory control and effectively manage its working capital. However, both scale of the sales and profitability will remain under short-term pressure amid the highly dynamic and promotional retail environment across Greater China.

The Group remains focused on implementing its retail refinement strategy, delivering a digitally enhanced and superior customer experience. At the same time, it will continue to strategically restructure its organisation and optimise its geographic operational structures, while dynamically managing its B&M and omni-channel presence.





# MANAGEMENT DISCUSSION AND ANALYSIS

## PROSPECTS AND FUTURE DEVELOPMENTS (continued)

By staying attuned to market trends, broadening its reach across sports product categories and embracing innovative formats, the Group will further enhance its competitiveness and provide diverse, engaging retail experiences. This includes strengthening its self-owned “YYQUALITY” stores – a multi-brand outlet concept strategy, serving as a highly efficient inventory clearance channel and functioning as a platform for incubating new brands, while offering consumers high-quality channel branded merchandise at great value. The Group is also strengthening its exposure to segmented categories, promoting vertical market operations to boost contributions from new brands. This includes the continued scale-up of popular Korean yoga brand XEXYMIX for which the Group is the sole distributor in mainland China, leveraging a multi-faceted online and offline operation matrix and the endorsement of popular celebrity Song Yuqi to expand its presence in the growing yoga category. The Group will also accelerate the launch of mono-brand stores for Crocs and Pony 1972, while targeting the outdoor segment with Dynafit to capture growth opportunities.

By staying responsive to evolving consumer needs and preferences, the Group will continue to strengthen its public and private engagement channels within its omni-channel ecosystem. This includes enhancing product selection and stock building, integrating inventory within Douyin live-streams, and adopting an online multi-storefront model to expand its public traffic domain footprint. In the private traffic domain, the Group will capitalise on instant retail opportunities by intelligently matching products with stores to enable efficient delivery. It will also employ a multifaceted approach – such as further progressing Xiaohongshu “grass-planting” marketing initiatives and seamlessly integrating its offline presence with the online community – to optimise online contribution and profitability.

The Group will continue to broaden its strategic partnerships with business associates by deepening collaboration in inventory sharing and mutually-connected membership programmes with brand partners, which enable consumers to enjoy the same premium, member-exclusive products, offers and experiences found in the directly operated stores of these brands in the Greater China region. It will also continue expanding its YYsports Douyin presence in partnership with selected brands to further enhance this ecosystem. These authorised Douyin stores, which are quickly incubated by experienced teams and create popular product assortments, serve as high-quality, revenue-generating channels.



# MANAGEMENT DISCUSSION AND ANALYSIS

## PROSPECTS AND FUTURE DEVELOPMENTS (continued)

Simultaneously, the Group will continue to advance the integration and optimisation of its SAP system by leveraging its multi-functional modular capabilities and integrated business and financial operations to enable efficient decision-making. The Group will also leverage its upgraded business intelligence platforms to enable the real-time monitoring of its overall operations through cloud-based financial dashboards and other digital empowerment tools. Furthermore, the Group will continue to reinforce its in-season sell-through, off-season clearance and solid margins through its PSP, while pursuing a more agile procurement strategy and inventory management.

Despite the near-term challenges and uncertainties, the prospects for the sports industry in the Greater China region remain bright, with the industry set to grow to RMB5 trillion in value in 2025, with mainland Chinese authorities remaining committed to high-quality sports development. Notably, the outdoor sports industry alone is projected to surpass RMB3 trillion by 2025. Sportswear consumption growth will be further bolstered, particularly in vertical and female sportswear segments, by the upcoming 2025 World Games set to be held in Chengdu in September, as well as other upcoming major global events, including the 2025 Women's Rugby World Cup, the 2026 Winter Olympics and Paralympics, and the 2026 FIFA World Cup. These above trends will continue to drive the Group's sustainable growth momentum and strengthen its long-term operating performance and profitability.

