# 2026/27

# INTERIM REPORT

滔搏
TOPSPORTS



TOPSPORTS INTERNATIONAL HOLDINGS LIMITED

滔搏國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 6110

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# CORPORATE INFORMATION

## Board of Directors

### Executive Directors

Mr. YU Wu
*(Chairman & Chief Executive Officer)*
Mr. LEUNG Kam Kwan

### Non-executive Directors

Mr. SHENG Fang
Ms. YUNG Josephine Yuen Ching
Ms. HU Xiaoling

### Independent Non-executive Directors

Mr. LAM Yiu Kin
Mr. HUA Bin
Mr. HUANG Victor
Mr. HO Kwok Wah, George
*(appointed with effect on 28 October 2026)*

## Authorized Representatives

Mr. LEUNG Kam Kwan
Ms. YUNG Josephine Yuen Ching

## Audit Committee

Mr. LAM Yiu Kin *(Chairman)*
Mr. HUA Bin
Mr. HUANG Victor
Mr. HO Kwok Wah, George
*(appointed with effect on 28 October 2026)*

## Remuneration Committee

Mr. HUA Bin *(Chairman)*
Mr. YU Wu
Mr. LAM Yiu Kin

## Nomination Committee

Mr. HUANG Victor *(Chairman)*
Mr. YU Wu
Mr. LAM Yiu Kin
Ms. HU Xiaoling
*(appointed with effect on 28 October 2026)*
Mr. HO Kwok Wah, George
*(appointed with effect on 28 October 2026)*

## Company Secretary

Mr. LEUNG Kam Kwan, *FCPA*

## Registered Office

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

## Head Office and Principal Place of Business in Hong Kong

M1, 6/F, The Edge
30-34 Kwai Wing Road
Kwai Chung
N.T., Hong Kong

## Principal Place of Business in the PRC

22/F, Belle International Plaza
No. 928 Liuzhou Road
Xuhui District
Shanghai, PRC

## Stock Code

6110

## Website

www.topsports.com.cn

## Auditor

PricewaterhouseCoopers
*Certified Public Accountants*
*Registered Public Interest Entity Auditor*
22/F Prince's Building
Central, Hong Kong

## Legal Advisor

Cleary Gottlieb Steen & Hamilton (Hong Kong)
37th Floor, Hysan Place
500 Hennessy Road
Causeway Bay, Hong Kong

## Principal Share Registrar

Maples Fund Services (Cayman) Limited
P.O. Box 1093
Boundary Hall, Cricket Square
Grand Cayman
KY1-1102
Cayman Islands

## Hong Kong Branch Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

## Principal Bankers

Bank of China (Hong Kong) Ltd.
Bank of Communications Co., Ltd.
China Merchants Bank Co., Ltd.
The Hongkong and Shanghai Banking Corporation Ltd.

# FINANCIAL HIGHLIGHTS

| | | Unaudited Six months ended 31 August 2026 | 2025 |
|---|---|---|---|
| Revenue | RMB million | **10,913.2** | 12,298.6 |
| Gross profit | RMB million | **4,376.6** | 5,037.4 |
| Operating profit | RMB million | **827.2** | 993.8 |
| Profit attributable to the Company's equity holders | RMB million | **662.6** | 789.1 |
| Gross profit margin | % | **40.1** | 41.0 |
| Operating profit margin | % | **7.6** | 8.1 |
| Profit margin attributable to the Company's equity holders | % | **6.1** | 6.4 |
| Earnings per share – basic and diluted | RMB cents | **10.68** | 12.72 |
| Dividend per share – interim | RMB cents | **11.00** | 13.00 |
| Average trade receivables turnover period | days | **18.0** | 12.6 |
| Average trade payables turnover period | days | **8.4** | 8.2 |
| Average inventory turnover period | days | **146.4** | 150.0 |

| | | Unaudited As at 31 August 2026 | Audited As at 28 February 2026 |
|---|---|---|---|
| Gearing ratio | % | **Net cash** | Net cash |
| Current ratio | times | **2.0** | 2.4 |

# STATEMENT FROM CEO

## MARKET AND INDUSTRY REVIEW

During the period, the international political landscape was complex and volatile, and the expectation of Federal Reserve interest rate hikes continued to weigh on the global economy. The domestic macroeconomy demonstrated overall resilience, with GDP growing by 4.7% year-on-year in the first half of the year. Export was an important driver of economic growth, while domestic consumption growth moderated. In the first half of 2026, total retail sales of consumer goods increased by 1.3% year-on-year, decelerating notably compared to the growth rate recorded for the full year of 2025. Consumer confidence remained subdued, spending decisions turned more cautious, and the discretionary consumption industry is undergoing structural divergence and a rational reset.

From an industry perspective, while the underlying consumer demand for sports and a healthy lifestyle remained solid, the growth logic of China's sportswear industry has undergone a profound transformation. The Group is currently not only under the cyclical pressure of a slower demand recovery, but also facing the structural challenges arising from channel transformation and business model iteration. Offline retail no longer relies solely on foot traffic, shifting towards user operation, which is centered on scenario-based experiences, community engagement and professional services. Online channels, likewise, have evolved from monetizing purchased traffic to deep content cultivation and long-cycle management of user assets. Overall, the industry has moved beyond broad-based growth into a new stage, where specialized products, refined operations and omni-channel synergy stand at the core of competition.

In terms of categories, with the rise of professional sports scenarios such as hiking, trail running and women's fitness, consumers have placed greater emphasis on specialization and functionality of products, weighing both "value for money" and "emotional value" in their purchasing decisions. Therefore, competition in mass-market and casual categories has intensified, while premium, specialized and scenario-based segments have maintained sound growth momentum. The channel structure continues to evolve, traditional offline channels remain under pressure, while online formats have become increasingly diversified. Emerging models, such as local lifestyle services and instant retail, have connected online and offline transaction and fulfillment pathways. The long-term value of private domain user operation has become increasingly prominent, and channel collaboration has also evolved from broad coverage to deep synergy and ecosystem co-construction.

## BUSINESS AND FINANCIAL REVIEW

Against this backdrop, the Group has adhered to efficiency as its top priority, continuously optimizing its omni-channel layout and resource allocation. With the expansion of new brand matrix, we are seizing incremental growth opportunities and driving the upgrade of our systematic capability. Implementing AI-enabled digital and intelligent applications, we enhance the quality of operations and management through lean operations. We consistently regard inventory health, category richness, channel flexibility and operational quality as core metrics to gauge operational strength. Underpinned by user value accumulation and steady cash flow, we are building lasting operation capabilities that can navigate cycles and create value over time.

During the period, the Group's revenue decreased by 11.3% year-on-year to RMB10,913.2 million. The gross profit margin decreased by 0.9 percentage points year-on-year to 40.1%, with deeper discount rate as the primary driver affecting the gross margin. The Group consistently maintained its disciplined approach to expenses management, with the selling and distribution expenses ratio maintained at 29.1% and the general and administrative expenses ratio remained at 4.1%, both in line with the corresponding period last year. Profit attributable to the Company's equity holders decreased by 16.0% year-on-year to RMB662.6 million, with the profit margin attributable to the Company's equity holders decreasing by 0.3 percentage points year-on-year to 6.1%. In terms of inventory health, as at 31 August 2026, the inventory decreased by 15.7% compared with 31 August 2025, and declined by 10.4% compared with 28 February 2026. Inventory turnover days stood at 146.4 days, down 3.6 days year-on-year, with inventory levels maintained within a healthy range. A steady cash flow provides the foundation for long-term shareholder returns. During the period, the Group's net cash generated from operating activities amounted to RMB1,844.1 million. As at 31 August 2026, the Group's bank balances and cash stood at RMB3,087.6 million. Against this backdrop, the Board has resolved to declare an interim dividend of RMB11.00 cents per ordinary share for the financial year ending 28 February 2027, with a dividend payout ratio of 102.9%.

On 21 July 2026, the Group received official notice from our key brand partner Nike, that the Group's existing online sales of Nike's products in mainland China would terminate completely with effect from 1 January 2027. We believe that the short-term negative impact on the Group's business would be significant. Compounded by the ongoing subdued consumption environment, the Group will face considerable business challenges for some time in the future and we will continue to assess the corresponding impact. As Nike's largest distributor in Mainland China, Topsports' partnership with Nike spans over decades, and we always uphold the principle of mutual benefit, win-win collaboration and shared growth. The Group remains committed to working closely with Nike on the offline sales arrangements on a mutually beneficial basis.

## STRATEGY EXECUTION PROGRESS

### Omni-channel Retail: From Unified Operation to Brand-Differentiated Operation

Against the backdrop of evolving consumer shopping habits and scenario-specific demands, the Group has remained anchored on its physical store network as the foundation of business, progressively advancing the development of its omni-channel retail framework. Based on consumers' diversified consumption scenarios, we have integrated the capabilities of multiple online channels to empower physical terminals, driving the upgrade of store functions and thus achieving the integration of public-domain traffic acquisition, user retention and fulfillment services.

