



Pou Sheng International 2025 Annual Results

11 Mar 2026

MAKE SPORTS
YOUR LIFE



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MAKE SPORTS YOUR LIFE

— 让运动融入
你的生活 —





Pou Sheng Strategy & Operating Highlights



Discount Enlarged **LSD%**

Aging Inventory **~7%** of Total

Discount* & Inventory Mix



Traffic declined substantially

Conversions **Improved**

SSSG **↓Mid-teens%** YoY

Traffic & Conversion Rate



Digital Sales Contribution **>30%**

Douyin **↑ >70%** YoY

Resilient Digital Sales



Store Format Optimization



Average GFA & Overall GFA

↓ LSD-MSD% YoY

Membership Performance



~65.8mn Members **↑ 7%** YoY

Member Contribution **>90%** of Sales

Solid Financial Management



Cash Position RMB **~1.8bn**

Dividend Payout Ratio **60%**



Driving **Online Returns**



Strengthening **Content E-commerce**



Riding the wave of **Instant Retail**



Exploring **Vertical Segments**



Building **One-stop Service**



Organizational Structure Optimization

* Offline direct retail discounts

SSSG: Same Store Sales Growth GFA: Gross Floor Area UPT: Units per Transaction ATV: Average Transaction Value



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Pou Sheng Financial Highlights *(in RMB)*



| | FY 2025 | | FY 2024 | | YoY | |
|---------------------------------------|-----------------|--------------|----------|-------|-------|------|
| | RMB'mn | % | RMB'mn | % | % | pp |
| Revenue | 17,132 | 100.0 | 18,454 | 100.0 | -7.2 | -- |
| Cost of Sales | (11,396) | -66.5 | (12,145) | -65.8 | -6.2 | -0.7 |
| Gross Profit | 5,736 | 33.5 | 6,309 | 34.2 | -9.1 | -0.7 |
| SG&A | (5,589) | -32.6 | (5,888) | -31.9 | -5.1 | -0.7 |
| Other Income & Expenses, net | 215 | 1.2 | 288 | 1.5 | -25.3 | -0.3 |
| Operating Profit | 362 | 2.1 | 709 | 3.8 | -48.9 | -1.7 |
| Finance Cost*, net | (17) | -0.1 | (18) | -0.1 | -5.6 | 0.0 |
| Other Gains & Losses | (5) | -0.0 | (3) | -0.0 | +66.7 | 0.0 |
| Income Tax | (111) | -0.7 | (190) | -1.0 | -41.6 | +0.3 |
| Profit for the Period | 229 | 1.3 | 498 | 2.7 | -54.0 | -1.4 |
| Profit Attrib. to Owners of PS | 211 | 1.2 | 491 | 2.7 | -57.0 | -1.5 |

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

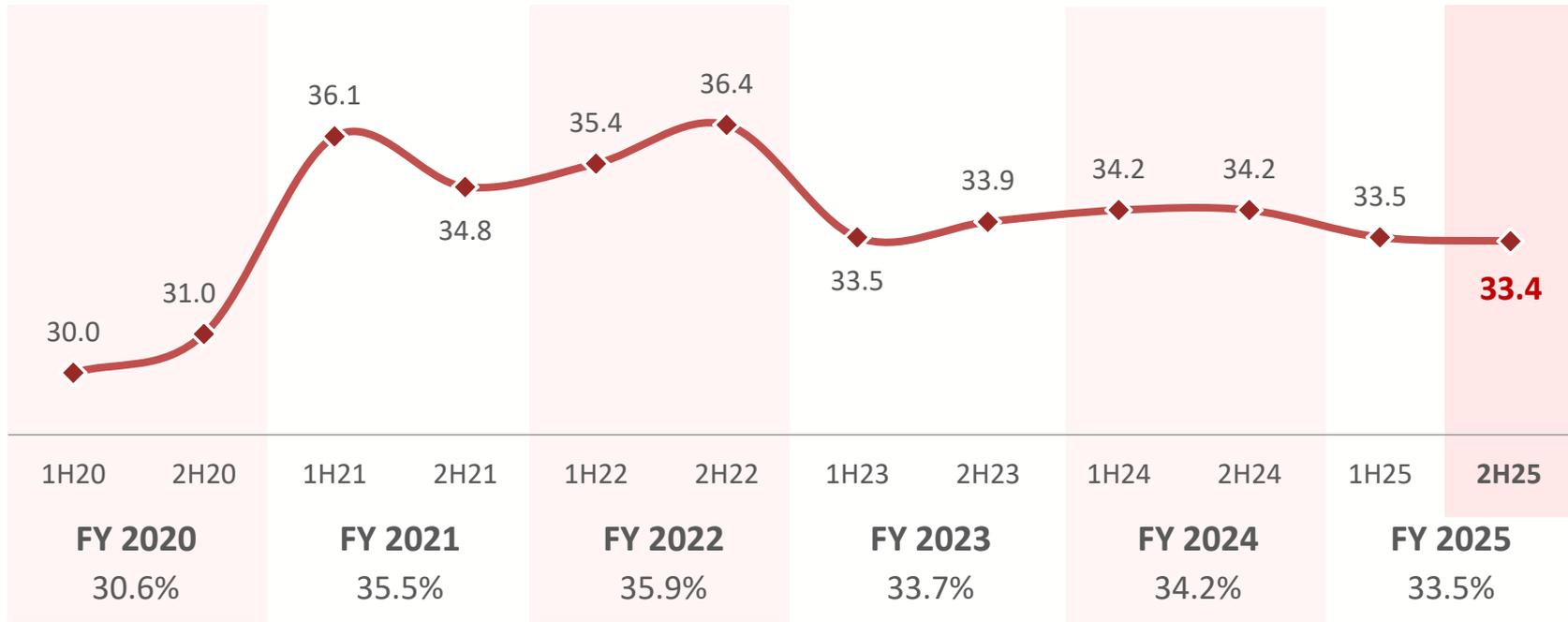
* Including interest expenses on lease liabilities which amounted to RMB 51.3mn (FY24: RMB 65.7mn).

