



Pou Sheng International

2025 9M Results

12 Nov 2025





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MAKE SPORTS YOUR LIFE

— 让运动融入
你的生活 —





Pou Sheng Strategy & Operating Highlights



Multi-faceted Operation Matrix

Y Segmented and Vertical Market Exposure

- Yoga → **XEXYMI**X (27 retail stores + 6 online platforms)
- Outdoor → **Pony** ↑ 39% YoY
- Self-owned Channel → **YYQUALITY** (10 stores for inventory clearance+ incubating new brands + channel brands)

Reasonable Discount

Y 9M25 Discount* YoY enlarged LSD%, 3Q25
Discount* YoY stable

Solid Financial Management ➔

Strengthening Strategic Cooperation
with Brand Partners ➔

Digital Empowerment &
Dynamic Mgt. to Enhance Efficiency ➔



① Strategic Alliance with Business Partners

Y Connected Inventory Programme → share products with brand partners, together with PSP – to enhance sales efficiency
• aging inventory ~9% out of total

Y Connected Membership Programme → to allow consumers to access exclusive products and services in both PS & brands' direct stores

② Retail Refinement Strategy

Y Optimise store format and enhance sales conversion, partially offset volatile foot traffic
• Average GFA & overall GFA vs FY24 ↓ LSD%
• 9M25 Same Store Sales Growth ↓ mid-teens% YoY

③ Resilient Omni-channel

Y Online platform multi-storefront model, product selection enhancement
Y WeChat stores, Douyin live-streaming via KOS & influencers + inventory fully integrated → digitally-enabled experience with a human touch
• Online contribution reached a historical high, accounted for 33% of total sales, ↑ 13% YoY
• Livestreaming ↑ >100% YoY

④ Solid Financial Management, focus on Cash Generation Capability

- Solid cash position at RMB 2.2bn

Our Strategies



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Pou Sheng Financial Highlights (in RMB)



	9M 2025		9M 2024		YoY	
	RMB'mn	%	RMB'mn	%	%	pp
Revenue	12,903	100.0	13,984	100.0	-7.7	--
Cost of Sales	(8,583)	-66.5	(9,226)	-66.0	-7.0	-0.5
Gross Profit	4,320	33.5	4,758	34.0	-9.2	-0.5
SG&A	(4,173)	-32.3	(4,420)	-31.6	-5.6	-0.7
Other Income & Expenses, net	153	1.1	176	1.3	-13.1	-0.2
Operating Profit	300	2.3	514	3.7	-41.6	-1.4
Finance Cost*, net	(13)	-0.1	(11)	-0.1	+18.2	0.0
Other Gains	0	0.0	--	--	N/A	N/A
Income Tax	(102)	-0.8	(155)	-1.1	-34.2	+0.3
Profit for the Period	185	1.4	348	2.5	-46.8	-1.1
Profit Attrib. to Owners of PS	171	1.3	343	2.5	-50.1	-1.2

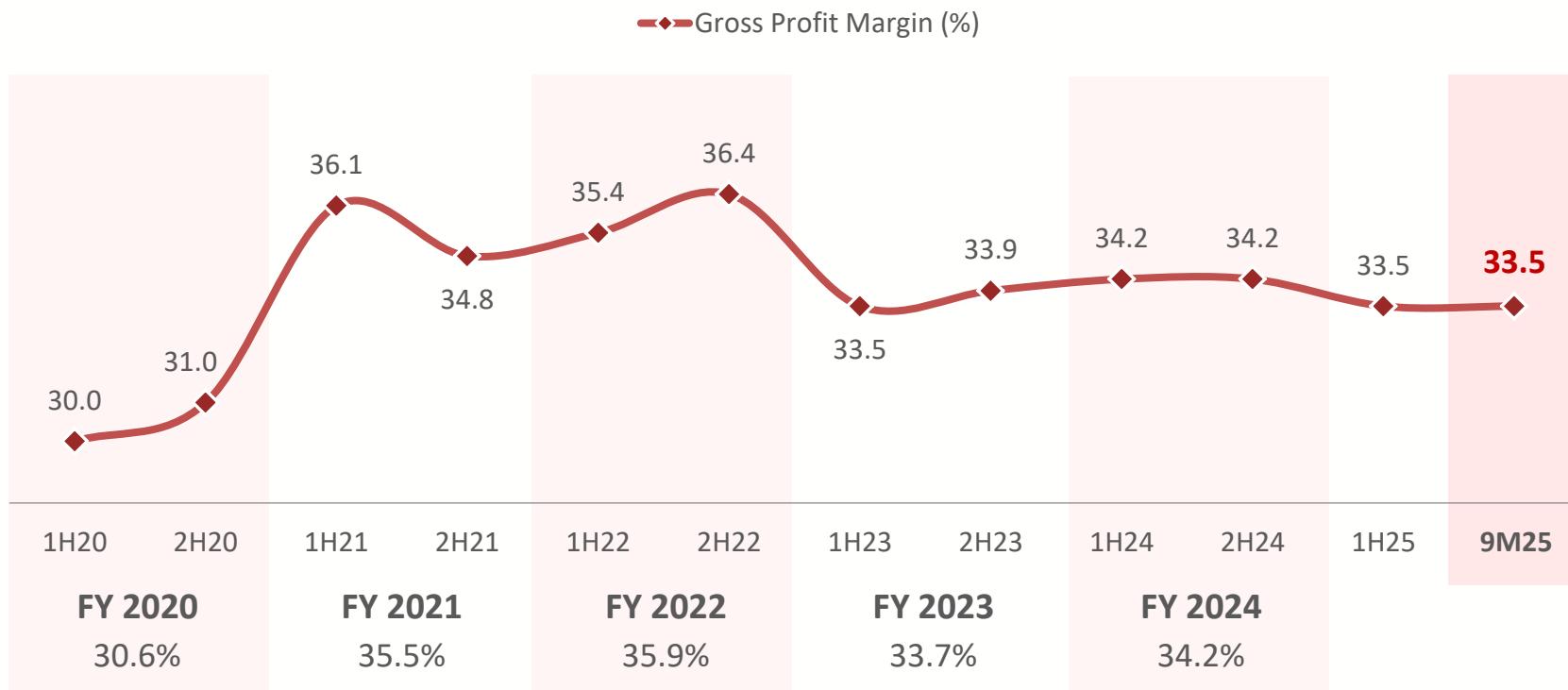
Source: Based on Pou Sheng's announcement on the HKEX website

