

Yue Yuen Industrial 2026 1Q Results

13 May 2026





Disclaimer



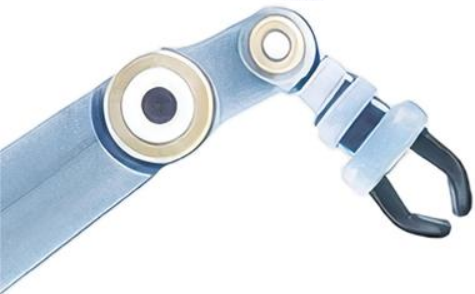
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Agenda



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01 Group Overview





Company Profile

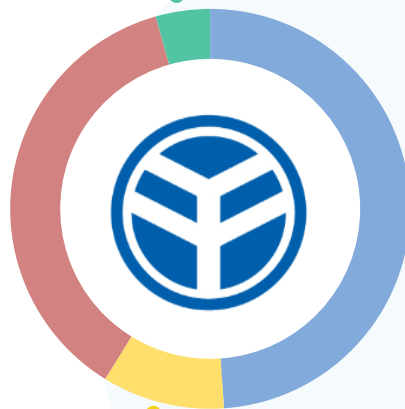


- Founded in 1988, and listed on the HKEX in 1992 (551.HK)
- A yield play with solid performance – committed to driving return and value for shareholders

1Q26 Business Structure



Pou Sheng[^]
36.8% (1Q25: 34.6%)



Soles, Components & Others
4.4% (1Q25: 4.4%)

Athletic / Outdoor Shoes
48.9% (1Q25: 50.9%)



Casual Shoes & Sport Sandals
9.9% (1Q25: 10.1%)

1Q26 Total Revenue US\$ 1,985.4mn

[^] Sales of the Group's retail subsidiary in the Greater China region, including shoes, apparel, commissions from concessionaire sales and others

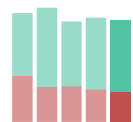


2025 Financial Performance Overview

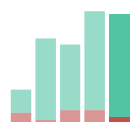


2025
(US\$)

Revenue

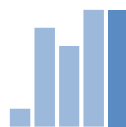


\$8,031mn
-\$151mn



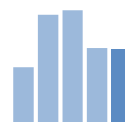
\$381mn
-\$12mn -3.1%

Dividend Per Share



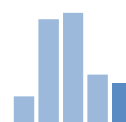
HK\$1.30

Operating Cash Flow*



\$612mn
-\$14mn -2.2%

Free Cash Flow



\$265mn
-\$61mn -18.7%



2025
(%)

(Y-o-Y Change)



-1.8%

(% of Revenue)



4.7%
-0.1pp

(Payout Ratio)



70%

(% of Revenue)



7.6%
-0.1pp

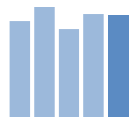
(% of Revenue)



3.3%
-0.7pp



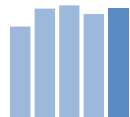
Pairage



252mn pairs
-3mn pairs -1.2%



ASP



us\$21.00
+US\$0.75 +3.7%



Major Clients



**Top 2
~63%**

(% of Shoe MFG Revenue)

■ A ■ B ■ Others

Source: Yue Yuen's audited financial statements and management accounts

* FY25 Operating Cash Flow excluded provisional payment for tax dispute

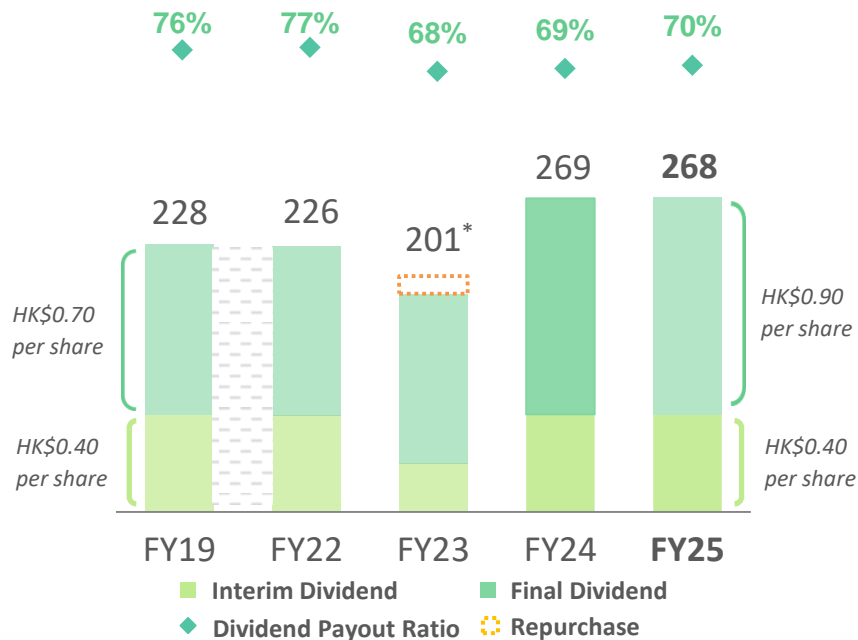


Balance Shareholder Return & Future Investments



Dividend & Repurchase

In US\$'mn



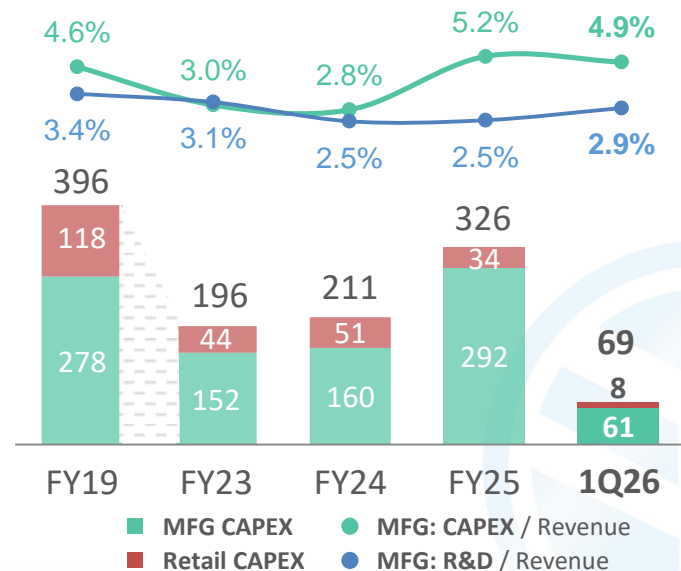
* Share repurchase program was fully executed in 2024 and the repurchased shares was cancelled

CAPEX and R&D

In US\$'mn

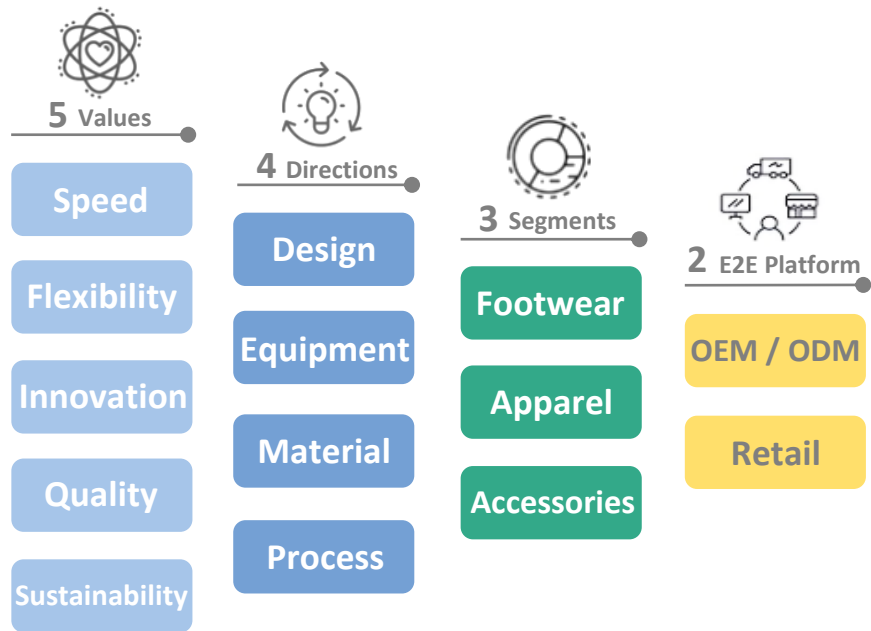


Diversification & Premium Product Innovation Reinforce **Competitive Edge**





Digital Transformation Supports Growth Strategy





Corporate Social Responsibility



Sustainable Manufacturing

Following customers' commitments to SBTi[^] to achieve the goal of reducing our emissions by **46.2% by 2030**, as compared with the base year of 2019



Compliance, Risk Control & Best Practice

Board supervision & ESG working group; following UN SDGs[#], code of conducts of WFSGI[§] & reporting data validated by SGS⁺; ESG Report: HKEx guide, **GRI, SASB, IFRS S2**



The Only FLA Accredited Footwear OEM/ODM Globally



Investing in human capital, lifting workplace standards & fair compensation, and creating safe & friendly workplace with more interaction & communication



Sustainable Material, Design & Process



Providing best-in-class and client-centric innovation for sustainable material, products and production methods

Sustainable Finance



Strengthening leading advantages in green energy applications, reducing finance costs



Top-ranking Responsible Investment Target

Continuous improvement in various ratings with stringent reporting system



[^] The Science Based Targets initiative

[#] Sustainable Development Goals


[§] World Federation of the Sporting Goods Industry

⁺ Yue Yuen's ESG data source and methodology is in line with its parent company Pou Chen Corp., whose Sustainability Report and its data is verified by SGS and other professional third-party assuring the reliability of data



Sustainable Manufacturing



GHG Emissions	Green Energy	Water Recycling	ISO 50001 (Energy Mgmt)	ISO 14001 (Environmental Mgmt)
↓9.4% Vs 2019 (✓interim target)	35% ↑8pp	57.7% ↑ 1.9pp	28% ↑ 2pp	69% ↑ 5pp
Female Management	Local Management	CBA	ISO 50001 (OHS Mgmt)	Fair Compensation
56.6% ↑ 0.4pp	86.5% ↑ 0.6pp	92.8% FY24: 94.3%	69% FY24: 69%	
Female Director	Independent Director	Local Purchase	LWG Certification	GRS Certification
20%	40%	60/49/58% Shoe Materials in VN, IN, CN	100% Strategic suppliers of natural leather	20.3% Suppliers undergo regular written evaluations

Source: Yue Yuen's 2025 ESG Report

CBA: Collective Bargaining Agreements SLCP: Social & Labor Convergence RSL: Restricted Substance List



Recognition and Achievement



CORPORATE

Yue Yuen Industrial (Holdings) <small>1st Place CEO, CFO, IR Program, ESG and Company Board Country Ranking (Hong Kong)</small> 2025 Asia Executive Team 	Yue Yuen Industrial (Holdings) <small>1st Place CEO, CFO, IR Program, ESG and Company Board Consumer Discretionary (Asia ex-Mainland China)</small> 2025 Asia Executive Team 	Yue Yuen Industrial (Holdings) <small>Most Honored Company</small> 2025 All-Asia Executive Team
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Yue Yuen landed **17** awards including '**Most Honored Company**' in the **2025 Asia (ex-Japan) Executive Team - Consumer/Discretionary • Rest of Asia & Hong Kong Region**



Yue Yuen won an unprecedented **11** awards including '**Grand ESG Award**' and '**Best IR Company**' in the **HKIRA 11th Investor Relations Awards 2025 (mid-cap category)**

ESG



FTSE ESG Score
3.1 (out of 5)
 (Updated in Dec 2025)



CDP Climate Change: B
CDP Water Security: B
 (Updated in Jan 2026)

S&P Global



2025 S&P Global ESG Score
45 (out of 100)
 CSA score ahead of **77%**
 Textiles, Apparel & Luxury
 Goods companies

Included in **2025 Sustainability Yearbook (China Edition)**

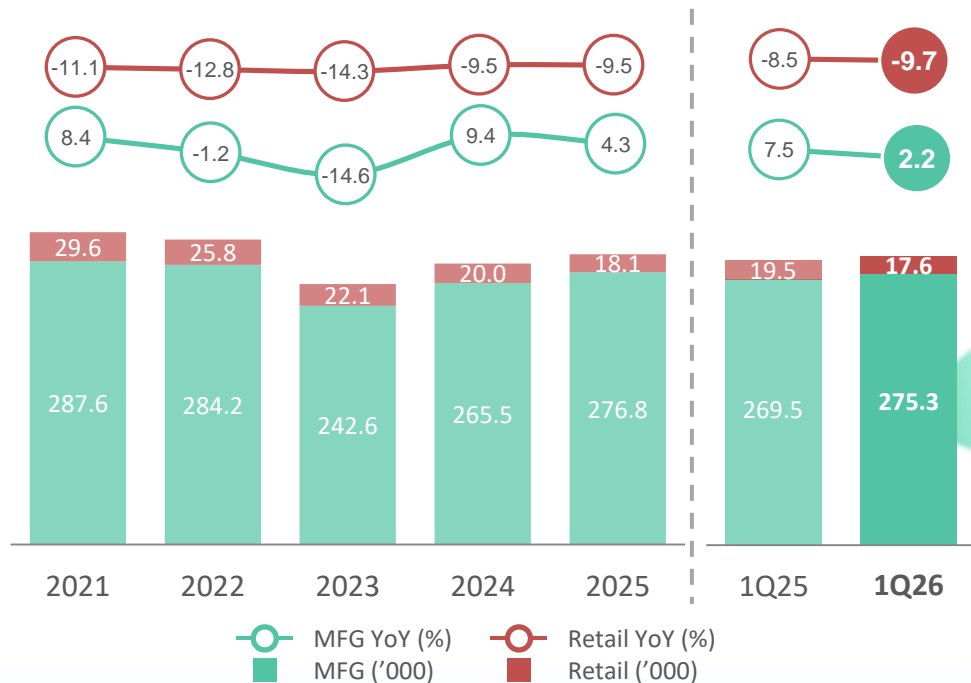


Manpower Structure



No. of Employees

1Q26: 292,900
1Q25: 289,000 ▲ 1.3%



As at 31 Dec 2025 MFG Manpower Distribution – by Region (%)



Source: Yue Yuen's 2025 ESG Report



02 Group Operation Highlights





YY Challenges & Strategies Highlights



Business Review

- YY continues to prioritize responsiveness as its core guiding principle, thereby better balancing demand with its order pipeline and labor, while strengthening cost control, stabilizing raw material supply and on-time material delivery
- Brand customers have adopted a more cautious approach to ordering, while it has constrained earlier order pull-ins and complicated order scheduling, resulting in ST volatility in order demand. This, coupled with seasonal misalignments challenges, has resulted in severe production bottlenecks. Despite proactively coordinating order pacing to mitigate the related impact, production leveling across its MFG facilities remained highly uneven, driving up unit costs
- 1Q26 MFG headcount ↑ 2.2% YoY and rising wages across multiple regions, further driving up labor cost

Flexibility & Agility

Solid Financial Position

Digital Transf. & Smart Mfg



① Change of Product Mix Drives ASP Expansion

- 1Q26 ASP ↑ 2.4% YoY to US\$ 20.52 per pair
- 1Q26 shoe volume ↓ 8.1% YoY to 56.9mn pairs

② Production Leveling Remained Highly Uneven → ST Pressure on Production Efficiency

- 1Q26 Utilization rate was 90%, ↓ 1pp YoY
- Order pipeline exhibited high volatility across months and factories, leading to a mismatch between production capacity and orders

