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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)

CONNECTED TRANSACTION LEASE AGREEMENT

THE LEASE AGREEMENT

On 25 August 2025, GCPC (as lessee), an indirect wholly-owned subsidiary of the Company, entered into the Lease Agreement with GCCL (as lessor) in respect of the leasing of the Properties for a term commencing from 1 September 2025 and ending on 31 December 2027 (both days inclusive).

LISTING RULES IMPLICATIONS

GCCL is an associate of Mr. Song Zhenghuan and Ms. Fu Jingqiu, each a Director and controlling Shareholder, and therefore a connected person of the Company. Accordingly, the entering into of the Lease Agreement by GCPC constitutes a connected transaction of the Company under the Listing Rules. In accordance with IFRS 16 “Leases”, the Company is required to recognize the value of the right-of-use asset in connection with the Lease Agreement on its consolidated statement of financial position. Accordingly, the entering into of the Lease Agreement will be regarded as an acquisition of asset by the Group under Rule 14A.24(1) of the Listing Rules. The total value of the right-of-use assets to be recognized by the Group under the Lease Agreement is estimated to be approximately RMB10,858,569 (equivalent to approximately HK\$11,672,939), which is calculated with reference to the gross rental payments to be made by the Group under the Lease Agreement.

Since the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the estimated value of the right-of-use assets to be recognized by the Group under the Lease Agreement exceeds 0.1% but all of the applicable percentage ratios are less than 5%, the entering into of the Lease Agreement is subject to the reporting and announcement requirements, but exempt from the circular (including independent financial advice) and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

BACKGROUND

On 25 August 2025, GCPC (as lessee), an indirect wholly-owned subsidiary of the Company, entered into the Lease Agreement with GCCL (as lessor) in respect of the leasing of the Properties for a term commencing from 1 September 2025 and ending on 31 December 2027 (both days inclusive).

LEASE AGREEMENT

The principal terms of the Lease Agreement are set out below:

Date	:	25 August 2025
Parties	:	(1) GCPC (as lessee) (2) GCCL (as lessor)
Properties	:	Office and warehousing facilities located at No. 20 Luxi Road, Lujia Town, Kunshan City, Jiangsu Province, PRC and No. 10 East Lufeng Road, Lujia Town, Kunshan City, Jiangsu Province, PRC with a total floor area of 23,288.32 square metres
Usage of the Properties	:	Office and warehouse purposes
Lease term	:	From 1 September 2025 to 31 December 2027 (both days inclusive)
Rent	:	The monthly rent is RMB403,925 per calendar month, which shall be payable in advance on a semiannual basis on January 1st and July 1st of each year during the lease term, covering the upcoming six-month period, except that the rental payment for the initial four-month period from 1 September 2025 to 31 December 2025 shall be payable on 1 September 2025.
Pricing policy	:	The annual rent was determined by both parties after arm's length negotiation with reference to: (i) the property valuation report dated 20 August 2025 prepared by an independent property valuer;

- (ii) the prevailing market rent of premises with comparable size and quality situated in the same locality of the Properties with reference to the rental amounts of comparable premises obtained from independent third parties including property agents; and
- (iii) the rental payments for the Properties shall be no less favourable to the Group than the rental amounts offered by independent third parties of comparable premises.

Renewal : The Lease Agreement may be renewed by mutual agreement of the parties, subject to compliance with all applicable disclosure requirements and obtaining of Shareholders' approval (if required) under the Listing Rules.

REASONS FOR AND BENEFITS OF ENTERING INTO THE LEASE AGREEMENT

The Properties, located in Kunshan City, Jiangsu Province in the vicinity of the Group's headquarters and core production and supply facilities, will serve as key warehouse facilities for the Group to store its raw materials and finished products with certain sections to be allocated to office use for the Group's staff, significantly contributing to the Group's supply chain capabilities and operational efficiency.

The Lease Agreement was entered into after arm's length negotiation between the parties with reference to, among the others, the property valuation report dated 20 August 2025 prepared by an independent property valuer and the prevailing market rent for comparable premises obtained from independent third parties. Having reviewed the terms of the Lease Agreement, the Directors (including the independent non-executive Directors, but excluding Mr. Song Zhenghuan, Ms. Fu Jingqiu and Mr. Liu Tongyou who have abstained from voting on the relevant Board resolutions approving the Lease Agreement due to their respective interests in GCCL) are of the view that the terms of the Lease Agreement are fair and reasonable, the transactions contemplated under the Lease Agreement are on normal commercial terms or better to the Company and that the entering into of the Lease Agreement is in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

GCCL is an associate of Mr. Song Zhenghuan and Ms. Fu Jingqiu, each a Director and controlling Shareholder, and therefore a connected person of the Company. Accordingly, the entering into of the Lease Agreement by GCPC constitutes a connected transaction of the Company under the Listing Rules.

In accordance with IFRS 16 "Leases", the Company is required to recognize the value of the right-of-use asset in connection with the Lease Agreement on its consolidated statement of financial position. Accordingly, the entering into of the Lease Agreement will be regarded as

an acquisition of asset by the Group under Rule 14A.24(1) of the Listing Rules. The total value of the right-of-use assets to be recognized by the Group under the Lease Agreement is estimated to be approximately RMB10,858,569 (equivalent to approximately HK\$11,672,939), which is calculated with reference to the gross rental payments to be made by the Group under the Lease Agreement.