* Including interest expenses on lease liabilities which amounted to RMB 40.3mn (9M24: RMB 50.5mn).

Loan interest in 9M25 increased by 44.0% YoY to RMB 2.4mn while net finance income (finance income - loan interest) was RMB 27.1mn in 9M25 (9M24: RMB 39.9mn)



Pou Sheng GP Margin Trend

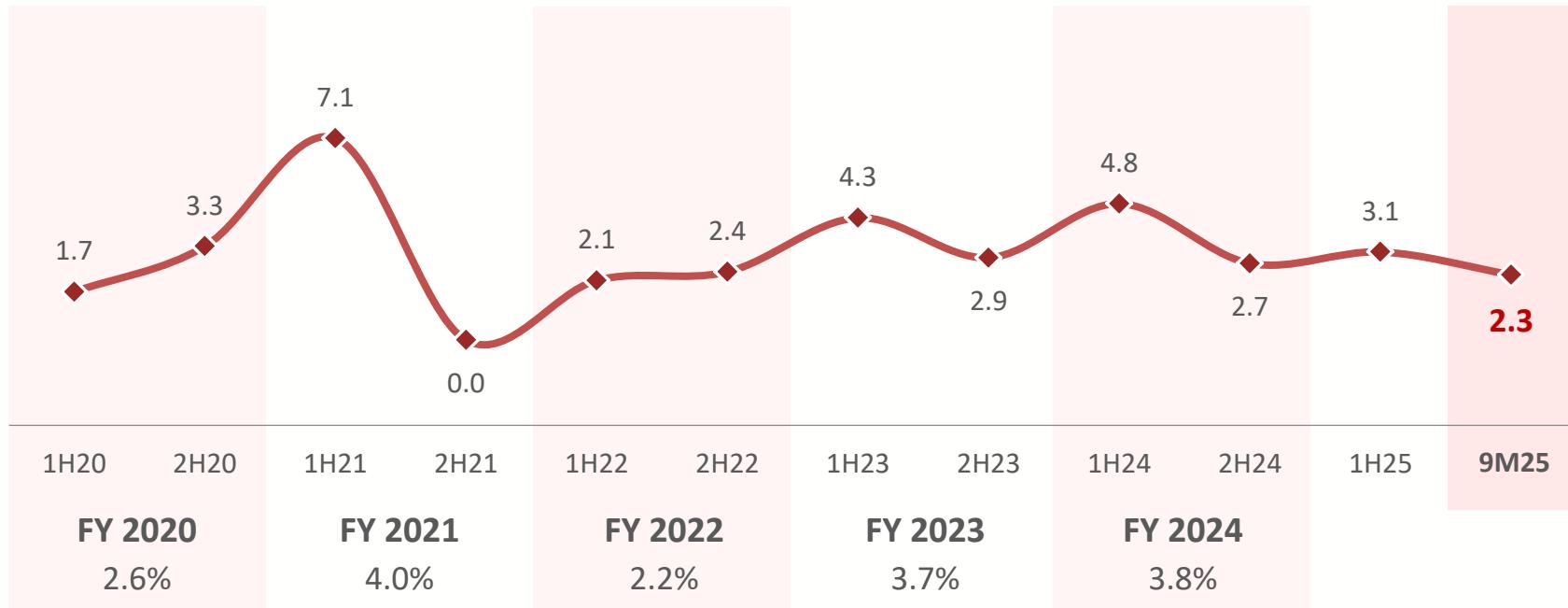




Pou Sheng OP Margin Trend



Operating Profit Margin (%)



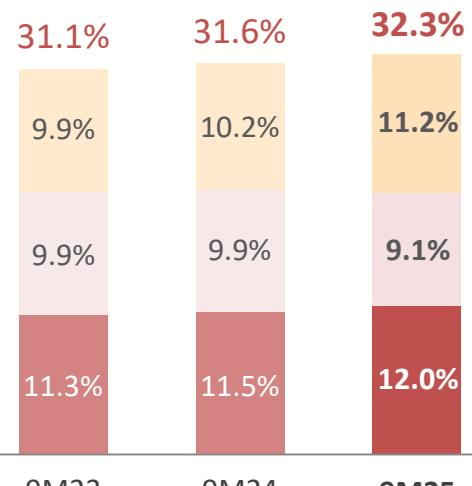


Pou Sheng SG&A Expenses Breakdown



SG&A Ratio

% of Revenue



Amount (YoY)

▼ 5.6%

▲ 1.5%

▼ 15.1%

▼ 3.7%



Strategically Manage Retail Network, Optimize Rental Expenses

- Holistic approach in channel planning to avoid low-efficiency store opening & closing
- Number of direct operated stores ↓ 3.5% YoY
- Facilitate rental saving & reduction programme



Rational Expenses Control to counter Operating Deleverage



Active Management on People Efficiency

- Lean Management:
Pou Sheng's no. of employees ↓ 8% YoY from 20,300 to 18,600

[^] Others include shopping mall expenses, logistic expenses, depreciation of PPE and amortization, etc.