③ Strong Financial Management

- Solid cash: 31 Mar 2026 Group cash position reached US\$ 926.8mn

④ Smart Manufacturing & Long-term Capacity Strategy

- SAP ERP system & OCP fully implemented, utilizing DRS and AI agent to accomplish intelligent automation, achieving manufacturing excellence
- LT investment in diversified manufacturing capacity aligning with brands' strategy. Orderly ramp-up of its manufacturing facility in Central Java, Indonesia and steady progress on the construction of its new factory in India

Strategies



Key Financial Highlights for 1Q 2026



Group

Revenue
US\$ **1,985.4** mn
-2.2%

GP Margin
21.7%
-1.2pp

Profit Attrib. to Owners
US\$ **35.2** mn
-53.6%

MFG

Revenue
US\$ **1,255.4** mn
-5.5%

GP Margin
14.8%
-2.9pp

EBITDA
US\$ **79.0** mn
-37.2%

Retail

Revenue
RMB **5,051** mn
-1.1%

GP Margin
33.6%
+0.9pp

Profit Attrib. to Owners
RMB **183** mn
+32.5%



YoY Revenue by Category



Total Revenue

1Q26: US\$ 1,985.4 mn
1Q25: US\$ 2,029.5 mn
▼ 2.2%



Athletic / Outdoor Shoes



Casual Shoes
& Sport Sandals



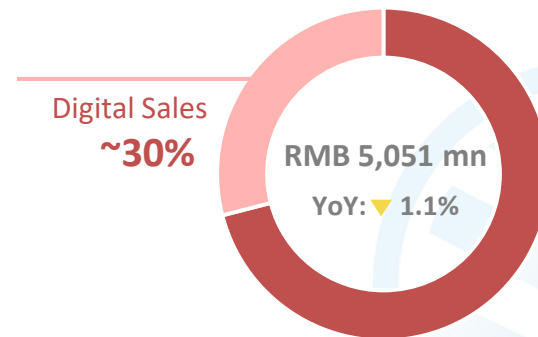
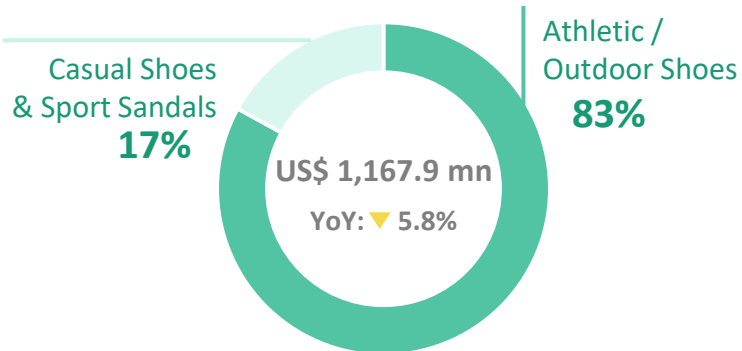
Soles, Components
& Others



Pou Sheng^



(US\$'mn)
1Q26 1Q25



* Pou Sheng sales in 1Q26 decreased by 1.1% YoY in RMB terms

^ Sales of the Group's retail subsidiary in Greater China region, including shoes, apparel, commissions from concessionaire sales and others



1Q26 Manufacturing Revenue by Destination



MFG Revenue

1Q26: US\$ 1,255.4 mn
1Q25: US\$ 1,328.3 mn



5.5%

Europe

27.1%

1Q25: 26.9%

YoY: -4.9%#

US

29.1%

1Q25: 28.9%

YoY: -4.8%#

Mainland China

13.0%

1Q25: 14.8%

YoY: -17.2%#

Others*

30.8%

1Q25: 29.4%

YoY: -0.8%#

YoY changes in revenue amount

* Others include Rest of Asia, South America, Canada, Australia and Other Area



Shoe Volume by Region

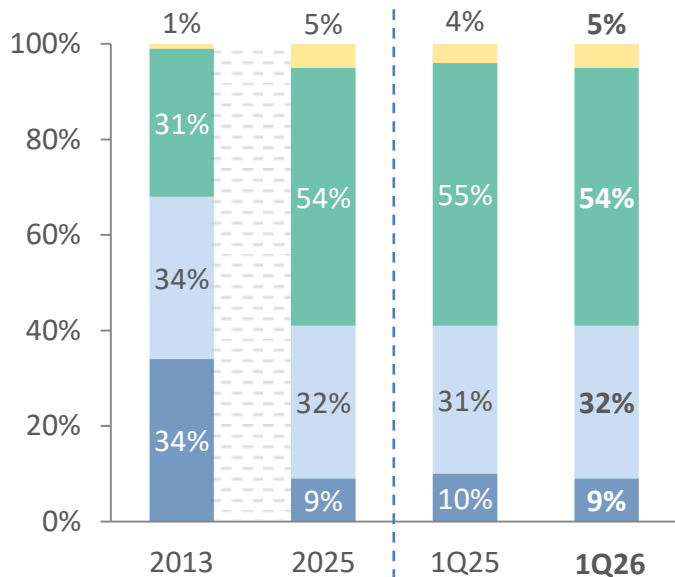


Shoe Volume

1Q26: 56.9 mn pairs
1Q25: 61.9 mn pairs



8.1%#



12.3%#



10.1%#



3.2%#



20.0%#

Others*

Indonesia

Vietnam

Mainland
China



asics

CONVERSE

DECATHLON

MERRELL



SALOMON

Wilson



ARC'TERYX

Timberland

YoY changes in volume (pairs)

* Others include Bangladesh, Cambodia, Myanmar, etc.

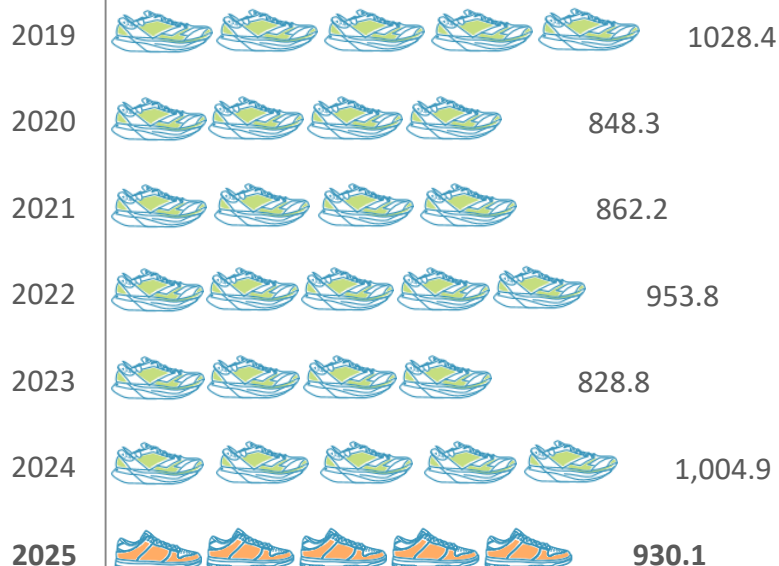


Manufacturing Operation Efficiency Indicator



Productivity

(pair per person)



**FY25 Profit per person & Profit per pair
vs FY19 ↑95% & ↑115% respectively**



Remark: used average No. of MFG Headcount for all calculations.
Average headcount during the period = (starting headcount + ending headcount)/2



YY Group Financial Highlights



(US\$'000)	1Q 2026	1Q 2025	YoY
Revenue	1,985,359	2,029,464	-2.2%
Gross Profit	431,774	464,338	-7.0%
<i>Gross Profit Margin</i>	21.7%	22.9%	-1.2pp
Operating Profit	68,350	108,789	-37.2%
<i>Operating Profit Margin</i>	3.4%	5.4%	-2.0pp
Profit Attrib. to Owners	35,179	75,758	-53.6%
<i>Profit Attrib. to Owners Margin</i>	1.8%	3.7%	-1.9pp
- Non-recurring Profit Attrib. to Owners	(2,559)	(507)	+404.7%
- Recurring Profit Attrib. to Owners	37,738	76,265	-50.5%

Source: Company accounts

Please refer to Yue Yuen's announcement on the HKEX website for the unaudited consolidated income statements of 1Q2026 & 1Q2025

For more details, please refer to Appendix



YY Group Financial Ratios



(US\$'mn)	1Q 2026	1Q 2025	YoY
Depreciation & Amortization [^]	92.5	88.9	+4.0%
EBITDA	154.9	192.3	-19.4%
Capital Expenditure	68.9	75.7	-9.0%
Product Development	36.6	35.1	+4.3%
Total Borrowings*	1,011.1	921.6	+9.7%
Net Borrowings/ (Net Cash)*	84.3	(5.7)	N/A
Total Borrowings to Equity [#]	19.6%	18.4%	+1.2pp
Net Borrowings to Equity [#]	1.6%	Net Cash	N/A
Quick Ratio (X)	1.2 X	1.3 X	--
Current Ratio (X)	2.0 X	2.1 X	--
Total/ Net Borrowings* to EBITDA (X) <i>annualized</i>	1.6 X / 0.1 X	1.2 X / Net Cash	--
Interest Coverage Ratio (X)	6.2 X	9.3 X	--

As of
31 Mar

Source: Company accounts (figures rounded)

[^] Depreciation on rights-of-use assets ("ROUA") was US\$ 24.8mn and US\$ 26.3mn in 1Q26 and 1Q25 respectively

* Total Borrowings and Net Borrowings/ Net Cash exclude lease liabilities. Lease liabilities was US\$ 195.6mn as at 31 Mar 2026

[#] Total Debt to Equity and Net Debt to Equity (including lease liabilities) would be 23.3% and 5.4% as at 31 Mar 2026 respectively



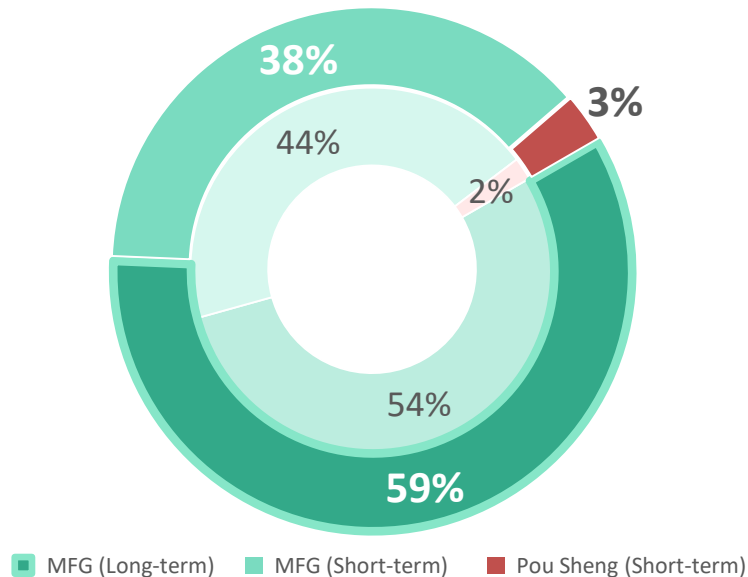
Enhanced Capital Structure & Finance Cost Analysis



Borrowings

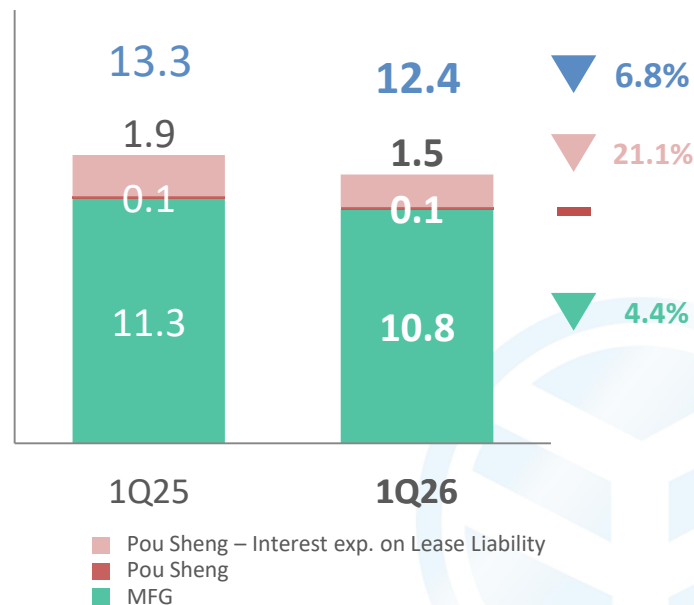
1Q26: US\$ 1,011.1 mn
1Q25: US\$ 921.6 mn ▲ 9.7%

1Q26 vs. 1Q25
Bank Borrowings Composition



Finance Cost

In US\$'mn

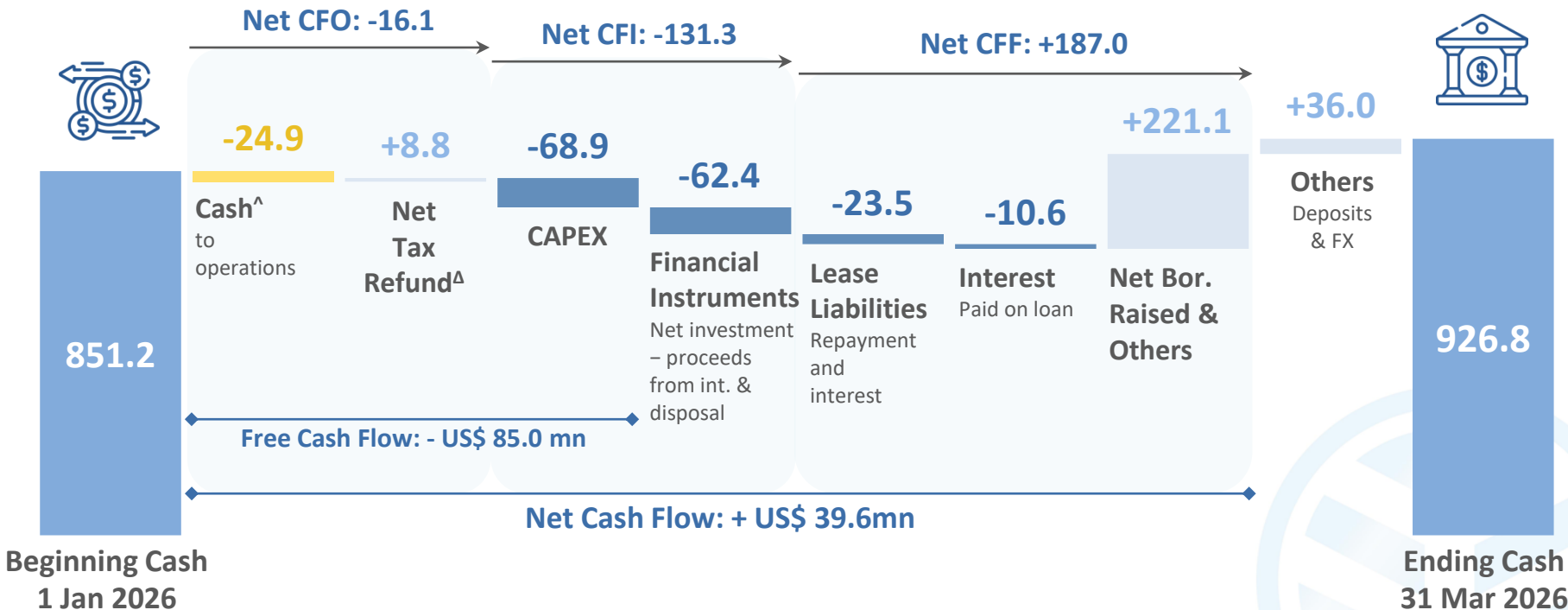




YY Group Sources and Uses of Fund – 1Q26



(US\$'mn)



^Δ Q1 OCF typically underperforms due to seasonal factors (1Q25: -US\$ 49.8mn)

