

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



Xtep International Holdings Limited
特步國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1368)

SHARE PURCHASE
PURSUANT TO THE SHARE AWARD SCHEME

The Company announces that, on 15 May 2015 (after trading hours), the Trustee purchased an aggregate of 50,000,000 Shares from the Seller for the purpose of the Scheme. The Trust Shares shall constitute part of the Trust Fund and be held by the Trustee for the benefit of the Eligible Participants under the Trust.

SHARE PURCHASE PURSUANT TO THE SCHEME

Reference is made to the announcement (the “**Announcement**”) of the Company dated 1 August 2014 in respect of the Scheme. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

The Company announces that, on 15 May 2015 (after trading hours), the Trustee purchased an aggregate of 50,000,000 Shares (the “**Share Purchase**”) from Carlyle Asia Growth Partners III, L.P. and CAGP Co-Investment, L.P. (collectively, the “**Seller**”) for the purpose of the Scheme. The Trust Shares shall constitute part of the Trust Fund and be held by the Trustee for the benefit of the Eligible Participants under the Trust.

Details of the Share Purchase and the latest information about the Shares held by the Trustee are as follows:

Trade date: 15 May 2015

Settlement date: 20 May 2015

Total number of Shares purchased: 50,000,000 Shares, representing approximately 2.30% of the issued share capital of the Company as at the date of this announcement.

Purchase price per Share: HK\$3.052

The purchase price is based on the average closing price of HK\$3.052 per Share as quoted on the Stock Exchange for the five consecutive trading days up to (and including) 15 May 2015, being the date of the Share Purchase.

Total consideration: HK\$152,600,000

For the purpose of the settlement of the consideration of the Transaction by the Trustee, the Board has paid HK\$160,000,000 to the Trust pursuant to the Scheme prior to the Share Purchase.

Number of Shares held by the Trustee immediately after the Share Purchase: 50,000,000 Shares, representing approximately 2.30% of the issued share capital of the Company as at the date of this announcement.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SHARE PURCHASE

The objectives of the Scheme are (i) to recognise the contributions by the Group's employees, executives, officers or directors and to provide them with incentives in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

The Directors consider that the Share Purchase is in the interest of the Scheme because: (1) the Company wishes to set aside a larger pool of Trust Shares available for allocation to the Eligible Participants under the Scheme; (2) the liquidity of the Shares on the market is currently low in which the volume of transactions is generally less than 5,000,000 Shares on a normal trading day; and (3) the purchase of such Shares from the Seller offers an opportunity to purchase a relatively large amount of Shares for the Scheme at a more certain purchase price. Taking into account the benefits of the Share Purchase and having considered the basis of the purchase price of the Shares under the Share Purchase, the Directors consider that the terms of the Share Purchase are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As at the date of this announcement, no Awarded Shares have been granted to any Eligible Participants under the Scheme. The Company will comply with the Listing Rules when it decides to grant any award of Shares under the Scheme in the future.

To the best of the Directors' knowledge after making all reasonable enquiries, immediately before the Share Purchase, the Seller was interested in 209,700,500 Shares, representing approximately 9.63% of the issued share capital of the Company and immediately after the Share Purchase, the Seller remains interested in 159,700,500 Shares, representing approximately 7.33% of the issued share capital of the Company.

Save for the aforesaid, as at the date of this announcement, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Trustee, the Seller and their respective ultimate beneficial owners, if any, are third parties independent of the Company and are not connected persons of the Company.

By Order of the Board
Xtep International Holdings Limited
DING Shui Po
Chairman

Hong Kong, 15 May 2015

As at the date of this announcement, the executive directors of the Company are Mr. Ding Shui Po, Ms. Ding Mei Qing, Mr. Lin Zhang Li, Mr. Ding Ming Zhong, Mr. Ye Qi and Mr. Ho Yui Pok, Eleutherius; and the independent non-executive directors of the Company are Mr. Sin Ka Man, Mr. Tan Wee Seng, Dr. Gao Xian Feng and Dr. Bao Ming Xiao.