


China | Consumer

30 March 2026

361 Degrees (1361 HK)
Inline FY25 results
FY25 revenue/NP up by 11%/14% YoY

FY25 revenue was up 10.6% YoY to Rmb11.1bn, with core brand retail value up by 10-15%/10%/10%/10% YoY and that of 361° Kids up by 10-15%/10%/10%/10% YoY in 1Q/2Q/3Q/4Q. GPM was flat at 41.5%, with adults-footwear/adults-apparel/kids-footwear/kids-apparel GPM recorded a change of +0.1/+1.1/+0.3/+0.3ppt YoY to 43.0%/42.4%/41.7%/42.2%. The increase in GPM of adults' apparel was mainly due to better cost control, strategic pricing and integration of acquired OEM factories. GPM of Kids' products also increased mainly due to internalization of production as well. S&D expense was slightly up by 2% YoY to Rmb2,256m (S&D cost ratio – FY25: 20.2%, FY24: 22.0%) as E-commerce platform and logistics fee up by 18% YoY, offset by 10% YoY decline in A&P. Admin expense was up by 22% YoY to Rm854m mainly due to rising D&A and a surge in donations. As a result, NP was up by 14.0% YoY to Rmb1,309m. Full year payout ratio maintained at 45.0%.

Kidswear maintained steady sales growth

361° Kids revenue increased by 10.4% YoY to Rmb2.58bn (as % of total sales FY25: 23%, FY24: 23%) on the back of +28.5%/-7.5% YoY sales change in footwear/apparel products. As of end-FY25, 361° Kids has 2,364 POS (FY24: 2,548, FY23: 2,545), of which 374 were within the core brand stores (FY24: 279), and 67.5%/25.4%/7.1% are located at 3rd or lower/2nd/1st tier cities (FY24: 67.3%/25.8%/6.9%). The Fifth-generation image stores of 361° Kids increased to 387, representing 16.4% of the total number of 361° Kids stores. Average store area was up by 12m² YoY to 124m².

Online sales up 26% YoY and accounted for 30% of total revenue

E-commerce sales was up by 25.9% YoY to Rmb3,286m, and accounted for 29.5% of total revenue (FY24: 25.9%) The brand has now fully integrated with instant retail channels including Meituan Flash Buy, Meituan Group Buy, Taobao Flash Sale and JD Instant Delivery, with over 1,000 stores nationwide participating across more than 160 cities, officially ushering in a new era of instant retail for sports brands. Web-exclusive products accounted for 80% (FY24: 84%) of total online sales. Overseas sales was up by 125% YoY last year, with POS declined from 1,365 by end-FY24 to 1,253 by end-FY25. In Jan 2025, 361° opened first directly operated overseas store in Kuala Lumpur, marking the extension of the brand's overseas channels from expansion to direct operations. The company currently operates 6 overseas direct stores.

Maintain our BUY rating and raise our TP to HK\$7.8

As of end-FY25, 361° core brand has 5,394 POS (FY24: 5,750), including 127 361° Super Premium Stores (105 adults, 21 kids, 1 overseas), which is significantly more than the 100 stores guided earlier last year. Average store area for core brand was up by 16m² YoY to 165m². The 10th/9th-generation image stores of core brand increased to 78/4,041, representing 1.4%/74.9% of the total number of stores. We slightly raised our FY26/27 NP estimates by 1.2%/0.7% and introduce our FY28 forecast. We raised our TP to HK\$7.8 and our BUY rating unchanged.

Summary financial data

Year to Dec 31 (Rmb mn)	2024	2025A	2026E	2027E	2028E
Revenue	10,074	11,146	12,252	13,385	14,522
Gross profit	4,183	4,629	5,070	5,523	5,981
Net profit	1,149	1,309	1,467	1,614	1,748
YoY Growth	19.5%	14.0%	12.1%	10.0%	8.3%
EPS (HKD)	0.633	0.722	0.809	0.890	0.963
P/E (x)	9.5	8.3	7.4	6.7	6.2
P/B (x)	1.16	1.08	1.00	0.92	0.85
Dividend Yield (%)	4.7	5.4	6.1	6.7	7.2
ROE (%)	12.4	13.5	14.0	14.2	14.2
Net debt / equity (%)	Net cash	Net cash	Net cash	Net cash	Net cash

