Pou Sheng International
2026 1H Results
12 Aug 2026

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MAKE SPORTS YOUR LIFE

让运动融入你的生活

Pou Sheng Strategy & Operating Highlights – 1H26

Discount* & Inventory Mix

Discount* improved **LSD%** YoY

Aging Inventory **<9%** of Total

Traffic & Conversion Rate

Traffic decline **narrowed** significantly

Conversions **improved**

Operation Matrix

UPT & ATV **stable**

Avg. monthly sales per m²
& Avg. sales per door **improved**

Sales Structure

Direct Retail Contribution **stable**

Profitability Enhancement

GP Margin ↑ **0.4pp** YoY

OP Margin ↑ **0.8pp** YoY

Solid Financial Management

Cash Position RMB **~2.2bn**

Interim Dividend Payout Ratio **60%**

Optimizing **Content Placement**

Driving **Online Returns**

Exploring **Vertical Segments**

Leveraging **Artificial Intelligence**

Organizational Structure Optimization

Building **One-stop Service**

** Offline direct retail discounts*

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

Agenda

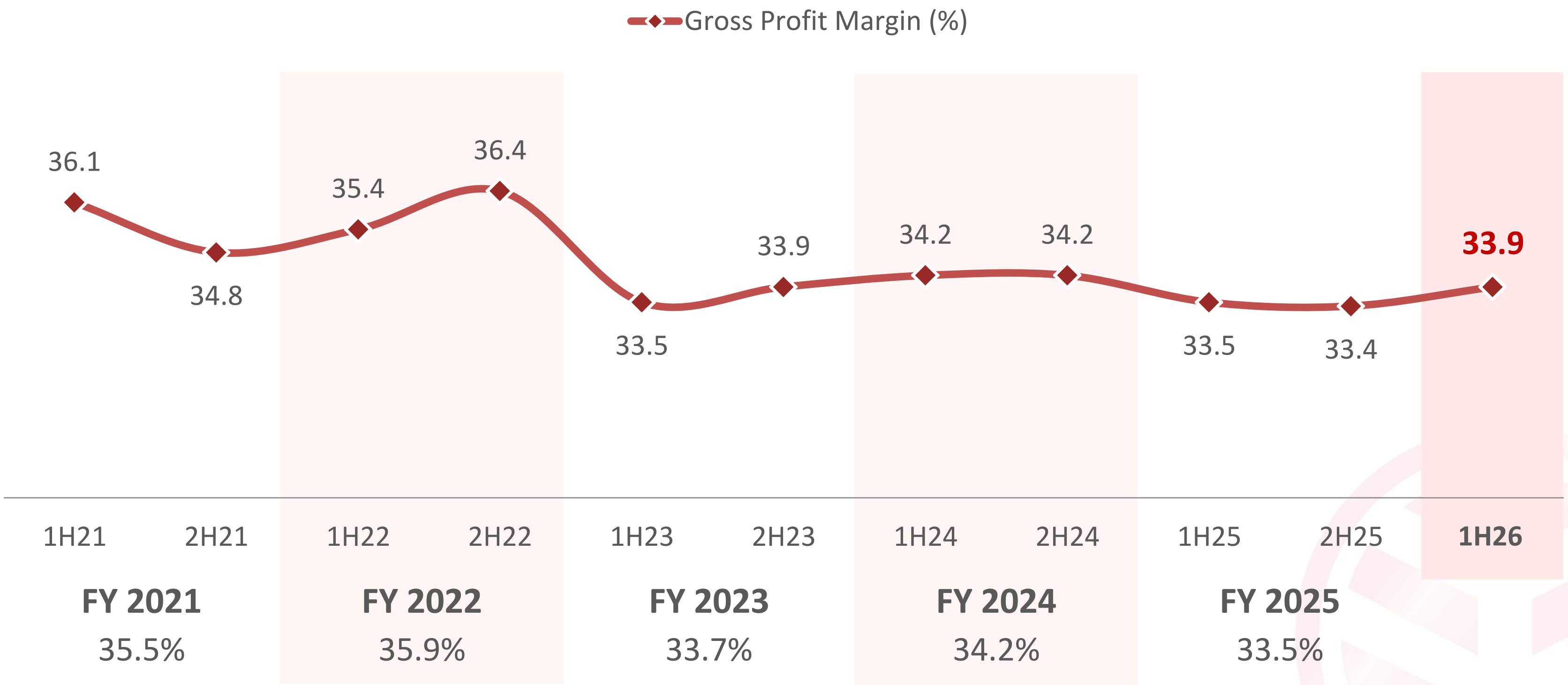
Pou Sheng Financial Highlights *(in RMB)*