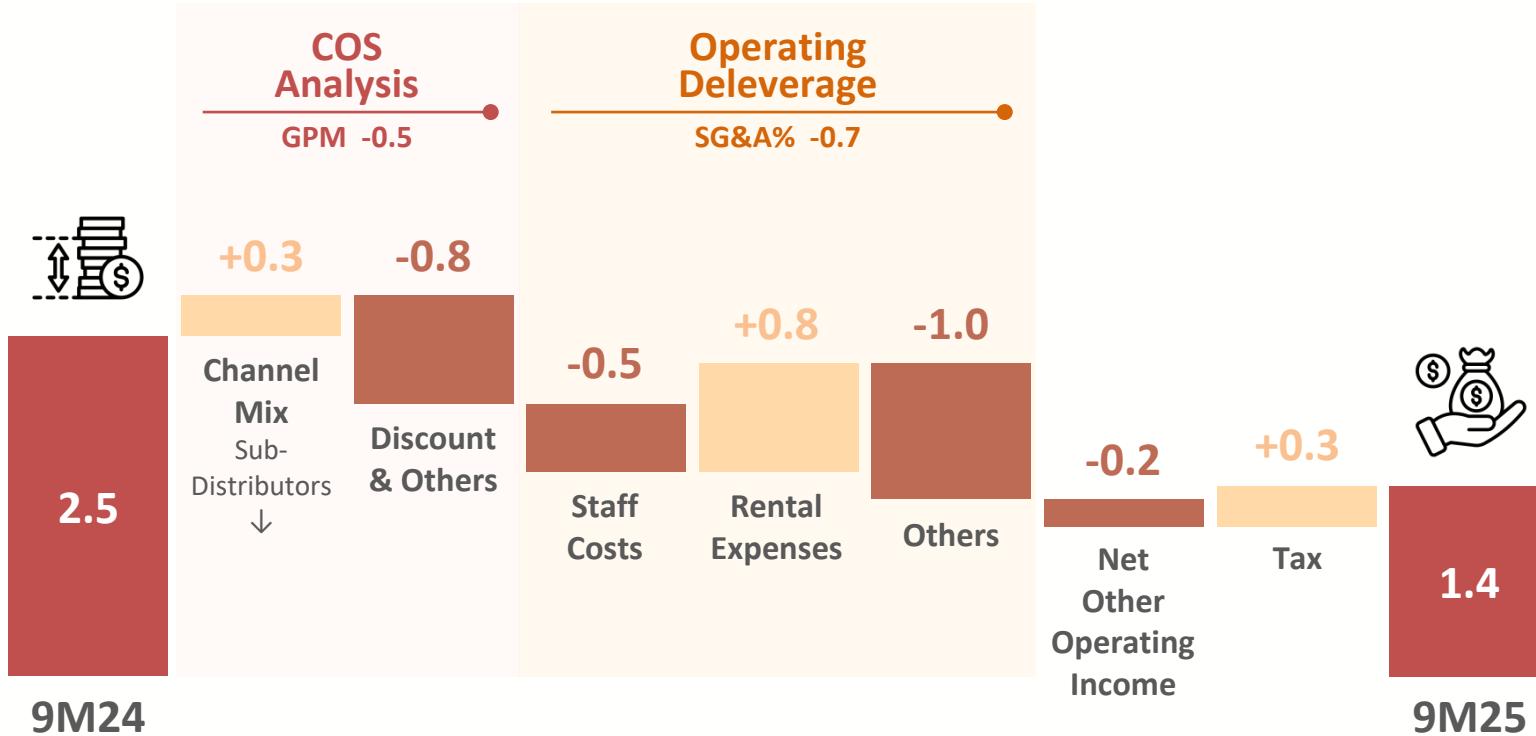
^{*} Rental Expenses include expense of operating leases, concession expenses and depreciation of right-of-use assets