Source: Company data, Crosby Securities

BUY

Last Price (HK\$)*	6.00
Target Price (HK\$)	7.80
Upside / (Downside)(%)	30.0%
Previous rating	BUY
Previous TP	7.30
Hang Seng Index*	24,951.88
* Prices as of	27-Mar-26

Key Data

Ticker	1361 HK
Market Cap (HK\$m)	12,406
3M avg daily T/O (HK\$m)	26.3
52-week High (HK\$)	6.70
52-week Low (HK\$)	3.92
Free Float (%)	34.7%
Shares O/S (m)	2,067.7

Performance Absolute Relative

1 month	6.2%	13.3%
3 months	3.4%	7.0%
6 months	6.2%	11.2%

Price Chart


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Figure 1 Sportswear operational data (1Q16-4Q25)

	Anta 2020 HK		Li Ning 2331 HK		Xtep 1368 HK		361 Degrees 1361 HK		China Dongxiang 3818 HK	
	ANTA Brand	Other Brands	Sell through	SSSG	Xtep Brand	Saucony	Core	Kid	Kappa	SSSG
1Q 2016	+MSD	-	-	+LSD	-	-	+7.2% ⁽²⁾	+7.5% ⁽²⁾	-	-
2Q 2016	+HSD	-	-	+HSD	-	-	+7.0% ⁽²⁾	+7.3% ⁽²⁾	-	-
3Q 2016	+LSD	+60-70%	-	+HSD	-	-	+7.3% ⁽²⁾	+7.3% ⁽²⁾	-	-
4Q 2016	+high-teens	+50-60%	-	+mid-teens	-	-	+7.5% ⁽²⁾	+7.7% ⁽²⁾	-	-
1Q 2017	+low-teens	+40-50%	+HSD	Flat	-	-	+7.0% ⁽²⁾	+7.4% ⁽²⁾	-	-
2Q 2017	+20-30%	+50-60%	-	+HSD	-	-	+HSD	+HSD	-	-
3Q 2017	+mid-teens	+40-50%	+LSD	-LSD	-	-	+HSD	+HSD	-	-
4Q 2017	+20%-25%	+85-90%	+mid-teens	+low-teens	-	-	+HSD	+HSD	-	-
1Q 2018	+20%-25%	+80-85% ⁽¹⁾	+mid-teens	+low-teens	-	-	+HSD	+HSD	-	-
2Q 2018	+low-teens	+90-95%	+low-teens	+HSD	-	-	+HSD	+low-teens	+HSD	+5-9%
3Q 2018	+mid-teens	+90-95%	+mid-teens	+low-teens	-	-	+MSD	+low-teens	Flat	-1-6%
4Q 2018	+mid 10-20%	+80-85%	+high-teens	+mid-teens	-	-	Flat	+low-teens	+low-teens	+MSD
1Q 2019	+low 10-20%	+65-70%	+low-twenties	+mid-teens	+20%+	-	+LSD	+LSD	+HSD	+LSD
2Q 2019	+mid 10-20%	+55-60%	+low-twenties	+mid-teens	+20%+	-	+LSD	+HSD	+MSD	+LSD
3Q 2019	+mid 10-20%	FILA: +50-55% Others: +30-35%	+low-thirties	+high-teens	+20%	-	+LSD	+HSD	+MSD	+LSD
4Q 2019	+high-teens	FILA: +50-55% Others: +25-30%	+mid-thirties	+high-teens	+20%+	-	+LSD	+HSD	+mid-teens	+5-9%
1Q 2020	-20-25%	FILA: -MSD Others: -HSD	+high-teens	-	-20-25%	-	-25-30%	-25-30%	+low-teens	+5-9%
2Q 2020	-LSD	FILA: +low-teens Others: +25-30%	-MSD	-MSD	-LSD	-	-low-teens	-low-teens	-high-twenties	-1-6%
3Q 2020	+LSD	FILA: +20-25% Others: +50-55%	+MSD	+LSD	+MSD	-	-HSD	-HSD	-MSD-LSD	-MSD
4Q 2020	+LSD	FILA: +25-30% Others: +55-60%	+mid-teens	+low-teens	+HSD	-	+LSD	+MSD	+MSD	+LSD - +MSD