Loan interest in FY25 increased by 27.1% YoY to RMB 2.7mn while net finance income (finance income - loan interest) was RMB 34.9mn in FY25 (FY24: RMB 47.9mn)

Y Pou Sheng GP Margin Trend



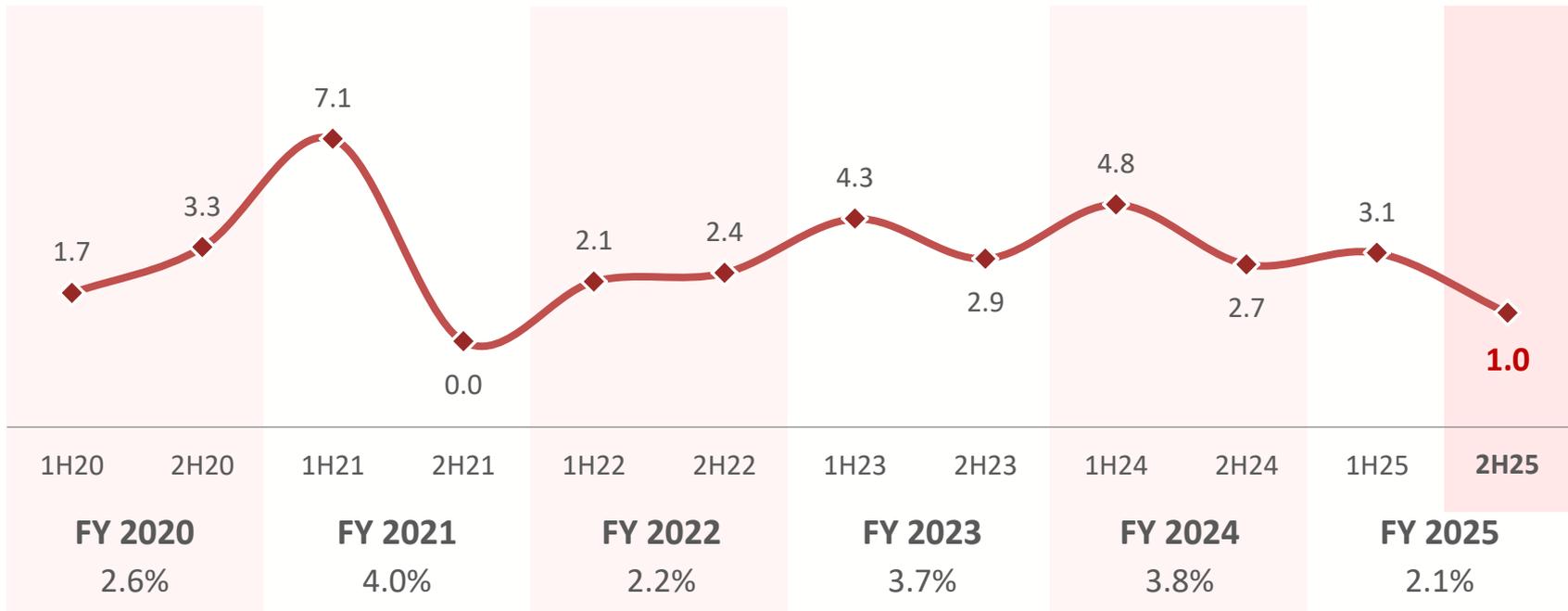
◆ Gross Profit Margin (%)