	1H 2026		1H 2025		YoY	
	RMB'mn	%	RMB'mn	%	%	pp
Revenue	**8,965**	**100.0**	9,159	100.0	-2.1	--
Cost of Sales	**(5,922)**	**-66.1**	(6,090)	-66.5	-2.8	0.4
Gross Profit	**3,043**	**33.9**	3,069	33.5	-0.8	0.4
SG&A	**(2,769)**	**-30.9**	(2,890)	-31.5	-4.2	0.6
Other Income & Expenses, net	**74**	**0.9**	103	1.1	-28.2	-0.2
Operating Profit	**348**	**3.9**	282	3.1	23.4	0.8
Finance Cost*, net	**(4)**	**-0.1**	(7)	-0.1	-42.9	0.0
Other Gains & Losses	**1**	**0.0**	--	--	N/A	N/A
Income Tax	**(91)**	**-1.0**	(75)	-0.8	21.3	-0.2
Profit for the Period	**254**	**2.8**	200	2.2	27.0	0.6
Profit Attrib. to Owners of PS	**244**	**2.7**	188	2.1	29.8	0.6

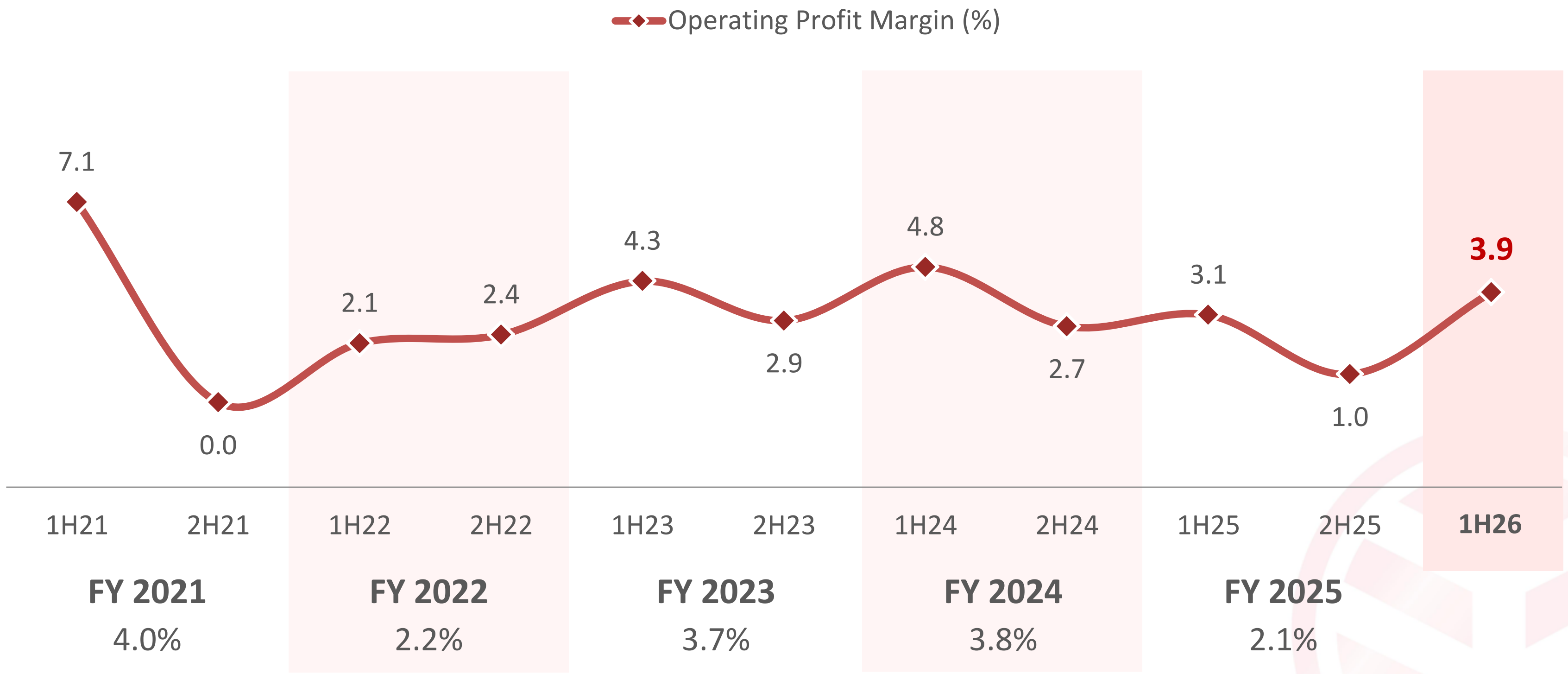
Source: Based on Pou Sheng's announcement on the HKEX website

** Including interest expenses on lease liabilities which amounted to RMB 21.1mn (1H25: RMB 26.6mn).*
Loan interest in 1H26 decreased by 45.1% YoY to RMB 0.8mn while net finance income (finance income - loan interest) was RMB 17.4mn in 1H26 (1H25: RMB 20.1mn)