1Q 2021	+40-45%	FILA: +75-80% Others: +115-120%	+High 80%	-	+Mid 50%	-	+high-teens	+low-twenties	+low-teens	+MSD
2Q 2021	+35-40%	FILA: +30-35% Others: +70-75%	+low-nineties	+low-eighties	+30-35%	-	+15-20%	+30-35%	+mid-sixties	+HSD
3Q 2021	+low-teens	FILA: +MSD Others: +35-40%	+Low 40%	+high-twenties	+Mid-teens	-	+low-teens	+15-20%	+mid-to-low teens	+M-HSD
4Q 2021	+mid-teens	FILA: +MSD Others: +30-35%	+low-thirties	+low-twenties	+20-25%	-	+high-teens	+25-30%	-mid-to-high-teens	-high-teens
1Q 2022	+high-teens	FILA: +MID Others: +40-45%	+ high-twenties	+low-twenties	+30-35%	-	+high-teens	+20-25%	-mid-teens	-mid-to-high-teens
2Q 2022	-MSD	FILA: -HSD Others: +20-25%	-HSD	-low-teens	+Mid-teens	-	+low-teens	+20-25%	-MSD	-MSD
3Q 2022	+MSD	FILA: +low-teens Others: +40-45%	+mid-teens	+HSD	+20-25%	-	+mid-teens	+20-25%	-mid-to-high-teens	-mid-to-low-teens
4Q 2022	-HSD	FILA: -low-teens Others: +low-teens	-low-teens	-high-teens	-HSD	-	Flat	+LSD	-mid-20-30%	-mid-teens
1Q 2023	+MSD	FILA: +HSD Others: +75-80%	+MSD	-HSD	+~20%	-	+low-teens	+20-25%	+mid-to-low teens	+mid-to-low-teens
2Q 2023	+HSD	FILA: +High-teens Others: +70-75%	+ low-teens	-LSD	+High-teens	-	+low-teens	+20-25%	+mid 10%-20%	+mid- to-low10-20%
3Q 2023	+HSD	FILA: +Low-teens Others: +45-50%	+MSD	-MSD	+High-teens	-	+15%	+25-30%	+mid-to-low single digit	+MSD
4Q 2023	+high-teens	FILA: +25-30% Others: +55-60%	+low-twenties	+low-teens	+>30%	-	+>20%	+~40%	+mid 40%-50%	+high 20%-30%
1Q 2024	+MSD	FILA: +HSD Others: +25-30%	+LSD	-MSD	+HSD	-	+high-teens	+20-25%	-low 10-20%	-HSD
2Q 2024	+HSD	FILA: +MSD Others: +40-50%	-LSD	-	+10%	-	+10%	+mid-teens	-mid LSD	-MSD
3Q 2024	+MSD	FILA: -LSD Others: +45-50%	-MSD	-	+MSD	+>50%	+10%	+10%	-HSD	-low 10-20%
4Q 2024	+HSD	FILA: +HSD Others: +50-55%	+HSD	-	+HSD	+50%	+10%	+10-15%	-MSD	-HSD
1Q 2025	+HSD	FILA: +HSD Others: +65-70%	+LSD	-	+MSD	+>40%	+10-15%	+10-15%	-mid-to-high single digit	-
2Q 2025	+LSD	FILA: +MSD Others: +50-55%	+LSD	-	+LSD	+>20%	+10%	+10%	-	-
3Q 2025	+LSD	FILA: +LSD Others: +45-50%	-MSD	-	+LSD	+>20%	+10%	+10%	-	-
4Q 2025	-LSD	FILA: +MSD Others: +35-40%	-LSD	-	Flat	+>30%	+10%	+10%	-	-

Notes: (1) Other brands sales excluding brands newly joined in the reporting quarter
 (2) Data represents SSSG

Source: Companies data, Crosby Securities

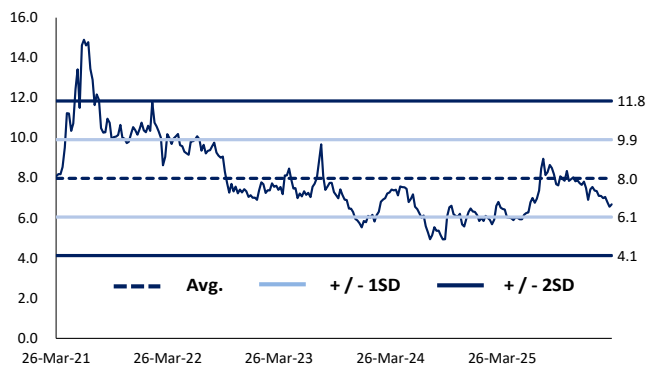


Figure 2 Peer comparison (closing prices as of 30 Mar 2026)