Pou Sheng – Net Profit Margin

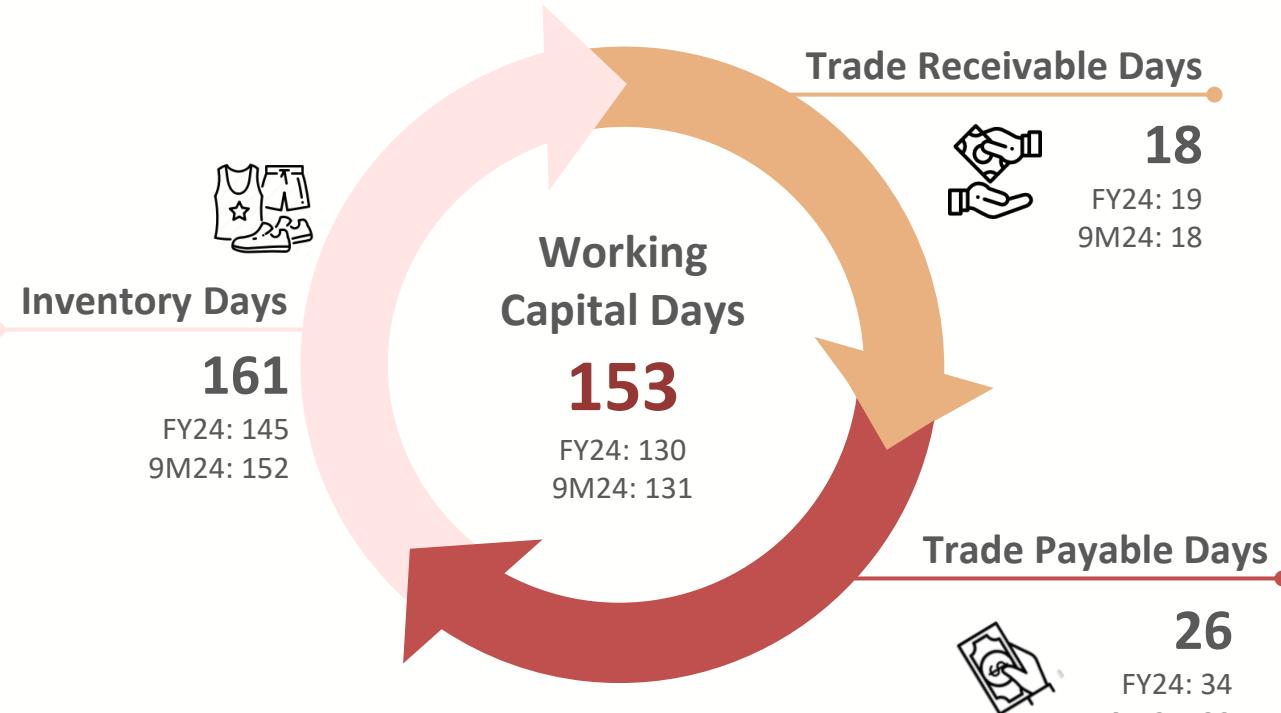


(%)



Y Operation Efficiency – 9M25

(Based on RMB)



Used an average of Inventory, TR and TP for the calculations of turnover days: $(\text{starting balance} + \text{ending balance})/2$

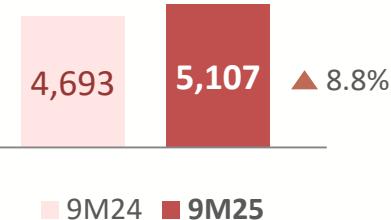
Inventory Level

In RMB'mn



Working Capital

In RMB'mn

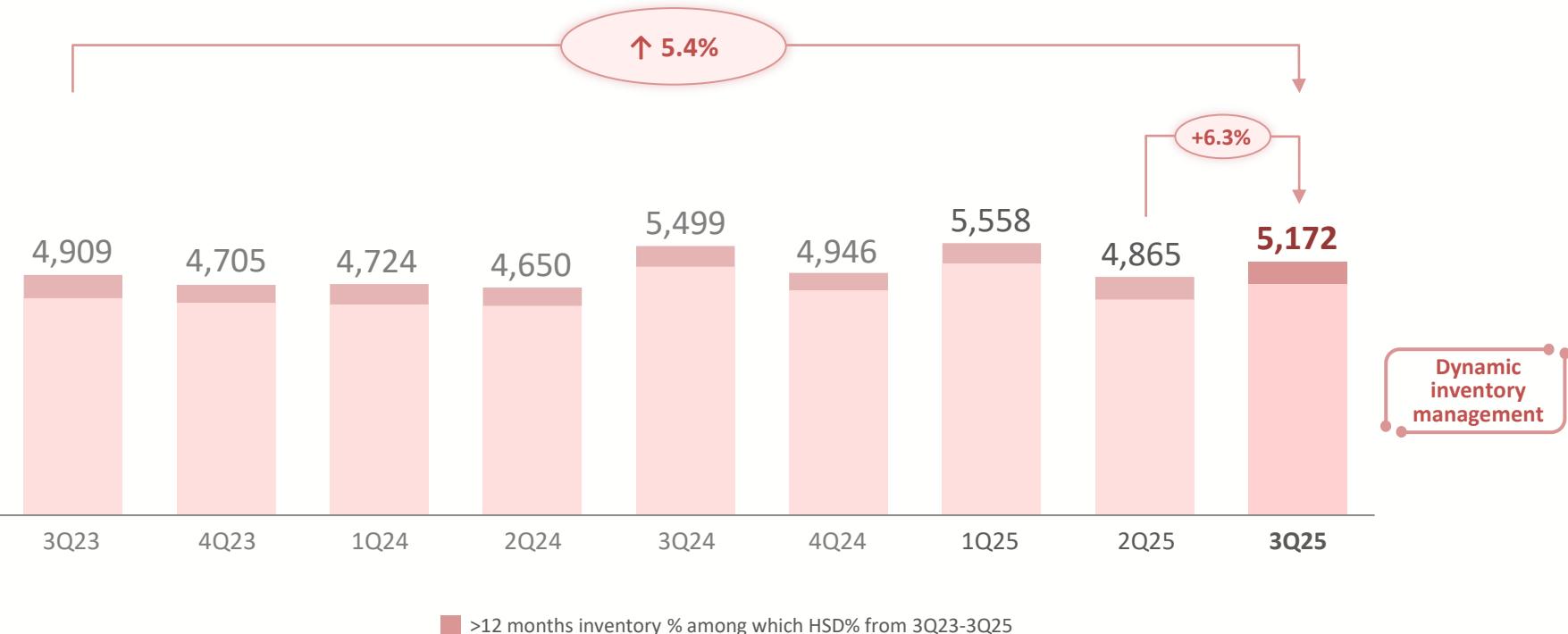




Healthy Aging & Well-managed Inventory



(RMB'mn)