With sales per unit area and workforce productivity as core metrics, we have accelerated the iteration of offline store positioning to drive channel structure optimization, and implemented brand-specific structure adjustments on targeted stores. We adhere to quality-first principles for newly-opened stores and apply differentiated investment strategies for renovated and upgraded outlets. As at 31 August 2026, the Group operated 3,872 directly-managed stores, with store count decreasing by 17.4% year-on-year. Total selling area dropped by 12.9% year-on-year, with the decline in selling area minor than the change in store count. The selling area per store increased by 5.5% year-on-year, reflecting the continuous optimization of the store structure. Capital expenditure was reasonably scaled back, effectively mitigating the operational pressure arising from declining foot traffic.

**Store count, total selling area and per-store selling area movements during the period:**

| | Annual | | | **Interim** |
|---|---|---|---|---|
| | 29 February 2024 | 28 February 2025 | 28 February 2026 | **31 August 2026** |
| Number of stores | | | | |
| At the beginning of the period | 6,565 | 6,144 | 5,020 | **4,360** |
| Net decrease in the number of stores | (421) | (1,124) | (660) | **(488)** |
| At the end of the period | 6,144 | 5,020 | 4,360 | **3,872** |
| YoY change in gross selling area | (0.8%) | (12.4%) | (9.7%) | **(12.9%)** |
| YoY change in selling area per store | 6.0% | 7.2% | 3.9% | **5.5%** |

Looking ahead, based on the authorization status, life-cycle stage and strategic positioning of different brands, we will progressively upgrade from a unified omni-channel retail model to a brand-differentiated model, allocating omni-channel resources on a tiered basis. We will precisely match resource inputs with each brand's development stage, thereby better meeting the growth needs of brands at different development stages.

## STRATEGY EXECUTION PROGRESS (Continued)

### Brand Matrix: Transferable Capability Built in Diversified Professional Segments

The sports consumption is evolving toward professional, segmented and scenario-based experiences. Consumers value product functionality, as well as the social and emotional satisfaction that sportswear brings. Riding this trend, the Group has stepped up the presence in professional segments, such as running and outdoor sports, and enriched its lineup of exclusive professional sports brands. During the period, we steadily advanced the end-to-end operations of exclusive partner brands, including Ciele, norda®, Norrøna and Soar, and newly secured the exclusive operation rights of Sierra Designs in the China market. Premium outdoor brand Norrøna launched at SKP Chengdu in July, while ektos, a running specialty store aggregating more than 20 internationally leading running brands, opened a new store in Aranya during the period. Beyond the single store and one-off event, the enduring value lies in the transferable capability these initiatives have built, a full-spectrum capability system covering brand strategic positioning, professional brand operations, community cultivation and localized content creation. We will deepen our presence in diversified sports segments and strive to become an all-round one-stop operation partner for more quality brands.

### User Assets: Deep Engagement with 95 Million Users

Regardless of the market fluctuations, users have always been the Group's most important long-term asset. During the reporting period, the Group's overall user base continued to grow. We serve users' needs with precision, along the three directions of "demand matching, scenario penetration and experience value". In user acquisition, we strengthened members' mindshare and actively expanded emerging channels. In existing user operations, we deepened the accumulation of private domain user assets to enhance user stickiness and repurchase rates. Leveraging various sports scenarios and diversified user activities, we continued to reinforce emotional connections with consumers. Members contributed a consistently high proportion of sales, with contributions from repurchasing members and high-value members remaining stable. As at 31 August 2026, the Group's cumulative user base (including members and potential members) reached 95 million. Members contributed over 90% of total retail sales (including VAT) from offline stores and WeChat Mini Programs, repurchasing members accounted for approximately 60% of member retail sales, and high-value members steadily contributed around 35% of total sales from members.

| | As at | | | |
|---|---|---|---|---|
| | 28 February 2025 | 31 August 2025 | 28 February 2026 | **31 August 2026** |
| Cumulative users* (million) | 86.0 | 89.1 | 92.9 | **95.4** |
| Percentage of offline store and WeChat Mini Programs retail sales (including VAT) contributed by members during the period# | 93.2% | 92.9% | 91.7% | **91.1%** |

* Users include members and potential members (i.e. community friends who are not yet members)

\# During the period refers to semi-annual data as of 31 August and annual data as of 28 February.

## STRATEGY EXECUTION PROGRESS (Continued)

### AI and Efficiency: From Pilots to Scaled Deployment

2026 is a pivotal stage for AI technology to move from pilots to scaled deployment. The Group has established an AI Empowerment Center, developing a set of reusable digital and intelligent foundation capabilities and embedding technological capabilities throughout the entire business process.

In merchandise operations and supply chain, we leverage digital and intelligent tools to optimize product selection, ordering, pricing, order allocation and refine inventory management, enhancing merchandise turnover efficiency. Across omni-channel retail terminals, we use AI-assisted applications to improve the matching efficiency among consumers, products and occasions, lifting user conversion rate in terminals. In user operations and marketing, AI empowers content production and customer services, tapping into users' full lifecycle value. In business management, through a unified data platform, we develop business analysis and budgeting management tools to enhance decision-making efficiency. Meanwhile, we deploy a corporate knowledge platform to empower overall organization effectiveness. Digitalization and AI initiatives continue to underpin the high-quality business development.

## CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT

During the reporting period, the Group's influence in the industry continued to be rewarded. It has been named to the Fortune China 500 list for the third straight year and retains its place in the top 10 of the China Chain Store & Franchise Association's "China Fashion Retail & Fashion Consumption TOP 100" for the fourth consecutive year. In terms of environment, social and governance (ESG), the Group has been rated AA by MSCI for three consecutive years, reflecting recognition from international institution for its independent governance structure, information disclosure, supply chain management and protection of employees' rights and interests, demonstrating the tangible results the Company has achieved in sustainable development.

## OUTLOOK

Currently, driven by multiple factors including policy supports, technological advancement and diverging consumer demand, the landscape of the sports consumption industry continues to evolve, with intensifying competition. The Group has chosen to remain the original aspirations, respond proactively and confront challenges head-on. Through forward-looking strategic layout and agile execution, we continuously sharpen our core competitiveness in sports retail. We strive to deliver high-quality full-scenario services to consumers, build a mutually beneficial and symbiotic value ecosystem together with brand partners, and create sustainable long-term returns for shareholders.

Looking ahead, the Group will steadily advance its long-term development focusing on the following core directions:

- Prioritize operational efficiency to sustain the steady development of core business fundamentals
- Pursue systematic positioning to optimize the professional segment matrix and upgrade core capabilities
- Empower development via digital intelligence to deepen omni-channel digitalization and AI implementation
- Pursue win-win collaboration and follow an ESG development path with distinctive corporate features

**YU Wu**
*Chairman & Chief Executive Officer*

Hong Kong, 28 October 2026

During the six months ended 31 August 2026, the Group recorded revenue of RMB10,913.2 million, a decrease of 11.3% compared with that of the six months ended 31 August 2025. The Group recorded operating profit of RMB827.2 million, a decrease of 16.8% compared with that of the six months ended 31 August 2025. The profit attributable to the Company's equity holders during the period under review amounted to RMB662.6 million, a decrease of 16.0% compared with that of the six months ended 31 August 2025.

## REVENUE

The Group's revenue decreased by 11.3%, from RMB12,298.6 million for the six months ended 31 August 2025 to RMB10,913.2 million for the six months ended 31 August 2026. The decline was mainly due to the impact of the ongoing subdued consumption environment resulting in the foot traffic pressure on the offline retail business and decrease in wholesales business during the period under review. The following table sets forth a breakdown of the revenue from sale of goods by brand categories, concessionaire fee income and e-Sports income for the periods indicated:

| | Unaudited Six months ended 31 August | | | | |
|---|---|---|---|---|---|
| | **2026** | | 2025 | | Growth/ |
| | **Revenue** | **% of total** | Revenue | % of total | (Decline) rate |
| Principal brands* | **9,553.7** | **87.5%** | 10,811.5 | 87.9% | (11.6%) |
| Other brands* | **1,291.4** | **11.8%** | 1,412.1 | 11.5% | (8.5%) |
| Concessionaire fee income | **50.3** | **0.5%** | 62.1 | 0.5% | (19.0%) |
| e-Sports income | **17.8** | **0.2%** | 12.9 | 0.1% | 38.0% |
| Total | **10,913.2** | **100.0%** | 12,298.6 | 100.0% | (11.3%) |

*Unit: RMB million*

* Principal brands include Nike and Adidas. Other brands include PUMA, Converse, VF Corporation's brands (namely Vans, The North Face and Timberland), ASICS, Onitsuka Tiger, Skechers, NBA, LI-NING, HOKA ONE ONE, KAILAS, norda®, Norrøna, etc. Principal brands and other brands are classified according to the Group's relative revenue.