Company	Ticker	Price	Mkt cap (US\$m)	3-mth avg t/o (US\$m)	P/E (x)		FY1-FY3 EPS Cagr (%)	FY1 Div Yld (%)		P/B (x)		ROE (%)		ROIC Hist (%)	Share px chg (%)			
					FY1	FY2		FY1	FY2	Hist	FY1	Hist	FY1		1-mth	3-mth	12-mth	
HSI		24,952			11.0	9.9	9.8	1.12	3.4	3.6	1.30	1.21	10.0	10.6	(6.3)	(3.4)	5.8	
HSCEI		8,454			11.5	10.1	14.1	0.82	3.0	3.2	1.21	1.20	11.1	10.6	(4.6)	(5.2)	(2.6)	
CSI300		4,503			16.4	13.8	15.9	1.03	2.5	2.7	1.75	1.72	10.2	10.7	(4.4)	(3.3)	14.5	
Sector Average					11.3	10.2	10.7	1.1	5.7	6.4	1.4	1.5	12.6	14.2	10.4	(7.8)	(5.6)	(0.5)
Sector Median					12.0	10.9	10.7	1.1	6.5	7.2	1.1	1.6	13.0	13.7	10.1	(11.1)	(7.6)	(14.1)
Anta Sports	2020 HK	75.60	26,990	103.8	13.1	11.8	9.8	1.33	3.7	4.1	2.83	2.38	21.3	19.4	13.5	(11.1)	(7.5)	(15.5)
Li Ning Co Ltd	2331 HK	21.68	7,154	57.8	16.2	14.5	13.9	1.17	3.0	3.4	1.63	1.69	10.9	10.5	9.2	(3.7)	14.1	26.8
Xtep Intl	1368 HK	4.51	1,616	5.6	7.5	6.9	7.0	1.07	6.7	7.4	1.09	1.01	14.5	14.2	10.9	(15.4)	(19.6)	(14.1)
361 Degrees	1361 HK	6.00	1,584	3.4	7.5	6.8	10.7	0.71	6.5	7.2	1.09	0.95	13.5	13.2	11.9	6.2	3.4	30.2
China Dongxiang	3818 HK	0.42	316	0.2	N/A	N/A	N/A	N/A	N/A	N/A	0.23	N/A	3.0	N/A	N/A	(11.6)	(7.7)	8.6
Topsports Intern	6110 HK	2.78	2,201	5.2	12.0	10.9	12.0	1.00	8.7	9.7	1.69	1.65	13.0	13.7	8.8	(11.7)	(7.6)	(17.9)
Eagle Nice Intl	2368 HK	3.20	235	0.0	N/A	N/A	N/A	N/A	N/A	N/A	0.93	N/A	12.2	N/A	8.1	(7.2)	(14.7)	(21.4)

