



Xtep International Holdings Limited

Incorporated in the Cayman Islands with Limited Liability (HKSE Stock Code: 1368)

Century-old Running Brand Saucony Celebrates Grand Opening in Shanghai

8 June 2020, Hong Kong – Leading PRC-based professional sportswear enterprise **Xtep International Holdings Limited** (the “Company”, together with its subsidiaries, the “Group”) (Stock code: 1368.HK) announced that Saucony, the century-old global leading running brand, had opened its first store in Shanghai at Super Brand Mall. Following the inspirational speech by Mr. Michael Yuan, Chief Executive Officer of Saucony China, Saucony’s first store in Shanghai was officially unveiled.



Management of Xtep and Saucony kicked start the grand opening of Saucony’s first store in Shanghai

Saucony, a world renowned running brand, was established in 1898. With 122 years of history, the brand focuses on the design, R&D and manufacturing of running shoes. Being highly regarded as “The Rolls-Royce of Running Shoes,” Saucony has an extensive network of supporters worldwide. The official store opening in Shanghai does not only represent the growth of the Saucony brand, but also marks another milestone in its development in the China market. The store presence in Shanghai, an important economic and fashion center of China, is set to spark a leap in Saucony’s long-term development in the country. At the same time, Saucony is actively mapping out its retail network in China by entering major business zones in order to cater for the huge demands from the growing elites.

On the day of the grand opening, numerous professional runners and sports enthusiasts gathered at the Saucony store in Super Brand Mall, hoping to experience the first-class comfort offered by Saucony’s running shoes. A highlight of the on-site experience was that Saucony offered a first-class experience cabin for customers to try on the new running shoes. It did not only allow customers to experience the products and enjoy the comfort in first-class cabins, but also reinforced Saucony’s brand concept of bringing first-class comfort to the feet by offering professional running shoes. In addition, Saucony set up a lucky draw for guests, allowing customers to gain a double sense of surprise while enjoying the first-class experience to their feet. After the experience, customers could better comprehend Saucony’s products and show appreciation towards the professionalism and comfort of Saucony’s running shoes. In particular, the Endorphin and Triumph running shoes series received high recognition from the attendees.



Saucony's grand opening in Super Brand Mall



Saucony's grand opening under the brand new image of "first-class cabin for runners"

The commencement of business at Shanghai Super Brand Mall marks the successful change in Saucony's marketing strategy from online stores to physical stores in China. Not only does it demonstrate Saucony's primary intention to provide quality services to China's sports enthusiasts, but also raises the awareness of Saucony's shoes and apparel in the China market. Looking ahead, Saucony will open more bricks-and-mortar stores in other cities in China to serve more sports enthusiasts, enabling runners nationwide to experience the excellent quality and centennial ingenuity of the brand.

Saucony originally segmented product lines by running shoes, mainly comprising Speed Training series, Outdoor Cross Country series and Retro series. The Speed Training series boasts four features, namely comfort and cushioning, surface sensation feedback, stable support as well as flexibility and fitting. These features allow the series to meet different needs of beginners, experienced runners to top flight runners, as well as to accommodate different scenarios such as road running, daily training, speed training and racing. This category offers three main series including Endorphin Pro, Kinvara and Triumph. Targeting cross country runners who need to cope with various surfaces such as wet and slippery muddy trails, macadam or concrete road, dry unpaved road and frozen trails, the Outdoor Cross Country series focuses on upgrading waterproof, skidproof and durability functions so as to ensure the stability and safety of runners when running in various outdoor terrain and conditions. This category mainly covers three lines including the Peregrine, Mad River and Switchback. The Retro series is based on Saucony's centennial running history integrating with prevailing contemporary culture to recreate classic, vintage running shoes that satisfy the casual wearing needs of upmarket segments. This category also offers three main lines namely Jazz, Aya and Shadow. Each line has different features to cater the need of a wide range of runners.

Since its entry into China in 2019, Saucony has manufactured running products that are more suitable for local runners to better comprehend and cater to their needs, thereby promoting running in the country. Saucony made initial contact with Chinese runners through product sales and promotions on various online channels, such as its official flagship store on Tmall, JD.com, WeChat and Weibo etc. While these channels allow Saucony to offer more choices of running products to runners and boost its brand value, Saucony can also enhance its understanding of the consumption patterns in China and the demand of local Chinese runners.

In 2020, Saucony introduced a new brand positioning, first-class cabin for runners, to redefine professionalism and comfort in running shoes and provide an all-round running solution to social elites and sports enthusiasts. Meanwhile, Saucony also launched apparel product line, which includes a professional sports line with comfortable, light, breathable and quick-drying sportswear to meet the different needs of running activities such as daily training and speed racing; a retro line that exhibits the centennial brand culture of Saucony and a city commuter line that is especially designed for upmarket consumers who commute to work daily.

Saucony's extensive product line and excellent quality provide runners with a more professional and comfortable product experience. As more and more local consumers are aware of the brand and participate in running, Saucony is set to capture growth opportunities in China.

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Photo captions:

Photos	Caption and download
<p>Photo 1:</p> 	<p>Photo 1: Management of Xtep and Saucony kicked start the grand opening of Saucony's first store in Shanghai https://drive.google.com/file/d/1U4nFJOwDey4IxY64z85KilsrnEgtRP_T/view?usp=sharing</p>
<p>Photo 2:</p> 	<p>Photo 2: Saucony's grand opening in Super Brand Mall https://drive.google.com/file/d/1ht4wRLL_btcVRUDy9mZVWI0pAlM0sQb8/view?usp=sharing</p>
<p>Photo 3:</p> 	<p>Photo 3 & 4: Event Photos https://drive.google.com/file/d/1V7xCtjF_yhHCop_2Vt_JiqJE9UMAOrij/view?usp=sharing https://drive.google.com/file/d/1f8eil4UUUBq5i8cWImRTpRaQV3DaHEp/view?usp=sharing</p>
<p>Photo 4:</p> 	

About Xtep International Holdings Limited

Xtep International Holdings Limited (SEHK stock code: 1368) is a leading multi-brand sportswear company listed on the Main Board of the Hong Kong Stock Exchange on 3 June 2008. The Group engages mainly in the design, development, manufacturing, sales, marketing and brand management of sports products, including footwear, apparel and accessories. Established since 2001, its own signature brand “Xtep” is a leading professional sports brand with an extensive distribution network of over 6,300 stores covering 31 provinces, autonomous regions and municipalities across the PRC and overseas. In 2019, the Group has further diversified its brand portfolio which now includes four internationally acclaimed brands, namely K-Swiss, Palladium, Saucony and Merrell.

Xtep is a constituent of the MSCI China Small Cap Index, Hang Seng Composite Index Series and Shenzhen-Hong Kong Stock Connect. For more information, please visit Xtep’s corporate website: www.xtep.com.hk or scan the Group’s WeChat QR code below (or search by: xtepholdings or 特步控股).



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