Pou Sheng GP Margin Trend

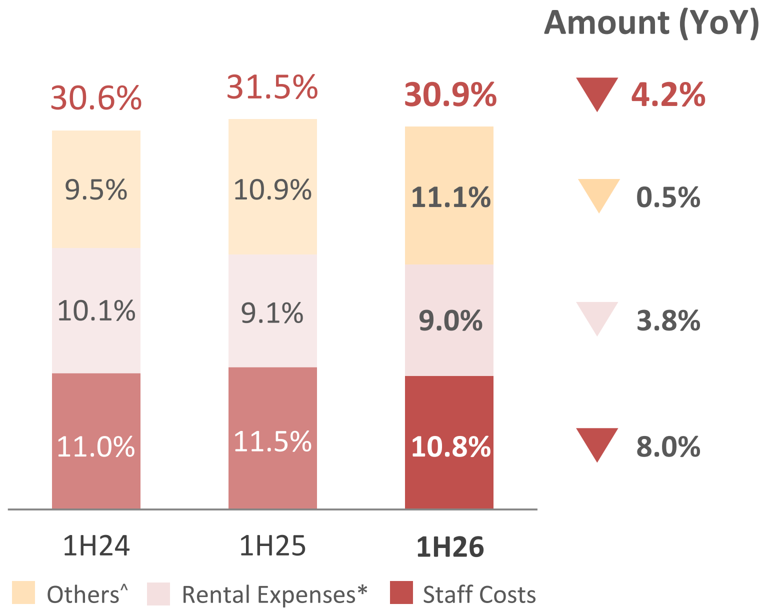


Pou Sheng OP Margin Trend



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 ↓ 8.7% YoY
- Enhance productivity and strengthen channels

