Under Armour Inc forecast full-year profit below estimates on Friday, as the sportswear maker grapples with higher transportation costs and a hit to its business from renewed Covid-19 curbs in China.

Shares of Under Armour tumbled over 23% and were on pace to record their worst day since October 2017, after the company also reported a surprise loss and bleak sales in the first three months of the year.

While economies around the world are reopening, a spike in Covid-19 infections in countries such as China has led governments to reinstate strict social restrictions once again, hurting manufacturing operations and retail sales.

Baltimore-based Under Armour said the curbs led to a 14% fall in revenue from the Asia-Pacific region in the quarter ended March 31. It generated about 15% of its revenue from the region last year.

Earlier on Friday, larger German rival Adidas reported a sales slump and also trimmed its 2022 targets.

Shipping delays and labor shortages have also pressured Under Armour's ability to get its hoodies and shoes to stores, forcing it to cancel orders.

"Supply chain pressures seem more a function of transportation pressure and elevated freight costs, rather than an issue of availability... Supply exists, getting it has been difficult," said BMO Capital Markets analyst Simeon Siegel.

Under Armour projected an adjusted per-share profit between 63 cents and 68 cents for fiscal year 2023, below Refinitiv estimates of 83 cents.

It sees 5% to 7% growth in sales, while analysts expect a 5.4% increase.

The company posted a loss of 1 cent per share in the reported quarter, compared with estimates for a 6-cent profit,
while net revenue rose 3% to $1.30 billion, but missed analysts’ average estimate.