## HUMAN RESOURCES

As at June 30, 2025, the Group had approximately 19,200 employees in total. The Group provides competitive remuneration packages that are determined with reference to prevailing salary levels in the market and individual performance. The Company offers share awards to eligible employees in order to provide them with incentives and to recognise their contributions and ongoing efforts. In addition, the Group provides other fringe benefits, such as social insurance, mandatory provident funds, medical coverage and training programmes for employees based on their respective personal career development.



## OTHER INFORMATION

### INTERIM DIVIDEND AND SPECIAL DIVIDEND

The Board has resolved to declare an interim dividend of HK\$0.0115 in cash per Share for the six months ended June 30, 2025 (six months ended June 30, 2024: interim dividend of HK\$0.02 per Share). In addition to the interim dividend, to reward the Shareholders' continued support, the Board has resolved to declare a special dividend of HK\$0.0115 in cash per Share (six months ended June 30, 2024: special dividend of HK\$0.02 per Share), bringing the total dividends declared for the Period to HK\$0.0230 per Share, representing a payout ratio of 60%. The interim dividend and special dividend will be paid on Thursday, October 9, 2025 to the Shareholders whose names appear on the Register of Members on Tuesday, September 16, 2025.

### CLOSURE OR REGISTER OF MEMBERS

The Register of Members will be closed from Tuesday, September 16, 2025 to Thursday, September 18, 2025, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the interim dividend and special dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, September 15, 2025. The record date for entitlement to the interim dividend and special dividend will be Tuesday, September 16, 2025.



## OTHER INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at June 30, 2025, the interests or short positions of the Directors and chief executive of the Company (the "Chief Executive") in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which (a) as required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (c) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

#### Long Positions in shares and underlying shares

##### (a) The Company

##### Ordinary shares of HK\$0.01 each of the Company

Name of Directors/ Chief Executive	Capacity	Number of Shares/underlying Shares held				Total	Percentage of the issued Shares <sup>1</sup>
		Personal interests	Family interests	Corporate interests	Other interests		
Tsai Patty, Pei Chun	Beneficial Owner	19,523,000	-	-	-	19,523,000	0.37%
Chang, Su-Ching <sup>2</sup>	Beneficial Owner	1,647,000 <sup>3</sup>	-	-	-	1,647,000	0.03%

notes:

<sup>1</sup> The total number of issued Shares as at June 30, 2025 was 5,326,179,615.

<sup>2</sup> Ms. Chang, Su-Ching was appointed as an executive Director and the chief executive officer of the Company (the "CEO") on April 22, 2025.

<sup>3</sup> Included interests in 800,000 awarded Shares granted under the share award scheme of the Company (the "Share Award Scheme"), which are subject to certain vesting conditions and remain unvested as at June 30, 2025. Details of the awarded Shares are set out in the section "Share Award Scheme" in this interim report.

## OTHER INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

#### Long Positions in shares and underlying shares (continued)

(b) Associated Corporation – Yue Yuen

#### Ordinary shares of HK\$0.25 each of Yue Yuen

Name of Directors/ Chief Executive	Capacity	Number of shares/underlying shares held				Total	Percentage of the issued shares of Yue Yuen <sup>1</sup>
		Personal interests	Family interests	Corporate interests	Other interests		
Chiu, Hui-Yao <sup>2</sup>	Beneficial Owner	653,000 <sup>3</sup>	-	-	-	653,000	0.04%
Hu, Chia-Ho	Beneficial Owner	574,000 <sup>3</sup>	-	-	-	574,000	0.04%
Chen, Li-Chieh	Beneficial Owner	40,000 <sup>4</sup>	-	-	-	40,000	0.00%

notes:

<sup>1</sup> The total number of issued shares of Yue Yuen as at June 30, 2025 was 1,604,556,486.

<sup>2</sup> Mr. Chiu, Hui-Yao was appointed as a non-executive Director and the chairman of the Board (the "Chairman") on April 22, 2025.