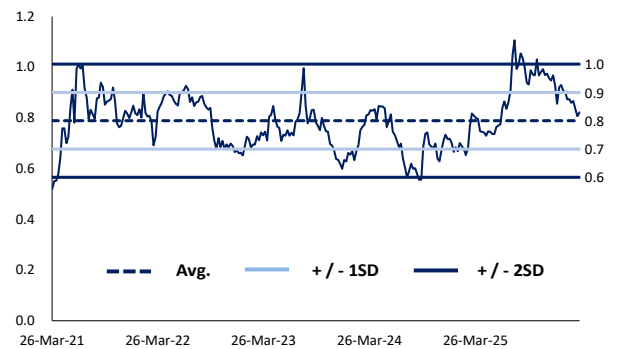
Source: Bloomberg, Crosby Securities

Figure 3 Historical 5-year forward PE range



Source: Bloomberg, Crosby Securities

Figure 4 Historical 5-year forward PB range



Source: Bloomberg, Crosby Securities



Summary financials

Year ended 31 Dec	2024A	2025A	2026F	2027F	2028F
Profit & Loss (RMBm)					
Footwear	4,287	4,630	5,000	5,375	5,751
YoY%	22.1	8.0	8.0	7.5	7.0
Apparel	3,093	3,423	3,765	4,104	4,432
YoY%	15.1	10.7	10.0	9.0	8.0
Accessories	0	0	0	0	0
YoY%	N/A	N/A	N/A	N/A	N/A
361° Kids	2,310	2,532	2,785	3,064	3,370
YoY%	20.1	9.6	10.0	10.0	10.0
Others	383	562	702	842	969
YoY%	19.6	10.6	9.9	9.2	8.5
Turnover	10,074	11,146	12,252	13,385	14,522
YoY%	19.6	10.6	9.9	9.2	8.5
COGS	-5,890	-6,517	-7,182	-7,861	-8,541
Gross profit	4,183	4,629	5,070	5,523	5,981
Margin	41.5%	41.5%	41.4%	41.3%	41.2%
Selling & distribution	-2,211	-2,256	-2,499	-2,704	-2,919
Admin	-699	-854	-882	-937	-1,002
R&D	0	0	0	0	0
Other opex	0	0	0	0	0
Total opex	-2,910	-3,110	-3,382	-3,641	-3,921
YoY%	16.7	6.9	8.7	7.7	7.7
Operating profit	1,273	1,519	1,689	1,883	2,060
Margin	12.6%	13.6%	13.8%	14.1%	14.2%
Other income / (exp)	303	248	300	303	306
Finance costs	-13	-11	-19	-19	-19
Associates' income	0	0	0	0	0
Pre-tax profit	1,563	1,757	1,970	2,167	2,346
Tax	-370	-419	-473	-520	-563
Profit after tax	1,193	1,337	1,497	1,647	1,783
Margin	11.8%	12.0%	12.2%	12.3%	12.3%
Minority Interest	-44	-28	-30	-33	-36
Net profit	1,149	1,309	1,467	1,614	1,748
YoY%	19.5	14.0	12.1	10.0	8.3
Margin	11.4%	11.7%	12.0%	12.1%	12.0%
Non-core items adj.	0	0	0	0	0
Adj. profit	1,149	1,309	1,467	1,614	1,748
YoY%	19.5	14.0	12.1	10.0	8.3
Margin	11.4%	11.7%	12.0%	12.1%	12.0%
EBITDA	1,392	1,689	1,780	1,971	2,145
YoY%	39.3	21.3	5.4	10.7	8.8
Margin	13.8%	15.2%	14.5%	14.7%	14.8%
Fully diluted EPS (RMB)	0.556	0.633	0.709	0.780	0.845
YoY%	19.5	14.0	12.1	10.0	8.3
DPS (RMB)	0.250	0.285	0.319	0.351	0.380
YoY%	33.7	13.9	12.1	10.0	8.3

Year ended 31 Dec	2024A	2025A	2026F	2027F	2028F
Cash Flow (RMBm)					
Operating profit	1,273	1,519	1,689	1,883	2,060
Dep. & Amort.	77	125	91	88	85
Chg in working cap	-1,308	-759	602	-306	-307
Others	303	294	287	287	287
Cash from operations	345	1,178	2,669	1,952	2,125
Tax paid	-275	-364	-473	-520	-563
Net cash from operations	70	815	2,196	1,432	1,562
YoY%	(82.9)	1,067.0	169.6	(34.8)	9.1
Capex	-269	-285	67	67	67
Investments	0	0	0	0	0
Disposal of assets	3	1	0	0	0
Interest received	45	11	13	16	19
Others	1,587	-96	0	0	0
Net cash from investments	1,366	-369	80	83	85
Issue/ buyback of shares	0	0	0	0	0
Interest paid	-13	-10	-19	-19	-19
Dividends paid	-580	-584	-625	-693	-756
Net change in debt	-31	38	0	0	0
Others	-152	-52	0	0	0
Net cash from financing	-777	-608	-644	-712	-776
Net change in cash	659	-163	1,632	802	872
Adjustments	-1	3	0	0	0
Opening cash	3,596	4,254	4,094	5,726	6,528
Closing cash	4,254	4,094	5,726	6,528	7,400
FCF	-199	529	2,263	1,499	1,629
YoY%	N/A	N/A	327.4	(33.8)	8.7