Y Pou Sheng OP Margin Trend



Operating Profit Margin (%)



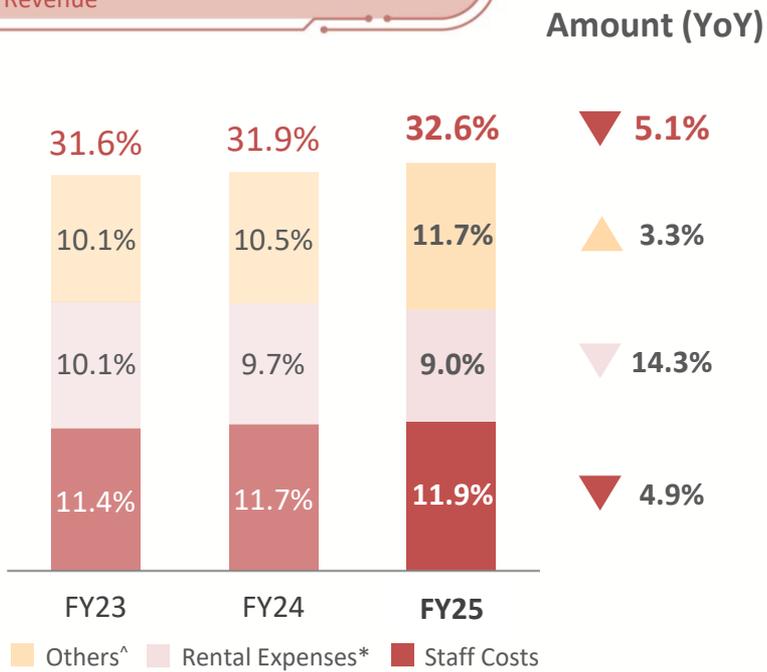


Pou Sheng SG&A Expenses Breakdown



SG&A Ratio

% of Revenue



Strategically Manage Retail Network, Optimize Rental Expenses

- Holistic approach in channel planning to avoid low-efficiency store opening & closing
- Number of direct operated stores ↓ 4.0% 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 ↓ 10% YoY from 20,000 to 18,100

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

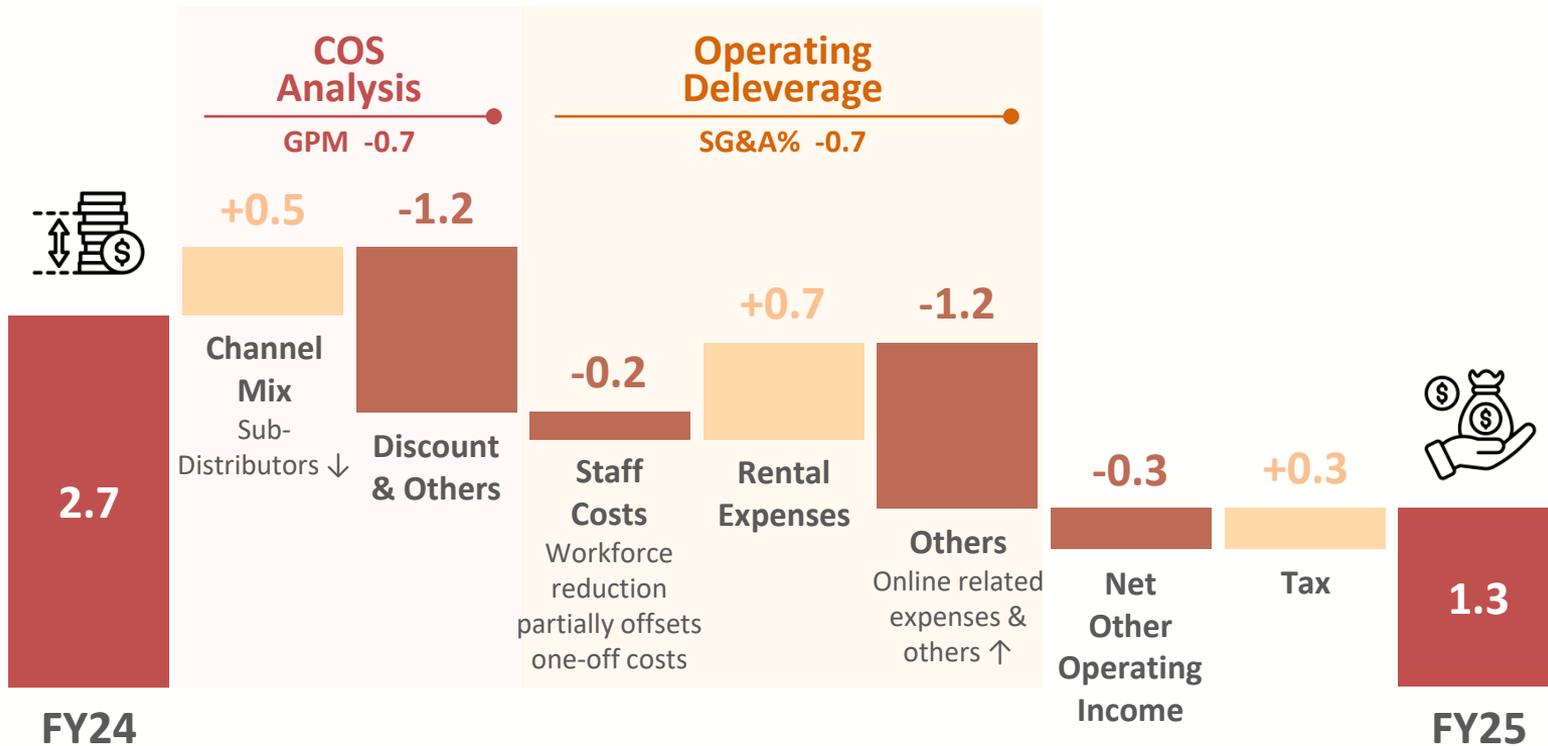
^{*} Rental Expenses include expense of operating leases, concession expenses and depreciation of right-of-use assets