Stringent Middle/Back Office Expenses Control to counter Operating Deleverage

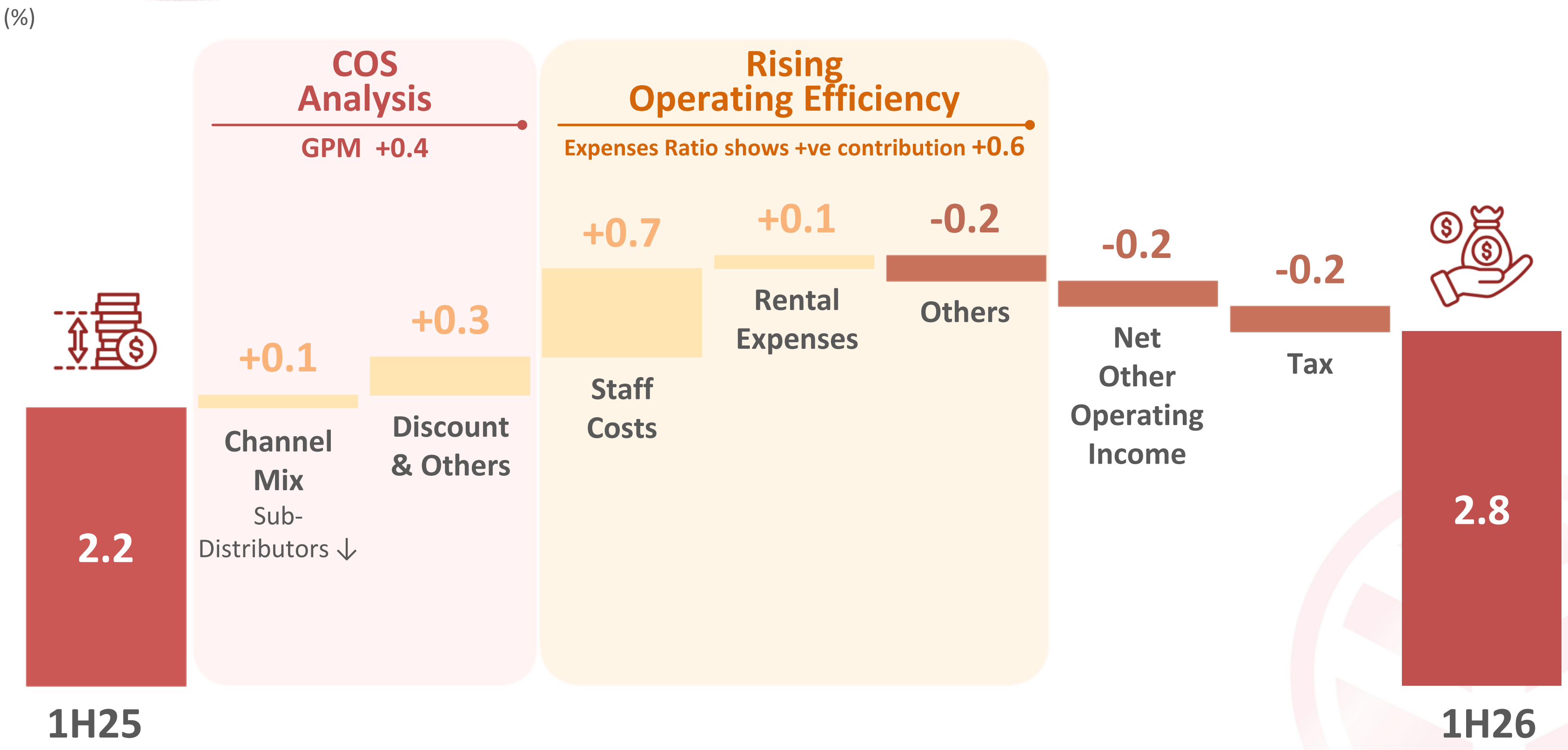
Active Management on People Efficiency

- Lean Management: Pou Sheng's no. of employees ↓ 10% YoY from 19,200 to 17,300

^ *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 – 1H26

(Based on RMB)