Source: Company data, Crosby Securities

Year ended 31 Dec	2024A	2025A	2026F	2027F	2028F
Balance Sheet (RMBm)					
Fixed assets	961	1,037	879	724	572
Associates & JCE	0	0	0	0	0
Goodwill & intangibles	0	0	0	0	0
Deferred tax assets	216	204	204	204	204
Others	179	343	343	343	343
Non-current assets	1,355	1,584	1,426	1,272	1,120
Inventories	2,109	2,066	1,838	2,008	2,178
Trade & bills receivables	4,389	4,736	4,901	5,354	5,809
Prepayments, deposits & others	1,298	1,923	1,923	1,923	1,923
Investments	0	0	0	0	0
Cash	4,254	4,094	5,726	6,528	7,400
Others	9	9	9	9	9
Current assets	12,058	12,827	14,396	15,822	17,319
Total assets	13,414	14,411	15,823	17,094	18,439
Trade & bills payables	2,704	2,892	3,431	3,748	4,066
Accruals & other payables	0	0	0	0	0
Tax payable	611	640	640	640	640
Bank loans	47	299	299	299	299
Bonds, CB & debentures	0	0	0	0	0
Others	2	6	6	6	6
Current liabilities	3,363	3,836	4,375	4,693	5,011
Bank loans	215	0	0	0	0
Bonds, CB & debentures	0	0	0	0	0
Deferred tax liabilities	6	20	20	20	20
Others	1	5	5	5	5
Non-current liabilities	222	25	25	25	25
Total liabilities	3,584	3,861	4,400	4,717	5,036
Total net assets	9,829	10,550	11,423	12,376	13,403
Share capital	182	182	182	182	182
Reserves	9,193	9,896	10,738	11,659	12,650
Shareholder's equity	9,375	10,078	10,921	11,841	12,832
Minority interests	454	472	502	535	571
Total Equity	9,829	10,550	11,423	12,376	13,403
Net debts	261	319	319	319	319
Net cash/(debts)	4,002	3,784	5,416	6,219	7,090
BVPS (RMB)	4.534	4.874	5.282	5.727	6.206

Year ended 31 Dec	2024A	2025A	2026F	2027F	2028F
Key ratios					
Margins (%)					
Gross margin	41.5	41.5	41.4	41.3	41.2
EBITDA margin	13.8	15.2	14.5	14.7	14.8
EBIT margin	12.6	13.6	13.8	14.1	14.2
Net margin	11.4	11.7	12.0	12.1	12.0
Net margin (Core profit)	11.4	11.7	12.0	12.1	12.0
Effective tax rate (%)	23.7	23.9	24.0	24.0	24.0
Selling exp as % of rev	22.0	20.2	20.4	20.2	20.1
Admin exp as % of rev	6.9	7.7	7.2	7.0	6.9
R&D exp as % of rev	0.0	0.0	0.0	0.0	0.0
Other opex as % of rev	0.0	0.0	0.0	0.0	0.0
Total opex as % of rev	28.9	27.9	27.6	27.2	27.0
Interest coverage (x)	94.6	144.5	87.8	97.9	107.1
Dividend payout (%)	45.0	45.0	45.0	45.0	45.0
Balance sheet ratios					
Inventory days	107	117	99	89	89
Acct. rec. days	149	149	144	140	140
Acct. payable days	164	157	161	167	167
Cash cycle	92	110	82	62	63
Net debt/equity (%)	Net cash	Net cash	Net cash	Net cash	Net cash
Net debt/total cap (%)	Net cash	Net cash	Net cash	Net cash	Net cash
Current ratio (x)	3.59	3.34	3.29	3.37	3.46
Returns (%)					
Asset turnover (x)	0.76	0.80	0.81	0.81	0.82
Financial leverage (x)	1.43	1.43	1.44	1.45	1.44
EBIT margin (%)	15.6	15.9	16.2	16.3	16.3
Interest burden (x)	0.99	0.99	0.99	0.99	0.99
Tax burden (x)	0.73	0.75	0.74	0.74	0.74
ROE (%)	12.4	13.5	14.0	14.2	14.2
ROIC (%)	19.7	21.4	23.8	27.4	29.0



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Neutral (N): The stock’s potential total return is expected to be ranging from -10% to 10%/15% for Large Caps/Small&Mid Caps, respectively.

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