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## **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)**

### **OPERATIONAL UPDATE FOR THE FOURTH QUARTER AND FULL YEAR OF 2022**

This announcement is published on a voluntary basis by the board of directors (the “**Board**”) of ANTA Sports Products Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) to provide an operational update on the business of the Group. The disclosure in this announcement only relates to the businesses of the Group for ANTA, FILA and all other brands (including DESCENTE and KOLON SPORT) and does not include the businesses of Amer Sports Corporation under the joint venture of Amer Sports Holding (Cayman) Limited.

#### **Retail Sales Performance for the Fourth Quarter of 2022 for ANTA Brand**

For the fourth quarter of 2022, retail sales (in terms of retail value) of ANTA branded products recorded high-single digit negative growth as compared to the same period in 2021.

#### **Retail Sales Performance for the Fourth Quarter of 2022 for FILA Brand**

For the fourth quarter of 2022, retail sales (in terms of retail value) of FILA branded products recorded low teens negative growth as compared to the same period in 2021.

#### **Retail Sales Performance for the Fourth Quarter of 2022 for All Other Brands**

For the fourth quarter of 2022, retail sales (in terms of retail value) of all other branded products recorded low teens positive growth as compared to the same period in 2021.

### **Retail Sales Performance for the Full Year of 2022 for ANTA Brand**

For the full year of 2022, retail sales (in terms of retail value) of ANTA branded products recorded low-single digit positive growth as compared to 2021.

### **Retail Sales Performance for the Full Year of 2022 for FILA Brand**

For the full year of 2022, retail sales (in terms of retail value) of FILA branded products recorded low-single digit negative growth as compared to 2021.

### **Retail Sales Performance for the Full Year of 2022 for All Other Brands**

For the full year of 2022, retail sales (in terms of retail value) of all other branded products recorded 20-25% positive growth as compared to 2021.

Throughout most of the year 2022, in strict adherence to the pandemic preventive policies and initiatives in Mainland China, the Group temporarily suspended the operation of certain brick-and-mortar stores (offline channels) in designated areas in compliance with the guidelines and requirements of local governments. Hence, the offline retail business of the Group was negatively impacted by both a significant drop in foot traffic and weakened consumer sentiment. As a result, the growth momentum for the Group's retail sales performance was adversely affected. Nevertheless, the Group strategically enhanced its e-commerce platforms (online channels) presence to drive online sales, which partially offset the impact of the suspension of the operation of the brick-and-mortar stores.

Meanwhile, as DTC (Direct-to-consumer) model (ANTA brand) and direct retail (FILA brand and all other brands) businesses of the Group recorded a higher sales contribution compared with last year, the Group also incurred more expenses relating to retail operation. The Group has implemented stringent cost control measures to reduce operating expenditures in all possible areas, albeit not sufficient to fully offset the pandemic's impact on sales under DTC model and direct retail businesses in 2022.

The impact of the pandemic on the business performance of the Group is ongoing, its degree varies by region and response taken to address such impact. The drops in foot traffic and consumer sentiment had accelerated in the fourth quarter of 2022, as reflected in the Group's retail sales performance. Despite such a challenging business environment, the Group's financial position remains robust and expects to record a net operating cash inflow in 2022. However, given the continuous macro uncertainties, the Group will continue to adopt the flexible "Dynamic Management" approach in response to the market volatilities, in order to maintain a healthy inventory level under the evolving business environment.

Nevertheless, there has been a gradual easing of pandemic preventive measures in Mainland China alongside the promulgation of favourable policies to boost domestic consumption, and the Group believes that the fundamentals of the sports industry remain solid, while the long-term momentum is stable and positive. The Group is prepared to proactively seize the growth opportunities alongside the market recoveries, and will continue to implement "Single Focus, Multi-Brand, Globalization" strategy to maintain the high quality growth.

Retail sales refer to the revenue (inclusive of value added tax, if any) derived from any sales to consumers transacted in brick-and-mortar stores (offline channel) and on e-commerce platforms (online channel), part of which being owned and operated by the Group and the rest being owned and operated by the Group's distributors, franchisees and/or the distributors' franchisees. Accordingly, retail sales do not represent the Group's total revenue, and the Group considers the same to be a business operational indicator of the various brands of the Group.

**The retail sales performance data do not constitute, represent or indicate a complete picture of the Group's revenue or financial performance. This announcement is based on the Board's preliminary review of the draft unaudited operational data of the Group and the information currently available to the Board, and is not based on any figures and information which have been audited or reviewed by the Group's auditors. The information contained in this announcement may be subject to change and adjustment. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the Company's securities.**

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

Hong Kong, 11 January 2023

*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, Mr. Zheng Jie and Mr. Bi Mingwei; and the independent non-executive directors of the Company are Mr. Yiu Kin Wah Stephen, Mr. Lai Hin Wing Henry Stephen, Ms. Wang Jiaqian and Ms. Xia Lian.*