Working Capital Days

155

FY25: 155
1H25: 140

Inventory Days

148

FY25: 160
1H25: 146

Trade Receivable Days

18

FY25: 19
1H25: 19

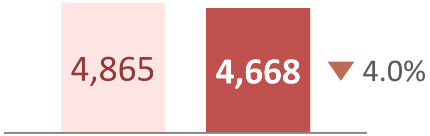
Trade Payable Days

11

FY25: 24
1H25: 25

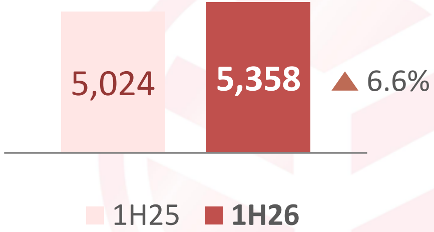
Inventory Level

In RMB’mn



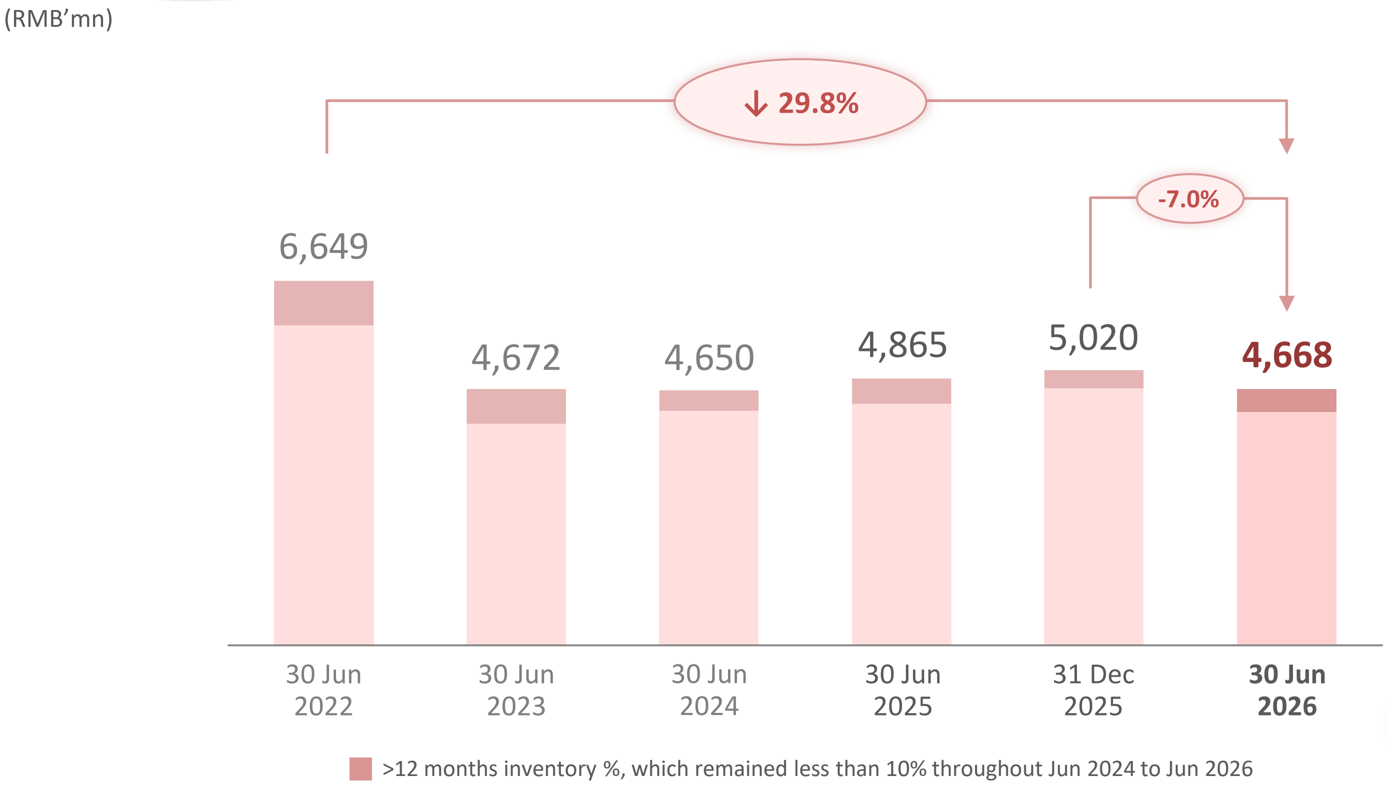
Working Capital

In RMB’mn



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

Healthy Aging & Well-Managed Inventory



Dynamic inventory management

Pou Sheng Financial Ratios *(in RMB)*

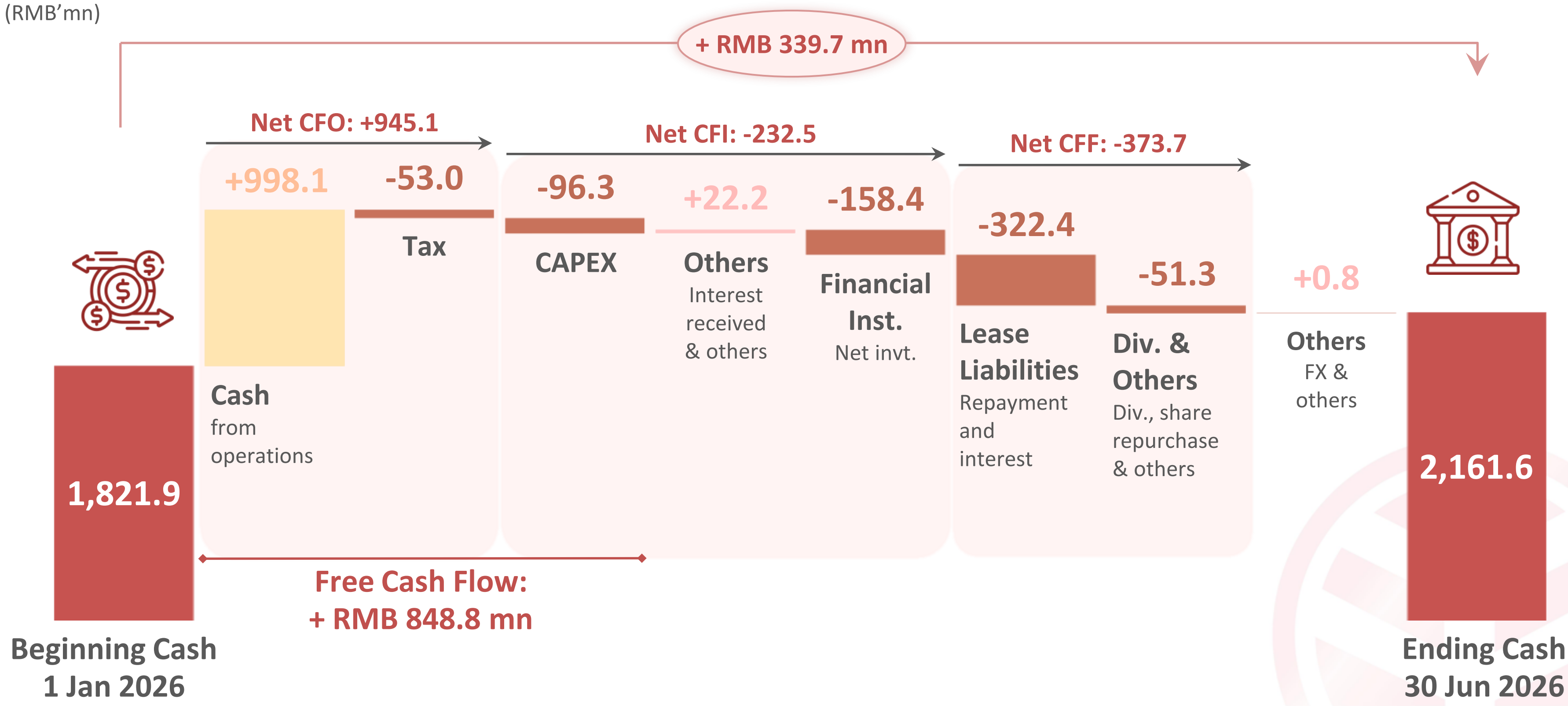
	(RMB'mn)	1H 2026	1H 2025	YoY
	Depreciation of PPE & Amortization	**148.3**	160.7	-7.7%
	Depreciation of ROUA	**309.2**	337.7	-8.4%
	EBITDA	**825.2**	801.6	+2.9%
	EBITDA minus Depreciation of ROUA	**516.0**	463.9	+11.2%
	Capital Expenditure	**96.3**	119.4	-19.3%
As of 30 Jun	**Total Borrowings***	**--**	196.8	N/A
As of 30 Jun	**Net Cash***	**2,161.6**	2,497.4	-13.4%
As of 30 Jun	**Total Borrowings to Equity[#]**	**N/A**	2.2%	N/A
As of 30 Jun	**Net Borrowings to Equity[#]**	**Net Cash**	Net Cash	--
	Return on Owner's Equity *LTM*	**3.0%**	3.9%	--
	Return on Asset *LTM*	**2.4%**	2.9%	--