Pou Sheng – Net Profit Margin



(%)

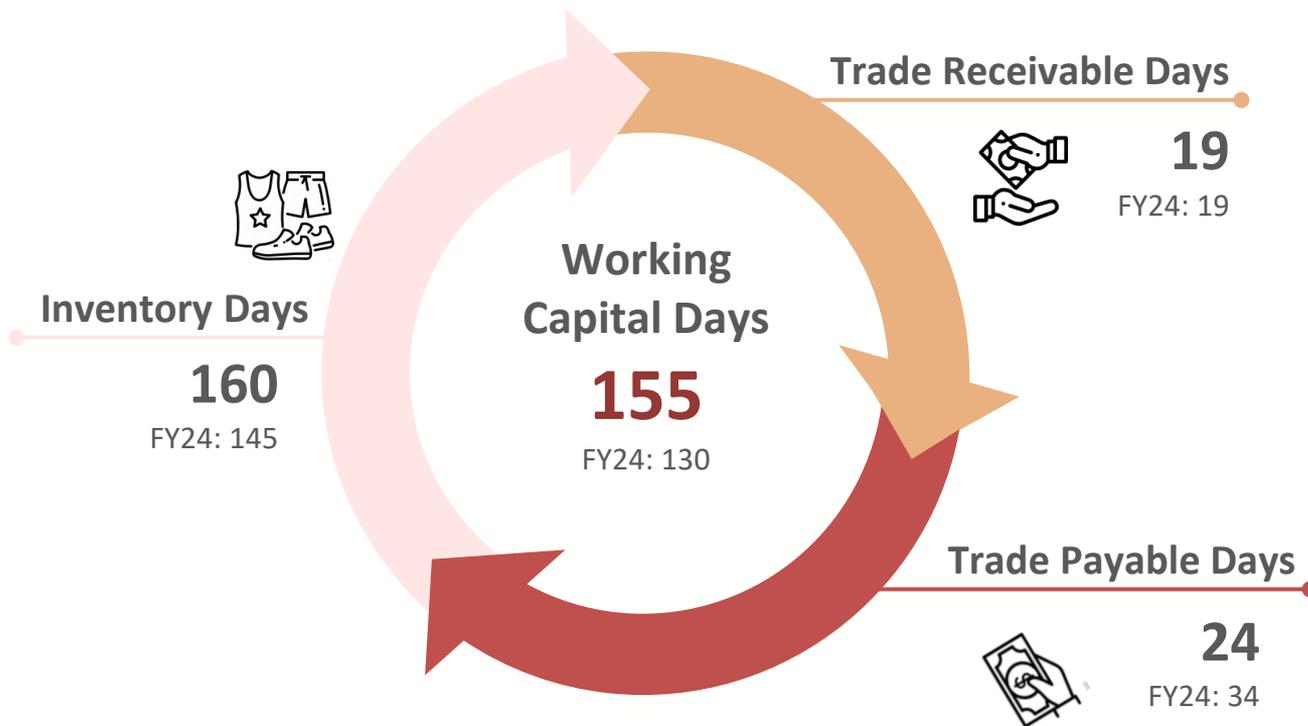




Pou Sheng Operation Efficiency – FY25



(Based on RMB)