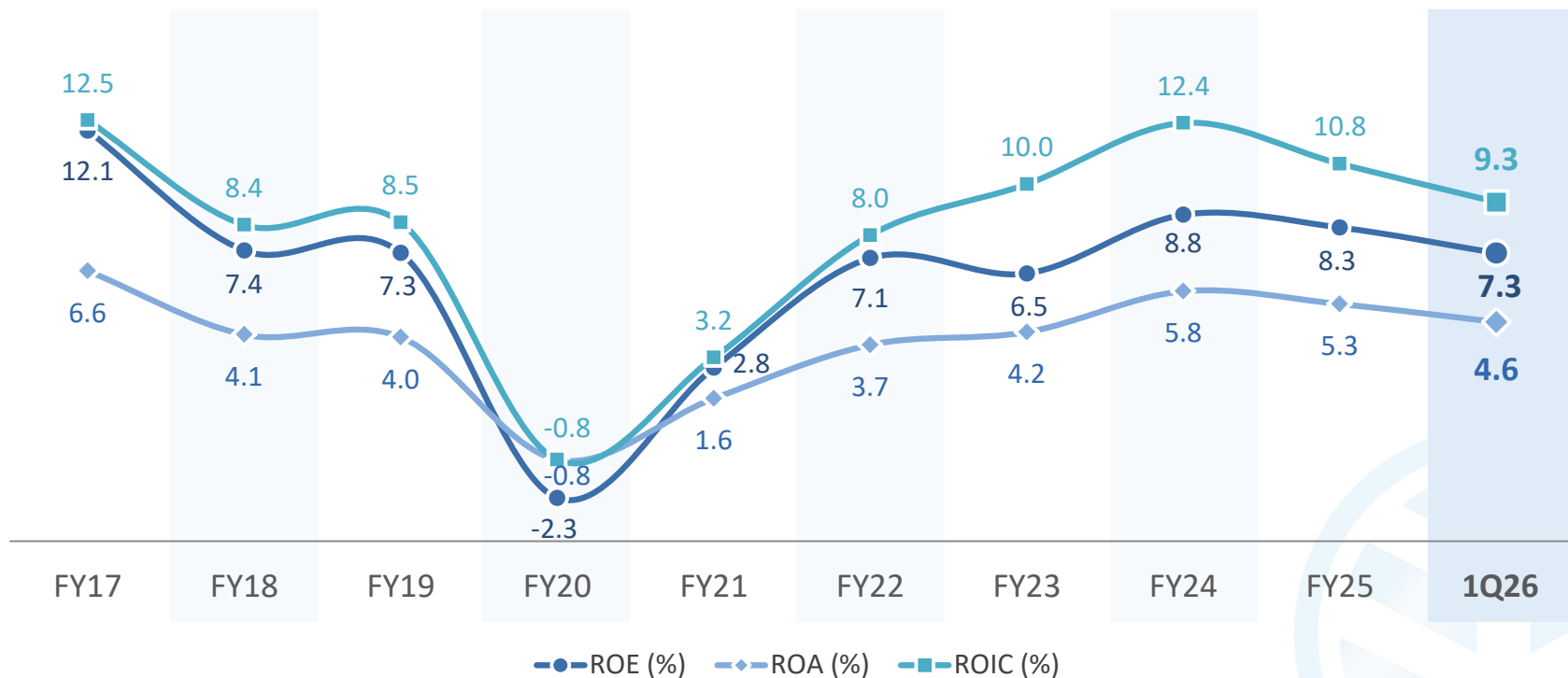
^Δ Refund of Tax Disputes of US\$ 20.4mn – current period tax paid of US\$ 11.6mn

Net CFO: Net cash from/(used in) Operating Activities

Net CFI: Net cash from/(used in) Investing Activities Net CFF: Net cash from/(used in) Financing Activities



YY Group ROE, ROA & ROIC Trend



Remark: ROE = Profit (Loss) attributable to owners of the company / (Total Equity - Minority Interests); 1Q data is on LTM basis

ROA = Net Profit (Loss) / Total Asset; 1Q data is on LTM basis

ROIC = Operating Profit * (1-tax rate) / (PPE + Intangible Assets + Inventories + Receivables - Payables); 1Q data is on LTM basis

A green robotic arm with a blue eye-like sensor is positioned on the left side of the slide, holding the top-left corner of the central title box.

03 Manufacturing Business

*Note: The figures in the following slides cover the core **manufacturing operations** of the consolidated entity of Yue Yuen Group, and are for analytical purposes only (prepared using the Company management accounts).*

Decorative circuit-like lines in a light green color are scattered at the bottom of the slide, extending from the left and right edges towards the center.

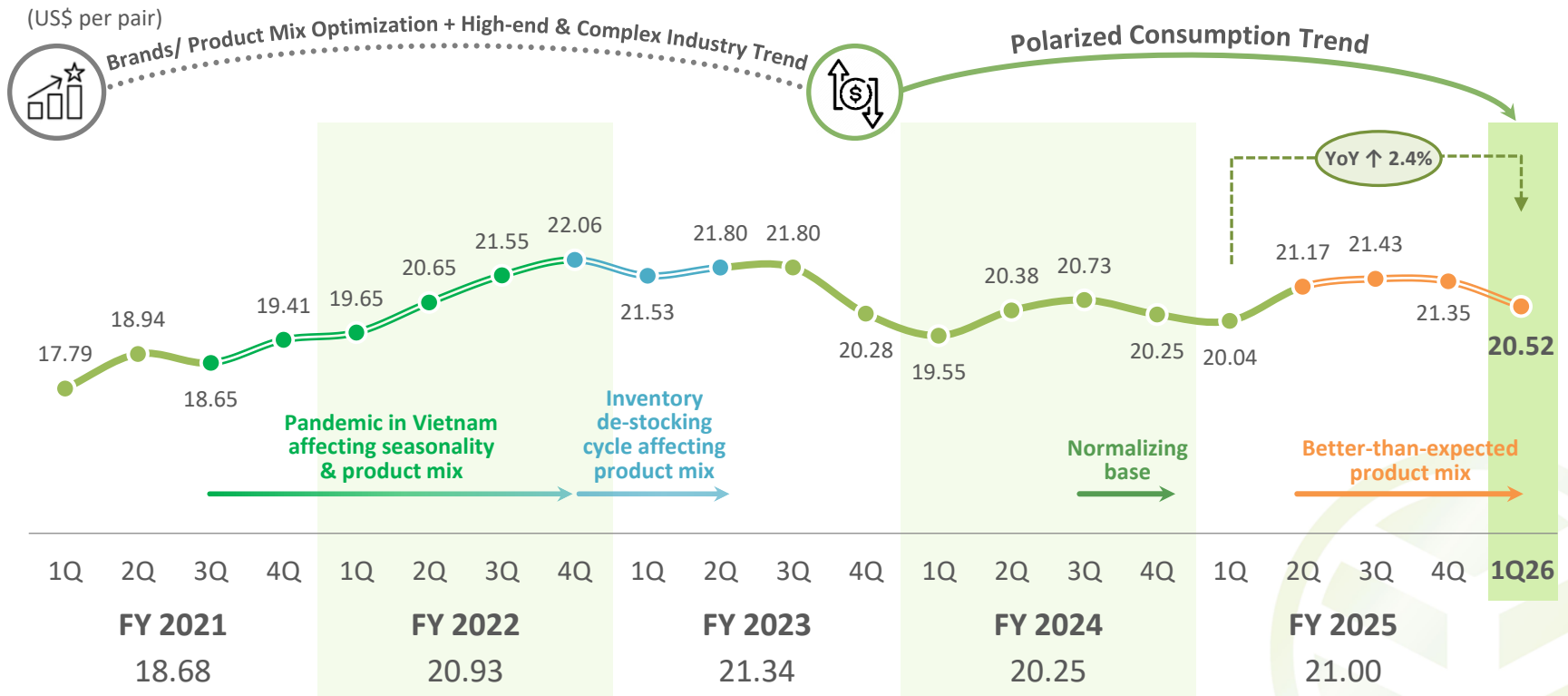


Manufacturing Financial Highlights

(US\$'000)	1Q 2026	1Q 2025	YoY
Revenue	1,255,423	1,328,259	-5.5%
Gross Profit	186,265	234,747	-20.7%
<i>Gross Profit Margin</i>	14.8%	17.7%	-2.9pp
Operating Profit	24,513	75,824	-67.7%
<i>Operating Profit Margin</i>	2.0%	5.7%	-3.7pp
Profit Attrib. to Owners	18,609	63,875	-70.9%
<i>Profit Attrib. to Owners Margin</i>	1.5%	4.8%	-3.3pp



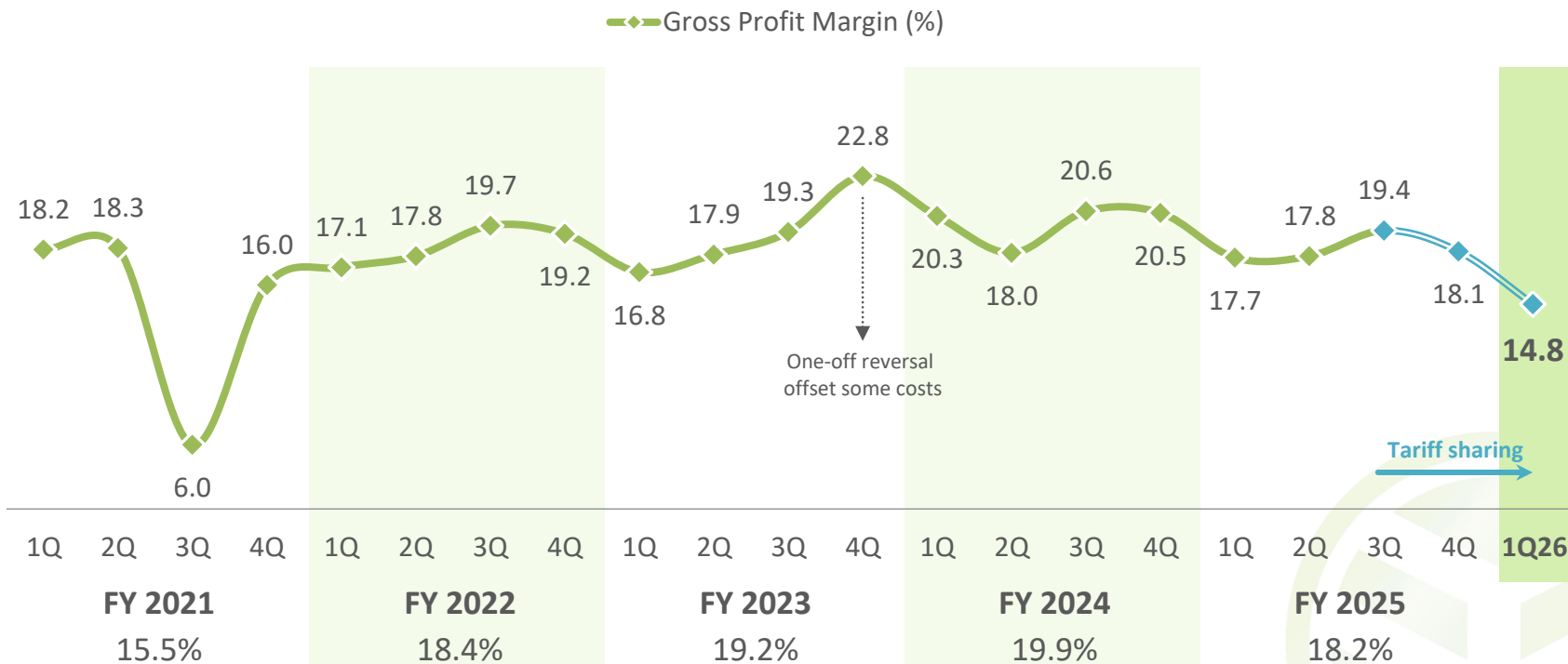
Manufacturing – Optimization Strategies & Industry Trends Drive ASP* Changes



* Orders are on free on board (FOB) basis, which do not cover expenses related to freight, insurance, customs duty and others after shipped on board



Manufacturing – GP Margin Trend





Manufacturing – OP Margin Trend

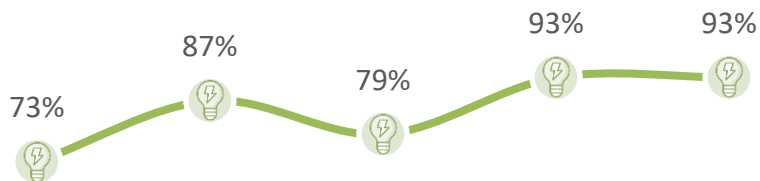




Manufacturing – Utilization & COGS Analysis



Utilization Rate



GPM

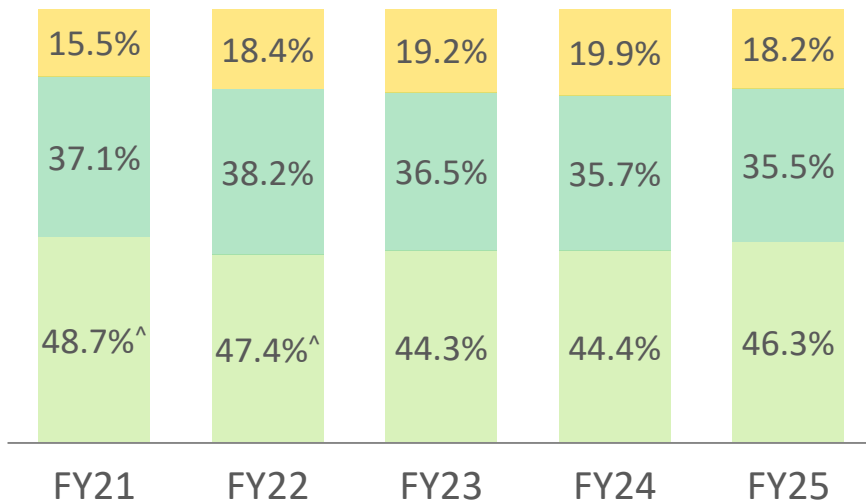


Material



Labor & Overhead

(% of Revenue)



91%



90%



Revenue
-5%
YoY



20.7%

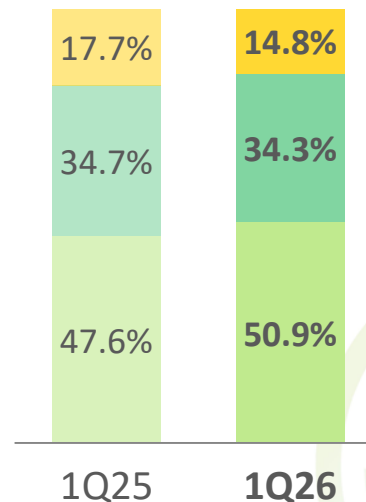


6.7%



1.0%

Amount (YoY)



[^] Idle capacity expense in Labor & Overhead ratio: 2.4% out of 47.4% in FY21, 0.9% out of 48.7% in FY20

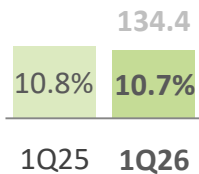
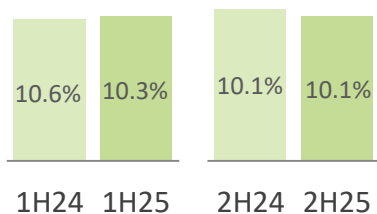


Enhanced SG&A Expense and Other Expenses

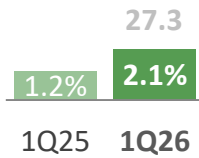
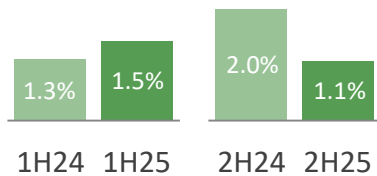
SG&A and Net Other Expenses