<sup>3</sup> Included interests in 80,000 awarded shares granted by Yue Yuen under the share award scheme of Yue Yuen (the "YY Share Award Scheme"), which are subject to certain vesting conditions and remain unvested as at June 30, 2025. Details of the awarded shares are set out in the section "Arrangement to Acquire Shares or Debentures" in this interim report.

<sup>4</sup> 40,000 awarded shares granted by Yue Yuen under the YY Share Award Scheme, which are subject to certain vesting conditions and remain unvested as at June 30, 2025. Details of the awarded shares are set out in the section "Arrangement to Acquire Shares or Debentures" in this interim report.



## OTHER INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

Save as disclosed above, as at June 30, 2025, none of the Directors nor Chief Executive had or was deemed to have any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

### SHARE AWARD SCHEME

The Share Award Scheme was adopted on May 9, 2014 and duly amended on November 11, 2016, and further amended and restated on November 13, 2023 by the Board upon the recommendation by the remuneration committee of the Board (the "Remuneration Committee") for recognising the contributions by certain persons, including Directors and employees of the Group, providing incentives to retain them for continual operation and development of the Group, and to attract suitable personnel for further development of the Group. All personnel of the Group are entitled to participate. It is funded by the existing Shares of the Company and not involving issue of new Shares.

The Share Award Scheme was valid and effective for a period of 10 years commencing on the date of adoption (i.e. from May 9, 2014 to May 8, 2024), and has been further extended for another 10 years upon expiration of the initial term (i.e. from May 9, 2024 to May 8, 2034) by amending and restating the rules and trust deed relating to the Share Award Scheme. No further share awards should be granted upon termination or expiry of the Share Award Scheme.



## OTHER INFORMATION

### SHARE AWARD SCHEME (continued)

Any proposed award should be determined on the basis of individual performance and must be recommended by the Remuneration Committee and approved by the Board. All the awarded Shares granted under the Share Award Scheme should be vested in accordance with the conditions (such as employment status, individual performance and common key performance indicators) and timetable (i.e. vesting period) as determined by the Board. In the case of a Director or an employee of the Group, the grantee must remain at all times a Director or an employee of the Group. Clawback will be applied where there is exceptionally poor performance, misconduct or material breach of terms of employment or rules or policies of the Company prior to the vesting date and the Board will determine to vary or cancel the relevant award.

Awarded Shares are generally granted on the basis of the individual performance of the relevant grantee, and vested in tranches over a period of consecutive years with dates determined by the Board subject to fulfilment of performance target(s) and condition(s). Performance targets for outstanding awarded Shares granted on or before May 8, 2024 require a “good” or better performance rating for all appraisals conducted during the vesting period. For awarded Shares granted on or after May 9, 2024, “good” or better performance rating is required for the appraisal conducted immediately preceding the vesting date of the relevant tranche of awarded Shares. Taking ‘vest-in-tranches’ into consideration, vesting periods of awarded Shares granted generally range from 1 to 3 years.

According to the letter of award, the amount payable on acceptance of the grant of awarded Shares is HK\$1.00 with no deadline specified. Apart from this, no monetary payment has to be made by grantee to acquire share awards under the Share Award Scheme.



## OTHER INFORMATION

### SHARE AWARD SCHEME (continued)

The total number of Shares to be awarded under the Share Award Scheme should not exceed 4% of the number of issued Shares (i.e. 5,326,179,615 Shares) as at the date of grant, which is 213,047,184. The maximum number of Shares (including vested and non-vested Shares) which may be awarded to a selected participant should not exceed 1% of the issued Shares from time to time, which is 53,261,796.

Under the Share Award Scheme, a total of 133,721,810 Shares, representing approximately 2.51% of the issued Shares, have been awarded and the total number of Shares available for being further awarded is 79,325,374, representing approximately 1.49% of the issued Shares, as at the date of this report.