Source: Internal analysis report (figures rounded)

** Total Borrowings and Net Cash exclude lease liabilities. Lease liabilities was RMB 1,176.6mn and 1,261.1mn as at 30 Jun 2026 and 2025 respectively*

[#] Total Debt to Equity and Net Debt to Equity (including lease liabilities) would be 12.9% (1H25: 16.2%) and Net Cash (1H25: Net Cash) as at 30 Jun 2026 respectively

Pou Sheng Sources and Uses of Fund – 1H26



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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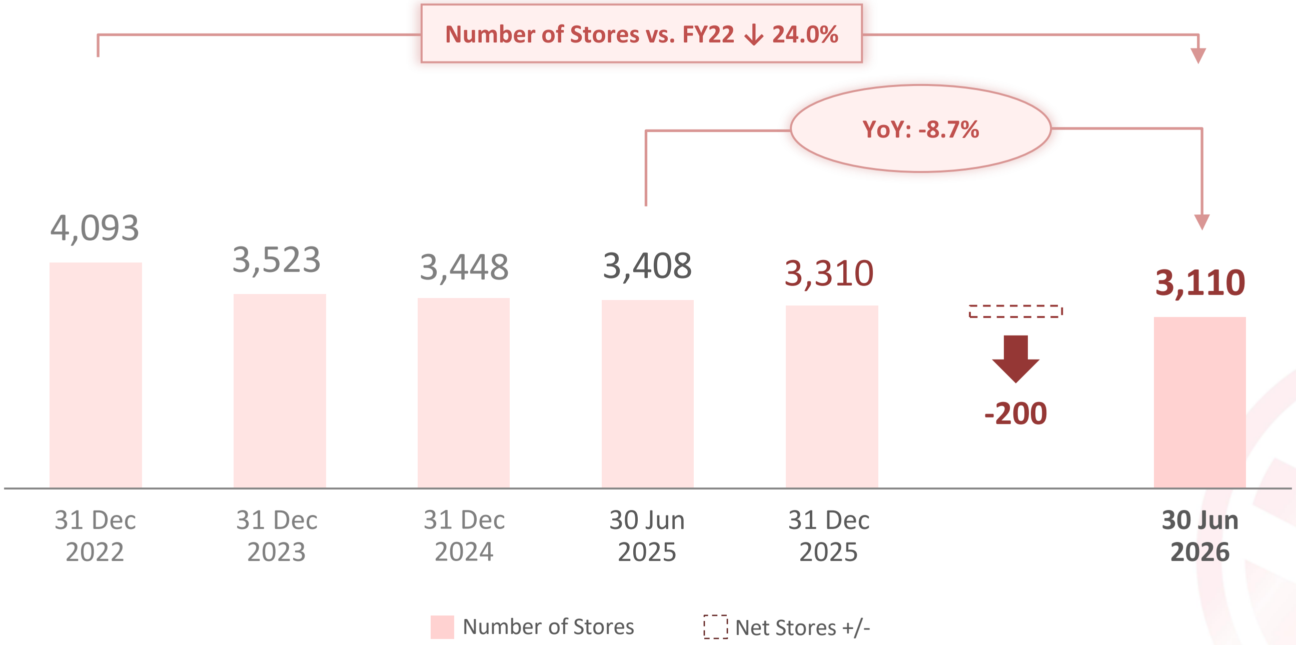
Right-Sizing B&M Network

Directly Operated Stores



Strengthening Digital Empowerment

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

天猫 JINGDONG 唯品会 vip.com

Shelf-based E-commerce 01

- Online multi-channel footprint

02 **Live-streaming E-commerce**

- Localized operations by upgrading regional and store level accounts with inventory fully integrated

小红书 抖音来客

WeChat Stores 03

WeChat

- A single national WeChat store with multi-faceted approach and multi-brands by designated KOS

