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**Xtep International Holdings Limited**  
**特步國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1368)**

**SALES ORDER RESULTS FOR THE FOURTH QUARTER OF 2016**  
**AND**  
**OPERATIONAL UPDATE ON BUSINESS IN CHINA**

This announcement is made by the board of directors (the “**Board**”) of Xtep International Holdings Limited (the “**Company**,” together with its subsidiaries, the “**Group**”).

**SALES ORDER RESULTS FOR THE FOURTH QUARTER OF 2016**

Continuing on the success of increased sales of functional sportswear, especially running wear, driving up blended average selling price, the Group reported growth again in the order value from the sales order for the fourth quarter of 2016, which was held in April 2016. The sales order value (at wholesale value) for the fourth quarter of 2016 achieved a percentage of high single digit increase when compared to the same period of 2015. Such order value growth represented the 13th consecutive quarterly improvement since the fourth quarter of 2013.

New XTEP soccer products to be launched in 3rd quarter of 2016 continue to attract attention and contribute to revenue. The Group as also announced our football strategy “Blade Project” on April 22, 2016, focusing on reaching a wide student population. We target to serve over 5million students over the next five years, through continued sponsorship of Xtep China University Football League (“CUFL”, 特步中國大學生足球聯賽) for the 5th year and Xtep China College Futsal League (“CCFL”, 特步中國大學生五人制足球聯賽) for the 4th year, sponsorship of China High School Football League, and organization of football training camps all across the country.

In addition, the Group has launched XTEP outdoor products as well in the 4th quarter of 2016, focusing on water proof material and technology that increase insulation. We are working with the 3M Company on material that provides lightweight insulation for our outdoor footwear products, offering consumers increased comfort in the winter.

## **OPERATIONAL PERFORMANCE FOR THE FIRST QUARTER OF 2016**

The Group has continuously improved its product mix and portfolio, leading to increased sales of both functional footwear and apparel. During the first quarter of 2016, the average same store sales performance (at retail value) recorded a mid-single-digit growth. The retail discount remained similar levels to that of full year 2015. The inventory level of the Group's retail distribution channels continues to be healthy at approximately 4-5 months.

**The Company's shareholders and potential investors should note that the above announcement is made based on unaudited operational data of the Group and this data has not been audited or reviewed by the Company's auditors.**

**The Company's shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board of  
**Xtep International Holdings Limited**  
**Ding Shui Po**  
*Chairman*

Hong Kong, 28 April 2016

*As at the date of this announcement, the executive Directors of the Company are Mr. Ding Shui Po, Ms. Ding Mei Qing, Mr. Lin Zhang Li, Mr. Ding Ming Zhong, and Mr. Ho Yui Pok, Eleutherius; and the independent non-executive Directors are Mr. Sin Ka Man, Mr. Tan Wee Seng, Dr. Gao Xian Feng and Dr. Bao Ming Xiao.*