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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)

**DISCLOSURE PURSUANT TO RULE 13.18
OF THE LISTING RULES**

The Board announces that the Company obtained a 4-year term loan facility in the principal amount of HK\$1,000,000,000 from a consortium of six banks on 3 July 2023. The Facility Agreement contains provisions which requires certain specific performance obligations on certain controlling shareholders (as defined in the Listing Rules) of the Company, including requiring certain controlling shareholders of the Company to maintain a minimum percentage of shareholding in the Company.

This announcement is made pursuant to Rule 13.18 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (the “**Board**”) of directors (the “**Directors**”) of Xtep International Holdings Limited (the “**Company**”) announces that on 3 July 2023, the Company as borrower entered into a facility agreement (the “**Facility Agreement**”) with a consortium of six banks which is arranged by Hang Seng Bank Limited (“**HASE**”), The Hongkong and Shanghai Banking Corporation Limited, Bank of China (Hong Kong) Limited and The Bank of East Asia, Limited as mandated lead arrangers and bookrunners, pursuant to which a 4-year term loan facility in the principal amount of HK\$1,000,000,000 (the “**Facility**”) was made available to the Company on the terms and conditions stated therein. The purposes of the Facility are: (i) to refinance in full an existing term loan facility in the principal amount of HK\$1,800,000,000 (further details of which have been disclosed in the announcement of the Company dated

2 September 2019) which enable the Group to maintain its financial flexibility and its effective management of its financing costs; and (ii) to finance the general corporate requirements of the Company and its subsidiaries (the “**Group**”). The Facility is guaranteed by certain subsidiaries of the Company.

It is provided in the Facility Agreement, among other things, that an event of default will occur if the following undertakings are not complied with:

- (a) Mr. Ding Shui Po will remain as the chairman of the Board of the Company.
- (b) Mr. Ding Shui Po will maintain control over the management and business of the Group.
- (c) Mr. Ding Shui Po, Ms. Ding Mei Qing, Mr. Ding Ming Zhong and any of their respective family trust established by him/her whereby he/she and his/her family members are the only beneficiaries of the trust (the “**Ding Family**”) collectively will continue to own, directly or indirectly, at least 40% of the beneficial shareholding, carrying at least 40% of the voting rights in the Company, free from any security.
- (d) The Ding Family collectively will remain to be the single largest shareholder of the Company.

In case of occurrence of an event of default which is continuing, HASE, as the facility agent, may by notice to the Company (a) cancel the whole or any part of the Facility whereupon the whole or relevant part of the Facility shall immediately be cancelled; (b) declare that all or part of the Facility, together with accrued interest, and all other amounts accrued or outstanding under the Facility Agreement and related documents be immediately due and payable, whereupon they shall become immediately due and payable; and/or (c) declare that all or part of the Facility be payable on demand, whereupon they shall immediately become payable on demand by HASE, as the facility agent, on the instructions of the majority lenders.

As at the date of this announcement, Mr. Ding Shui Po is an executive Director, the chairman and a controlling shareholder of the Company. Each of Ms. Ding Mei Qing and Mr. Ding Ming Zhong is an executive Director and a controlling shareholder of the Company. The family trusts established by each of Mr. Ding Shui Po, Ms. Ding Mei Qing and Mr. Ding Ming Zhong indirectly owned Wan Xing International Holdings Limited as to 67%, 21% and 12% respectively, which in turn held 100% equity interest of Group Success Investments Limited. Group Success Investments Limited held approximately 46.65% of the issued share capital of the Company. Each

of Mr. Ding Shui Po and Mr. Ding Ming Zhong also has personal beneficial interests in approximately 2.45% and 0.05% of the issued share capital of the Company respectively.

The Company will make continuing disclosure in respect of the Facility in its subsequent interim and annual reports pursuant to the requirements of rule 13.21 of the Listing Rules.

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

Hong Kong, 3 July 2023

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.