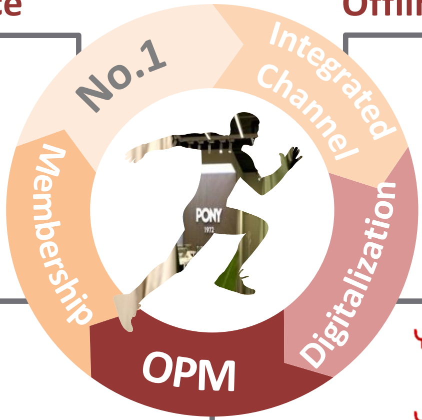
YYsports & membership program* → **Fully integrated & one-stop operations** → **Seamless digital interface by designated KOS**

* ~**68.3m** YYsports members *(as of 30 Jun 2026)*

Agenda

Critical Missions in 3 Years

"Creating Value-added Services & Quality Experiences to Customers"



Strategic Alliance • Best of Choice

- 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
- Scaling up new brands contribution

Enhance Membership Operations

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

Operating Margin

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

Offline & Online Integration

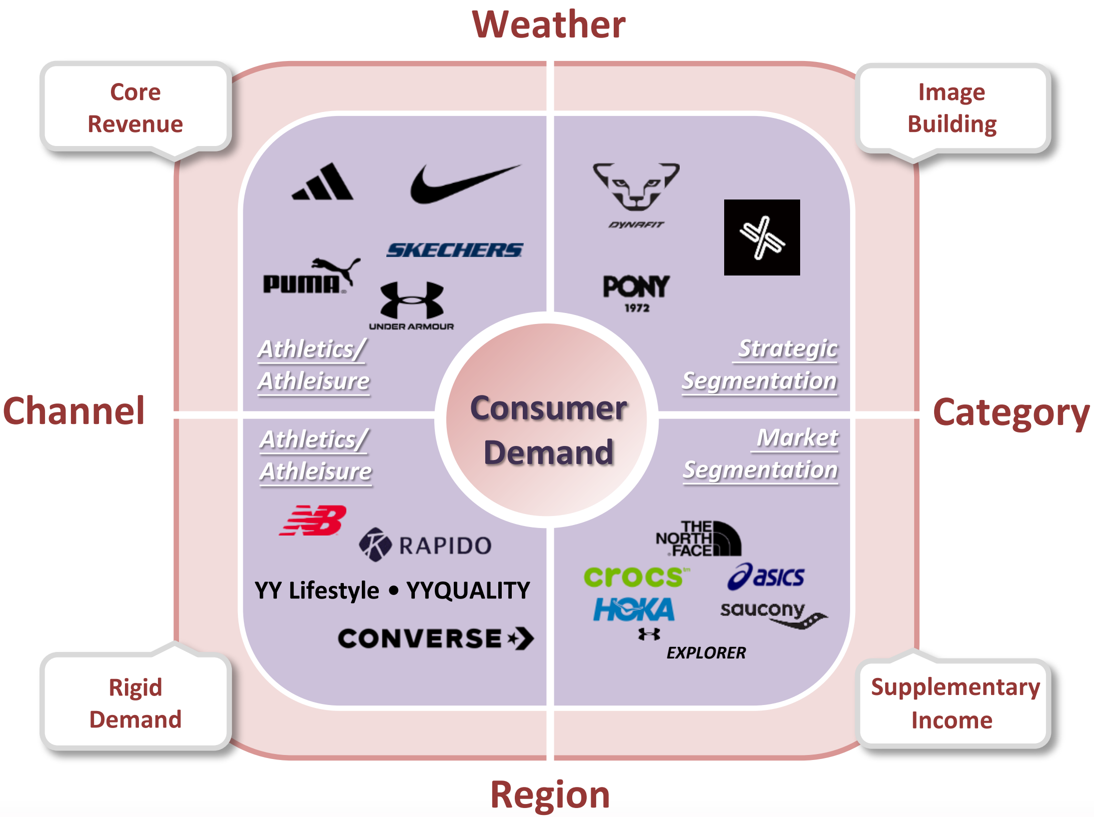
- Strengthen multi-faceted operation matrix – private + public domains
- Probing new channels

Digital Transformation

- Leveraging on full integration to enhance **store productivity** and **people efficiency**
- Integrate and upgrade modules following the implementation of SAP ERP systems to integrate **business with finance** and to enhance operational excellence

CR%: Sales conversion rates   ERP: Enterprise Resource Planning

Growth by Multi-faceted Brand Strategy Matrix



胜道仓
YYQUALITY
仓储式购物体验

Agenda

Company Milestones

2025	Organizational Adjustment Year
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)* – 1H26

	1H 2026		1H 2025		YoY
	US$'000	%	US$'000	%	%
Revenue	**1,306,143**	**100.0**	1,262,168	100.0	+3.5
Cost of Sales	**(862,844)**	**-66.1**	(839,231)	-66.5	+2.8
Gross Profit	**443,299**	**33.9**	422,937	33.5	+4.8
SG&A	**(399,417)**	**-30.5**	(394,414)	-31.3	+1.3
Other Income & Expenses, net[Δ]	**9,476**	**0.7**	13,257	1.1	-28.5
Operating Profit[Δ]	**53,358**	**4.1**	41,780	3.3	+27.7
Finance Cost[Δ]	**(3,192)**	**-0.3**	(3,871)	-0.3	-17.5
Other Gains & Losses	**202**	**0.0**	--	--	N/A
Income Tax	**(13,344)**	**-1.0**	(10,335)	-0.8	+29.1
Profit for the Period	**37,024**	**2.8**	27,574	2.2	+34.3
Profit Attrib. to Owners of PS	**35,500**	**2.7**	25,853	2.0	+37.3