Eligible participant(s) selected by the Board for participation in the Share Award Scheme shall have no right to any dividend held under the trust before vesting which shall form part of the residual cash or any of the returned Shares. The trustee of the Share Award Scheme shall not exercise the voting rights in respect of any Shares held under the trust (including but not limited to the awarded Shares, the returned Shares, any bonus Shares and scrip dividend).



## OTHER INFORMATION

### SHARE AWARD SCHEME (continued)

Pursuant to the Share Award Scheme, movements in awarded Shares during the period are set out below:

			Number of awarded Shares					
	Date of grant	Vesting period	Balance as at January 1, 2025	Granted during the period	Lapsed/ cancelled during the period	Reclassified <sup>1</sup> during the period	Vested during the period	Balance as at June 30, 2025
<b>Directors/Chief Executive</b>								
Chang, Su-Ching <sup>1</sup>	19.08.2024	19.08.2024-18.08.2025	-	-	-	400,000	-	400,000
	19.08.2024	19.08.2024-18.08.2026	-	-	-	400,000	-	400,000
Yu Huan-Chang <sup>2</sup>	11.11.2022	11.11.2022-10.11.2025	480,000	-	(480,000)	-	-	-
Wang Jun <sup>3</sup>	19.08.2024	19.08.2024-18.08.2025	500,000	-	(500,000)	-	-	-
	19.08.2024	19.08.2024-18.08.2026	500,000	-	(500,000)	-	-	-
Sub-total			1,480,000	-	(1,480,000)	800,000	-	800,000
<b>Employees in aggregate</b>								
	19.08.2024	19.08.2024-18.08.2025	10,300,000	-	(700,000)	(400,000)	-	9,200,000
	19.08.2024	19.08.2024-18.08.2026	10,300,000	-	(700,000)	(400,000)	-	9,200,000
Sub-total			20,600,000	-	(1,400,000)	(800,000)	-	18,400,000
Grand total			22,080,000	-	(2,880,000)	-	-	19,200,000

notes:

<sup>1</sup> Ms. Chang, Su-Ching was appointed as an executive Director and the CEO on April 22, 2025. 800,000 awarded Shares owned by Ms. Chang, Su-Ching were reclassified from the category of 'Employees in aggregate' to the category of 'Directors/Chief Executive' as at April 22, 2025.

<sup>2</sup> Mr. Yu Huan-Chang resigned from all his positions with the Company on April 14, 2025.

<sup>3</sup> Mr. Wang Jun resigned from all his positions with the Company on April 14, 2025.



## OTHER INFORMATION

### ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

Under the YY Share Award Scheme and subject to certain vesting conditions, the following Directors have been awarded with ordinary shares of Yue Yuen, details of which are as follows:

Name of Directors	Date of award	Number of shares awarded	Date of vesting	Number of shares vested	Number of shares lapsed	Number of shares unvested
Chiu, Hui-Yao <sup>1</sup>	28.06.2023	90,000	31.05.2025	90,000	-	-
	13.03.2025	42,000	01.06.2025	42,000	-	-
	01.06.2025	80,000	31.05.2027	-	-	80,000
Hu, Chia-Ho	28.06.2023	45,000	31.05.2025	45,000	-	-
	13.03.2025	36,000	01.06.2025	36,000	-	-
	01.06.2025	80,000	31.05.2027	-	-	80,000
Chen, Li-Chieh	01.06.2025	40,000	31.05.2027	-	-	40,000
Yu Huan-Chang <sup>2</sup>	28.06.2023	90,000	31.05.2025	-	90,000	-
	13.03.2025	30,000	01.06.2025	-	30,000	-

notes:

<sup>1</sup> Mr. Chiu, Hui-Yao was appointed as a non-executive Director and the Chairman on April 22, 2025.

<sup>2</sup> Mr. Yu Huan-Chang resigned from all his positions with the Company on April 14, 2025.