Pou Sheng Financial Ratios (in RMB)



(RMB'mn)	9M 2025	9M 2024	YoY
Depreciation of PPE & Amortization	241.5	252.2	-4.2%
Depreciation of ROUA	509.4	579.8	-12.1%
EBITDA	1,080.8	1,387.1	-22.1%
EBITDA minus Depreciation of ROUA	571.4	807.3	-29.2%
Capital Expenditure	180.3	275.1	-34.5%
Total Borrowings*	192.0	60.8	+215.8%
Net Cash*	1,990.8	2,729.3	-27.1%
Total Borrowings to Equity[#]	2.2%	0.7%	+1.5pp
Net Borrowings to Equity[#]	Net Cash	Net Cash	--
Return on Owner's Equity LTM	3.7%	6.1%	--
Return on Asset LTM	2.7%	3.9%	--

As of
30 Sep

Source: Internal analysis report (figures rounded)

* Total Borrowings and Net Cash exclude lease liabilities. Lease liabilities was RMB 1,269.8mn and 1,569.4mn as at 30 Sep 2025 and 2024 respectively

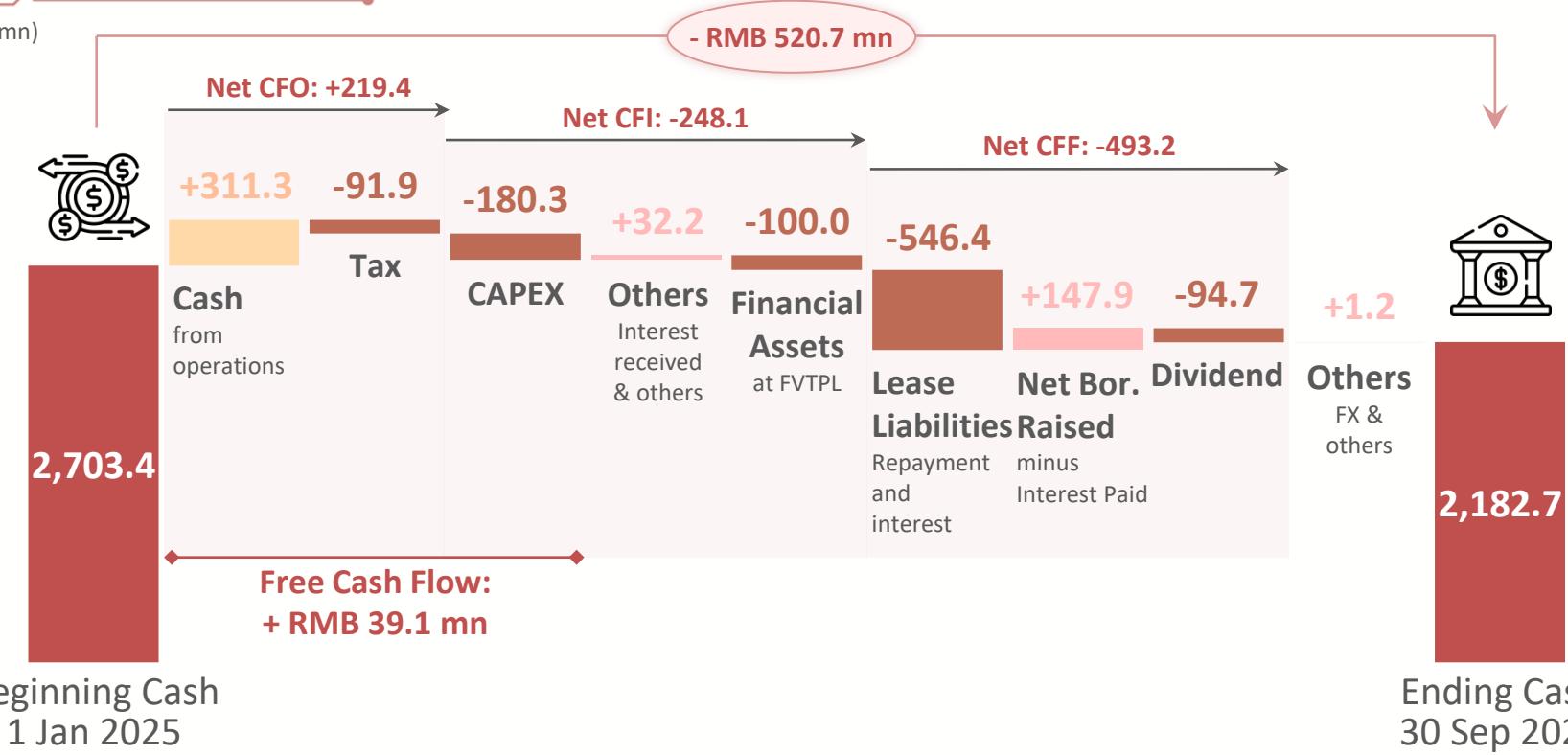
Total Debt to Equity and Net Debt to Equity (including lease liabilities) would be 16.5% (9M24: 18.7%) and Net Cash (9M24: Net Cash) as at 30 Sep 2025 respectively



Pou Sheng Sources and Uses of Fund – 9M25



(RMB'mn)