Inventory Level

In RMB'mn



Working Capital

In RMB'mn



■ FY24 ■ FY25

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



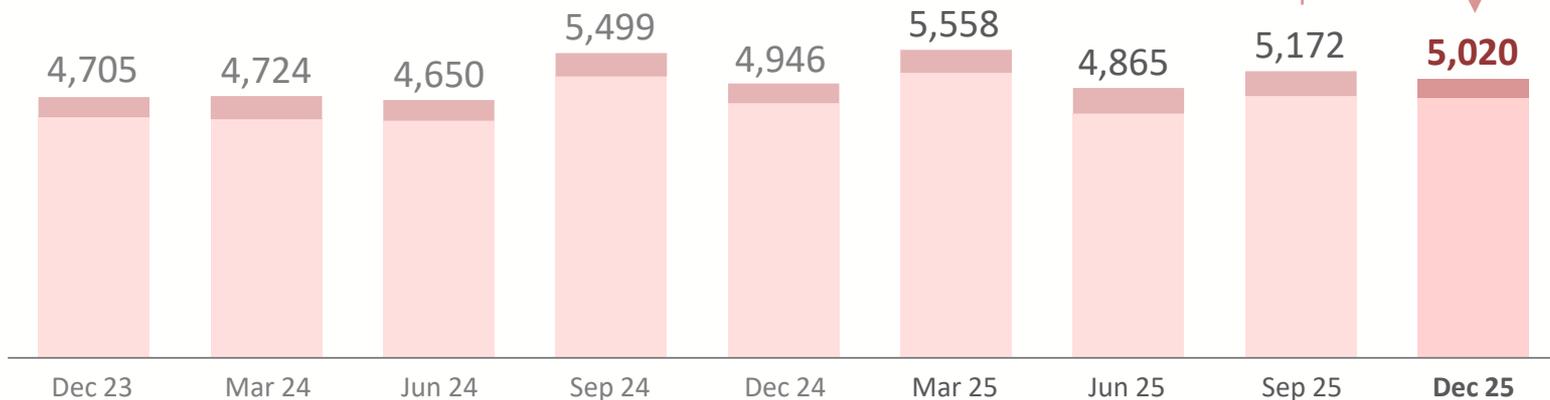
Healthy Aging & Well-Managed Inventory



(RMB'mn)

↑ 6.7%

-2.9%



Dynamic inventory management

■ >12 months inventory % remained HSD% from Dec 23 - Dec 25 among which Dec 25 reached the lowest in recent years



Pou Sheng Financial Ratios (in RMB)



| (RMB'mn) | FY 2025 | FY 2024 | YoY |
|---|-----------------|----------|--------|
| Depreciation of PPE & Amortization | 320.7 | 335.8 | -4.5% |
| Depreciation of ROUA | 646.0 | 758.3 | -14.8% |
| EBITDA | 1,360.8 | 1,850.2 | -26.5% |
| EBITDA minus Depreciation of ROUA | 714.8 | 1,091.9 | -34.5% |
| Capital Expenditure | 243.4 | 371.4 | -34.5% |
| Total Borrowings* | -- | 39.3 | N/A |
| Net Cash* | 1,821.9 | 2,664.1 | -31.6% |
| Total Borrowings to Equity# | -- | 0.4% | N/A |
| Net Borrowings to Equity# | Net Cash | Net Cash | -- |
| Return on Owner's Equity | 2.4% | 5.6% | -- |
| Return on Asset | 1.9% | 3.8% | -- |

As of
31 Dec

Source: Internal analysis report (figures rounded)

* Total Borrowings and Net Cash exclude lease liabilities. Lease liabilities was RMB 1,142.2mn and 1,430.5mn as at 31 Dec 2025 and 2024 respectively

Total Debt to Equity and Net Debt to Equity (including lease liabilities) would be 12.8% (FY24: 16.6%) and Net Cash (FY24: Net Cash) as at 31 Dec 2025 respectively