The Group sells sportswear products sourced from international and domestic sports brands either directly to consumers through the retail operations or to the downstream retailers under the wholesale operations. The following table sets forth a breakdown of the revenue from sale of goods by sales channel, concessionaire fee income and e-Sports income for the periods indicated:

| | Unaudited Six months ended 31 August | | | | |
|---|---|---|---|---|---|
| | **2026** | | 2025 | | Growth/ |
| | **Revenue** | **% of total** | Revenue | % of total | (Decline) rate |
| Retail operations | **9,669.1** | **88.6%** | 10,600.6 | 86.2% | (8.8%) |
| Wholesales operations | **1,176.0** | **10.7%** | 1,623.0 | 13.2% | (27.5%) |
| Concessionaire fee income | **50.3** | **0.5%** | 62.1 | 0.5% | (19.0%) |
| e-Sports income | **17.8** | **0.2%** | 12.9 | 0.1% | 38.0% |
| Total | **10,913.2** | **100.0%** | 12,298.6 | 100.0% | (11.3%) |

*Unit: RMB million*

## PROFITABILITY

The Group's operating profit decreased by 16.8% to RMB827.2 million for the six months ended 31 August 2026. The profit attributable to the Company's equity holders decreased by 16.0% to RMB662.6 million for the six months ended 31 August 2026.

| | Unaudited Six months ended 31 August | | |
|---|---|---|---|
| | **2026** | 2025 | Decline rate |
| Revenue | **10,913.2** | 12,298.6 | 11.3% |
| Cost of sales | **(6,536.6)** | (7,261.2) | 10.0% |
| Gross profit | **4,376.6** | 5,037.4 | 13.1% |
| Gross profit margin | **40.1%** | 41.0% | |

*Unit: RMB million*

Cost of sales decreased by 10.0% from RMB7,261.2 million for the six months ended 31 August 2025 to RMB6,536.6 million for the six months ended 31 August 2026. Gross profit of the Group decreased by 13.1% to RMB4,376.6 million for the six months ended 31 August 2026 from RMB5,037.4 million for the six months ended 31 August 2025.

During the period under review, the gross profit margin of the Group was 40.1%, decreased by 0.9 percentage points, from 41.0% for the six months ended 31 August 2025. Decrease in gross profit margin was primarily due to the deeper sales discount rate during the period. As of 31 August 2026, the inventory decreased by 15.7% to RMB4,917.9 million, as compared with RMB5,833.9 million as at 31 August 2025.

Selling and distribution expenses for the six months ended 31 August 2026 were RMB3,178.5 million (six months ended 31 August 2025: RMB3,575.4 million), accounting for 29.1% of the Group's revenue (six months ended 31 August 2025: 29.1%). The selling and distribution expenses primarily include lease expenses, depreciation of right-of-use assets in relation to the stores, sales personnel salaries and commissions, other depreciation and amortization charges, impairment on right-of-use assets, and other expenses which mainly include store operation expenses, property management fees, logistics expenses and online service fees. Decrease in selling and distribution expenses was primarily driven by weaker revenue performance amid underwhelming overall offline foot traffic and the continuous optimization of the store structure during the period. This, in turn, led to lower related lease expenses, sales personnel salaries and commissions, property management fees and logistics expenses during the period under review.

## PROFITABILITY (Continued)

General and administrative expenses for the six months ended 31 August 2026 were RMB448.4 million (six months ended 31 August 2025: RMB505.5 million), accounting for 4.1% of the Group's revenue (six months ended 31 August 2025: 4.1%). The general and administrative expenses primarily include lease expenses in relation to office premises, management and administrative personnel salaries, depreciation and amortization charges, other tax expenses and other expenses. Decrease in general and administrative expenses was primarily due to decrease in staff costs during the period under review.

Selling and distribution expenses and general and administrative expenses as a percentage of the Group's revenue for the six months ended 31 August 2026 was 33.2% (six months ended 31 August 2025: 33.2%), which were flat compared with the same period of last year.

Finance income increased from RMB43.3 million for the six months ended 31 August 2025 to RMB48.8 million for the six months ended 31 August 2026. Increase in finance income was attributable to more interest income of bank deposits incurred, as the average balance of bank deposits and weighted average interest rate for the six months ended 31 August 2026 were higher than the same period of last year.

Finance costs decreased from RMB52.1 million for the six months ended 31 August 2025 to RMB46.3 million for the six months ended 31 August 2026, primarily as a result of decrease in interest expenses on lease liabilities during the period under review and less interest expenses of short-term borrowings incurred as weighted average interest rate for the six months ended 31 August 2026 was lower than the same period of last year.

Income tax expense for the six months ended 31 August 2026 amounted to RMB167.1 million (six months ended 31 August 2025: RMB197.0 million). The effective income tax rate slightly increased by 0.1 percentage points to 20.1% for the six months ended 31 August 2026 from 20.0% for the six months ended 31 August 2025. The statutory income tax rate for the Group in Mainland China is generally 25% and the Company provided withholding tax provision on the profits retained by the subsidiaries in the PRC.

## OTHER INCOME

Other income for the six months ended 31 August 2026 amounted to RMB80.1 million (six months ended 31 August 2025: RMB39.0 million) mainly consists of government incentives.

## CAPITAL EXPENDITURE

The Group's capital expenditures primarily comprised of expenditures for property, plant and equipment and intangible assets. During the six months ended 31 August 2026, the total capital expenditure was RMB90.4 million (six months ended 31 August 2025: RMB132.7 million).

## BASIC EARNINGS PER SHARE

Basic earnings per share for the six months ended 31 August 2026 decreased by 16.0% to RMB10.68 cents from RMB12.72 cents for the six months ended 31 August 2025.

Basic earnings per share is calculated by dividing profit attributable to the Company's equity holders of RMB662.6 million for the six months ended 31 August 2026 (six months ended 31 August 2025: RMB789.1 million) by the weighted average number of ordinary shares of the Company in issue of 6,201,222,024 shares (six months ended 31 August 2025: 6,201,222,024 shares).

| | | Unaudited Six months ended 31 August | |
|---|---|---|---|
| | | **2026** | 2025 |
| Profit for the period attributable to the Company's equity holders | RMB million | **662.6** | 789.1 |
| Weighted average number of ordinary shares for the purpose of basic earnings per share | thousand of shares | **6,201,222** | 6,201,222 |
| Basic earnings per share | RMB cents | **10.68** | 12.72 |

## LIQUIDITY AND FINANCIAL RESOURCES

During the period under review, net cash generated from operations increased by RMB529.5 million to RMB1,955.1 million for the six months ended 31 August 2026 from RMB1,425.6 million for the six months ended 31 August 2025.

Net cash generated from investing activities for the six months ended 31 August 2026 was RMB165.9 million (six months ended 31 August 2025: net cash used in RMB90.3 million). During the period under review, the Group invested RMB98.2 million on payments for purchases of property, plant and equipment and intangible assets and placement of short-term bank deposit of RMB80.0 million, partly offset by net decrease in other term deposit of RMB300.0 million and interest received of RMB42.9 million.

During the period under review, net cash used in financing activities was RMB695.9 million (six months ended 31 August 2025: net cash used in RMB1,313.7 million), mainly due to the repayments of short-term borrowings of RMB2,824.7 million, placement of short-term pledged bank deposits of RMB2,575.0 million, payments for lease liabilities (including interest) of RMB528.5 million and payments of the 2025/26 final dividend of RMB186.0 million and the 2025/26 special dividend of RMB744.1 million by the Group during the period, partly offset by proceeds from short-term borrowings of RMB5,113.1 million and withdrawal of short-term pledged bank deposits of RMB1,067.0 million.

As at 31 August 2026, the Group held short-term pledged bank deposits, short-term bank deposit and bank balances and cash totaling RMB5,742.6 million, after netting off the short-term borrowings of RMB4,254.4 million, it was in a net cash position of RMB1,488.2 million. As at 28 February 2026, the Group held short-term pledged bank deposits and bank balances and cash totaling RMB3,140.5 million, after netting off the short-term borrowings of RMB1,966.0 million, it was in a net cash position of RMB1,174.5 million.

## GEARING RATIO

As at 31 August 2026, the gearing ratio (net debt (short-term borrowings less bank deposits, bank balances and cash) divided by total capital (total equity plus net debt)) of the Group had a net cash position (28 February 2026: net cash position) and the aggregate balances of short-term pledged bank deposits, short-term bank deposit and bank balances and cash exceeded the total balance of short-term borrowings by RMB1,488.2 million (28 February 2026: RMB1,174.5 million).

## PLEDGE OF ASSETS

As at 31 August 2026, except for the short-term pledged bank deposits of RMB2,575.0 million, no assets were pledged as security for banking facilities available to the Group.

## CONTINGENT LIABILITIES

As at 31 August 2026, the Group had no material contingent liabilities.

## SIGNIFICANT INVESTMENTS HELD

Saved as disclosed in this report, the Group did not hold any significant investments for the six months ended 31 August 2026.

## FURTHER PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Saved as disclosed in this report, the Group did not have any plans for material investments and capital assets as at 31 August 2026.

## MATERIAL ACQUISITIONS AND DISPOSALS

For the six months ended 31 August 2026, the Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures.

## HUMAN RESOURCES

As at 31 August 2026, the Group had a total of 20,219 employees (28 February 2026: 22,376 employees). For the six months ended 31 August 2026, total staff costs were RMB1,141.1 million (six months ended 31 August 2025: RMB1,291.3 million), accounting for 10.5% (six months ended 31 August 2025: 10.5%) of the revenue of the Group. The Group offers a competitive remuneration package to its employees, including mandatory retirement funds, insurance and medical coverage. In addition, discretionary bonus may be granted to eligible employees based on the Group's and individual's performance. The Group also allocated resources for providing continuing education and training for management and employees so as to improve their skills and knowledge.

