

[Immediate Release]



Xtep in Partnership with S.F. to Create Speedy Internet + Logistics Experience

(23 July 2015, Hong Kong) – Leading PRC-based fashion sportswear enterprise Xtep International Holdings Limited ("Xtep" or the "Company", together with its subsidiaries, the "Group") (Stock code: 1368) is pleased to announce that the Company and S.F. Express ("S.F."), the express delivery giant in Mainland China, have jointly signed a strategic cooperation agreement, to launch the operations of logistics delivery and warehousing facilities, and gradually extend the related business cooperation across the country. Guests attending the signing ceremony included Mr. Ding Shui Po, Chairman and Chief Executive Officer of Xtep; Dr. Xiao Lihua, General Manager of Xtep E-commerce Center; Mr. Bill Zeng, CEO of S.F.E-commerce Logistics and Mr. Xie Chaoqun, Vice President of S.F. Key Account Sales.

Through this partnership, Xtep hopes to leverage the highly effective warehouse network of S.F. to support a high turnover and provide timely short distance delivery. This improvement can further enhance the transport and delivery of commodities, create a better consumption experience and eventually greatly improve the degree of satisfaction of logistics service users. In addition, the cooperation not only enables Xtep to have successfully built an O2O sales platform to integrate online and offline sales channels, but also facilitates a dual marketing strategy, the expansion of customer outreach as well as the optimization of marketing efficiency.

Mr. Ding Shui Po, Chairman and Chief Executive Officer of Xtep, said, "Through the strategic cooperation with S.F., we hope to achieve "cross-sector integration" based on the "internet + logistics" concept. This in-depth cooperation not only ensures the timeliness and security of logistics service and enables Xtep E-commerce to provide a speedy as well as meaningful shopping experience. The partnership also facilitates the exploration of innovative applications of service models and information and blazes new trails in creating new consumer experiences and forging new and more extensive supply chain models. These efforts should greatly drive online and offline interaction and provide greater user satisfaction."

Mr. Bill Zeng, CEO of S.F.E-commerce Logistics, said, "E-commerce is becoming more people- and consumer-oriented along with the high interactivity and connection in the internet. The partnership with Xtep further optimises the price/performance ratio, improves the customer experience and enhances brand exposure. With the most extensive warehouse network complemented by the fast logistics network, S.F will extend

cooperation with more footwear and clothing e-commerce operators, and integrate the resources with its cooperative partners at all levels and creates a win-win situation. The result can notably enhance cross-industry efficiency, and provides users with a highly efficient and convenient "internet + logistics" services, ultimately extending the reach of their businesses."

Apart from logistics, Xtep is to also embark on a number of initiatives such as customer loyalty programmes. Most notably on this front, Xtep has launched the "Xtep Member Day" on a number of online platforms this month and has set the third day of each month as "Xtep Member Day", to offer Xtep members to enjoy a menu of exclusive online offers in the coming future.

In recent years, Xtep has strived to become the first-mover in e-commerce development among traditional brands, and achieved many industry "firsts." The partnership with S.F. marks an important initiative in upgrading its terminal services, as well as an innovation in the logistics service of the traditional e-commerce sector in China. In the improved communication environment during the "Internet+" era, Xtep hopes that more enterprises are motivated to push ahead innovations as their business core value, continuously extend the scope of innovations, and realise diversified deployment.



Photo Caption:

Mr. Ding Shui Po, Chairman and Chief Executive Officer of Xtep (left) and Mr. Bill Zeng, CEO of S.F.E-commerce Logistics(right) jointly signed the Strategic Cooperation Agreement

About Xtep International Holdings Limited (Stock code: 1368)

Listed on 3 June 2008 on the Main Board of the Hong Kong Stock Exchange, Xtep is a leading PRC-based fashion sportswear enterprise. It is principally engaged in the design, development, manufacturing, sales and marketing, and brand management of sportswear products, including footwear, apparel and accessories. During the past several years, Xtep has been actively implementing its sports marketing strategy with a focus on running and football. It boasts an extensive distribution network of more than 7,000 stores nationwide covering 31 provinces, autonomous regions and municipalities across the PRC.

For more information, please visit Xtep's corporate website: www.xtep.com.hk.

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