

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Goodbaby International Holdings Limited

好孩子國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 1086)

REVENUE PERFORMANCE FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021

This announcement is made by Goodbaby International Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) on a voluntary basis.

Based on the unaudited consolidated management accounts of the Company, the revenue for the nine months ended 30 September 2021 (the “Period”) was approximately HK\$7,112.0 million, representing an increase of 19.5% from approximately HK\$5,952.1 million for the corresponding period in 2020. During the Period, foreign exchange rate fluctuations, especially exchange rate fluctuations between RMB and HKD, and between EUR and HKD, impacted on the overall revenue growth due to translation of the Group’s revenue from the original currencies into the Group’s reporting currency in HKD. On a constant currency basis¹, the Group’s revenue for the Period recorded a 14.3% increase as compared with the corresponding period in 2020.

(HK\$ million)	Nine months ended 30 September					Change on a constant currency basis (%)
	2021 (unaudited)	2020 (unaudited)	Change (%)			
Revenue	\$7,112.0	\$5,952.1	19.5%			14.3%
	Amount	% of Revenue	Amount	% of Revenue	Change (%)	Change on a constant currency basis (%)
Strategic Brands Revenue	5,694.1	80.1%	4,866.0	81.8%	17.0%	11.9%
CYBEX	2,523.4	35.5%	1,854.4	31.2%	36.1%	30.3%
gb	1,707.7	24.0%	1,715.3	28.8%	-0.4%	-8.1%
Evenflo	1,463.0	20.6%	1,296.3	21.8%	12.9%	11.9%

¹ The constant currency basis is the weighted growth rate on each original currency revenue.

Overview

During the Period, the Group's core Strategic brands of CYBEX, gb and Evenflo recorded an overall 17.0% growth in revenue (11.9% growth on a constant currency basis) from the revenue of the corresponding period in 2020. During the Period, the Group's core Strategic brands performed as follows:

- **CYBEX** brand continued its positive revenue growth momentum, mainly driven by its strong brand position and product portfolio (both car seats and wheeled goods) continuously fortified by innovative product launches. Continuous expansion of national distribution in existing and new markets, improved global operational and supply chain management are also primary contributors for the sustained growth. These positive achievements were partially offset by delayed shipment of orders to customers due to lack of logistic capacities and cost factors, and sporadic business interruptions in EMEA, North America and parts of Asia caused by continued volatilities from coronavirus disease 2019 (“**COVID-19**”). Nevertheless, CYBEX continued to gain market share in all key geographic regions.
- **gb** brand recorded an anticipated temporary revenue decline, resulting from continued rationalization of all key distribution channels. This rationalization includes key wholesale distribution channels and selected store closures and openings. The revenue decline was further negatively impacted by the continued decrease in birth rate and less offline traffic and consumer confidence caused by intermittent COVID-19 lockdowns in gb's key China market. We expect the rationalization to continue into 2022 to lay a solid foundation for long term sustainable business development, which has already been proven by very positive momentum in newly opened new-generation self-owned retail stores. gb continued to modernize and enhance its overall brand image and invest resources towards product development and innovation in both durable and non-durable products.
- **Evenflo** brand continued to generate very positive revenue growth, mainly driven by strong consumer acceptance of new product launches. While the revenue momentum during the Period continued to be tempered by product availability challenges resulting from global logistic capacity disruptions and cost factors, increased supply chain remediation initiatives fueled the recorded growth and facilitated the increase in the Group's market share. The Group is very encouraged by the brand's potential while remaining cautious about the lingering impacts from COVID-19 and the continuing global supply headwinds.

The Group's Blue Chip business recorded a significant revenue growth of 42.5% (36.7% increase on a constant currency basis) to approximately HK\$1,047.2 million during the Period as compared to HK\$734.7 million in the corresponding period of 2020. The impressive revenue growth was mainly driven by increasing orders from its customers as their respective markets continue to recover from the impacts of COVID-19. The Group continued to provide robust, value-oriented solutions for its key customers and accordingly, the Group's Blue Chip business remained stable and sound.

During the Period, the Group's revenue from other businesses, including the Group's tactical brands, was approximately HK\$370.7 million as compared to approximately HK\$351.4 million in the corresponding period of 2020. The approximate 5.5% increase (1.0% increase

on a constant currency basis) in revenue was primarily driven by overall business climate recovering from COVID-19 restrictions from the prior period offset by the continued planned rationalization of the respective product portfolios.

Persistent challenges regarding the cost, service and availability of global logistic supply chain networks have further disrupted the global business environment already hit by the lingering impacts from COVID-19. The Group remains very focused on controlling what it can control to deliver positive performance and navigate the unprecedented supply chain environment and macro issues including inflationary pressures. The Group expects the general business environment to remain challenging for the rest of the year with continued high costs for material and particularly in transportation. While the Group remains cautious throughout these challenges, the Group is encouraged by its ability to continue to gain market share primarily through continued product innovation and adequate inventory supply. The Group will continue to implement the necessary actions to preserve both its short-term and long-term goals.

The above information was prepared based on the unaudited consolidated management accounts of the Group which have neither been reviewed nor audited by the auditors of the Company and may differ from those in the audited or unaudited financial statements of the Group to be published by the Company on yearly and half yearly basis. The operational information for the Period may not reflect the overall performance of the Group for a complete reporting period. Shareholders and potential investors of the Company are advised not to place reliance on the aforesaid information and they are advised to exercise caution in dealing in the securities of the Company.

By Order of the Board
Goodbaby International Holdings Limited
SONG Zhenghuan
Chairman

Hong Kong, 5 November 2021

As at the date of this announcement, the Executive Directors of the Company are Mr. SONG Zhenghuan, Mr. Martin POS, Mr. XIA Xinyue, Mr. LIU Tongyou and Mr. Michael Nan QU; the Non-Executive Directors are Ms. FU Jingqiu and Mr. HO Kwok Yin, Eric; and the Independent Non-Executive Directors are Mr. Iain Ferguson BRUCE, Mr. SHI Xiaoguang, Ms. CHIANG Yun and Mr. JIN Peng.