Save as disclosed herein and as stated in the section "Share Award Scheme" above, at no time during the period or at the end of the period was the Company or any of its holding companies, fellow subsidiaries or subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate.

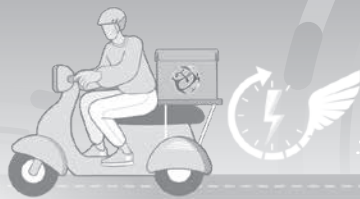
## OTHER INFORMATION

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at June 30, 2025, the register of interests in Shares and short positions of substantial Shareholders maintained by the Company pursuant to Section 336 of the SFO showed that other than the interests disclosed in the section "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures", the following Shareholders had notified the Company of their relevant interests in the issued Shares:

#### Long Positions in the Shares

Name of Shareholders	notes	Capacity/ Nature of interest	Number of Shares held	Percentage of the issued Shares
Major Focus Management Limited ("Major Focus")	(a)	Beneficial owner	3,331,551,560	62.55%
Yue Yuen	(a), (b)	Interest of a controlled corporation/Beneficial owner	3,331,551,560	62.55%
Wealthplus Holdings Limited ("Wealthplus")	(b)	Interest of a controlled corporation	3,331,551,560	62.55%
Pou Chen Corporation ("PCC")	(b)	Interest of a controlled corporation	3,331,551,560	62.55%



## OTHER INFORMATION

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

#### Long Positions in the Shares (continued)

*notes:*

The total number of issued Shares as at June 30, 2025 was 5,326,179,615.

- (a) 3,331,551,560 Shares are held by Major Focus, a wholly-owned subsidiary of Yue Yuen.
- (b) The entire issued shares of Major Focus is held by Yue Yuen, in which Wealthplus and Win Fortune Investments Limited ("Win Fortune") respectively hold 48.19% and 3.18% voting shares. Wealthplus and Win Fortune are in turn wholly-owned by PCC. Accordingly, Yue Yuen, Wealthplus and PCC are all deemed to be interested in these Shares under the SFO.

Ms. Tsai Patty, Pei Chun, a Director, is also a director of Yue Yuen, Wealthplus and PCC.

Save as disclosed above, as at June 30, 2025, the Directors were not aware of any other person (other than the Directors or Chief Executive) who had or was deemed to have an interest or short position in the Shares or underlying Shares which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required, pursuant to Section 336 of the SFO, to be entered into the register referred to therein.

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended June 30, 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares as defined in the Listing Rules). As at June 30, 2025, the Company did not hold any treasury shares whether in the Central Clearing and Settlement System, or otherwise.



## OTHER INFORMATION

### UPDATE ON DIRECTORS' AND CHIEF EXECUTIVE'S INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of the Directors and Chief Executive since the date of publication of the Company's 2024 annual report are set out below:

- (a) In March and April 2025, Mr. Chen, Li-Chieh resigned as director and supervisor of certain subsidiaries of Yue Yuen.
- (b) On April 14, 2025, Mr. Yu Huan-Chang resigned from all his positions with the Company, including (i) the Chairman, (ii) an executive Director, (iii) the chairman of the disclosure committee of the Board (the "Disclosure Committee"), and (iv) an authorised representative of the Company as required under Rule 3.05 of the Listing Rules ("Authorised Representative").
- (c) On April 14, 2025, Mr. Wang Jun resigned as the CEO.
- (d) On April 14, 2025, Mr. Chen, Li-Chieh was appointed as an Authorised Representative.
- (e) On April 14, 2025, Mr. Hu, Chia-Ho was re-designated from a member of the Disclosure Committee to the chairman of the Disclosure Committee.
- (f) On April 22, 2025, Mr. Chiu, Hui-Yao was appointed as a non-executive Director and the Chairman. An appointment letter as a non-executive Director for a term of three years commencing on April 22, 2025 and ending on April 21, 2028, subject to retirement by rotation and re-election at annual general meetings pursuant to the bye-laws of the Company, was entered into between the Company and Mr. Chiu on the same date.