Beginning Cash
1 Jan 2025

Ending Cash
30 Sep 2025

Net CFO: Net cash from/(used in) Operating Activities

Net CFI: Net cash from/(used in) Investing Activities

Net CFF: Net cash from/(used in) Financing Activities



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Pou Sheng Retail Strategy



Pou Sheng is one of the largest retailers and sports services providers for world renowned sportswear brands in the Greater China region

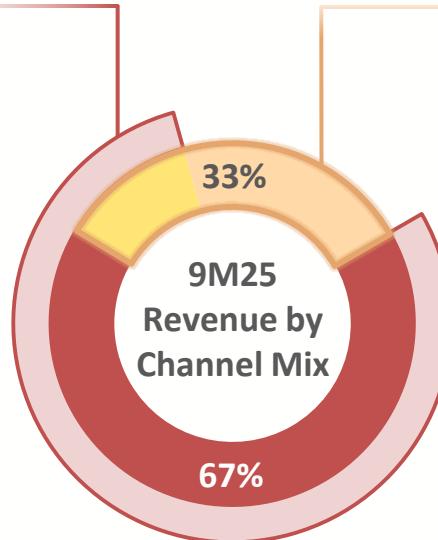
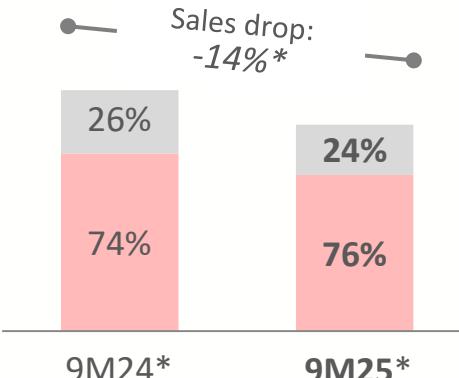
Brick & Mortar Retail

Directly Operated Stores:

- Mono-Brands Stores: 3,319 stores
- Multi-Brands Stores: 19 stores (Incl. 10 YYQuality stores)

Sub-Distributors

Directly Operated Stores & Pan-WeChat



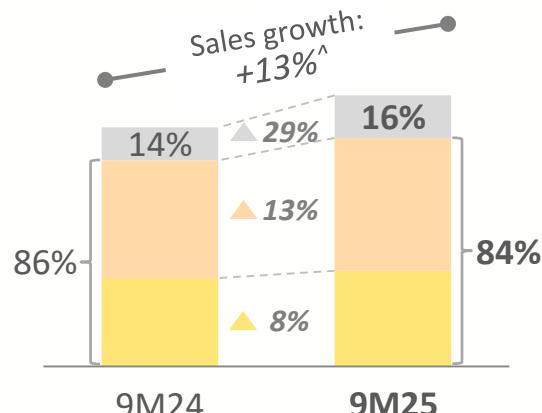
Top 5 brands account for ~94% of our revenue

Omni-channel

B2B: Online Wholesale arrangement

B2C (Public): Authorized mono or multi brand stores on Tmall, JD and other platforms

B2C (Private): Pan-WeChat[^]



* Contribution analysis dimensions: including Pan-WeChat Ecosphere, without Other Sales. 9M25 Sales decreased by 17% YoY if excludes Pan-WeChat

[^] Reclassification has been made

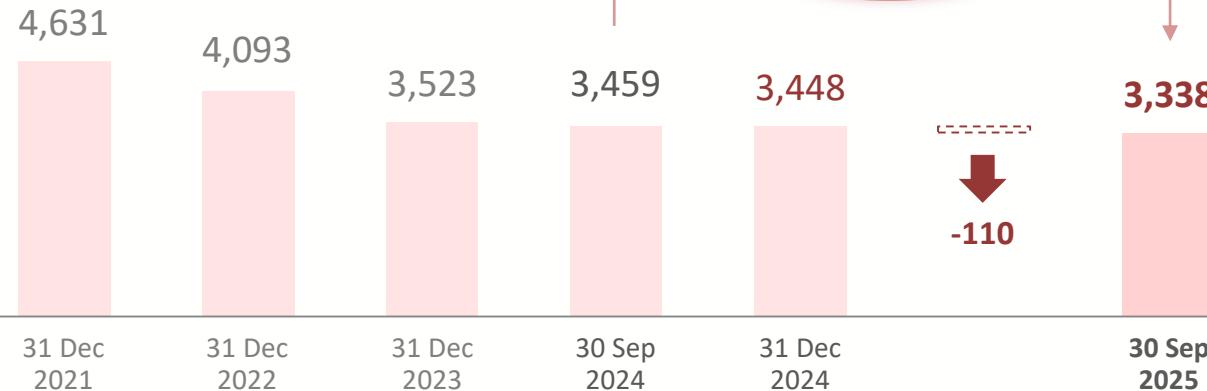
Right-Sizing B&M Network



Directly Operated Stores

Number of Stores vs. FY21 ↓ 28%

YoY: -3.5%



■ Number of Stores

□ Net Stores +/-



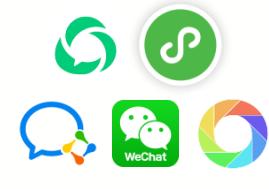
Customized Pan-WeChat Ecosphere



Establishing solid relationship with consumer through comprehensive platforms, enhancing **Sales conversion rate**, **Full-price in-season sales** and **Repeat purchases**