## FOREIGN EXCHANGE RISK

The Group mainly operates in Mainland China with most of its transactions originally denominated and settled in RMB. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the Group's functional currency. The Group is exposed to foreign exchange risk from fluctuation of various currencies, primarily with respect to Hong Kong dollars mainly for its payments of dividends to shareholders.

The Group manages its foreign exchange risk by performing regular reviews of its net foreign exchange exposures and may enter into certain forward foreign exchange contracts, when necessary, to manage its exposure against Hong Kong dollars and to mitigate the impact on exchange rate fluctuations. During the period under review, the Group did not enter into any forward foreign exchange contracts.

## INTERIM DIVIDEND

The board of directors of the Company (the "Board") has resolved to declare an interim dividend of RMB11.00 cents per ordinary share (the "Interim Dividend"), totaling RMB682.1 million for the six months ended 31 August 2026.

The Interim Dividend will be paid on or about Thursday, 17 December 2026 to shareholders whose names appear on the register of members of the Company on Monday, 7 December 2026.

The actual exchange rate for the purpose of Interim Dividend payment in Hong Kong dollars is the offshore exchange rate (Buying TT) of RMB against Hong Kong dollars (RMB1.00 = HK$1.1645) as quoted by the Hong Kong Association of Banks on Wednesday, 28 October 2026, being the date on which the Interim Dividend is declared by the Board. Accordingly, the amount of the Interim Dividend is HK$12.81 cents per ordinary share.

The Board is of the view that the Company will be able to pay its debts as they fall due in its ordinary course of business immediately following the payment of the Interim Dividend and the declaration of the Interim Dividend will not have an adverse impact on the business of the Company.

## CLOSURE OF REGISTER OF MEMBERS

The Interim Dividend will be payable on or about Thursday, 17 December 2026 to the shareholders whose names appear on the register of members of the Company on Monday, 7 December 2026. For the purpose of ascertaining shareholder's eligibility for the Interim Dividend, the register of members of the Company will be closed from Thursday, 3 December 2026 to Monday, 7 December 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the above mentioned Interim Dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited, for registration by no later than 4:30 p.m. on Wednesday, 2 December 2026.

The address of Computershare Hong Kong Investor Services Limited is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

## SUBSEQUENT EVENT AFTER THE REPORTING PERIOD

Saved as disclosed above, there are no other significant events subsequent to 31 August 2026 which would materially affect the Group's operating and financial performance as of the date of this report.

# REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

**TO THE BOARD OF DIRECTORS OF TOPSPORTS INTERNATIONAL HOLDINGS LIMITED**
*(Incorporated in the Cayman Islands with limited liability)*

## INTRODUCTION

We have reviewed the interim financial information set out on pages 16 to 37, which comprises the condensed consolidated balance sheet of Topsports International Holdings Limited (the "Company") and its subsidiaries (together, the "Group") as at 31 August 2026 and the condensed consolidated statement of profit or loss, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting". The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

**PricewaterhouseCoopers**
*Certified Public Accountants*

Hong Kong, 28 October 2026

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 31 August 2026

| | Note | Unaudited Six months ended 31 August 2026 RMB million | 2025 RMB million |
|---|---|---|---|
| **Revenue** | 6 | **10,913.2** | 12,298.6 |
| Cost of sales | 8 | **(6,536.6)** | (7,261.2) |
| **Gross profit** | | **4,376.6** | 5,037.4 |
| Selling and distribution expenses | 8 | **(3,178.5)** | (3,575.4) |
| General and administrative expenses | 8 | **(448.4)** | (505.5) |
| Provision for impairment of trade receivables | 17 | **(2.6)** | (1.7) |
| Other income | 7 | **80.1** | 39.0 |
| **Operating profit** | | **827.2** | 993.8 |
| Finance income | | **48.8** | 43.3 |
| Finance costs | | **(46.3)** | (52.1) |
| Finance income/(costs), net | 9 | **2.5** | (8.8) |
| **Profit before income tax** | | **829.7** | 985.0 |
| Income tax expense | 10 | **(167.1)** | (197.0) |
| **Profit for the period** | | **662.6** | 788.0 |
| **Attributable to:** | | | |
| Equity holders of the Company | | **662.6** | 789.1 |
| Non-controlling interests | | **–** | (1.1) |
| | | **662.6** | 788.0 |
| **Earnings per share for profit attributable to equity holders of the Company during the period** | | **RMB cents** | RMB cents |
| Basic and diluted earnings per share | 11 | **10.68** | 12.72 |

The above condensed consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 August 2026

| | Unaudited Six months ended 31 August | |
|---|---|---|
| | **2026** | 2025 |
| | **RMB million** | RMB million |
| **Profit for the period** | **662.6** | 788.0 |
| **Other comprehensive income** | | |
| *Items that will not be reclassified to profit or loss:* | | |
| Exchange differences | **–** | – |
| *Items that may be subsequently reclassified to profit or loss:* | | |
| Exchange differences | **(17.5)** | (5.2) |
| **Total comprehensive income for the period** | **645.1** | 782.8 |
| **Attributable to:** | | |
| Equity holders of the Company | **645.1** | 783.9 |
| Non-controlling interests | **–** | (1.1) |
| | **645.1** | 782.8 |

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

# CONDENSED CONSOLIDATED BALANCE SHEET

As at 31 August 2026

| | Note | Unaudited As at 31 August 2026 RMB million | Audited As at 28 February 2026 RMB million |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 13 | **349.9** | 437.9 |
| Right-of-use assets | 14(a) | **1,427.0** | 1,413.9 |
| Intangible assets | 13 | **1,026.3** | 1,030.5 |
| Long-term deposits, prepayments and other receivables | 15 | **159.5** | 151.8 |
| Financial asset at fair value through profit or loss | | **45.9** | 45.9 |
| Deferred income tax assets | | **270.1** | 245.6 |
| | | **3,278.7** | 3,325.6 |
| **Current assets** | | | |
| Inventories | 16 | **4,917.9** | 5,485.9 |
| Trade receivables | 17 | **795.1** | 1,338.7 |
| Deposits, prepayments and other receivables | 15 | **887.1** | 776.0 |
| Short-term pledged bank deposits | 18 | **2,575.0** | 1,067.0 |
| Short-term bank deposit | 18 | **80.0** | – |
| Bank balances and cash | 18 | **3,087.6** | 2,073.5 |
| | | **12,342.7** | 10,741.1 |
| **Total assets** | | **15,621.4** | 14,066.7 |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Lease liabilities | 14(b) | **902.5** | 819.2 |
| Deferred income tax liabilities | | **185.0** | 210.6 |
| | | **1,087.5** | 1,029.8 |
| **Current liabilities** | | | |
| Trade payables | 19 | **192.1** | 403.0 |
| Other payables, accruals and other liabilities | | **797.1** | 1,132.0 |
| Short-term borrowings | 20 | **4,254.4** | 1,966.0 |
| Lease liabilities | 14(b) | **637.1** | 703.9 |
| Current income tax liabilities | | **316.2** | 210.0 |
| | | **6,196.9** | 4,414.9 |
| **Total liabilities** | | **7,284.4** | 5,444.7 |
| **Net assets** | | **8,337.0** | 8,622.0 |

# CONDENSED CONSOLIDATED BALANCE SHEET

As at 31 August 2026

| | Note | Unaudited As at 31 August 2026 RMB million | Audited As at 28 February 2026 RMB million |
|---|---|---|---|
| **EQUITY** | | | |
| **Equity attributable to equity holders of the Company** | | | |
| Share capital | 21 | **–** | – |
| Other reserves | 22 | **1,861.3** | 1,879.2 |
| Retained earnings | | **6,475.7** | 6,742.8 |
| **Total equity** | | **8,337.0** | 8,622.0 |

The above condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

The condensed consolidated interim financial information on pages 16 to 37 were approved by the Board of Directors on 28 October 2026 and were signed on its behalf by:

**YU Wu**
*Director*

**LEUNG Kam Kwan**
*Director*

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 August 2026

| | Unaudited | | | | | |
|---|---|---|---|---|---|---|
| | Attributable to equity holders of the Company | | | | | |
| | Share capital RMB million (Note 21) | Other reserves RMB million (Note 22) | Retained earnings RMB million | Total RMB million | Non-controlling interests RMB million | Total equity RMB million |
| **For the six months ended 31 August 2026** | | | | | | |
| **At 1 March 2026** | **–*** | **1,879.2** | **6,742.8** | **8,622.0** | **–** | **8,622.0** |
| Comprehensive income: | | | | | | |
| Profit for the period | **–** | **–** | **662.6** | **662.6** | **–** | **662.6** |
| Other comprehensive income: | | | | | | |
| Exchange difference | **–** | **(17.5)** | **–** | **(17.5)** | **–** | **(17.5)** |
| **Total comprehensive income for the period** | **–** | **(17.5)** | **662.6** | **645.1** | **–** | **645.1** |
| **Transactions with equity holders** | | | | | | |
| Appropriation to statutory reserves | **–** | **(0.4)** | **0.4** | **–** | **–** | **–** |
| Dividends (Note 12(b)) | **–** | **–** | **(930.1)** | **(930.1)** | **–** | **(930.1)** |
| **Total transactions with equity holders** | **–** | **(0.4)** | **(929.7)** | **(930.1)** | **–** | **(930.1)** |
| **At 31 August 2026** | **–*** | **1,861.3** | **6,475.7** | **8,337.0** | **–** | **8,337.0** |
| For the six months ended 31 August 2025 | | | | | | |
| At 1 March 2025 | –* | 1,886.5 | 7,172.3 | 9,058.8 | 0.2 | 9,059.0 |
| Comprehensive income: | | | | | | |
| Profit for the period | – | – | 789.1 | 789.1 | (1.1) | 788.0 |
| Other comprehensive income: | | | | | | |
| Exchange difference | – | (5.2) | – | (5.2) | – | (5.2) |
| Total comprehensive income for the period | – | (5.2) | 789.1 | 783.9 | (1.1) | 782.8 |
| Transactions with equity holders | | | | | | |
| Appropriation to statutory reserves | – | 12.7 | (12.7) | – | – | – |
| Dividends (Note 12(d)) | – | – | (868.1) | (868.1) | – | (868.1) |
| Total transactions with equity holders | – | 12.7 | (880.8) | (868.1) | – | (868.1) |
| At 31 August 2025 | –* | 1,894.0 | 7,080.6 | 8,974.6 | (0.9) | 8,973.7 |

* the amount is less than RMB0.1 million.