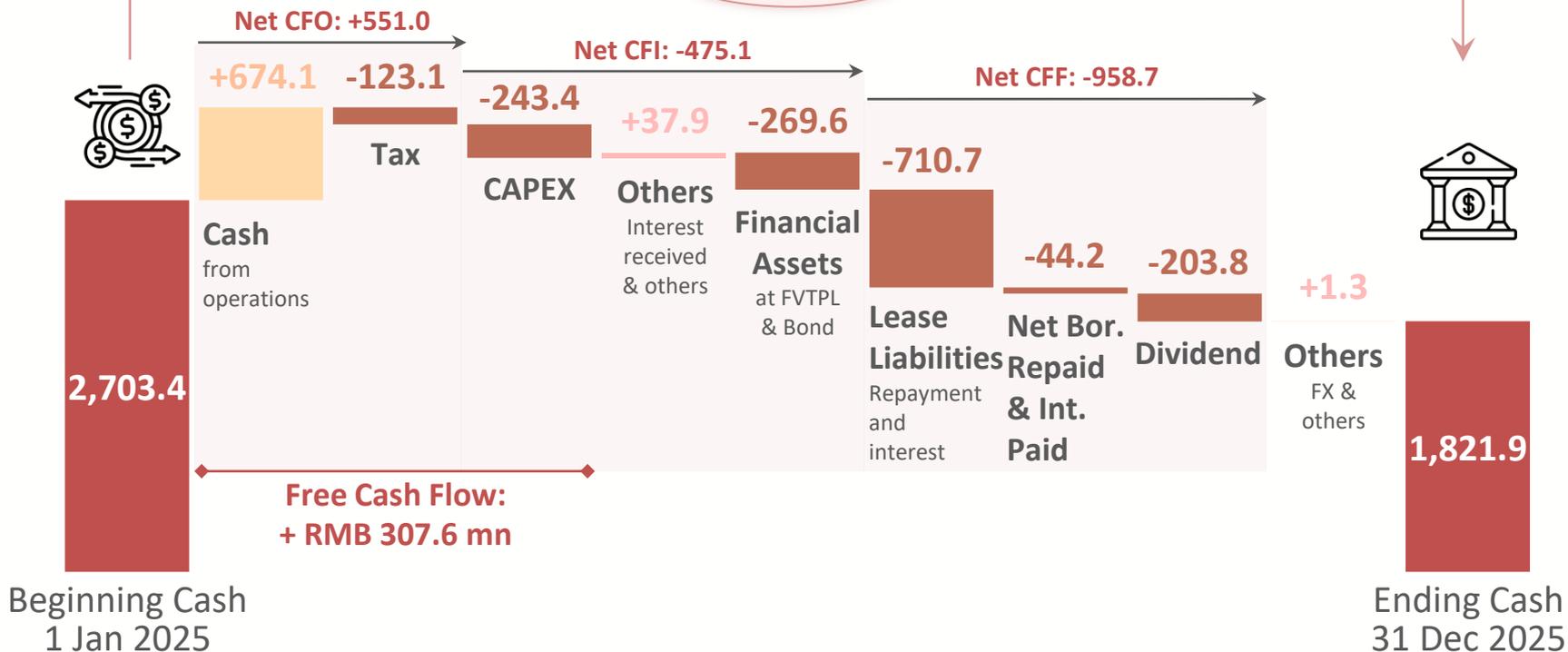


Pou Sheng Sources and Uses of Fund – FY25



(RMB'mn)

- RMB 881.5 mn



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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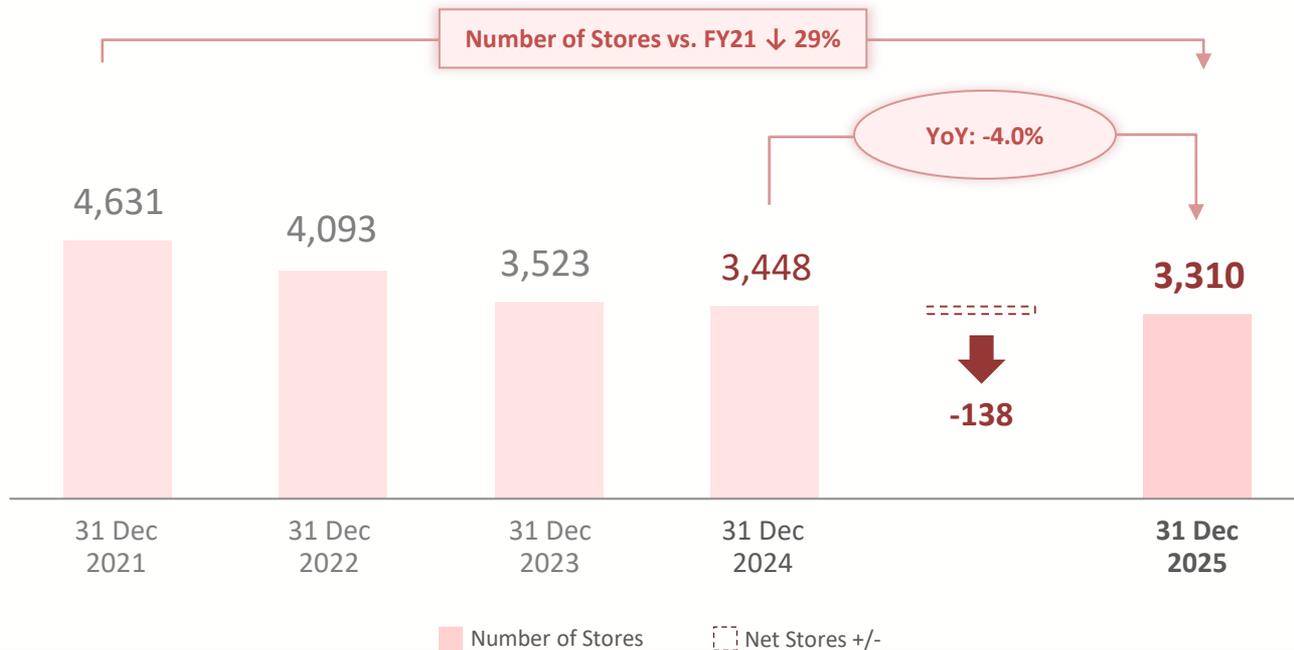
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Y Right-Sizing B&M Network



