

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **PEAK SPORT PRODUCTS CO., LIMITED**

匹克體育用品有限公司

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

**(Stock code: 1968)**

### **RECENT OPERATIONAL UPDATE ON BUSINESS IN CHINA**

This announcement is made on a voluntary basis by the board of directors (the “Board”) of Peak Sport Products Co., Limited (the “Company”, together with its subsidiaries, the “Group”).

The Board would like to announce the following operational update on the Group’s business in China:

#### **Orders for the third quarter of 2015**

The Group held its sales fair for the third quarter of 2015 in December 2014. The total amount of sales fair orders for the third quarter of 2015 at wholesale prices recorded a **mid-teens growth** when compared to that of the same quarter in 2014. We are pleased to see a gradual recovery in our distributors’ confidence and better store efficiency, which can be attributed to our continuous efforts in channel restructuring in the past 12 months. By category, we are still seeing strong sales momentum in basketball and running thanks to increasing popularity of sports and rising demand for the professional sportswear.

Set out below is an analysis of the order growth by value and growth in average selling prices at wholesale level (“ASP”) by major product categories of the Group for the sales fair for the third quarter of 2015 when compared to those for the same quarter in 2014:

Product category	Footwear	Apparel
Order growth by value (%)	Mid-teens	Low-teens
ASP growth (%)	Low single-digit	Negative low single-digit

### **Same store sales for the fourth quarter of 2014**

The same store sales, in terms of revenue at retail level, for certain retail outlets of the Group for the fourth quarter ended 31 December 2014 recorded a **low single-digit growth** when compared to that for the same quarter in 2013. Our focus on professional sportswear continuously distinguishes ourselves from our competitors and helps us maintain healthy inventory level and retail discounts.

### **Retail outlets at the end of the fourth quarter of 2014**

As at 31 December 2014, the total number of authorized retail outlets of the Group in China amounted to 6,004, representing a net decrease of 8 retail outlets from the end of 2013. All these retail outlets are owned and managed by independent distributors or retail outlet operators.

**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  
**Peak Sport Products Co., Limited**  
**Xu Jingnan**  
*Chairman*

Hong Kong, 7 January 2015

*As at the date of this announcement, the Board comprises three executive directors, namely Mr Xu Jingnan, Mr Xu Zhihua and Mr Xu Zhida; one non-executive director, namely Ms Wu Tigao; and three independent non-executive directors, namely Dr Xiang Bing, Mr Wang Mingquan and Dr Ouyang Zhonghui.*