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 August 2026

| | Unaudited Six months ended 31 August | |
|---|---|---|
| | **2026** | 2025 |
| | **RMB million** | RMB million |
| **Cash flows from operating activities** | | |
| Net cash generated from operations | **1,955.1** | 1,425.6 |
| Income tax paid | **(111.0)** | (70.9) |
| **Net cash generated from operating activities** | **1,844.1** | 1,354.7 |
| **Cash flows from investing activities** | | |
| Payments for purchases of property, plant and equipment and intangible assets | **(98.2)** | (125.1) |
| Proceeds from disposals of property, plant and equipment | **1.2** | 1.4 |
| Net decrease in other term deposit | **300.0** | – |
| Placement of short-term bank deposit | **(80.0)** | – |
| Interest received | **42.9** | 33.4 |
| **Net cash generated from/(used in) investing activities** | **165.9** | (90.3) |
| **Cash flows from financing activities** | | |
| Proceeds from short-term borrowings | **5,113.1** | 3,900.0 |
| Repayments of short-term borrowings | **(2,824.7)** | (2,130.0) |
| Placement of short-term pledged bank deposits | **(2,575.0)** | (2,630.2) |
| Withdrawal of short-term pledged bank deposits | **1,067.0** | 996.7 |
| Payments for lease liabilities (including interest) | **(528.5)** | (570.7) |
| Interest paid for bank borrowings | **(17.7)** | (11.4) |
| Dividends paid | **(930.1)** | (868.1) |
| **Net cash used in financing activities** | **(695.9)** | (1,313.7) |
| **Net increase/(decrease) in cash and cash equivalents** | **1,314.1** | (49.3) |
| Cash and cash equivalents at beginning of the period | **1,773.5** | 2,587.4 |
| **Cash and cash equivalents at end of the period** | **3,087.6** | 2,538.1 |

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 1 General information

Topsports International Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") are principally engaged in the sales of sportswear products and leasing commercial spaces to other retailers for concessionaire sales in the People's Republic of China (the "PRC"). The address of the Company's registered office is P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands.

The Company was incorporated in the Cayman Islands on 5 September 2018 as an exempted company with limited liability under the Companies Law (2018 Revision) of the Cayman Islands, Cap.22, (Law 3 of 1961), as amended or supplemented or otherwise modified from time to time. The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 10 October 2019. As at 31 August 2026, no party holds more than 50% equity interest in the Company.

The condensed consolidated interim financial information is presented in Renminbi ("RMB") and all amounts are rounded to the nearest 0.1 million ("RMB0.1 million") except when otherwise indicated.

The condensed consolidated interim financial information for the six months ended 31 August 2026 is unaudited and has been reviewed by the external auditor of the Company.

## 2 Basis of preparation and accounting policies

The condensed consolidated interim financial information for the six months ended 31 August 2026 has been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" and should be read in conjunction with the consolidated financial statements for the year ended 28 February 2026, which have been prepared in accordance with IFRS Accounting Standards.

The accounting policies used in the preparation of this condensed consolidated interim financial information are consistent with those used in the annual consolidated financial statements for the year ended 28 February 2026, except as mentioned below.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

### (a) Amendments to standards adopted by the Group

The Group has applied the following amendments to standards for the first time for the annual reporting period commencing 1 March 2026:

- Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments
- Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature – Dependent Electricity
- Volume 11 Annual Improvements to IFRS Accounting Standards
- Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 Disclosures about Uncertainties in the Financial Statements

The adoption of the above amendments to standards had no significant impact on the Group's financial performance and position.

## 2 Basis of preparation and accounting policies (Continued)

### (b) New standards and amendments to standards that have been issued but are not yet effective

A number of new standards and amendments to standards have been published that are not mandatory for reporting period beginning 1 March 2026 and have not been early adopted by the Group:

| | |
|---|---|
| IFRS 18 | Presentation and Disclosure in Financial Statements[1] |
| Amendments to IAS 21 | Translation to a Hyperinflationary Presentation Currency[1] |
| IFRS 19 | Disclosures for Subsidiaries without Public Accountability[1] |
| Amendment to IFRS S2 | Climate-related disclosures[1] |
| IFRS 20 | Regulatory Assets and Regulatory Liabilities[2] |
| Amendments to IFRS 10 and IAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3] |

(1) Effective for the Group for annual period beginning on 1 March 2027.
(2) Effective for the Group for annual period beginning on 1 March 2029.
(3) Effective date to be determined.

The directors have performed assessment on the new standards and amendments to standards, and has concluded on a preliminary basis that these new standards and amendments to standards would not have a significant impact on the Group's consolidated financial statements when they become effective, except for IFRS 18 which will impact the presentation of consolidated financial statements.

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users.

Although the adoption of IFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported.

The line items presented on the primary financial statements might change as a result of the application of the concept of "useful structured summary" and the enhanced principles on aggregation and disaggregation.

The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/ disaggregation principles. In addition, there will be significant new disclosures required for:

- management-defined performance measures;
- a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
- for the first annual period of application of IFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

The Group will apply the new standard from annual period beginning on 1 March 2027. Retrospective application is required, and so the financial information for the financial year ending 28 February 2027 as comparative information will be restated in accordance with IFRS 18.

## 3 Critical accounting estimates and judgments

The preparation of the condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing this condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are consistent with those applied to the consolidated financial statements for the year ended 28 February 2026.

## 4 Financial risk management and financial instruments

### 4.1 Financial risk factors

This condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements for the year ended 28 February 2026.

There have been no material changes in the risk management policies since 28 February 2026.

### 4.2 Fair value estimation

As at 31 August 2026 and 28 February 2026, financial asset at fair value through profit or loss of RMB45.9 million represents investment in an unlisted company. The fair value of the Group's financial asset designated at fair value through profit or loss is determined based on the recent transaction price (level 3). There was no transfer between levels 1, 2 and 3 during the six months ended 31 August 2026.

## 5 Segment information

The Group is principally engaged in sales of sportswear products and leasing commercial spaces to other retailers for concessionaire sales.

The chief operating decision-maker (the "CODM") has been identified as the executive directors and senior management of the Company. CODM reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on the internal reports provided for review by the CODM. The CODM assesses the performance of the Group's business activities as a whole on a regular basis and the directors of the Company consider that the Group has only one reportable segment. Accordingly, no segment information is presented.

Substantially all of the Group's revenues are derived from external customers located in the PRC.

As at 31 August 2026 and 28 February 2026, substantially all of the non-current assets of the Group were located in the PRC.

## 6 Revenue

| | Unaudited Six months ended 31 August | |
|---|---|---|
| | **2026 RMB million** | 2025 RMB million |
| Sale of goods | **10,845.1** | 12,223.6 |
| Concessionaire fee income | **50.3** | 62.1 |
| Others | **17.8** | 12.9 |
| | **10,913.2** | 12,298.6 |

## 7 Other income

| | Unaudited Six months ended 31 August | |
|---|---|---|
| | **2026 RMB million** | 2025 RMB million |
| Government incentives (note) | **80.1** | 39.0 |

Note: Government incentives comprise subsidies received from various local governments in the PRC.