Amount (US\$'mn) & % of Revenue

■ SG&A Expense



■ Net Other Expenses



+0.1pp

- **MFG & Shoe Revenue**

MFG Revenue

1Q26: ↓ 5.5% YoY

Shoe Revenue

1Q26: ↓ 5.8% YoY

- **Operational Efficiency ↑**

1Q26 SG&A %: ↓ 1.0pp YoY

Stringent control and efficiency enhancement offset operating deleverage in 1Q26

-0.9pp

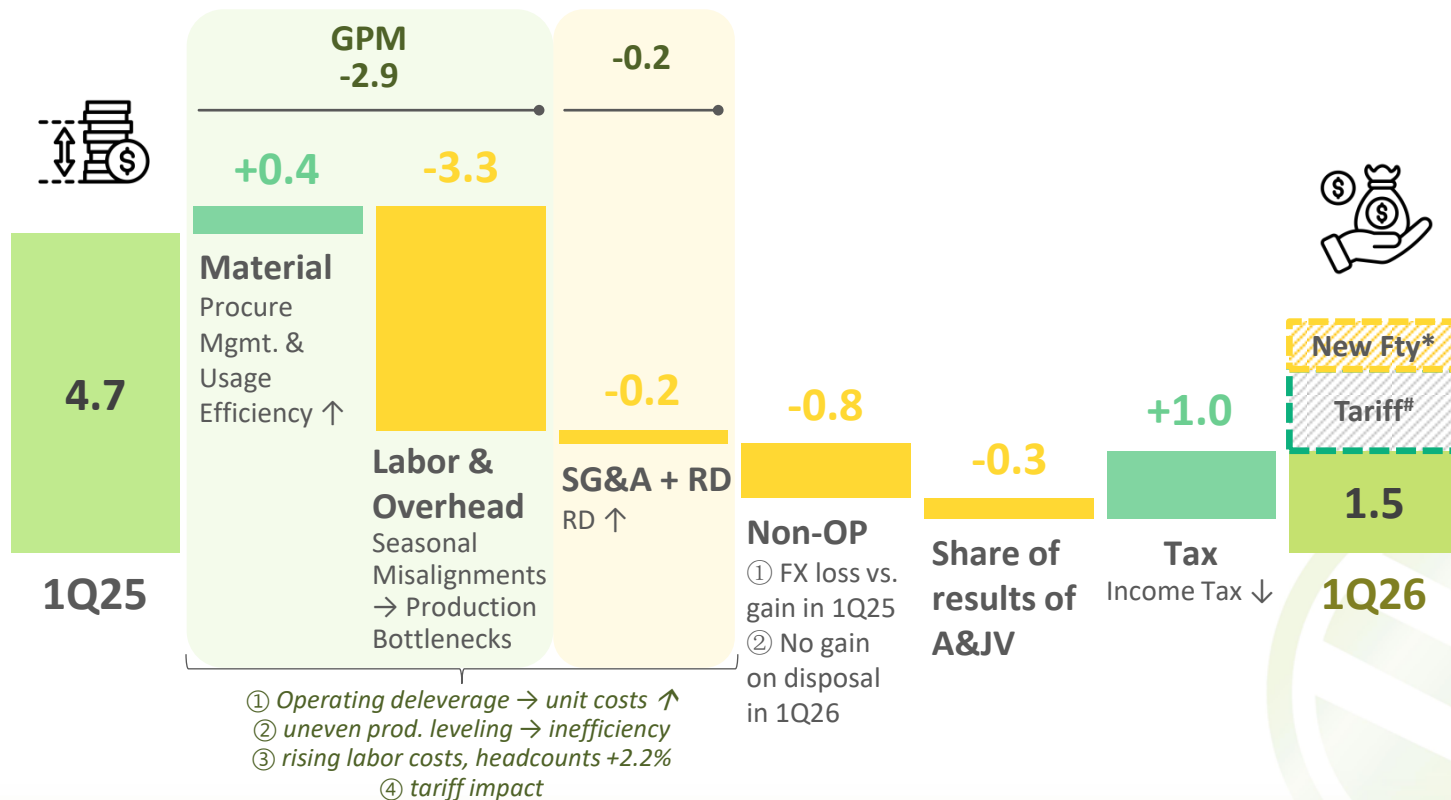


- **FX loss vs. FX gain in 1Q25**
- **RD expenditure ↑ 5.4% (-0.2pp)**



Manufacturing – Net Profit Margin (YoY)

(%)



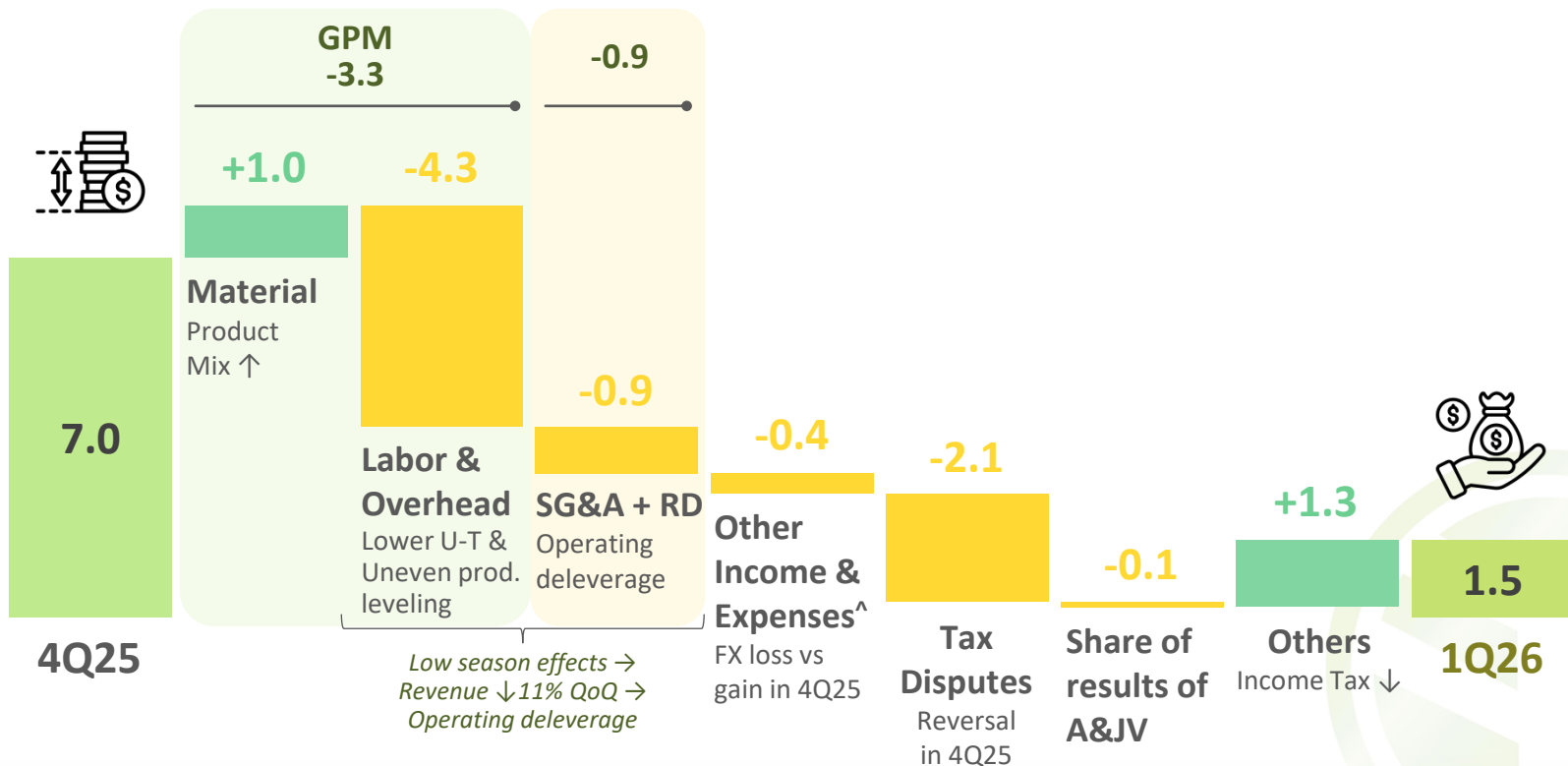
* Indicating if new factories ramp-up impact does not exist

Indicating if no tariff impact were recorded



Manufacturing – Net Profit Margin (QoQ)

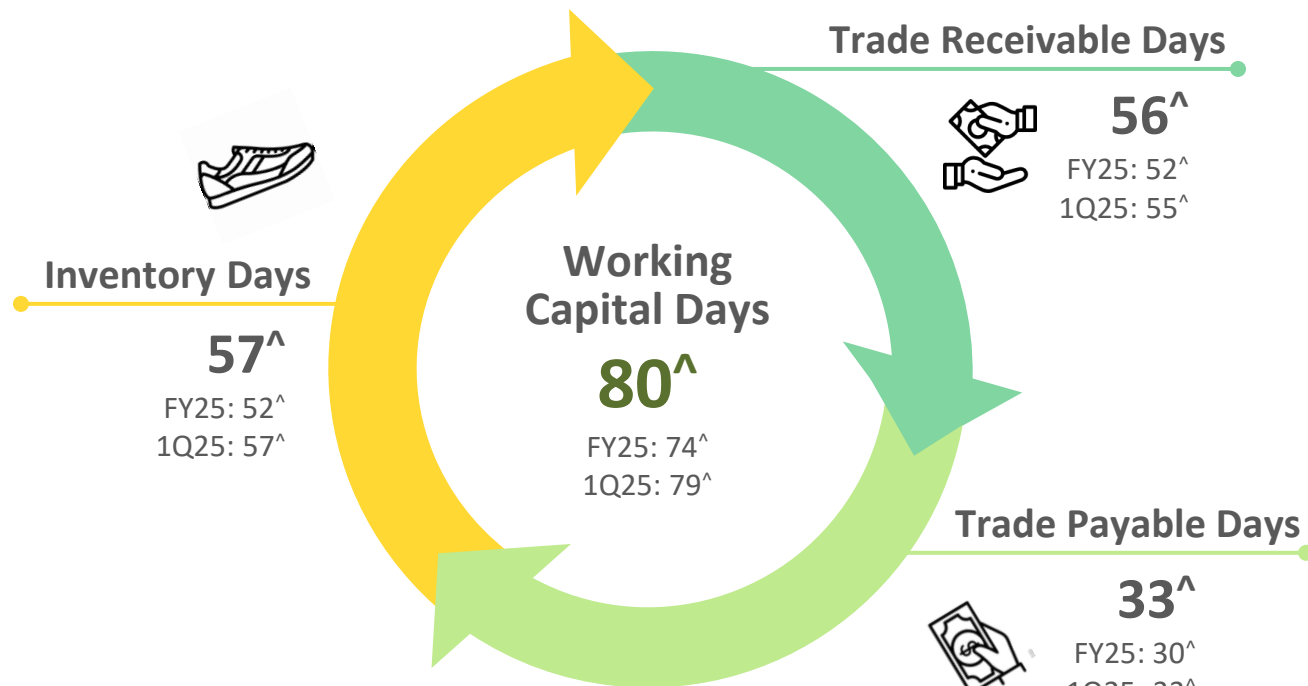
(%)



[^] Excluding R&D Expense

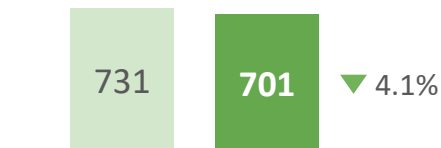


Manufacturing Operation Efficiency – 1Q26



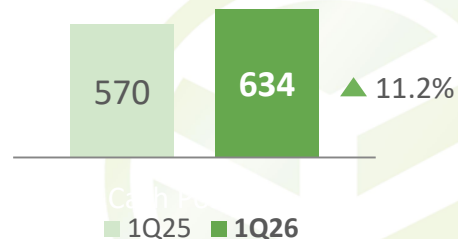
Inventory Level

In US\$'mn



Cash Position

In US\$'mn



[^] Used an average of Inventory, TR and TP for the calculations: (starting balance + ending balance)/2



Manufacturing – Financial Ratios

As of
31 Mar

(US\$'mn)	1Q 2026	1Q 2025	YoY
Depreciation & Amortization	59.0	53.9	+9.5%
EBITDA	79.0	125.7	-37.2%
Capital Expenditure	60.9	67.5	-9.8%
Total Borrowings*	982.1	902.5	+8.8%
Net Borrowings*	347.9	332.6	+4.6%
Total Borrowings to Equity[#]	23.8%	22.3%	+1.5pp
Net Borrowings to Equity[#]	8.4%	8.2%	+0.2pp
Total Borrowings* to EBITDA (X) <i>annualized</i>	3.1 X	1.8 X	--
Net Borrowings* to EBITDA (X) <i>annualized</i>	1.1 X	0.7 X	--
Return on Owner's Equity <i>LTM</i>	7.7%	8.2%	--
Return on Asset <i>LTM</i>	5.2%	5.6%	--

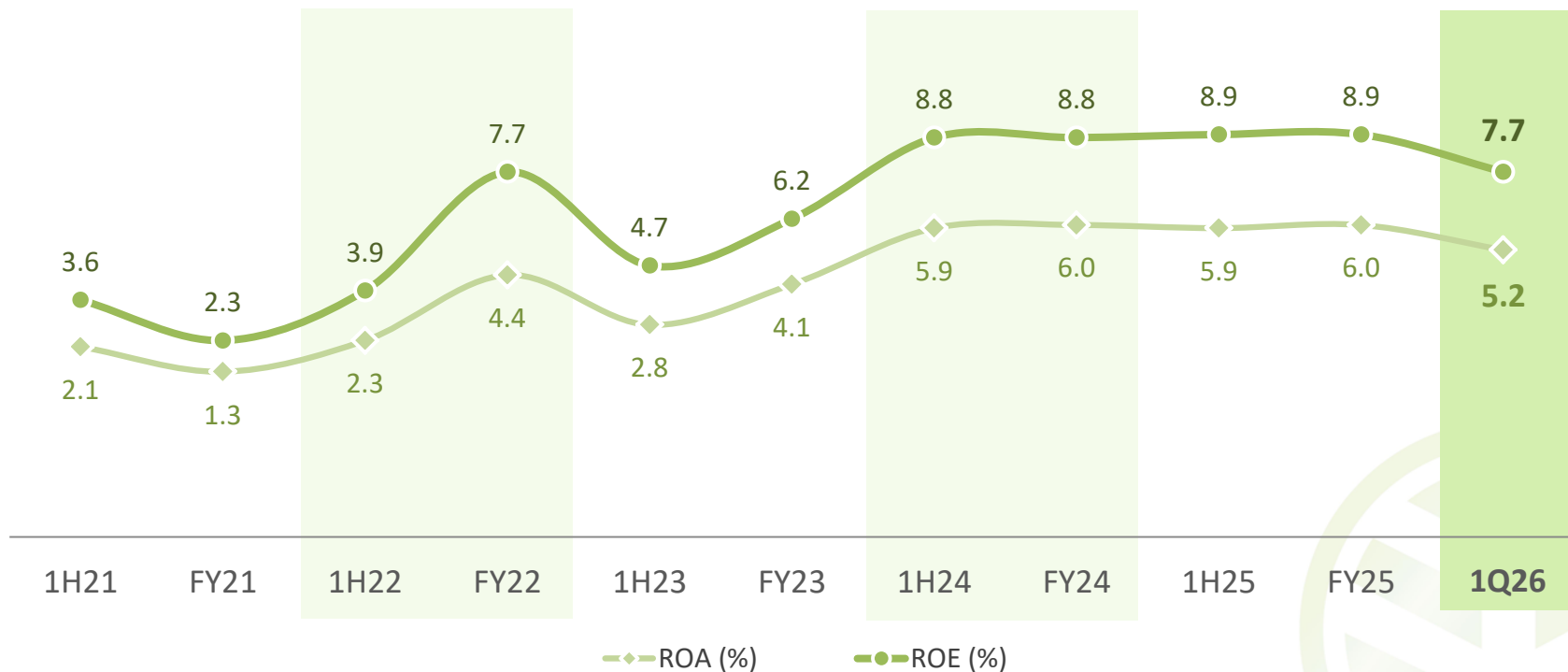
Source: Company management accounts (figures rounded)