YYsports &
membership
program*



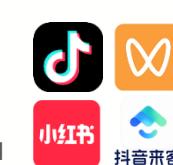
02

Douyin Livestreaming

- Established local operations by upgrading regional and store level accounts with inventory fully integrated
- Authorized YYsports Douyin accounts with selected brand partners

03

Shopping Mall Membership Platforms



01

WeChat Stores

- Regional operation with multi-faceted approach and multi-brands by designated KOS

Pan-WeChat Ecosphere



Seamless digital
interface by
designated KOS

* ~64.7m YYsports members (as of 30 Sep 2025)



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Critical Missions in 3 Years



“Creating Value-added Services & Quality Experiences to Customers”

Strategic Alliance • Best of Choice

- Y Strive to be the **best choice to business partners** & further deepen strategic partnership with brands customers for **quality growth** with **creative omni-models** that keep with the pace of future trends
- Y Scaling up new brands contribution

Enhance Membership Operations

- Y Close cooperation with business partners & **in-depth membership integration**, to achieve high member loyalty, higher CR% & quality incremental sales

Operating Margin

- Y Streamline operations, refine store network & categories structure to enhance cost competitiveness
- Y **Continuous improvement on profitability & shareholder's return** in following years

Omni-Channel • Offline & Online Integration

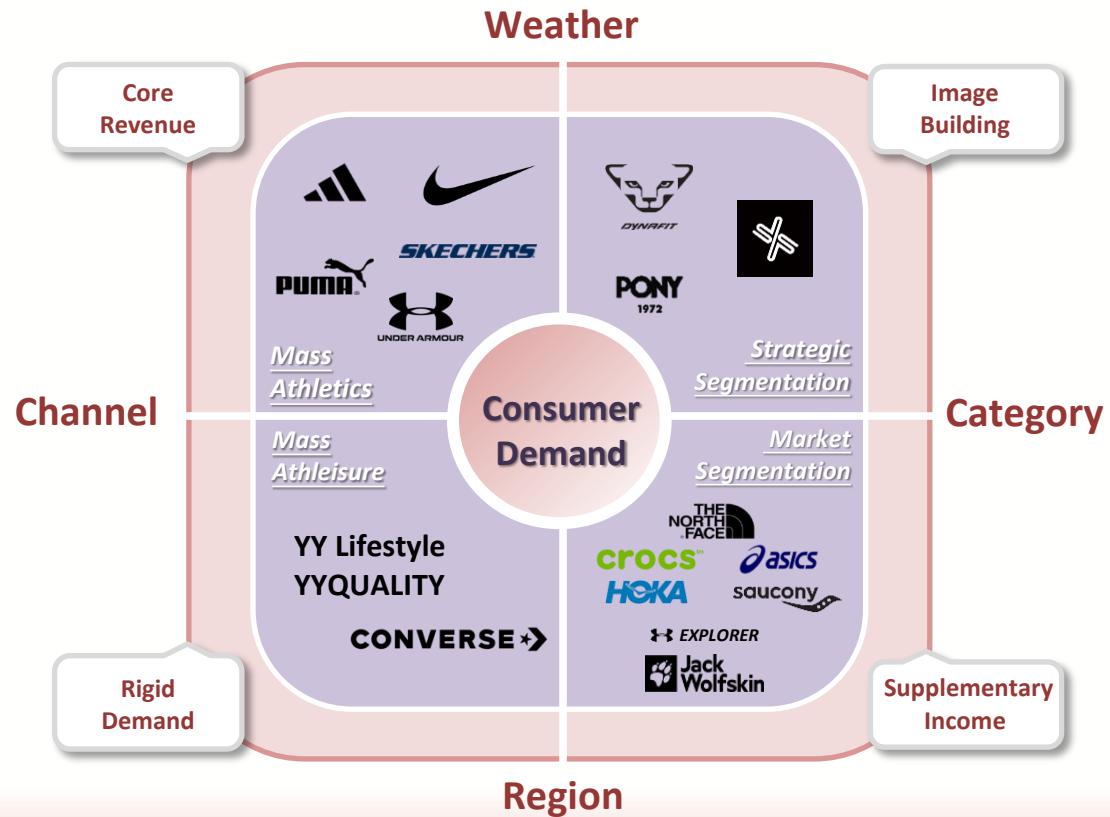
- Y Strengthen multi-faceted operation matrix – private + public domains – maintain **digital sales contribution ~30%**
- Y Probing new channels

Digital Transformation

- Y Leveraging on PSP & online-offline integration to enhance **store digitalization & productivity**, and **people efficiency**
- Y Continue to integrate and upgrade modules following the official implementation of SAP ERP systems to integrate **business with finance** and to enhance operational excellence



Growth by Multi-faceted Brand Strategy Matrix



PONY



胜道仓
YYQUALITY
仓储式购物体验





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Company Milestones



- 2024 Sole distribution rights for XEXYMIX brand (Mainland China)
SAP ERP system went live
- 2021 Omni-channel contributed over 20% of total sales
- 2018 Recorded over RMB 22bn revenue
- 2016 Recorded over RMB 15bn revenue
- 2014 Became sole licensee for Pony in Taiwan & Mainland China
- 2013 Recorded over RMB 10bn revenue
- 2008 Pou Sheng International listed on HKEX (3813.HK)
- 2001 Expanded into retail business in Mainland China