## 8 Expenses by nature

| | Unaudited Six months ended 31 August | |
|---|---|---|
| | **2026 RMB million** | 2025 RMB million |
| Cost of inventories recognized as expenses included in cost of sales | **6,399.1** | 7,161.1 |
| Staff costs | **1,141.1** | 1,291.3 |
| Lease expenses | **743.7** | 991.3 |
| Depreciation on right-of-use assets (Note 14(a)) | **378.3** | 378.1 |
| Depreciation on property, plant and equipment (Note 13) | **173.0** | 193.0 |
| Amortization of intangible assets (Note 13) | **6.9** | 8.5 |
| (Gain)/loss on disposal of right-of-use assets (included in selling and distribution expenses) | **(4.8)** | 43.3 |
| Gain on disposal of property, plant and equipment | **(0.5)** | (0.1) |
| Write-off of property, plant and equipment | **2.0** | 1.0 |
| Net impairment of inventories recognized as expenses included in cost of sales (Note 16) | **137.5** | 100.1 |
| Impairment on right-of-use assets (included in selling and distribution expenses) (Note 14(a)) | **126.5** | 133.7 |
| Provision for impairment on property, plant and equipment (Note 13) | **–** | 3.4 |
| Other tax expenses | **47.0** | 36.5 |
| Others | **1,013.7** | 1,000.9 |
| Total cost of sales, selling and distribution expenses and general and administrative expenses | **10,163.5** | 11,342.1 |

## 9 Finance income/(costs), net

| | Unaudited Six months ended 31 August | |
|---|---|---|
| | **2026 RMB million** | 2025 RMB million |
| Interest income from bank deposits | **48.8** | 43.3 |
| Finance income | **48.8** | 43.3 |
| Interest expense on bank borrowings | **(14.4)** | (14.9) |
| Interest expense on lease liabilities (Note 14(b)) | **(31.9)** | (37.2) |
| Finance costs | **(46.3)** | (52.1) |
| Finance income/(costs), net | **2.5** | (8.8) |

## 10 Income tax expense

| | Unaudited Six months ended 31 August | |
|---|---|---|
| | **2026 RMB million** | 2025 RMB million |
| Current income tax – PRC corporate income tax | | |
| – Current period | **162.8** | 173.0 |
| – Over-provision in prior years | **(6.0)** | (4.6) |
| – Withholding tax | **60.4** | 18.7 |
| Deferred income taxes | **(50.1)** | 9.9 |
| | **167.1** | 197.0 |

Income tax expense has been provided for at the tax rates prevailing in the tax jurisdictions in which the Group operates.

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. Subsidiaries incorporated in Hong Kong are subject to Hong Kong profits tax at a rate of 16.5% (six months ended 31 August 2025: 16.5%). No provision for Hong Kong profits tax has been made as the Group has no estimated assessable profit in Hong Kong. During the period, most of the PRC established subsidiaries of the Company are subject to the PRC corporate income tax rate of 25% (six months ended 31 August 2025: 25%) except that certain subsidiaries are subject to various preferential tax treatments.

According to applicable tax regulations prevailing in the PRC, dividends distributed by a company established in the PRC to a foreign investor are generally subject to a 10% withholding tax. If a foreign investor is incorporated in Hong Kong, under the double taxation arrangement between the Mainland China and Hong Kong, the relevant withholding tax rate applicable will be reduced from 10% to 5% subject to the fulfilment of certain conditions.

## 11 Earnings per share

### (a) Basic

The basic earnings per share is calculated by dividing profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

| | | Unaudited Six months ended 31 August | |
|---|---|---|---|
| | | **2026** | 2025 |
| Profit for the period attributable to equity holders of the Company | RMB million | **662.6** | 789.1 |
| Weighted average number of ordinary shares for the purpose of basic earnings per share | thousand of shares | **6,201,222** | 6,201,222 |
| Basic earnings per share | RMB cents | **10.68** | 12.72 |

### (b) Diluted

Diluted earnings per share presented is the same as the basic earnings per share as there was no potentially dilutive ordinary share during the six months ended 31 August 2026 and 2025.

## 12 Dividends

(a) At a meeting held on 28 October 2026, the directors declared an interim dividend of RMB11.00 cents or equivalent to HK$12.81 cents per ordinary share (totaling RMB682.1 million) for the year ending 28 February 2027, which was declared after the end of the reporting period and is not reflected as dividend payable in this interim financial information.

(b) At a meeting held on 27 May 2026, the directors recommended a final dividend of RMB3.00 cents or equivalent to HK$3.43 cents per ordinary share (totaling RMB186.0 million) and a special dividend of RMB12.00 cents or equivalent to HK$13.71 cents per ordinary share (totaling RMB744.1 million) for the year ended 28 February 2026, which were approved by the shareholders of the Company on 24 July 2026 and paid during the six months ended 31 August 2026.

(c) At a meeting held on 22 October 2025, the directors declared an interim dividend of RMB13.00 cents or equivalent to HK$14.01 cents per ordinary share (totaling RMB806.2 million) for the year ended 28 February 2026, which was paid during the year ended 28 February 2026.

(d) At a meeting held on 21 May 2025, the directors recommended a final dividend of RMB2.00 cents or equivalent to HK$2.15 cents per ordinary share (totaling RMB124.0 million) and a special dividend of RMB12.00 cents or equivalent to HK$12.88 cents per ordinary share (totaling RMB744.1 million) for the year ended 28 February 2025, which were approved by the shareholders of the Company on 18 July 2025 and paid during the six months ended 31 August 2025.

## 13 Property, plant and equipment and intangible assets

| | Unaudited | | | | |
|---|---|---|---|---|---|
| | **Property, plant and equipment** RMB million | **Goodwill** RMB million (note (a)) | **Other intangible assets** RMB million (note (b)) | **Total intangible assets** RMB million | **Total** RMB million |
| **Net book value as at 1 March 2025** | 541.4 | 1,005.5 | 40.3 | 1,045.8 | 1,587.2 |
| Additions | 131.5 | – | 1.2 | 1.2 | 132.7 |
| Depreciation/amortization | (193.0) | – | (8.5) | (8.5) | (201.5) |
| Disposals/write-off | (2.3) | – | – | – | (2.3) |
| Impairment loss | (3.4) | – | – | – | (3.4) |
| **Net book value as at 31 August 2025** | 474.2 | 1,005.5 | 33.0 | 1,038.5 | 1,512.7 |
| **Net book value as at 1 March 2026** | **437.9** | **1,002.4** | **28.1** | **1,030.5** | **1,468.4** |
| Additions | **87.7** | **–** | **2.7** | **2.7** | **90.4** |
| Depreciation/amortization | **(173.0)** | **–** | **(6.9)** | **(6.9)** | **(179.9)** |
| Disposals/write-off | **(2.7)** | **–** | **–** | **–** | **(2.7)** |
| **Net book value as at 31 August 2026** | **349.9** | **1,002.4** | **23.9** | **1,026.3** | **1,376.2** |

Notes:

(a) As at 31 August 2026, management performed an impairment assessment on goodwill of the Group for which an impairment indicator was identified given the fact that the carrying amount of the Group's net assets exceeded the Group's market capitalisation as at 31 August 2026. The recoverable amounts of the Group's goodwill were determined based on value-in-use calculations, which were higher than fair value less costs of disposal. The value-in-use calculations were based on cash flow projections derived from financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period were extrapolated using an estimated annual growth rate of not more than 2.0%. Other key assumptions used for value-in-use calculations for impairment review purpose included a 5-year revenue decline rate of 6.1%, 5-year average gross profit margin of 42.7% and discount rate of 12.0%. Accordingly, management concluded that the recoverable amounts of the Group's goodwill exceeded the carrying amounts of its net assets as at 31 August 2026, and no impairment loss was recognized for the interim period.

(b) Other intangible assets mainly include distribution and licenses contracts and e-Sports licenses and contracts.

## 14 Lease

### (a) Right-of-use assets

| | Unaudited Six months ended 31 August | |
|---|---|---|
| | **2026 RMB million** | 2025 RMB million |
| As at 1 March | **1,413.9** | 1,818.5 |
| Inception of lease contracts | **563.6** | 447.1 |
| Depreciation (Note 8) | **(378.3)** | (378.1) |
| Termination and remeasurement | **(45.7)** | (69.3) |
| Impairment (Note 8) | **(126.5)** | (133.7) |
| As at 31 August | **1,427.0** | 1,684.5 |

The Group obtains rights to control the use of various retail outlets and other properties for a period of time through lease arrangements. Lease arrangements are negotiated on an individual basis and contain a wide range of different terms and conditions including lease payments and lease terms ranging from 1 to 7 years.

Some of the property leases in which the Group is the lessee contain variable lease payment terms that are linked to sales generated from the leased stores. Variable payment terms are used to link lease payments to store cash flows and reduce fixed cost.

The Group's lease expenses (see Note 8) are primarily for variable lease payments; expenses relating to short-term leases are relatively insignificant (also see note (c) below). The Group's right-of-use assets included a number of the lease arrangements that carried fixed payments plus variable payments and their respective variable payments portion are generally insignificant. The Group expects this pattern to remain stable in future years.

## 14 Lease (Continued)

### (b) Lease liabilities

| | Unaudited Six months ended 31 August | |
|---|---|---|
| | **2026 RMB million** | 2025 RMB million |
| As at 1 March | **1,523.1** | 1,934.9 |
| Inception of lease contracts | **563.6** | 447.1 |
| Interest expense on lease liabilities (Note 9) | **31.9** | 37.2 |
| Payment for lease liabilities (including interest) | **(528.5)** | (570.7) |
| Termination and remeasurement | **(50.5)** | (26.0) |
| As at 31 August | **1,539.6** | 1,822.5 |

Maturity analysis of lease liabilities is as follows:

| | **Unaudited As at 31 August 2026 RMB million** | Audited As at 28 February 2026 RMB million |
|---|---|---|
| Not later than 1 year | **637.1** | 703.9 |
| Later than 1 year and not later than 5 years | **864.1** | 814.8 |
| Later than 5 years | **38.4** | 4.4 |
| | **1,539.6** | 1,523.1 |

### (c) Short-term leases and not yet commenced leases

As at 31 August 2026 and 28 February 2026, the total future lease payments for short-term leases amounted to RMB141.8 million and RMB172.4 million respectively. As at 31 August 2026 and 28 February 2026, leases committed but not yet commenced are insignificant.