* Total Borrowings and Net Borrowings exclude lease liabilities. Lease liabilities was US\$ 22.0mn as at 31 Mar 2026

[#] Total Debt to Equity and Net Debt to Equity (including lease liabilities) would be 24.3% and 8.9% as at 31 Mar 2026 respectively



Manufacturing – ROE & ROA Trend



Remark: ROE = Profit (Loss) attributable to owners of the company / (Total Equity - Minority Interests); half year & 1Q data is on LTM basis

ROA = Net Profit (Loss) / Total Asset; half year & 1Q data is on LTM basis



04 Retail Business – Pou Sheng

*Note: The figures in the following slides are based on **Pou Sheng**'s management accounts and announcements, and Pou Sheng adopts RMB as its reporting currency*



MAKE SPORTS YOUR LIFE

—— 让运动融入
你的生活 ——





Pou Sheng Strategy & Operating Highlights

Discount* improved **LSD% YoY**

Aging Inventory **<9%** of Total

Discount* &
Inventory Mix



Traffic decline **narrowed** significantly

Conversions **improved**

SSSG **turned positive**

Traffic &
Conversion Rate



UPT & ATV **stable**

Avg. monthly sales per m²
& Avg. sales per door **improved**

Operation Matrix



Sales Structure



Full-price Stores & Direct Retail
Contribution **↑**

Profitability
Enhancement



GP Margin **↑ 0.9pp YoY**

OP Margin **↑ 1.3pp YoY**

Solid Financial
Management



Cash Position RMB **~2.0bn**



Driving
Online Returns



Strengthening
Content E-commerce



Riding the wave of
Instant Retail



Exploring
Vertical Segments



Building
One-stop Service



Organizational Structure
Optimization

* Offline direct retail discounts

SSSG: Same Store Sales Growth GFA: Gross Floor Area UPT: Units per Transaction ATV: Average Transaction Value



Pou Sheng Financial Highlights (in RMB)



	1Q 2026		1Q 2025		YoY	
	RMB'mn	%	RMB'mn	%	%	pp
Revenue	5,051	100.0	5,107	100.0	-1.1	--
Cost of Sales	(3,352)	-66.4	(3,435)	-67.3	-2.4	0.9
Gross Profit	1,699	33.6	1,672	32.7	1.6	0.9
SG&A	(1,438)	-28.5	(1,505)	-29.5	-4.4	1.0
Other Income & Expenses, net	33	0.7	64	1.3	-48.4	-0.6
Operating Profit	294	5.8	231	4.5	27.4	1.3
Finance Cost*, net	(1)	-0.0	(5)	-0.1	-80.0	0.1
Other Gains & Losses	0	0.0	--	--	N/A	N/A
Income Tax	(102)	-2.0	(77)	-1.5	32.5	-0.5
Profit for the Period	191	3.8	149	2.9	28.5	0.9
Profit Attrib. to Owners of PS	183	3.6	138	2.7	32.5	0.9

Source: Based on Pou Sheng's announcement on the HKEX website

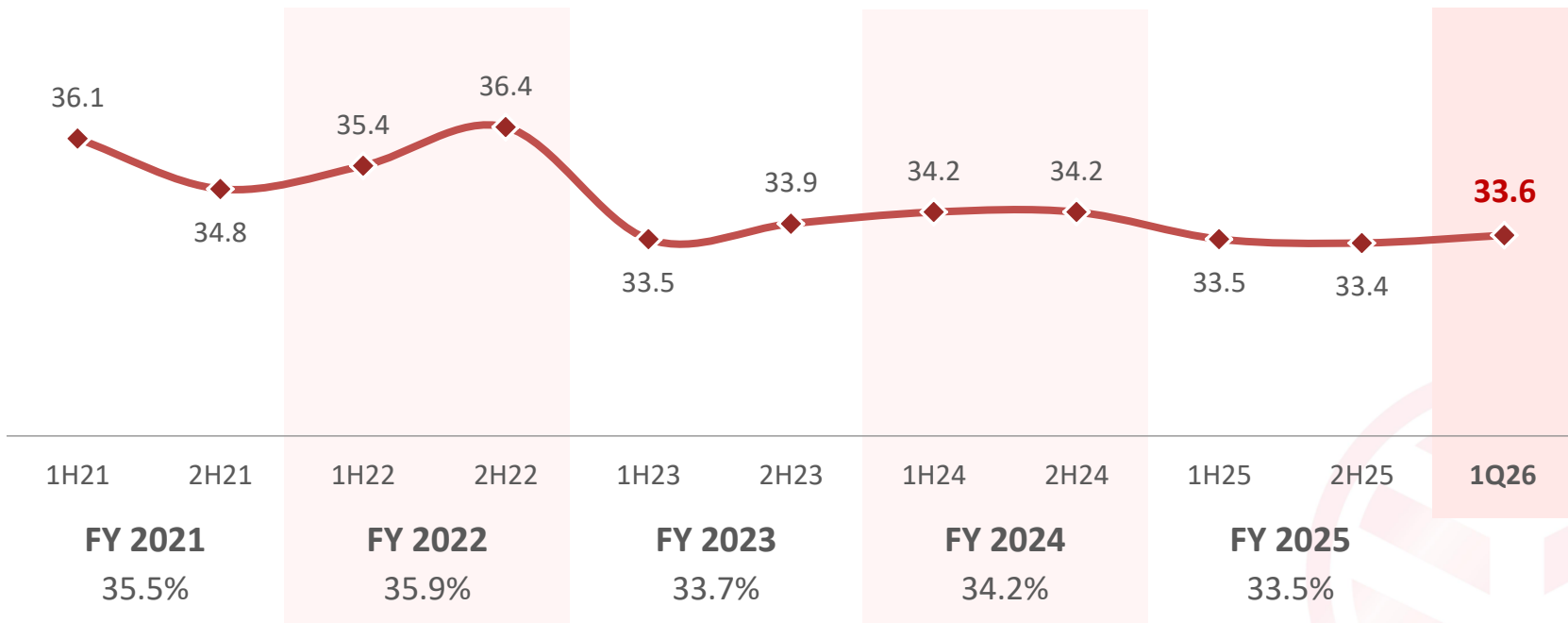
* Including interest expenses on lease liabilities which amounted to RMB 10.5mn (1Q25: RMB 14.1mn).

Loan interest in 1Q26 increased by 1.8% YoY to RMB 0.6mn while net finance income (finance income - loan interest) was RMB 9.1mn in 1Q26 (1Q25: RMB 8.9mn)



Pou Sheng GP Margin Trend

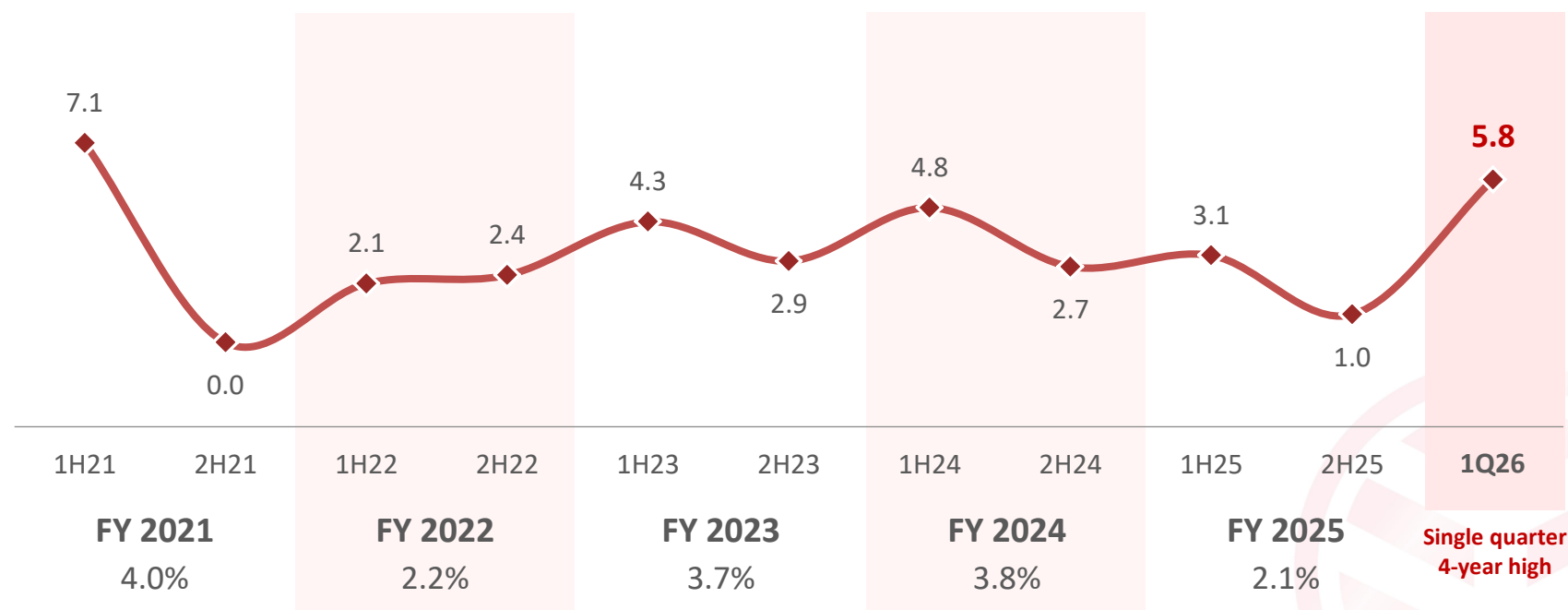
◆ Gross Profit Margin (%)





Pou Sheng OP Margin Trend

◆ Operating Profit Margin (%)



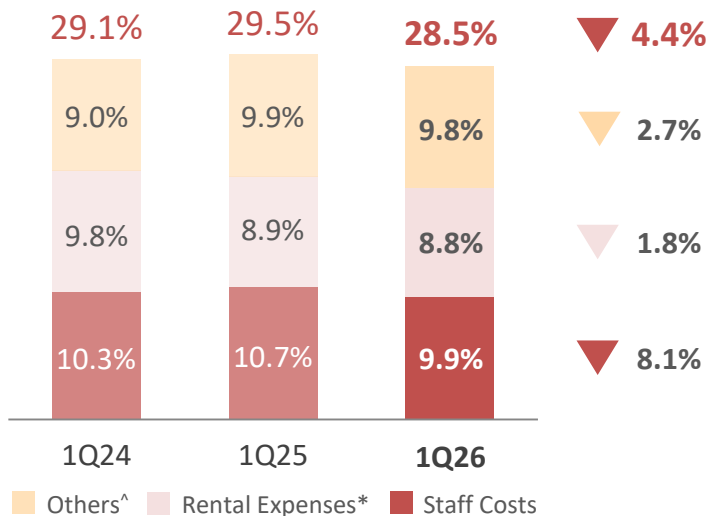


Pou Sheng SG&A Expenses Breakdown

SG&A Ratio

% of Revenue

Amount (YoY)



Strategically Manage Retail Network, Optimize Rental Expenses

- Holistic approach in channel planning to avoid low-efficiency store opening & closing
- Number of direct operated stores ↓ 6.8% YoY
- Facilitate rental saving & reduction programme

Rational Expenses Control to counter Operating Deleverage

Active Management on People Efficiency

- Lean Management: Pou Sheng's no. of employees ↓ 10% YoY from 19,500 to 17,600

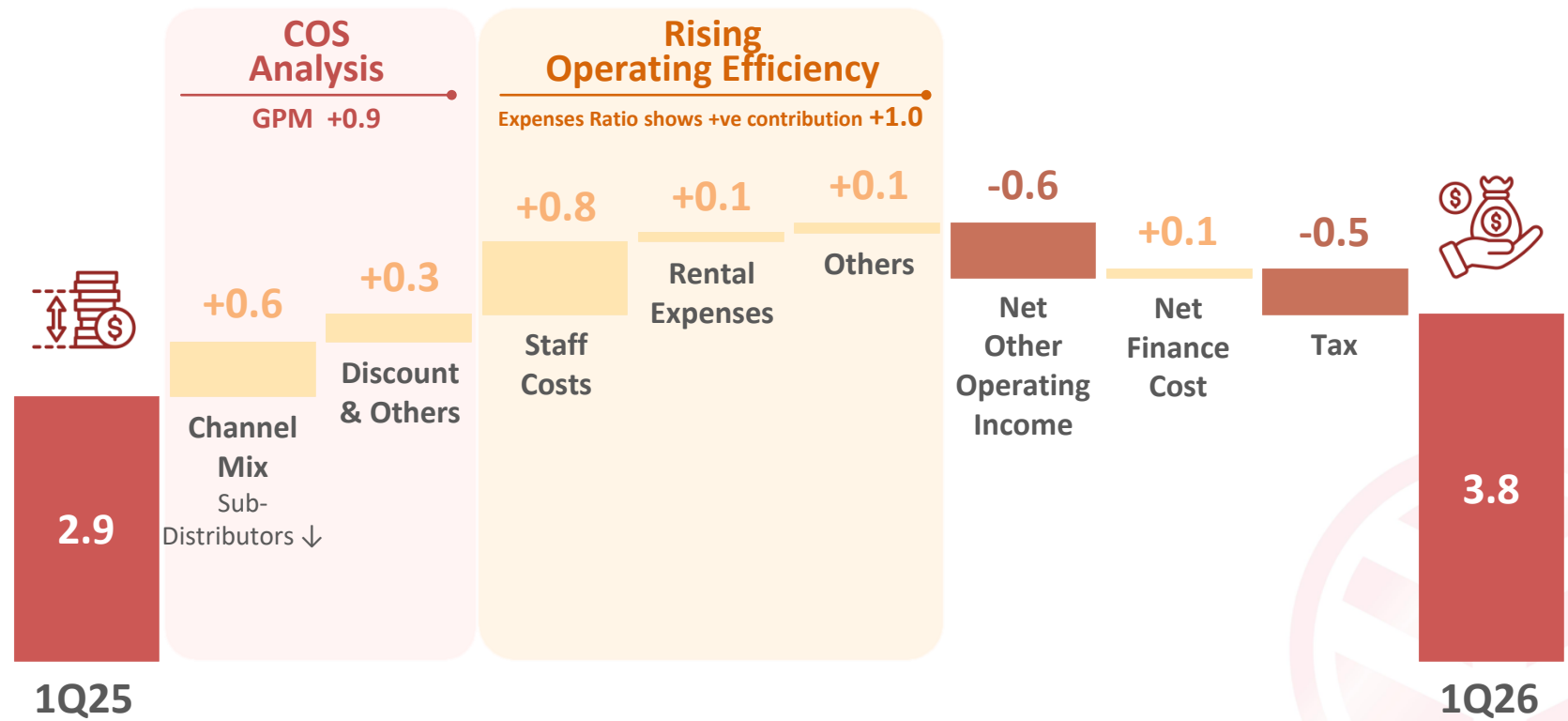
[^] Others include shopping mall expenses, logistic expenses, depreciation of PPE and amortization, etc.