Since the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the estimated value of the right-of-use assets to be recognized by the Group under the Lease Agreement exceeds 0.1% but all of the applicable percentage ratios are less than 5%, the entering into of the Lease Agreement is subject to the reporting and announcement requirements, but exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Due to their respective interests in GCCL, each of Mr. Song Zhenghuan, Ms. Fu Jingqiu and Mr. Liu Tongyou is deemed or may be perceived to have a material interest in the transactions contemplated under the Lease Agreement. Accordingly, they have abstained from voting on the resolutions passed by the Board in connection with the Lease Agreement. Save as disclosed above, no other Director has a material interest in the Lease Agreement and is required to abstain from voting on the resolutions of the Board approving the Lease Agreement.

INFORMATION ON THE PARTIES

(1) The Group

The Group is principally engaged in the manufacture, distribution and retail of products for children.

GCPC is a wholly foreign-owned enterprise established in the PRC and an indirect wholly-owned subsidiary of the Company. It is primarily engaged in the manufacture and sale of strollers, children's car seats, cribs, bicycles and tricycles, and other durable juvenile products.

(2) GCCL

GCCL is a wholly foreign-owned enterprise established in the PRC which is wholly owned by GCHL, which is in turn a limited liability company incorporated in the Cayman Islands.

As at the date of this announcement, GCHL is held as to 28.08% by Pacific United Developments Limited ("PUD"), 13.01% by Cayey Enterprises Limited ("CAEL"), 29.38% by Rosy Phoenix Limited ("ROPL"), 5.42% by Silvermount Limited ("SIML"), and 24.12% by Sure Growth Investments Limited ("SGIL"). PUD is held as to 26.72% by CAEL and 26.72% by ROPL. SIML is wholly owned by Mr. Liu Tongyou. SGIL is held as to 53.33% by CAEL, 26.67% by ROPL, 13.33% by Mr. Liu Tongyou and 6.67% by Mr. Michael Nan Qu. CAEL is indirectly held by a trustee of a family trust, the beneficiaries of which include Mr. Song Zhenghuan and his family members. ROPL is indirectly held by a trustee of a family trust, the beneficiaries of which include Ms. Fu Jingqiu and her family members.

Accordingly, each of GCCL and GCHL is ultimately controlled by Mr. Song Zhenghuan and Ms. Fu Jingqiu. Therefore, each of GCCL and GCHL is an associate of Mr. Song Zhenghuan and Ms. Fu Jingqiu, each a Director and controlling Shareholder, and hence a connected person of the Company.

GCHL and its subsidiaries are principally engaged in the retail and distribution of juvenile products including both durable and non-durable juvenile products and household appliances.

DEFINITIONS

“Board”	: the board of Directors
“Company”	: Goodbaby International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“connected person”	: has the meaning ascribed to it under the Listing Rules
“Director(s)”	: director(s) of the Company
“GCCL”	: Goodbaby (China) Commercial Co., Ltd.* (好孩子(中國)商貿有限公司), a wholly foreign-owned enterprise established in the PRC and a direct wholly-owned subsidiary of GCHL
“GCHL”	: Goodbaby China Holdings Limited (好孩子中國控股有限公司), a limited liability company incorporated in the Cayman Islands which is controlled by Mr. Song Zhenghuan and Ms. Fu Jingqiu
“GCPC”	: Goodbaby Child Products Co., Ltd.* (好孩子兒童用品有限公司), a wholly foreign-owned enterprise established in the PRC and an indirect wholly-owned subsidiary of the Company
“Group”	: the Company and its subsidiaries from time to time
“HK\$”	: Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	: Hong Kong Special Administrative Region of the PRC
“IFRS”	: International Financial Reporting Standards
“Lease Agreement”	: the agreement dated 25 August 2025 entered into between GCPC and GCCL in relation to the lease of the Properties

“Listing Rules”	: Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	: the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Properties”	: office and warehousing facilities located at No. 20 Luxi Road, Lujia Town, Kunshan City, Jiangsu Province, PRC and No. 10 East Lufeng Road, Lujia Town, Kunshan City, Jiangsu Province, PRC with a total floor area of 23,288.32 square metres
“RMB”	: Renminbi, the lawful currency of the PRC
“Share(s)”	: ordinary shares of nominal value HK\$0.01 each in the capital of the Company
“Shareholder(s)”	: holder(s) of the Share(s)
“Stock Exchange”	: The Stock Exchange of Hong Kong Limited
“%”	: per cent.

* For identification purpose only

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

Hong Kong, 25 August 2025

As at the date of this announcement, the executive Directors are Mr. SONG Zhenghuan, Mr. LIU Tongyou and Mr. Martin POS; the non-executive Directors are Ms. FU Jingqiu and Mr. HO Kwok Yin, Eric; and the independent non-executive Directors are Ms. CHIANG Yun, Mr. WONG Shun Tak, and Mr. JIN Peng.