## 15 Deposits, prepayments and other receivables

| | Unaudited As at 31 August 2026 RMB million | Audited As at 28 February 2026 RMB million |
|---|---|---|
| **Non-current** | | |
| Rental deposits | **159.3** | 150.6 |
| Prepayments for capital expenditures | **0.2** | 1.2 |
| | **159.5** | 151.8 |
| **Current** | | |
| Rental deposits | **219.5** | 259.1 |
| Value-added tax recoverable | **132.0** | 168.3 |
| Prepayments for purchase | **273.3** | 52.7 |
| Other receivables and prepayments | **262.3** | 295.9 |
| | **887.1** | 776.0 |

## 16 Inventories

| | Unaudited As at 31 August 2026 RMB million | Audited As at 28 February 2026 RMB million |
|---|---|---|
| Merchandise for sale | **5,302.3** | 5,732.8 |
| Less: provision for impairment losses | **(384.4)** | (246.9) |
| | **4,917.9** | 5,485.9 |

The cost of inventories amounting to RMB6,399.1 million (six months ended 31 August 2025: RMB7,161.1 million) and the changes in provision for impairment of inventories amounting to RMB137.5 million (six months ended 31 August 2025: RMB100.1 million) were included in cost of sales during the six months ended 31 August 2026.

## 17 Trade receivables

| | Unaudited As at 31 August 2026 RMB million | Audited As at 28 February 2026 RMB million |
|---|---|---|
| Trade receivables | **804.0** | 1,345.0 |
| Loss allowance | **(8.9)** | (6.3) |
| | **795.1** | 1,338.7 |

The Group's concessionaire sales through department stores and sales through e-commerce platforms are generally collectible within 30 days and 15 days from the invoice date respectively. As at 31 August 2026, the aging analysis of trade receivables, based on invoice date, is as follows:

| | Unaudited As at 31 August 2026 RMB million | Audited As at 28 February 2026 RMB million |
|---|---|---|
| 0 to 30 days | **764.0** | 1,288.4 |
| 31 to 60 days | **6.9** | 32.9 |
| 61 to 90 days | **3.6** | 15.2 |
| Over 90 days | **29.5** | 8.5 |
| | **804.0** | 1,345.0 |
| Loss allowance | **(8.9)** | (6.3) |
| | **795.1** | 1,338.7 |

The carrying amounts of trade receivables approximate their fair values and are denominated in RMB.

Movements on the Group's loss allowance for trade receivables are as follows:

| | Unaudited Six months ended 31 August 2026 RMB million | 2025 RMB million |
|---|---|---|
| As at 1 March | **6.3** | 6.7 |
| Provision for impairment of trade receivables | **2.6** | 1.7 |
| As at 31 August | **8.9** | 8.4 |

## 18 Bank deposits, balances and cash

| | Unaudited As at 31 August 2026 RMB million | Audited As at 28 February 2026 RMB million |
|---|---|---|
| Short-term pledged bank deposits (note (a)) | **2,575.0** | 1,067.0 |
| Short-term bank deposit (note (b)) | **80.0** | – |
| Other term deposit (note (c)) | **–** | 300.0 |
| Cash and cash equivalents | **3,087.6** | 1,773.5 |
| Total bank deposits and cash and cash equivalents | **5,742.6** | 3,140.5 |
| Denominated in the following currencies: | | |
| RMB | **4,249.8** | 2,286.8 |
| HK$ | **22.3** | 853.7 |
| US$ | **1,470.5** | – |
| | **5,742.6** | 3,140.5 |

Notes:

(a) As at 31 August 2026, bank deposits of RMB2,575.0 million (28 February 2026: RMB1,067.0 million) were pledged to bank against short-term borrowings of RMB3,725.0 million (28 February 2026: RMB1,565.0 million) (Note 20). The short-term pledged bank deposits were denominated in RMB and carried interest at weighted average interest rate of 1.2% (28 February 2026: 1.2%) per annum. The carrying amounts of these deposits approximate their fair values.

(b) As at 31 August 2026, short-term bank deposit earns interest at a fixed rate 1.2% with initial terms of over three months.

(c) As at 28 February 2026, other term deposit earns interest at a fixed plus floating rates ranged from 1.0% to 2.0% and to be matured initially in 3 months.

(d) Cash at banks earns interest at floating rates based on respective bank deposit rates. The conversion of the RMB denominated balances maintained in the PRC into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

## 19 Trade payables

The credit periods granted by suppliers generally range from 0 to 60 days. As at 31 August 2026, the aging analysis of trade payables, based on invoice date, is as follows:

| | Unaudited As at 31 August 2026 RMB million | Audited As at 28 February 2026 RMB million |
|---|---|---|
| 0 to 30 days | **190.9** | 401.1 |
| 31 to 60 days | **–** | 0.7 |
| Over 60 days | **1.2** | 1.2 |
| | **192.1** | 403.0 |

The carrying amounts of trade payables are denominated in RMB. The carrying amounts approximate their fair values due to their short-term nature.

## 20 Short-term borrowings

| | Unaudited As at 31 August 2026 RMB million | Audited As at 28 February 2026 RMB million |
|---|---|---|
| Unsecured RMB bank borrowings (note (a)) | **100.0** | 401.0 |
| Unsecured HK$ bank borrowing (note (b)) | **429.4** | – |
| Secured RMB bank borrowings (note (c)) | **3,725.0** | 1,565.0 |
| | **4,254.4** | 1,966.0 |

Notes:

(a) As at 31 August 2026, the Group's unsecured RMB bank borrowings carried interest at fixed rates with weighted average interest rate of 0.6% (28 February 2026: 1.0%) per annum. The carrying amounts are denominated in RMB which approximate their fair values.

(b) As at 31 August 2026, the Group's unsecured HK$ bank borrowing carried interest at floating rate with weighted average interest rate of 3.2% per annum. The carrying amount is denominated in HK$ which approximate its fair values.

(c) As at 31 August 2026, borrowings of RMB3,725.0 million (28 February 2026: RMB1,565.0 million) were secured by the short-term pledged bank deposits of RMB2,575.0 million (28 February 2026: RMB1,067.0 million) as detailed in Note 18. The carrying amounts are denominated in RMB which approximates their fair values. The borrowings carried interest at fixed rates with weighted average interest rate of 0.7% (28 February 2026: 0.8%) per annum.

## 21 Share capital

| | Unaudited Number of ordinary shares | Unaudited Nominal value of ordinary shares |
|---|---|---|
| **Authorized:** | | |
| As at 1 March 2025, 28 February 2026, 1 March 2026 and 31 August 2026 | 20,000,000,000 | HK$20,000 |
| **Issued and fully paid:** | | |
| As at 1 March 2025, 28 February 2026, 1 March 2026 and 31 August 2026 | 6,201,222,024 | HK$6,201 |

## 22 Other reserves

| | Unaudited | | | | |
|---|---|---|---|---|---|
| | Share premium RMB million | Capital reserve RMB million | Exchange reserve RMB million | Statutory reserve RMB million | Total RMB million |
| **At 1 March 2025** | 19,326.1 | (18,437.6) | 140.1 | 857.9 | 1,886.5 |
| Exchange difference | – | – | (5.2) | – | (5.2) |
| Appropriation to statutory reserves | – | – | – | 12.7 | 12.7 |
| **At 31 August 2025** | 19,326.1 | (18,437.6) | 134.9 | 870.6 | 1,894.0 |
| **At 1 March 2026** | **19,326.1** | **(18,437.6)** | **110.8** | **879.9** | **1,879.2** |
| Exchange difference | **–** | **–** | **(17.5)** | **–** | **(17.5)** |
| Appropriation to statutory reserves | **–** | **–** | **–** | **(0.4)** | **(0.4)** |
| **At 31 August 2026** | **19,326.1** | **(18,437.6)** | **93.3** | **879.5** | **1,861.3** |

## 23 Related party transactions

The following is a summary of significant related party transactions entered into in the ordinary course of business between the Group and its related parties in addition to the related party information shown elsewhere in this condensed consolidated interim financial information:

### Transactions for the period

| | Unaudited Six months ended 31 August | |
|---|---|---|
| | **2026 RMB million** | 2025 RMB million |
| Transactions with companies controlled by Belle International Holdings Limited ("Belle International") (note (a)) | | |
| – Logistics services fees paid | **220.1** | 240.5 |
| – Payments in relation of lease agreements (note (b)) | **10.4** | 11.4 |
| Key management compensation | | |
| – Salaries, bonuses and other welfare (note (c)) | **5.5** | 4.9 |

Notes:

(a) Belle International is regarded as a related party of the Group by the Company's directors as it is an associate of the Company's substantial shareholders, Hillhouse HHBH Holdings Limited and Wisdom Man Ventures Limited. The executive director of the Company, Mr. Yu Wu, and Non-executive directors of the Company, Mr. Sheng Fang, are also the directors of the related company.

Transactions with related companies are carried out based on terms mutually agreed between the relevant parties.