^{*} Rental Expenses include expense of operating leases, concession expenses and depreciation of right-of-use assets



Pou Sheng – Net Profit Margin

(%)

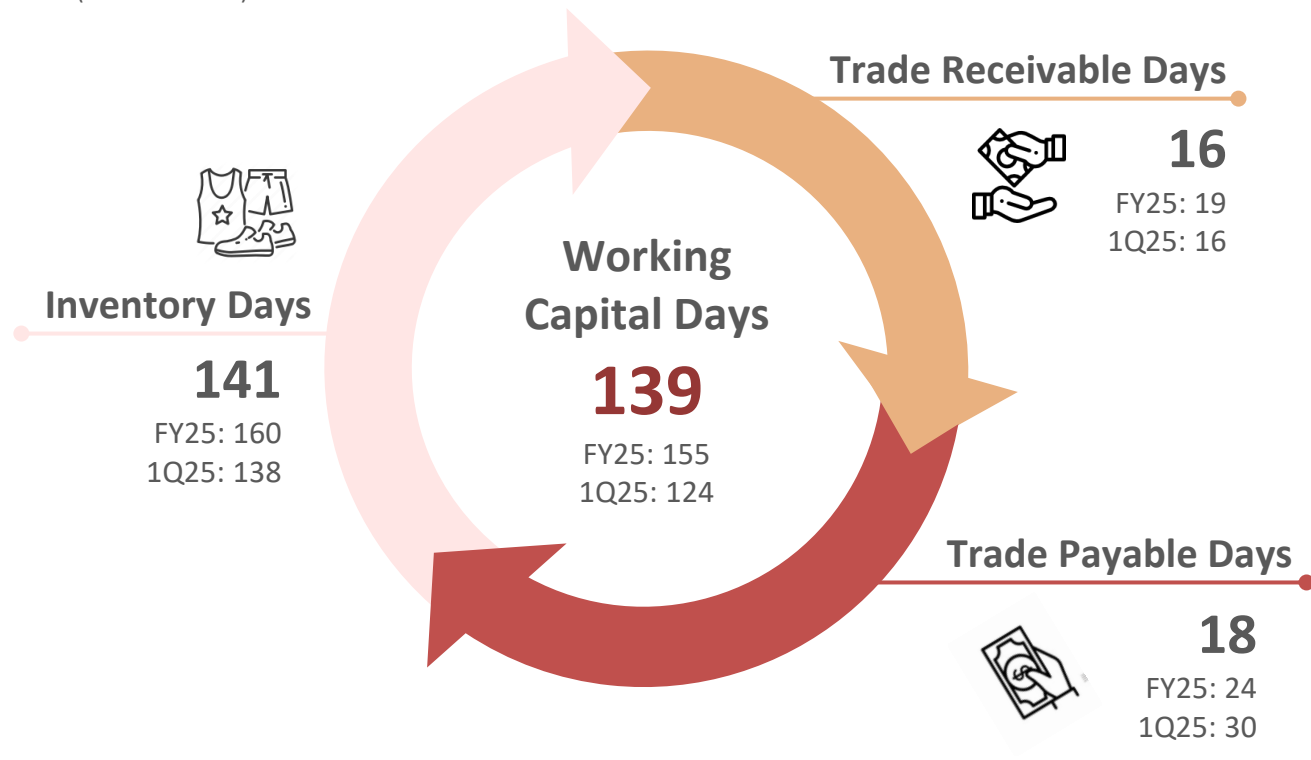




Pou Sheng Operation Efficiency – 1Q26



(Based on RMB)



Inventory Level

In RMB'mn

5,558

5,462

▼ 1.7%

Working Capital

In RMB'mn

5,016

5,442

▲ 8.5%

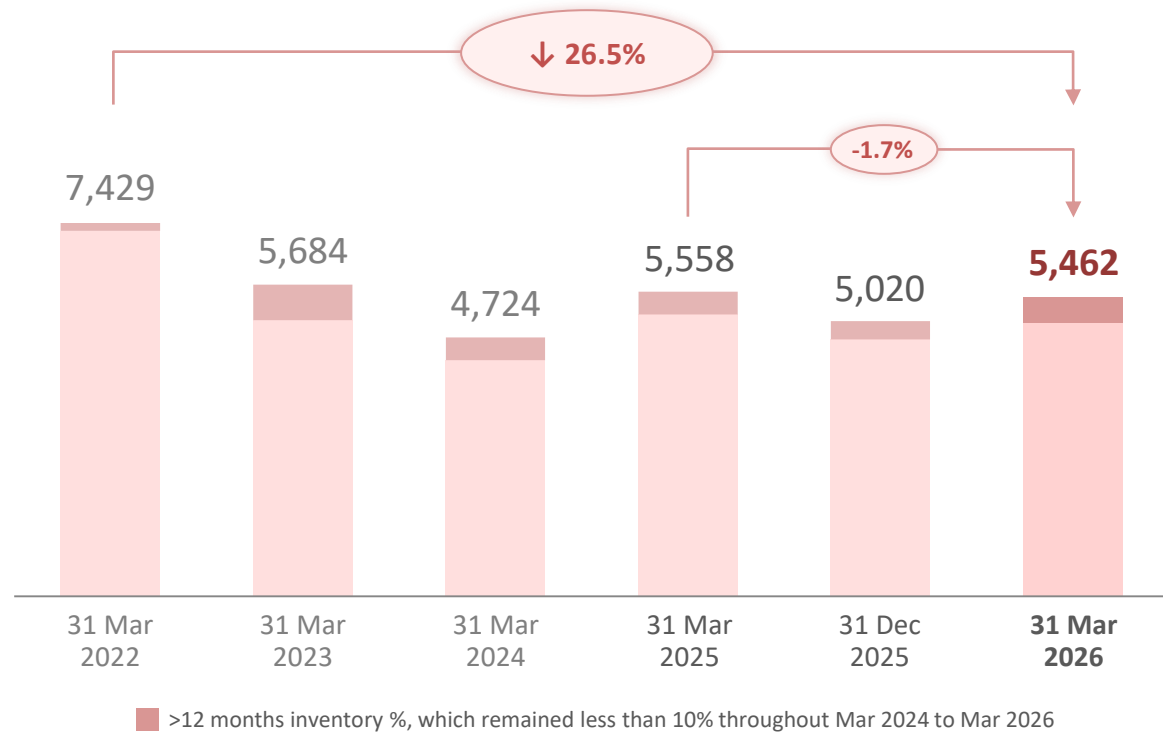
1Q25 1Q26

Used an average of Inventory, TR and TP for the calculations of turnover days: $(\text{starting balance} + \text{ending balance})/2$



Healthy Aging & Well-Managed Inventory

(RMB'mn)





Pou Sheng Financial Ratios (in RMB)



(RMB'mn)	1Q 2026	1Q 2025	YoY
Depreciation of PPE & Amortization	76.0	80.2	-5.2%
Depreciation of ROUA	155.5	174.4	-10.8%
EBITDA	535.3	494.7	+8.2%
EBITDA minus Depreciation of ROUA	379.8	320.3	+18.6%
Capital Expenditure	54.9	60.2	-8.8%
Total Borrowings*	200.0	138.9	+44.0%
Net Cash*	1,815.1	2,459.1	-26.2%
Total Borrowings to Equity [#]	2.2%	1.5%	+0.7pp
Net Borrowings to Equity [#]	Net Cash	Net Cash	--
Return on Owner's Equity <i>LTM</i>	2.9%	5.1%	--
Return on Asset <i>LTM</i>	2.1%	3.5%	--

As of
31 Mar

Source: Internal analysis report (figures rounded)

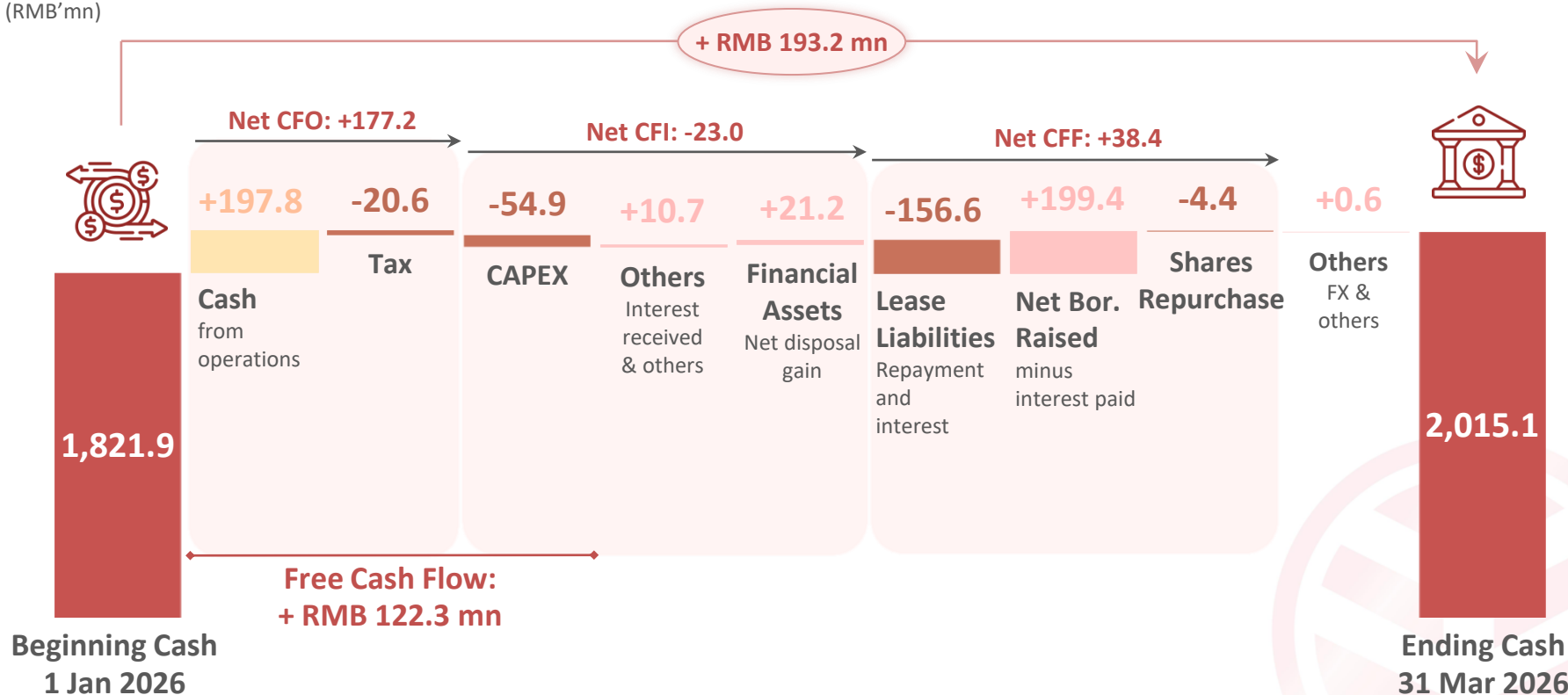
* Total Borrowings and Net Cash exclude lease liabilities. Lease liabilities was RMB 1,195.4mn and 1,376.9mn as at 31 Mar 2026 and 2025 respectively

[#] Total Debt to Equity and Net Debt to Equity (including lease liabilities) would be 15.4% (1Q25: 16.8%) and Net Cash (1Q25: Net Cash) as at 31 Mar 2026 respectively



Pou Sheng Sources and Uses of Fund – 1Q26

(RMB'mn)



Net CFO: Net cash from/(used in) Operating Activities

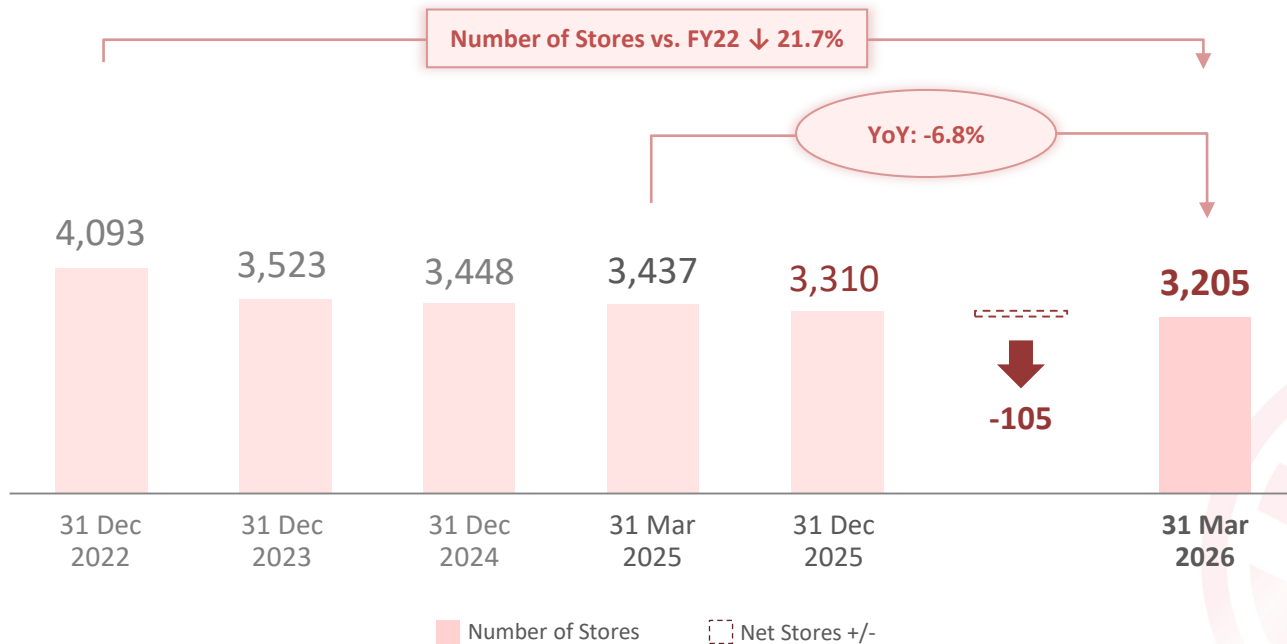
Net CFI: Net cash from/(used in) Investing Activities Net CFF: Net cash from/(used in) Financing Activities



Right-Sizing B&M Network



Directly Operated Stores





Customized Pan-WeChat Ecosphere



- Y Establishing solid relationship with consumer through comprehensive platforms, enhancing Sales conversion rate, Full-price in-season sales and Repeat purchases



YYsports & membership program*



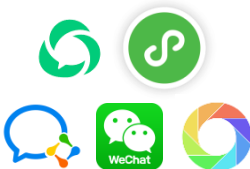
Shopping Mall
Membership Platforms

03

02

Douyin
Livestreaming

- Y Localized operations by upgrading regional and store level accounts with inventory fully integrated
- Y Authorized YYsports Douyin accounts with selected brand partners



WeChat Stores

01

- Y Regional operation with multi-faceted approach and multi-brands by designated KOS

