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RIDGE OUTDOOR INTERNATIONAL LIMITED

樂欣戶外國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2720)

PROFIT WARNING

This announcement is made by Ridge Outdoor International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended June 30, 2026 (the “**Reporting Period**”) and other information currently available to the Board, the Group is expected to record a profit attributable to equity shareholders of the Company of approximately RMB22.5 million to RMB23.3 million for the Reporting Period, representing a decrease of approximately 42.2% to 44.2% as compared with the profit attributable to equity shareholders of the Company of approximately RMB40.3 million for the corresponding period in 2025.

Based on the information currently available, the expected decrease in profit attributable to equity shareholders of the Company for the Reporting Period is primarily attributable to the following factors:

- (i) during the first half of 2026, against the backdrop of rising global political uncertainty and escalating geopolitical conflicts in several countries across Europe, the Middle East and beyond, global inflation rebounded notably, eroding consumer purchasing power. Coupled with increased transportation costs and extended delivery lead times, the order placement cycles of original equipment manufacturer (“**OEM**”) customers were prolonged. In particular, Europe, being the Group’s largest revenue-contributing

region, experienced a significant decline in consumer confidence starting from February 2026, which bottomed out in April and recovered thereafter, approaching the level of the same period in 2025 only by July. As a result, the Group's total revenue for the first half of 2026 recorded a decrease;

- (ii) furthermore, as a result of exchange rate fluctuations, the Group recorded foreign exchange losses in the first half of 2026, whereas it recorded foreign exchange gains in the corresponding period of 2025. This also had a negative impact on the net profit for the Reporting Period;
- (iii) during the Reporting Period, core bulk raw material prices recorded a phased increase. For example, aluminum prices traded on London Metal Exchange (LME) increased by over 20% year-on-year, directly driving up the unit production cost of the Group's products and further compressing the gross profit margin. Nevertheless, benefiting from the growth of the original brand manufacturer ("OBM") business and changes in product mix, the Group's gross profit margin remained largely flat year-on-year; and
- (iv) in addition, the Group's continuous investment in promoting its OEM business and strengthening its OBM competitiveness led to higher selling and administrative expenses, which, to some extent, adversely affected the overall net profit level.

Notwithstanding the short-term earnings pressure arising from various external factors and temporary elements, the Group's core operating fundamentals have remained solid, and its production operations and supply chain systems have continued to operate normally. In terms of business structure, the overall contribution of the OBM business exceeded 10% and sustained rapid growth during the Reporting Period. Meanwhile, the OEM/ODM segment continued to develop new customers and new products, supporting the recovery of order pace in the second half of the year.

As of the date of this announcement, the Group is still in the process of finalizing the results for the Reporting Period. The information contained in this announcement is only based on the Company's preliminary assessment of the information currently available to the Group, which has not been audited or reviewed by the Company's auditors and has not been reviewed by the audit committee of the Board. The interim results of the Group for the Reporting Period may be subject to further adjustment and confirmation, which may differ from those disclosed in this announcement. Shareholders and potential investors are advised to refer to the Group's interim results announcement for the Reporting Period to be published by the end of August 2026.

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

By order of the Board
Ridge Outdoor International Limited
Lei Yang
Executive Director

Hong Kong, August 13, 2026

As at the date of this announcement, the Board comprises: (i) Ms. Lei Yang and Mr. Wu Guihua as executive directors; (ii) Mr. Yang Baoqing as non-executive director; and (iii) Mr. Ding Feng, Mr. Han Hongling and Mr. Shu Yuanchao as independent non-executive directors.