(b) During the six months ended 31 August 2026, the Group entered into certain long-term leases of office premises with Belle International. Right-of-use assets and lease liabilities were recognised during the six months ended 31 August 2026 in relation to these long-term leases.

(c) Key management includes directors and certain executives who have important roles in making operational and financial decisions.

## 24 Subsequent events

There were no material subsequent events during the period from 1 September 2026 to the approval date of this interim financial information.

## DIRECTORS AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 August 2026, none of the Directors or chief executive of the Company held any interests and short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO") which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, under Section 352 of the SFO, to be entered in the register referred to in that section, or which were required to be notified to the Company and the Stock Exchange, under the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules.

None of the Directors or chief executive of the Company or any of their respective spouses or children under eighteen years of age has interests or short positions in the shares, underlying shares or debentures of the Company, or any of its holding company, subsidiaries or other associated corporations, as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company pursuant to the Model Code.

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 August 2026, the following persons (other than the Directors and chief executive of the Company) had interests or short positions in shares or underlying shares (within the meaning of Part XV of the SFO) of the Company which were notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO:

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (CONTINUED)

| Name of shareholder | Capacity/Nature of interest | Number of shares | Approximate percentage of interests in our Company[1] |
|---|---|---|---|
| HHBH Investment, L.P. [2] | Interest in controlled corporation | 2,163,605,107 | 34.89% |
| Hillhouse Capital Management, Ltd. [2] | Interest in controlled corporation | 2,163,605,107 | 34.89% |
| Hillhouse HHBH Holdings Limited ("Hillhouse HHBH") [2] | Beneficial Owner | 2,163,605,107 | 34.89% |
| Hillhouse HHBH Limited [2] | Interest in controlled corporation | 2,163,605,107 | 34.89% |
| Wisdom Man Ventures Limited ("WMVL") | Beneficial Owner | 1,254,616,510 | 20.23% |
| TMF (Cayman) Ltd. ("TMF") [3] | Trustee | 426,436,356 | 6.88% |

Notes:

(1) As at 31 August 2026, the total number of issued shares of the Company was 6,201,222,024.

(2) According to the corporate substantial shareholder notice last filed by Hillhouse HHBH and its affiliates, Hillhouse HHBH is wholly-owned by Hillhouse HHBH Limited, which is wholly-owned by HHBH Investment, L.P. and the investment manager of HHBH Investment, L.P. is Hillhouse Capital Management, Ltd.

(3) According to the corporate substantial shareholder notice last filed by TMF, TMF is the trustee of the Generous Trust, the Trade Vantage Trust, the State Win Trust, the Sulla Trust, the Supreme Talent Trust, the Speedy Global Trust, the Sea Wisdom Trust, the Sky Beauty Trust, the Keen Source Trust and the Sola Fortune Trust and TMF was deemed to be interested in an aggregate of 426,436,356 shares in its capacity as the trustee of these trusts.

Save as disclosed herein, as at 31 August 2026, the Directors are not aware of any other persons (not being a Director or chief executive of the Company) who had or was deemed to have any interests or short positions in the shares or underlying shares which was required to be notified to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

## PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the period under review, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

## CHANGES IN THE DIRECTORS AND THEIR INFORMATION

Changes in the Directors and their information since the date of the 2025/26 annual report of the Company and up to the date of this report, including information of the Directors which is required to be disclosed pursuant to Rule 13.51B(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") is set out below.

Mr. HUANG Victor, an independent non-executive Director of the Company:

(i) retired as an independent non-executive director of COSCO SHIPPING Energy Transportation Co., Ltd. (a company dual listed on the Shanghai Stock Exchange, stock code: 600026, and the Main Board of the Stock Exchange, stock code: 1138), with effect from 26 June 2026; and

(ii) was appointed as an independent non-executive director of CEC International Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 759), with effect from 12 August 2026.

Ms. HU Xiaoling, a non-executive Director of the Company, was appointed as a member of the nomination committee of the Company with effect from 28 October 2026.

Mr. HO Kwok Wah, George was appointed as an independent non-executive Director of the Company, a member of the audit committee of the Company and a member of the nomination committee of the Company, in each case with effect from 28 October 2026.

Save as disclosed above, there is no other change in the Directors and their information, including information of the Directors which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## CORPORATE GOVERNANCE

The Company's corporate governance practices are based on the principles and code provisions of the Corporate Governance Code, as set out in Appendix C1 to the Listing Rules (the "CG Code"), and the Company has adopted the CG Code as its own corporate governance code.

During the six months ended 31 August 2026, the Company has complied with all applicable code provisions as set out in the CG Code, save for code provisions B.3.5 and C.2.1 of the CG Code.

Code provision B.3.5 of the CG Code stipulates that at least one director of a different gender should be appointed to the nomination committee of the Company. During the six months ended 31 August 2026, no such different gender director was so appointed because additional time was required by the Board to identify an appropriate candidate for such appointment. Ms. HU Xiaoling has been appointed with effect from 28 October 2026 as a director of a different gender to the said nomination committee.

Code provision C.2.1 of the CG Code states that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Yu Wu has assumed the role of chairman of the Company in addition to his role as the chief executive officer of the Company. Considering the present composition of the Board and Mr. Yu's extensive experience in the footwear and sportswear businesses, the Board is of the view that vesting the roles of both chairman and chief executive in Mr. Yu provides the Group with continuous leadership and effective implementation of long term business strategies. As all major decisions are made in consultation with members of the Board and relevant Board committees, and there are independent non-executive Directors on the Board offering independent perspectives, the Board is of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board to protect the interests of the Company and its shareholders.

The Board will periodically review and enhance its corporate governance practices to ensure that the Company continues to meet the requirements of the CG Code.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct for Directors' securities transactions. After having made specific enquiries, each Director has confirmed that he/she has complied with the requirements of the Model Code for the period from 1 March 2026 to 31 August 2026.

## CONTINUING DISCLOSURE REQUIREMENTS PURSUANT TO THE LISTING RULES

Our Directors have confirmed that, as of 31 August 2026, the continuing disclosure requirements of the Listing Rules were complied with.

## AUDIT COMMITTEE

The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group, review the financial information of the Group and consider issues in relation to the external auditors and their appointment.

During the six months ended 31 August 2026, the Audit Committee comprised three Independent Non-executive Directors, namely, Mr. LAM Yiu Kin, Mr. HUA Bin and Mr. HUANG Victor. The chairman of the Audit Committee is Mr. LAM Yiu Kin, who has a professional qualification in accountancy. With effect from 28 October 2026, Mr. HO Kwok Wah, George, an Independent Non-executive Director of the Company, has been appointed as a member of the Audit Committee. As such, with effect from 28 October 2026, the Audit Committee comprises four Independent Non-executive Directors, namely Mr. LAM Yiu Kin, Mr. HUA Bin, Mr. HUANG Victor and Mr. HO Kwok Wah, George.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group, and discussed internal controls and financial reporting matters, including a review of the interim financial information and the interim report for the six months ended 31 August 2026.

## REMUNERATION COMMITTEE

The Remuneration Committee has three members comprising Mr. HUA Bin, Mr. YU Wu and Mr. LAM Yiu Kin, two of whom are Independent Non-executive Directors. The chairman of the Remuneration Committee is Mr. HUA Bin.

The primary responsibilities of the Remuneration Committee include (but without limitation):

– making recommendations to the Board on the remuneration policy and structure for Directors and senior management and on the establishment of a formal and transparent procedure for developing such policies;

– making recommendations to the Board on the terms of specific remuneration package of the Directors and senior management; and

– reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Directors from time to time.

The emoluments of Directors are determined by reference to the skills, experiences, responsibilities, employment conditions and time commitment in the Group's affairs and performance of each Director as well as salaries paid by comparable companies and the prevailing market conditions.

None of the Directors waived or agreed to waive any remuneration and there were no emoluments paid by the Group to any of the Directors as an inducement to join, or upon joining the Group, or as compensation for loss of office.

## NOMINATION COMMITTEE

The primary duties of the Nomination Committee are to identify, screen and recommend to the Board appropriate candidates to serve as the directors of the Company, oversee the process for evaluating the performance of the Board, review the structure, size and composition of the Board and assess the independence of the Independent Non-executive Directors. In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's character, qualifications, experience, independence, time commitment and other relevant criteria necessary to complement the corporate strategy and achieve the Board diversity, where appropriate, before making recommendation to the Board.

During the six months ended 31 August 2026, the Nomination Committee had three members comprising Mr. HUANG Victor, Mr. YU Wu and Mr. LAM Yiu Kin, two of whom are Independent Non-executive Directors. The chairman of the Nomination Committee is Mr. HUANG Victor. With effect from 28 October 2026, Ms. HU Xiaoling, a Non-executive Director of the Company, and Mr. HO Kwok Wah, George, an Independent Non-executive Director of the Company, have been appointed as members of the Nomination Committee. As such, with effect from 28 October 2026, the Nomination Committee has five members comprising Mr. HUANG Victor, Mr. YU Wu, Mr. LAM Yiu Kin, Ms. HU Xiaoling and Mr. HO Kwok Wah, George, three of whom are Independent Non-executive Directors.

## SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained the prescribed minimum public float under the Listing Rules.