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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)**

## **INSIDE INFORMATION PLACING OF EXISTING SHARES BY CONTROLLING SHAREHOLDER**

This announcement is made by Xtep International Holdings Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

### **PLACING OF EXISTING SHARES**

On 21 July 2022 (after trading hours), the board of directors of the Company was informed by Group Success Investments Limited (“**Group Success**”), a controlling shareholder (as defined in the Listing Rules) of the Company, that it has entered into a secondary block trade agreement (the “**Secondary Block Trade Agreement**”) with J.P. Morgan Securities (Asia Pacific) Limited (“**J.P. Morgan**”) and UBS AG Hong Kong Branch (UBS AG is incorporated in Switzerland with limited liability) (“**UBS**”) (collectively, the “**Placing Agents**”), pursuant to which Group Success agreed to place through the Placing Agents an aggregate of 80,000,000 existing shares (the “**Sale Shares**”) of HK\$0.01 each (the “**Shares**”) in the share capital of the Company at a price of HK\$12.70 per Share (the “**Placing**”). The Sale Shares represent approximately 3.04% of the total issued share capital of the Company as at the date of the announcement.

Completion of the Placing is currently expected to take place on 26 July 2022, subject to the conditions set out in the Secondary Block Trade Agreement.

Group Success is wholly owned by Wan Xing International Holdings Limited, which is in turn ultimately owned as to 67% by Mr. Ding Shui Po's family trust, 21% by Ms. Ding Mei Qing's family trust and 12% by Mr. Ding Ming Zhong's family trust. Mr. Ding Shui Po is the chairman of the board of directors and an executive director of the Company, and Ms. Ding Mei Qing and Mr. Ding Ming Zhong are executive directors of the Company.

## **THE UNDERTAKINGS**

Pursuant to the Secondary Block Trade Agreement, Group Success has undertaken to the Placing Agents that it shall not, and shall procure that none of its nominees, any person controlled by it, any trust associated with it or any person acting on its or their behalf shall, without the prior written consent of the Placing Agents, (i) offer, sell, lend, contract to sell, pledge, grant any option over or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by Group Success or any Affiliate (as defined in Regulation D of the U.S. Securities Act of 1933, as amended) of Group Success or any person in privity with Group Success or any Affiliate of Group Success), directly or indirectly, any equity securities of the Company or any securities convertible into, or exercisable, or exchangeable for, equity securities of the Company, (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such shares of the Company, whether any such transaction described in (i) or (ii) above is to be settled by delivery of shares of the Company or such other securities, in cash or otherwise, or (iii) publicly announce an intention to effect any such transaction, for a period beginning on the date of the Secondary Block Trade Agreement and ending on the date which is 180 days after the closing date of the Placing.

## **SHAREHOLDING CHANGE IN THE COMPANY**

As at the date of this announcement but before completion of the Placing, Group Success directly held 1,310,059,500 shares of the Company, representing approximately 49.72% of the total issued share capital of the Company. Assuming the Placing will be completed as contemplated, (i) the shareholding held by Group Success in the Company will decrease from approximately 49.72% to 46.68% of the total issued share capital of the Company; and (ii) Group Success will remain as a controlling shareholder of the Company.

For illustration purposes only, the table below sets out the shareholding structure of the Company (i) as at the date of this announcement and (ii) upon completion of the Placing assuming that (a) there is no other change to the issued share capital of the Company; and (b) the purchasers of the Sale Shares and their respective ultimate beneficial owner(s) will not be existing shareholders of the Company:

Shareholders	As at the date of this announcement		Upon completion of the Placing	
	<i>No. of shares</i> <sup>(1)</sup>	<i>Approx. %</i>	<i>No. of shares</i>	<i>Approx. %</i>
Group Success <sup>(2)</sup>	1,310,059,500	49.72	1,230,059,500	46.68
Ding Shui Po	60,675,000	2.30	60,675,000	2.30
Tan Wee Seng	283,068	0.01	283,068	0.01
Purchasers of Sale Shares	—	—	80,000,000	3.04
Other shareholders of the Company	<u>1,263,825,175</u>	<u>47.97</u>	<u>1,263,825,175</u>	<u>47.97</u>
Total	<u><u>2,634,842,743</u></u>	<u><u>100.00</u></u>	<u><u>2,634,842,743</u></u>	<u><u>100.00</u></u>

*Notes:*

- (1) As at the date of this announcement, the Company has an issued share capital of 2,634,842,743 shares.
- (2) Group Success is wholly owned by Wan Xing International Holdings Limited, which is in turn ultimately owned as to 67% by Mr. Ding Shui Po's family trust, 21% by Ms. Ding Mei Qing's family trust and 12% by Mr. Ding Ming Zhong's family trust.

The Board does not expect the Placing to have any significant impact on its day-to-day operations or changes to its key management personnel. The Board has been informed that Mr. Ding Shui Po, Ms. Ding Mei Qing and Mr. Ding Ming Zhong shall remain committed to the Company and have confirmed their intention to remain as substantial shareholders of the Company for the foreseeable future.

**As the Placing may or may not proceed, shareholders of the Company and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

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

Hong Kong, 21 July 2022

*As at the date of this announcement, the executive Directors of the Company are Mr. Ding Shui Po, Ms. Ding Mei Qing and Mr. Ding Ming Zhong; the non-executive Director is Mr. Tan Wee Seng and the independent non-executive Directors are Dr. Bao Ming Xiao, Dr. Wu Ka Chee, Davy and Dr. Chan Yee Wah.*