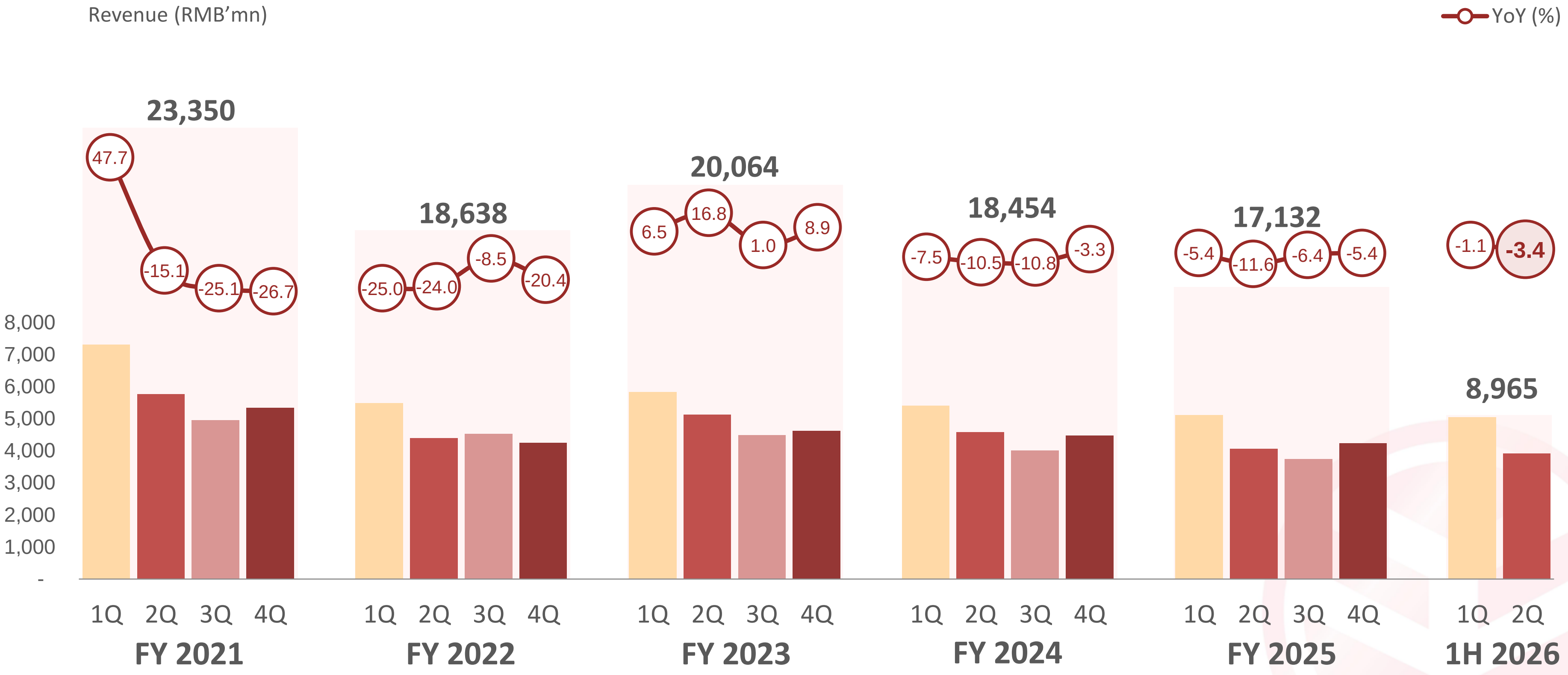
[Δ] *Source: Internal analysis report (figures rounded); reclassification has been made according to the preparation methods of consolidated statement of Yue Yuen Group*

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[Δ]	**25,701**	**1.0**	38,888	1.5	-33.9
Operating Profit[Δ]	**55,518**	**2.3**	105,378	4.1	-47.3
Finance Cost[Δ]	**(7,508)**	**-0.3**	(9,410)	-0.4	-20.2
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

[Δ] *Source: Internal analysis report (figures rounded); reclassification has been made according to the preparation methods of consolidated statement of Yue Yuen Group*

Pou Sheng Revenue Trend



Thank you
Q&A