Pan-WeChat
Ecosphere



Seamless digital
interface by
designated KOS

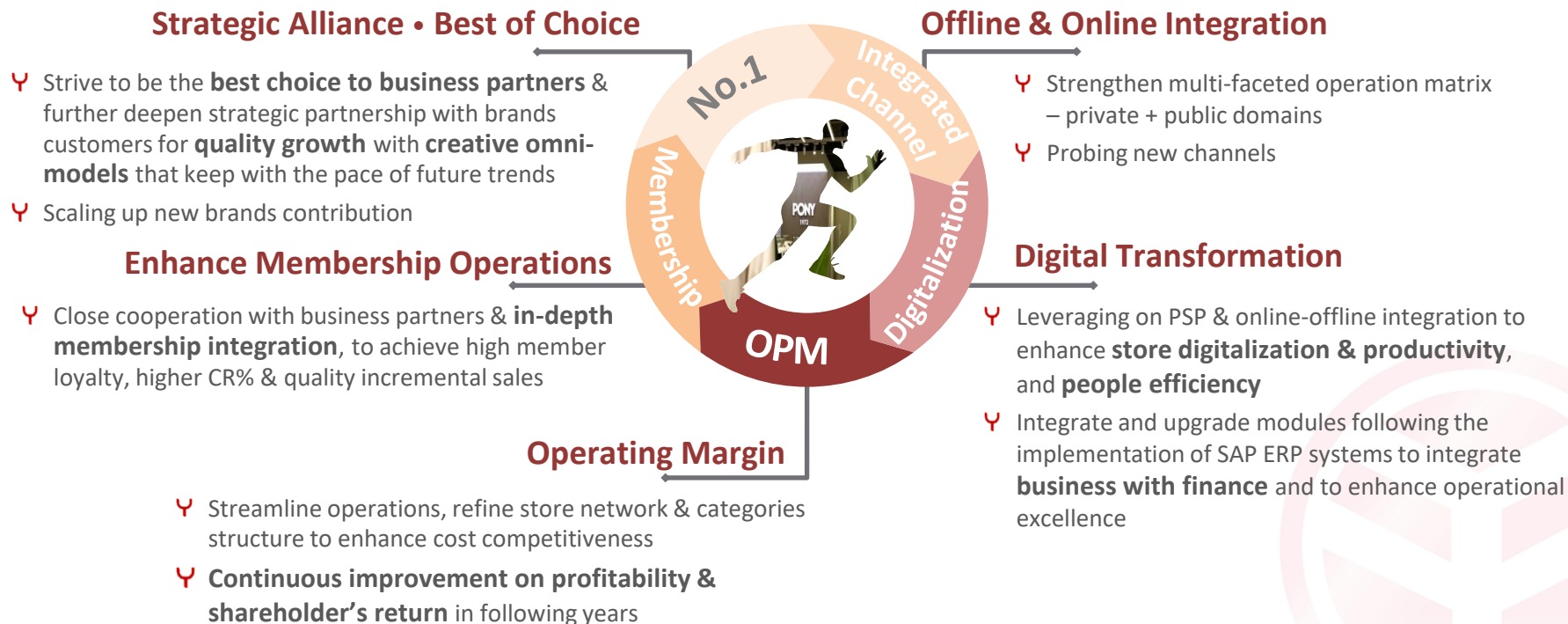
* ~67.1m YYsports members (as of 31 Mar 2026)



Critical Missions in 3 Years

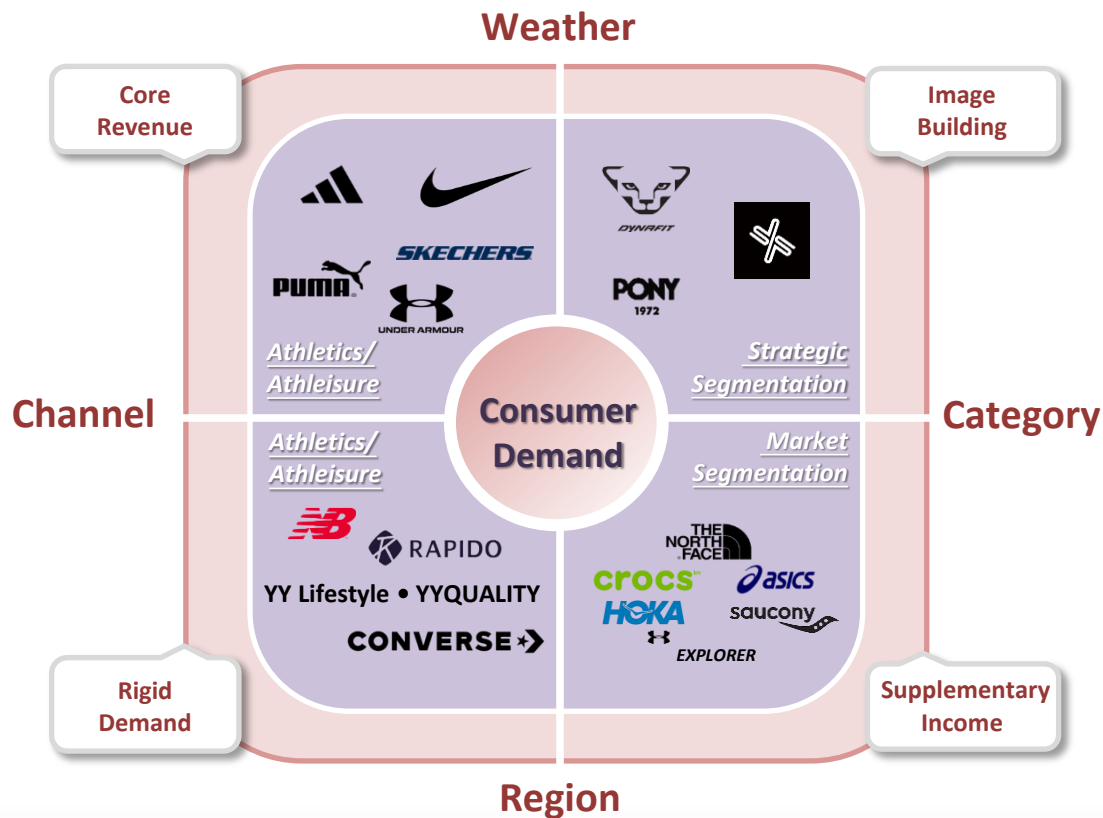


“Creating Value-added Services & Quality Experiences to Customers”





Growth by Multi-faceted Brand Strategy Matrix



胜道仓
YYQUALITY
仓储式购物体验



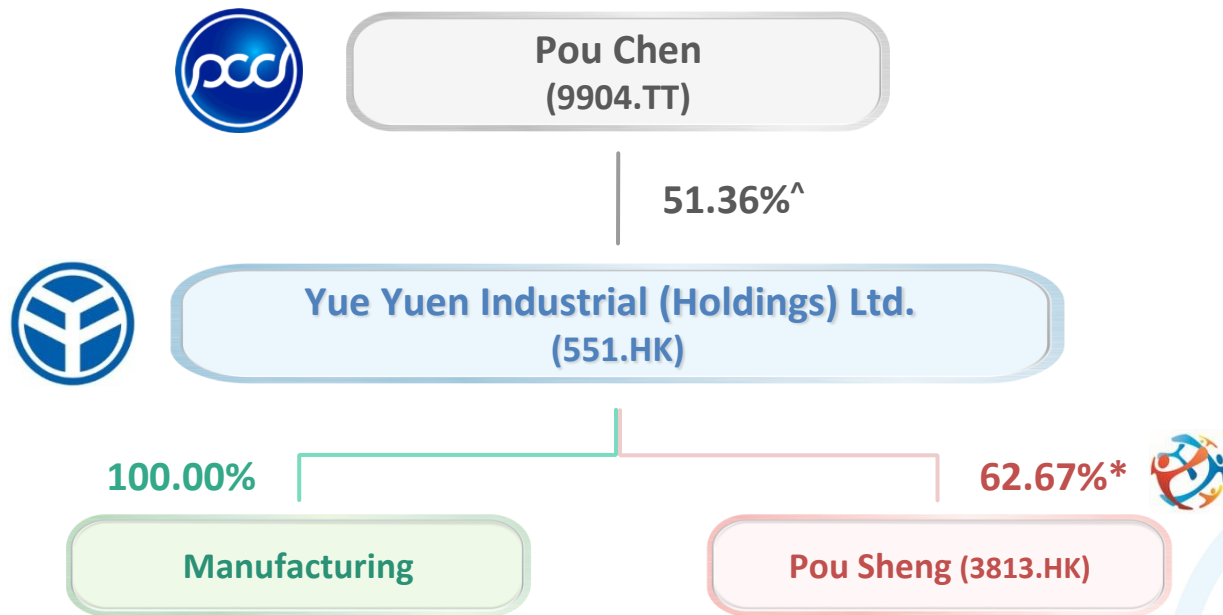


05 Appendix





Shareholding Structure



As at 31 Mar 2026

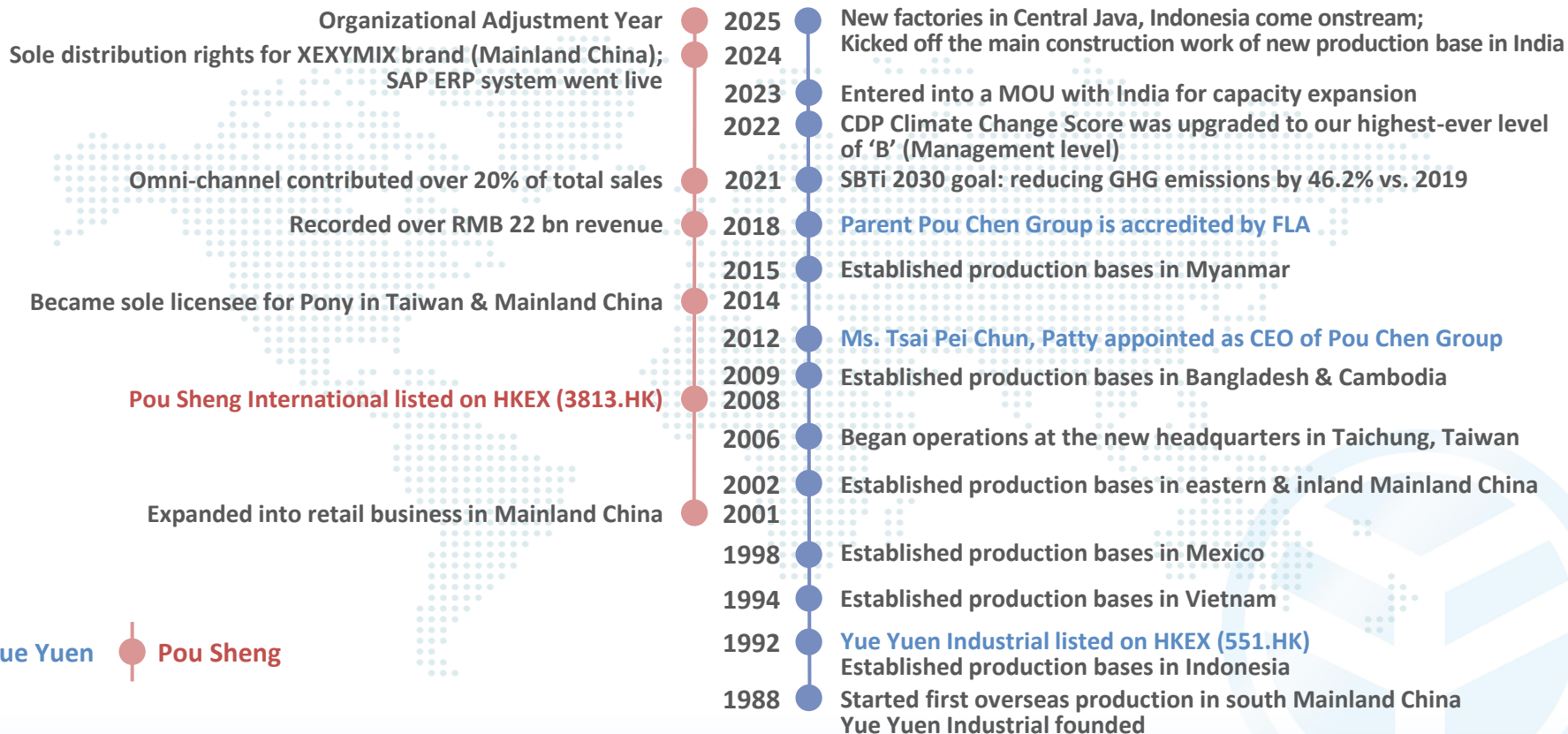
[^] Total number of issued shares of Yue Yuen is 1,604,556,486 shares

^{*} On 24 Mar 2026, Pou Sheng cancelled a total of 10,665,000 shares that had been repurchased within 1Q26.

After the cancellation, total number of issued shares of Pou Sheng is 5,315,514,615 shares, while Yue Yuen's shareholding in Pou Sheng increased from 62.55% to 62.67%



Company Milestones





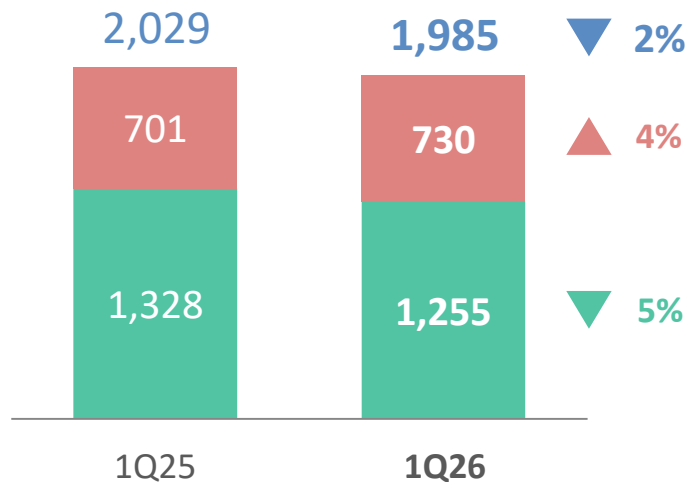
Revenue & Profit Attributable to Owners



Revenue

In US\$'mn

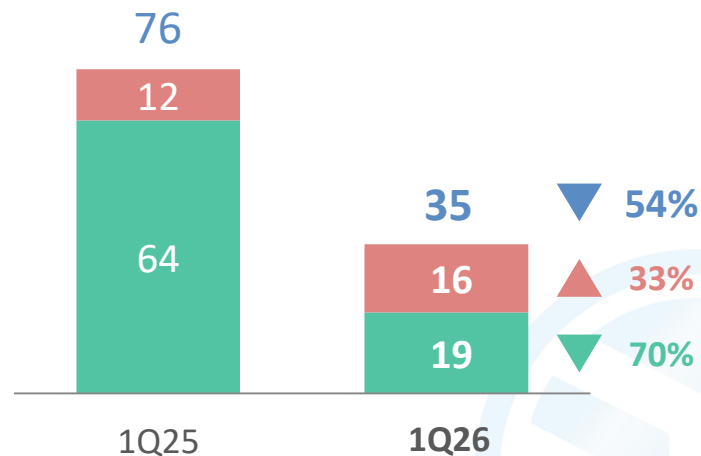
● Pou Sheng
● MFG



Profit Attrib. to Owners

In US\$'mn

● Pou Sheng
● MFG



⚠ The above figures of Pou Sheng exclude profit attributable to “Non-YY” shareholders (i.e. Minority interests: 37.3%)



YY Group Financial Highlights – 1Q26



	1Q 2026		1Q 2025		YoY
	US\$'000	%	US\$'000	%	%
Revenue	1,985,359	100.0	2,029,464	100.0	-2.2
Cost of Sales	(1,553,585)	-78.3	(1,565,126)	-77.1	-0.7
Gross Profit	431,774	21.7	464,338	22.9	-7.0
SG&A	(340,466)	-17.1	(348,032)	-17.1	-2.2
Other Income & Expenses, net	(22,958)	-1.2	(7,517)	-0.4	+205.4
Operating Profit	68,350	3.4	108,789	5.4	-37.2
Finance Cost [^]	(12,430)	-0.6	(13,291)	-0.7	-6.5
Share of Results of A&JV	11,334	0.5	15,791	0.7	-28.2
Other Gains & Losses	(2,531)	-0.1	(507)	-0.0	+399.2
Income Tax	(18,561)	-0.9	(27,303)	-1.3	-32.0
Profit for the Period	46,162	2.3	83,479	4.1	-44.7
Profit Attrib. to Owners	35,179	1.8	75,758	3.7	-53.6

