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## 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)

### PROFIT WARNING

This announcement is made by Topsports International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the Group’s unaudited consolidated management accounts for the six months ended 31 August 2024 (the “**Reporting Period**”) and the information currently available to the Board, the Board currently expects that the profit attributable to the Company’s equity holders for the Reporting Period will decrease by approximately 35% from RMB1,337.2 million for the corresponding period in 2023. The Board is of the view that the expected decrease in profit attributable to the Company’s equity holders during the Reporting Period is mainly due to:

- (i) the dampened macro consumer sentiment hampering the industry retail environment, leading to a year-on-year decrease in revenue for the Reporting Period. At the same time, the slowdown in demand has had a more prominent impact on offline store traffic, resulting in the negative effects of operating leverage, which led to year-on-year higher selling and distribution and general and administrative expenses ratio; and
- (ii) the year-on-year widening in retail business discount offerings, leading to a year-on-year decrease in gross profit margin. The decline in revenue for the Reporting Period resulted in a short-term increase in inventory, and the Group accordingly enhanced its promotional efforts. At the same time, online sales had a steeper discount offering than that of offline sales during the same period, while the proportion of online sales during the Reporting Period increased year-on-year. These two factors combined contributed towards a year-on-year widening of discount offerings for the retail business, thereby impacting the Group’s gross profit margin.

As at the date of this announcement, the Company is still in the course of preparing and finalizing the interim results of the Group for the Reporting Period. The information contained in this announcement is only based on the information currently available to the Board and a preliminary review by the Board of the Group's unaudited consolidated management accounts for the Reporting Period, which have not been audited or reviewed by the Company's independent auditors or reviewed by the Company's audit committee, and the relevant content is subject to further adjustments and finalization. Shareholders and potential investors are advised to refer to the detailed information in the interim results announcement of the Company for the Reporting Period, which is expected to be published before the end of October 2024.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Topsports International Holdings Limited**  
**YU Wu**  
*Chairman & Chief Executive Officer*

Hong Kong, 10 September 2024

*As at the date of this announcement, the Board of directors of the Company comprises Mr. YU Wu and Mr. LEUNG Kam Kwan as executive directors, Mr. SHENG Fang, Ms. YUNG Josephine Yuen Ching and Ms. HU Xiaoling as non-executive directors, and Mr. LAM Yiu Kin, Mr. HUA Bin and Mr. HUANG Victor as independent non-executive directors.*