Directly Operated Stores





Customized Pan-WeChat Ecosphere



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



YYsports & membership program*



Shopping Mall Membership Platforms



Douyin Livestreaming

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



WeChat Stores



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

Pan-WeChat Ecosphere



Seamless digital interface by designated KOS

* ~65.8m YYsports members (as of 31 Dec 2025)



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Y Critical Missions in 3 Years

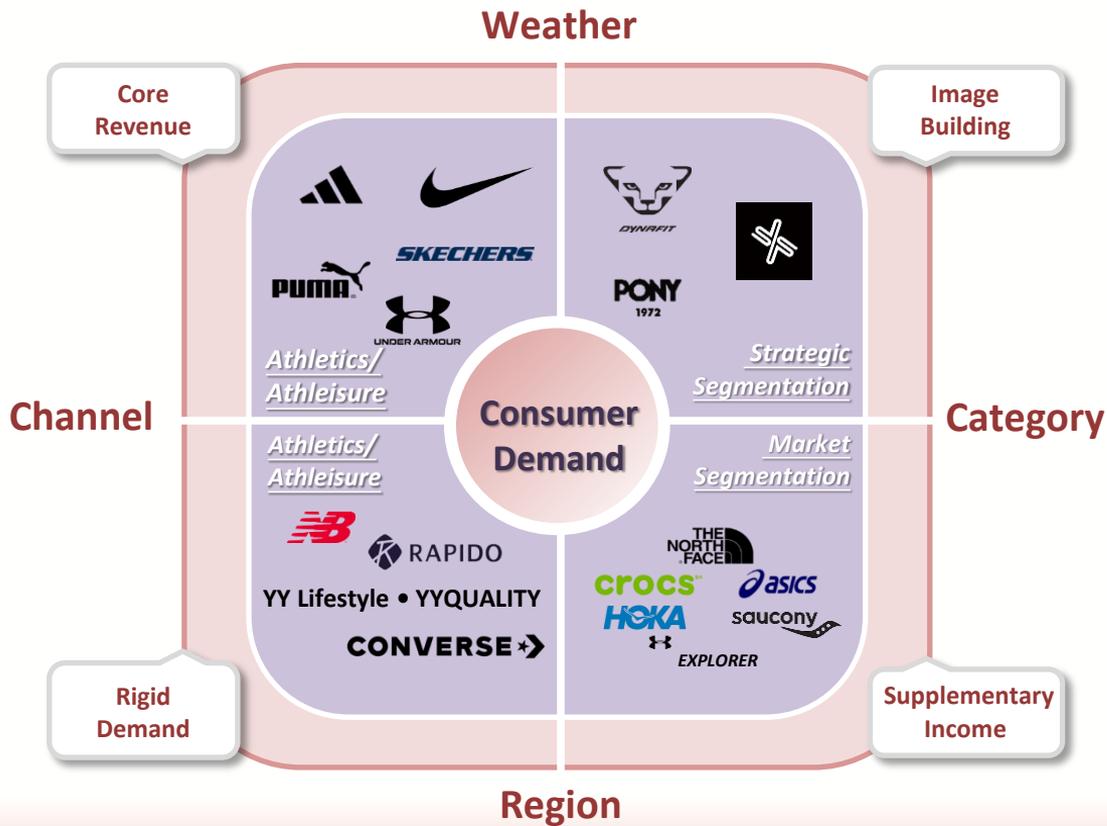


“Creating Value-added Services & Quality Experiences to Customers”





