ANTA Sports Products Limited
安踏體育用品有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2020)

POSITIVE PROFIT ALERT

This announcement is made by ANTA Sports Products Limited (the "**Company**" and together with its subsidiaries, collectively the "**Group**") 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company and potential investors that, based on a preliminary review of the information currently available to the Board which includes, but without limitation, the unaudited consolidated management accounts of the Group for the nine months ended 30 September 2019, internal operating data up to November 2019 and other relevant information of the Group, the Company is expected to record an increase of not less than 45% in its profit attributable to equity shareholders of the Company (on a consolidated basis, without taking into account the share of loss of a joint venture) for the financial year ending 31 December 2019 ("**FY2019**") as compared to the financial year ended 31 December 2018 ("**FY2018**") (the profit attributable to equity shareholders of the Company for FY2018 amounted to approximately RMB4.1 billion).

The expected increase in the profit attributable to equity shareholders of the Company is mainly attributable to, including but not limited to, the following reasons:

1. the continued strong growth recorded in the sales of ANTA branded and other branded products which has resulted in more than 35% increase in revenue (on a consolidated basis) as compared to FY2018; and

2. the increase in operating profit margin as compared to FY2018, which was mainly due to:

   (a) the increased contribution from retail operations which generally generate a relatively higher gross profit margin than wholesale operations; and

   (b) the relatively stable operating expenses ratio as a percentage of revenue.

The above-mentioned figures have not taken into account the share of loss of a joint venture, Mascot JVCo (Cayman) Limited ("**JVCo**") which is the holding company of Amer Sports Corporation ("**Amer Sports**"). For details of the Company's acquisition of the entire issued share capital of Amer Sports with other members of an investor consortium, please refer to the announcement of the Company dated 7 December 2018 and the relevant circular dated 4 February 2019. As at the date of this announcement, JVCo has obtained a preliminary result of purchase price allocation exercise, but the accounting for the business combination of Amer Sports has not been completed. Based on the latest information available to the Company, it is expected that the share of loss of a joint venture would not be more than RMB650 million for FY2019, in which the impact from one-off expenses in relation to the acquisition would not be more than RMB200 million and the impact from preliminary result of purchase price allocation exercise would not be more than RMB500 million. As such, the Company is expected to record an increase of not less than 30% in its profit attributable to equity shareholders of the Company (on a consolidated basis, taking into account the share of loss of a joint venture) for FY2019 as compared to FY2018. As mentioned above, the accounting for the business combination (including purchase price allocation exercise) of Amer Sports by JVCo has not been finalised and the Company expects to reflect the impact of the final result of purchase price allocation exercise in its annual financial statements for FY2019.

The Board would like to point out that this announcement and the above-mentioned figures (except the figures for FY2018) are only based on the Company's preliminary evaluation of the unaudited financial information of the Group and the other information currently available to the Board which have not been audited nor reviewed by the Company's auditor. The financial results of the Group for FY2019 will only be ascertained after all the relevant results and accounting treatments have been finalised. It may also be affected by other factors and may differ from what is disclosed in this announcement. Detailed financial information and performance of the Group for FY2019 will be disclosed in the Company's annual results announcement for FY2019 which is expected to be published in March 2019.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
ANTA Sports Products Limited
Ding Shizhong
Chairman

Hong Kong, 6 December 2019

As at the date of this announcement, the executive directors of the Company are Mr. Ding Shizhong, Mr. Ding Shijia, Mr. Lai Shixian, Mr. Wu Yonghua and Mr. Zheng Jie; the non-executive director of the Company is Mr. Wang Wenmo; and the independent non-executive directors of the Company are Mr. Yiu Kin Wah Stephen, Mr. Mei Ming Zhi and Mr. Dai Zhongchuan.