## OTHER INFORMATION

### UPDATE ON DIRECTORS' AND CHIEF EXECUTIVE'S INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES (continued)

- (g) On April 22, 2025, Ms. Chang, Su-Ching was appointed as an executive Director, the CEO and a member of the nomination committee of the Board (the "Nomination Committee"). A service agreement as an executive Director and the CEO for a term of three years commencing on April 22, 2025 and ending on April 21, 2028, subject to retirement by rotation and re-election at annual general meetings pursuant to the bye-laws of the Company, was entered into between the Company and Ms. Chang on the same date.
- (h) On April 22, 2025, Mr. Hu, Chia-Ho resigned as a member of the Nomination Committee.
- (i) On May 22, 2025, Mr. Hu, Chia-Ho entered into a supplementary agreement with the Company to renew his service agreement as an executive Director for a further term of 3 years from July 1, 2025 to June 30, 2028.
- (j) On May 29, 2025, the term of appointment of Mr. Chen, Huan-Chung as an independent director, the convener of the audit committee, and a member of the nomination committee and the remuneration committee of PCC expired.
- (k) On June 1, 2025, Ms. Chang, Su-Ching ceased to be in charge of the omni channel platform and operation & business management department following the internal organisational restructuring of the Group.



## OTHER INFORMATION

### CORPORATE GOVERNANCE

The Company has applied the principles of, and has complied with all applicable code provisions and, where applicable, the recommended best practices of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules throughout the six months ended June 30, 2025.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND EMPLOYEES

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the Company's code of conduct for dealings in securities of the Company by Directors. Having made specific enquiry by the Company to all Directors, each of them has confirmed that he/she has complied with the required standards set out in the Model Code throughout the six months ended June 30, 2025.

The Company has also established and adopted internal guidelines for securities transactions by relevant employees (the "Employees Guidelines"). The Employees Guidelines are updated from time to time according to the Model Code. Relevant employees who are likely to be in possession of unpublished inside information relating to the Company and its securities must comply with the Employees Guidelines.



## OTHER INFORMATION

### REVIEW OF ACCOUNTS

The audit committee of the Board has reviewed, with management and the independent auditor of the Company, the Group's unaudited condensed consolidated financial information for the six months ended June 30, 2025, the interim report, the accounting principles and practices adopted by the Group and has discussed risk management, internal controls, and financial reporting matters.

Deloitte Touche Tohmatsu, certified public accountants and the independent auditor of the Company, has reviewed the unaudited condensed consolidated financial information of the Group for the six months ended June 30, 2025 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the HKICPA.

### ACKNOWLEDGEMENT

I would like to take this opportunity to express our sincere appreciation of the support from our customers, suppliers and Shareholders. I would also like to thank my fellow Directors for their valuable contribution and the staff members of the Group for their commitment and dedicated services throughout the period.





## OTHER INFORMATION

### DIRECTORS

As at the date of this report, the Board comprises:

#### Non-executive Directors

Mr. Chiu, Hui-Yao (Chairman), Ms. Tsai Patty, Pei Chun and Mr. Li I-nan

#### Executive Directors

Mr. Hu, Chia-Ho, Ms. Chang, Su-Ching (Chief Executive Officer) and Mr. Chen, Li-Chieh (Chief Financial Officer)

#### Independent Non-executive Directors

Mr. Chen, Huan-Chung, Mr. Feng Lei Ming and Mr. Liu, Hsi-Liang

By Order of the Board

**Chiu, Hui-Yao**

*Chairman*

Hong Kong, August 11, 2025

Website: [www.pousheng.com](http://www.pousheng.com)

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寶勝國際（控股）有限公司  
POU SHENG INTERNATIONAL (HOLDINGS) LIMITED