[^] Finance cost in 1Q26 decreased by 4.8% YoY if excludes interest expenses on lease liabilities which amounted to USD 1.8mn (1Q25: USD 2.1mn)
Please refer to Yue Yuen's announcement on the HKEX website for the unaudited consolidated income statements of 1Q2026 & 1Q2025



YY Group Financial Highlights – FY25



	FY 2025		FY 2024		YoY
	US\$'000	%	US\$'000	%	%
Revenue	8,031,354	100.0	8,182,161	100.0	-1.8
Cost of Sales	(6,203,550)	-77.2	(6,189,451)	-75.6	+0.2
Gross Profit	1,827,804	22.8	1,992,710	24.4	-8.3
SG&A	(1,342,756)	-16.7	(1,391,558)	-17.0	-3.5
Other Income & Expenses, net	(49,161)	-0.7	(54,714)	-0.7	-10.1
Operating Profit	435,887	5.4	546,438	6.7	-20.2
Finance Cost [^]	(53,166)	-0.7	(63,339)	-0.8	-16.1
Share of Results of A&JV	69,893	0.9	78,433	1.0	-10.9
Other Gains & Losses	13,211	0.2	10,565	0.1	+25.0
Income Tax	(70,429)	-0.9	(147,444)	-1.8	-52.2
Profit for the Period	395,396	4.9	424,653	5.2	-6.9
Profit Attrib. to Owners	381,082	4.7	392,415	4.8	-2.9

[^] Finance cost in FY25 decreased by 32.2% YoY if excludes interest expenses on lease liabilities which amounted to USD 8.3mn (FY24: USD 9.9mn)
Please refer to Yue Yuen's announcement on the HKEX website for the audited consolidated income statements of FY2025 & FY2024



Manufacturing Financial Highlights – 1Q26

	1Q 2026		1Q 2025		YoY
	US\$'000	%	US\$'000	%	%
Revenue	1,255,423	100.0	1,328,259	100.0	-5.5
Cost of Sales	(1,069,158)	-85.2	(1,093,512)	-82.3	-2.2
Gross Profit	186,265	14.8	234,747	17.7	-20.7
SG&A	(134,429)	-10.7	(143,374)	-10.8	-6.2
Other Income & Expenses, net	(27,323)	-2.1	(15,549)	-1.2	+75.7
Operating Profit	24,513	2.0	75,824	5.7	-67.7
Finance Cost	(10,819)	-0.9	(11,263)	-0.9	-3.9
Share of Results of A&JV	11,334	0.9	15,791	1.2	-28.2
Other Gains & Losses	(2,606)	-0.2	(507)	-0.0	+414.0
Income Tax	(3,840)	-0.3	(16,764)	-1.3	-77.1
Profit for the Period	18,582	1.5	63,081	4.7	-70.5
Profit Attrib. to Owners	18,609	1.5	63,875	4.8	-70.9



Manufacturing Financial Highlights – FY25

	FY 2025		FY 2024		YoY
	US\$'000	%	US\$'000	%	%
Revenue	5,648,284	100.0	5,620,753	100.0	+0.5
Cost of Sales	(4,618,304)	-81.8	(4,503,726)	-80.1	+2.5
Gross Profit	1,029,980	18.2	1,117,027	19.9	-7.8
SG&A	(574,749)	-10.2	(582,365)	-10.4	-1.3
Other Income & Expenses, net	(74,862)	-1.3	(93,602)	-1.7	-20.0
Operating Profit	380,369	6.7	441,060	7.8	-13.8
Finance Cost	(45,658)	-0.8	(53,929)	-1.0	-15.3
Share of Results of A&JV	69,893	1.2	78,433	1.4	-10.9
Other Gains & Losses	13,913	0.3	11,009	0.2	+26.4
Income Tax	(55,019)	-1.0	(121,018)	-2.1	-54.5
Profit for the Period	363,498	6.4	355,555	6.3	+2.2
Profit Attrib. to Owners	362,744	6.4	349,744	6.2	+3.7



Pou Sheng Financial Highlights (in USD) – 1Q26



	1Q 2026		1Q 2025		YoY
	US\$'000	%	US\$'000	%	%
Revenue	729,936	100.0	701,205	100.0	+4.1
Cost of Sales	(484,427)	-66.4	(471,614)	-67.3	+2.7
Gross Profit	245,509	33.6	229,591	32.7	+6.9
SG&A	(206,037)	-28.2	(204,658)	-29.2	+0.7
Other Income & Expenses, net ^Δ	4,365	0.6	8,032	1.2	-45.7
Operating Profit^Δ	43,837	6.0	32,965	4.7	+33.0
Finance Cost ^Δ	(1,611)	-0.2	(2,028)	-0.3	-20.6
Other Gains & Losses	75	0.0	--	--	N/A
Income Tax	(14,721)	-2.0	(10,539)	-1.5	+39.7
Profit for the Period	27,580	3.8	20,398	2.9	+35.2
Profit Attrib. to Owners of PS	26,490	3.6	18,998	2.7	+39.4

^Δ Source: Internal analysis report (figures rounded); reclassification has been made according to the preparation methods of consolidated statement of Yue Yuen Group



Pou Sheng Financial Highlights (in USD) – FY25



	FY 2025		FY 2024		YoY
	US\$'000	%	US\$'000	%	%
Revenue	2,383,070	100.0	2,561,408	100.0	-7.0
Cost of Sales	(1,585,246)	-66.5	(1,685,725)	-65.8	-6.0
Gross Profit	797,824	33.5	875,683	34.2	-8.9
SG&A	(768,007)	-32.2	(809,193)	-31.6	-5.1
Other Income & Expenses, net ^Δ	25,701	1.0	38,888	1.5	-33.9
Operating Profit^Δ	55,518	2.3	105,378	4.1	-47.3
Finance Cost ^Δ	(7,508)	-0.3	(9,410)	-0.4	-20.2
Other Gains & Losses	(702)	-0.0	(444)	-0.0	+58.1
Income Tax	(15,410)	-0.7	(26,426)	-1.0	-41.7
Profit for the Period	31,898	1.3	69,098	2.7	-53.8
Profit Attrib. to Owners of PS	29,318	1.2	68,219	2.7	-57.0

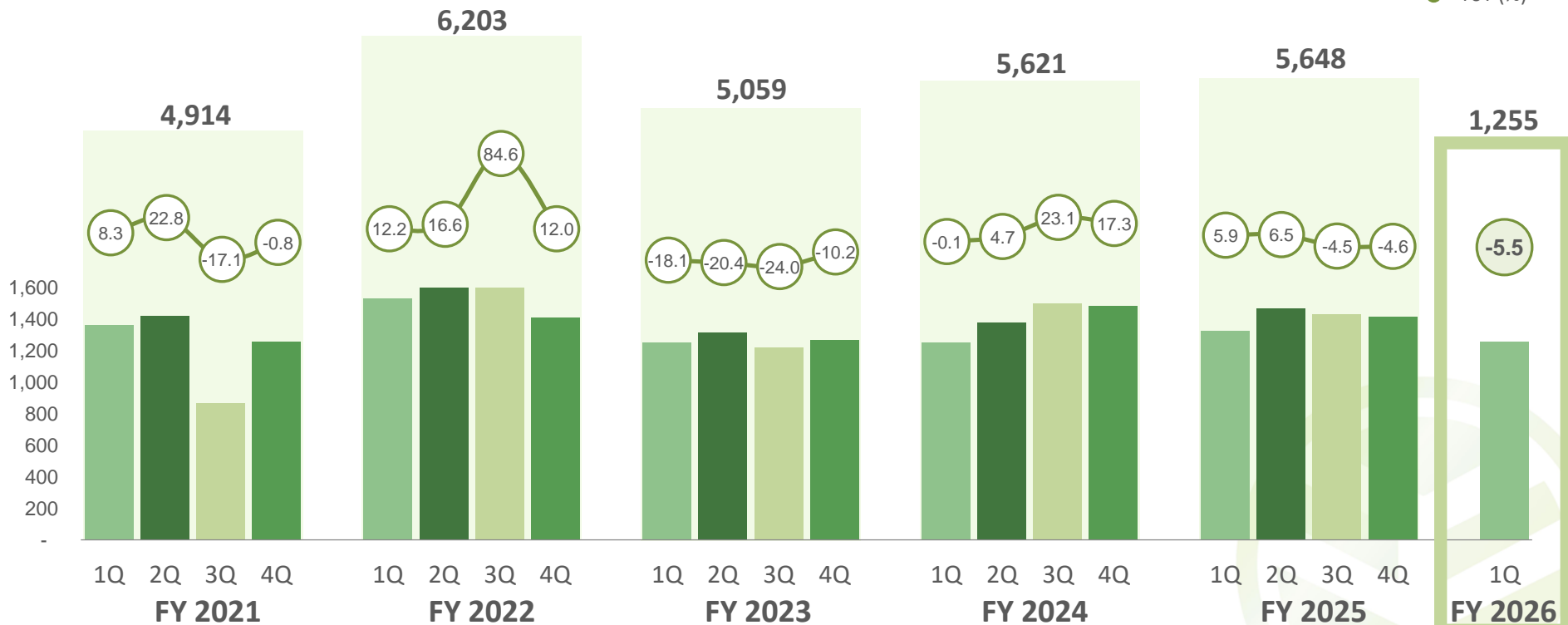
^Δ Source: Internal analysis report (figures rounded); reclassification has been made according to the preparation methods of consolidated statement of Yue Yuen Group



Manufacturing – Revenue Trend

Revenue (US\$'mn)

YoY (%)

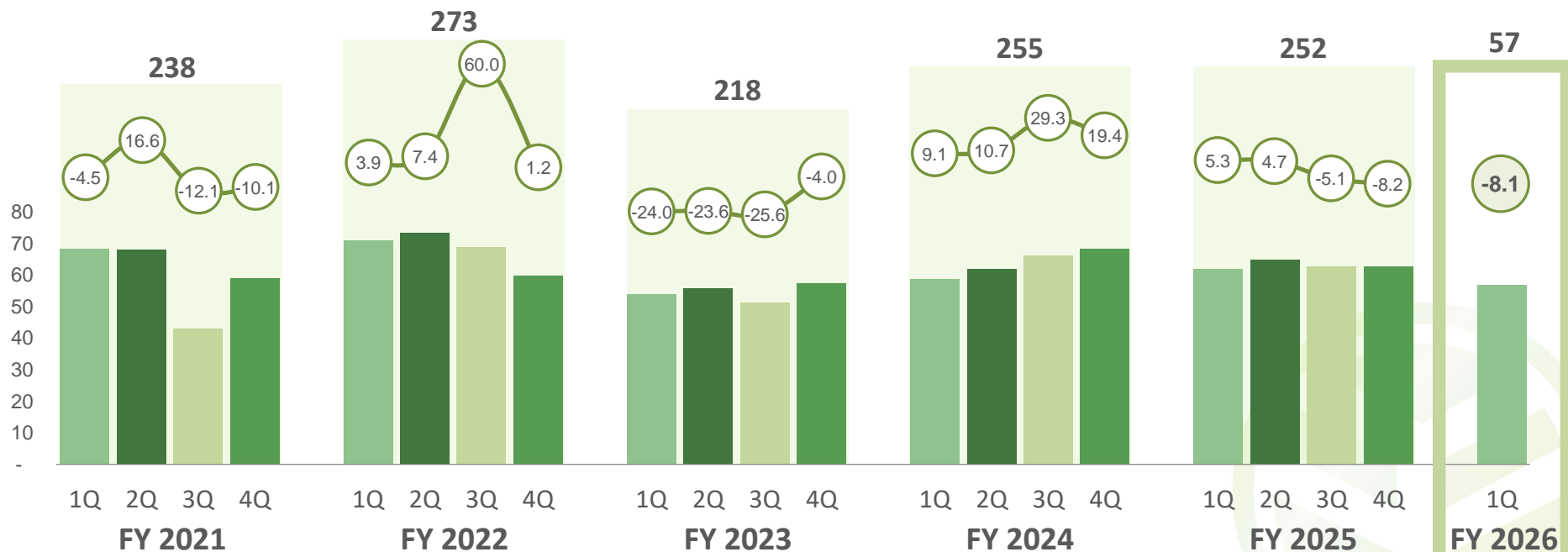




Manufacturing – Shoe Volume Trend

Shoe Volume (mn pairs)

YoY (%)



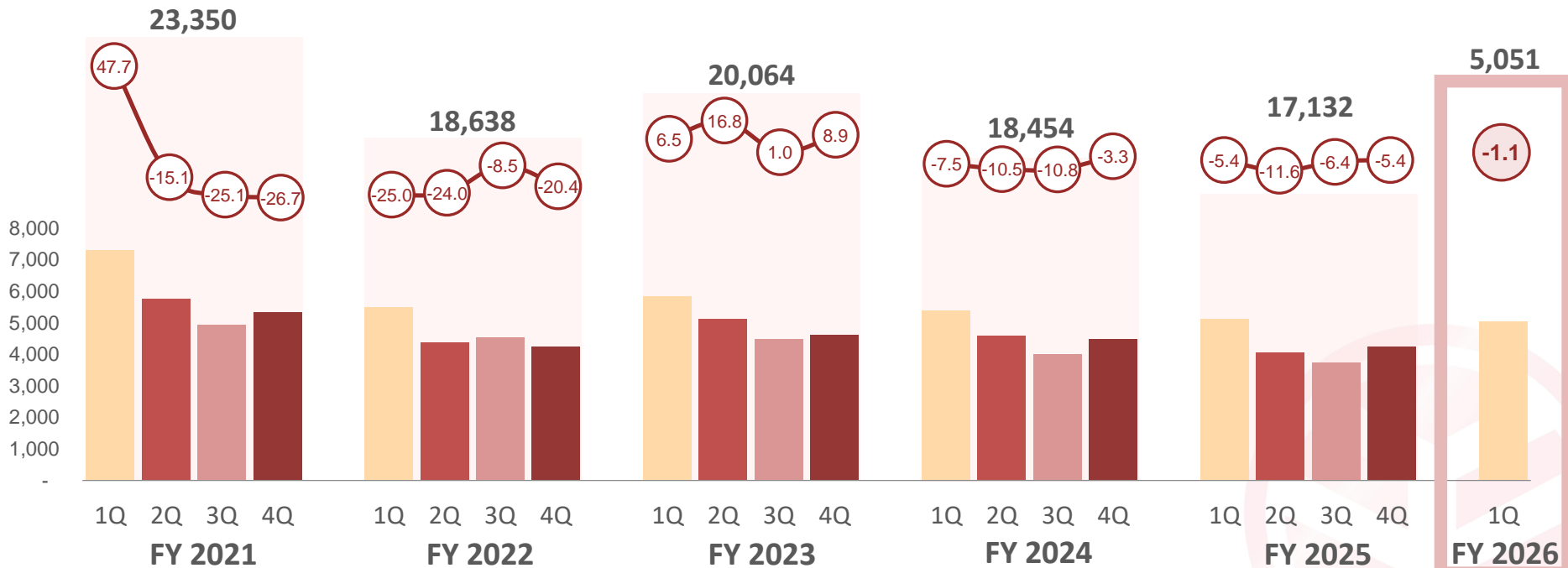


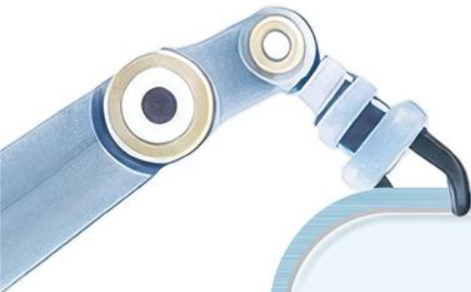
Pou Sheng Revenue Trend



Revenue (RMB'mn)

—○— YoY (%)





**Thank you
Q&A**