Pou Sheng Financial Highlights (in USD) – 9M25



	9M 2025		9M 2024		YoY
	US\$'000	%	US\$'000	%	%
Revenue	1,785,754	100.0	1,939,774	100.0	-7.9
Cost of Sales	(1,187,854)	-66.5	(1,279,760)	-66.0	-7.2
Gross Profit	597,900	33.5	660,014	34.0	-9.4
SG&A	(571,151)	-32.0	(608,362)	-31.3	-6.1
Other Income & Expenses, net	14,814	0.8	19,584	1.0	-24.4
Operating Profit	41,563	2.3	71,236	3.7	-41.7
Finance Cost, net	(1,831)	-0.1	(1,468)	-0.1	+24.7
Other Gains	10	0.0	--	--	N/A
Income Tax	(14,148)	-0.8	(21,502)	-1.1	-34.2
Profit for the Period	25,594	1.4	48,266	2.5	-47.0
Profit Attrib. to Owners of PS	23,666	1.3	47,576	2.5	-50.3

Source: Internal analysis report (figures rounded); various accounting reclassification and adjustments are made to some of the figures when consolidating Pou Sheng numbers into the Yue Yuen Group in order to comply with the requirements of accounting standards



Pou Sheng Financial Highlights (in USD) – FY24



	FY 2024		FY 2023		YoY
	US\$'000	%	US\$'000	%	%
Revenue	2,561,408	100.0	2,830,730	100.0	-9.5
Cost of Sales	(1,685,725)	-65.8	(1,877,586)	-66.3	-10.2
Gross Profit	875,683	34.2	953,144	33.7	-8.1
SG&A	(809,193)	-31.6	(887,443)	-31.4	-8.8
Other Income & Expenses, net	31,951	1.2	38,115	1.4	-16.2
Operating Profit	98,441	3.8	103,816	3.7	-5.2
Finance Cost, net	(2,473)	-0.1	(7,720)	-0.3	-68.0
Other Losses	(444)	-0.0	(3,447)	-0.1	-87.1
Income Tax	(26,426)	-1.0	(21,656)	-0.8	+22.0
Profit for the Period	69,098	2.7	70,993	2.5	-2.7
Profit Attrib. to Owners of PS	68,219	2.7	69,190	2.4	-1.4

Source: Internal analysis report (figures rounded); various accounting reclassification and adjustments are made to some of the figures when consolidating Pou Sheng numbers into the Yue Yuen Group in order to comply with the requirements of accounting standards

Pou Sheng Revenue Trend



Revenue (RMB'mn)

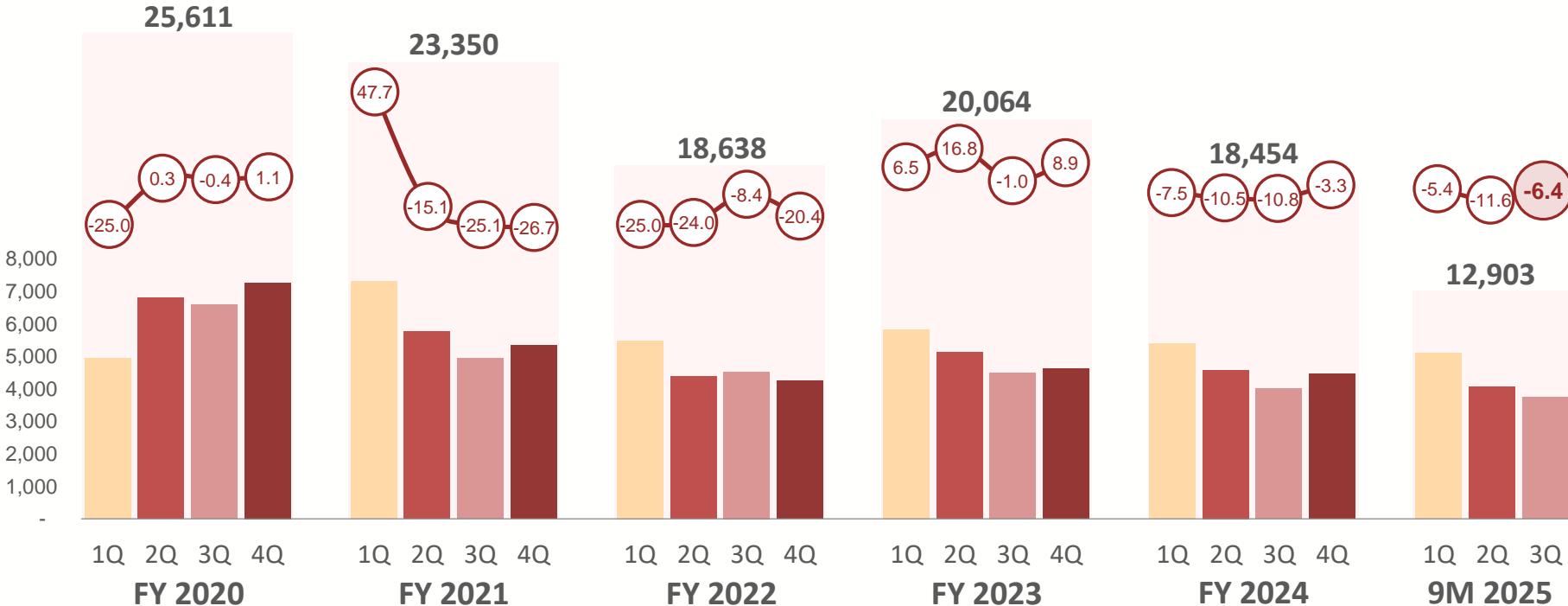
YoY (%)

25,611

23,350

20,064

12,903





Thank you
Q&A