Growth by Multi-faceted Brand Strategy Matrix



PONY



胜道仓 YQUALITY

仓储式购物体验





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Company Milestones



- 2025 ● Organizational adjustment
- 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)* – FY25



| | FY 2025 | | FY 2024 | | YoY |
|---------------------------------------|------------------|--------------|-------------|-------|-------|
| | US\$'000 | % | US\$'000 | % | % |
| Revenue | 2,383,070 | 100.0 | 2,561,408 | 100.0 | -7.0 |
| Cost of Sales | (1,585,246) | -66.5 | (1,685,725) | -65.8 | -6.0 |
| Gross Profit | 797,824 | 33.5 | 875,683 | 34.2 | -8.9 |
| SG&A | (768,007) | -32.2 | (809,193) | -31.6 | -5.1 |
| Other Income & Expenses, net | 20,478 | 0.8 | 31,951 | 1.2 | -35.9 |
| Operating Profit | 50,295 | 2.1 | 98,441 | 3.8 | -48.9 |
| Finance Cost, net | (2,285) | -0.1 | (2,473) | -0.1 | -7.6 |
| Other Gains & Losses | (702) | -0.0 | (444) | -0.0 | +58.1 |
| Income Tax | (15,410) | -0.7 | (26,426) | -1.0 | -41.7 |
| Profit for the Period | 31,898 | 1.3 | 69,098 | 2.7 | -53.8 |
| Profit Attrib. to Owners of PS | 29,318 | 1.2 | 68,219 | 2.7 | -57.0 |

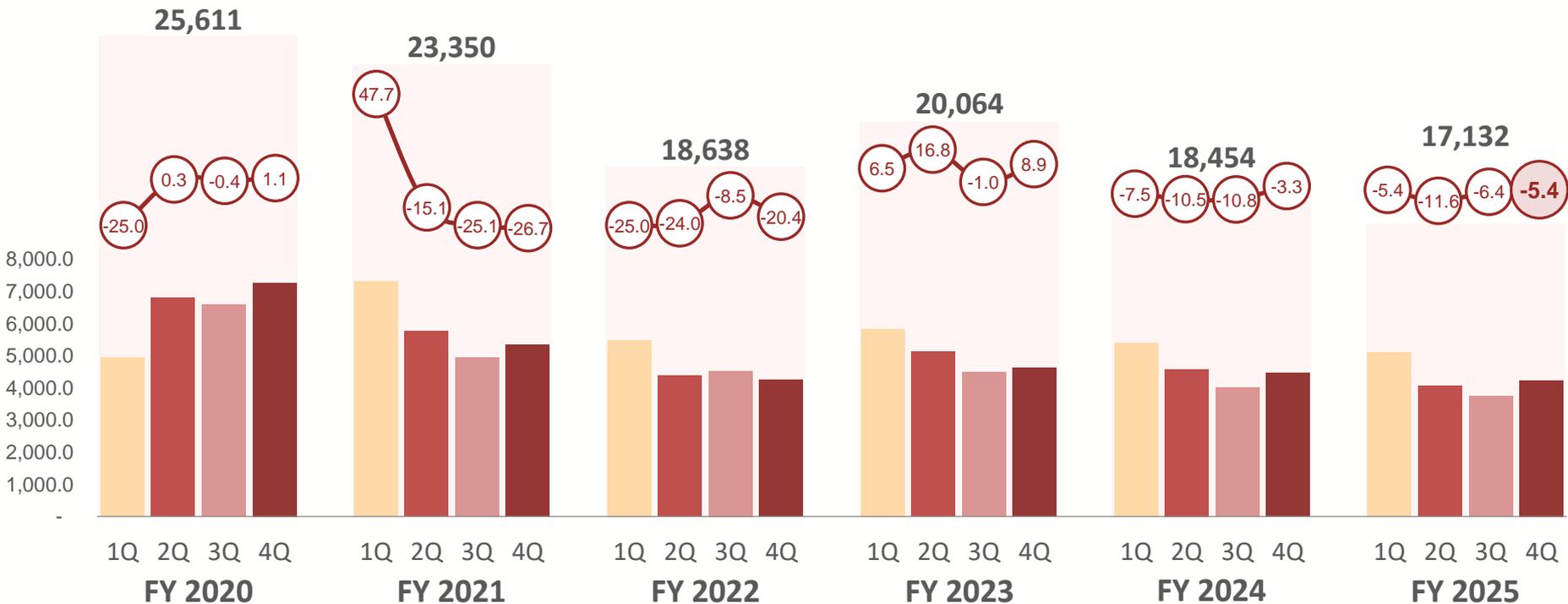
Source: Internal analysis report (figures rounded); various accounting reclassification and adjustments are made to some of the figures when consolidating Pou Sheng numbers into the Yue Yuen Group in order to comply with the requirements of accounting standards

Y Pou Sheng Revenue Trend



Revenue (RMB'mn)

YoY (%)



Thank you
Q&A