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# Goodbaby

International

## 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)

### VOLUNTARY ANNOUNCEMENT REVENUE PERFORMANCE FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2019

Based on the unaudited consolidated management accounts of Goodbaby International Holdings Limited (the “Company”, together with its subsidiaries, the “Group”), the revenue for the nine months ended 30 September 2019 (the “Period”) was approximately HK\$6,450.7 million, representing a slight decrease of -0.1% from approximately HK\$6,457.6 million for the corresponding period in 2018. During the Period, foreign exchange rate fluctuations, in particular exchange rate fluctuation between RMB and HKD and between EUR and HKD impacted on the overall revenue growth due to the translation of the Group’s revenue from the original currency into the Group’s reporting currency in HKD. On a constant currency basis<sup>1</sup>, the Group’s revenue for the Period recorded a 4.2% increase compared with the corresponding period in 2018.

(HK\$ million)	Nine months ended 30 September					Change on a constant currency basis (%)
	2019 (unaudited)		2018 (unaudited)		Change (%)	
<b>Revenue</b>	\$6,450.7		\$6,457.6		-0.1%	4.2%
	Amount	% of Revenue	Amount	% of Revenue	Change (%)	Change on a constant currency basis (%)
<b>Strategic Brands</b>						
<b>Revenue</b>	\$5,254.6	81.5%	\$5,034.1	78.0%	4.4%	9.3%
Cybox	1,810.4	28.1%	1,483.9	23.0%	22.0%	29.6%
gb	2,066.7	32.0%	2,167.8	33.6%	-4.7%	0.9%
Evenflo	1,377.5	21.4%	1,382.4	21.4%	-0.4%	0.6%

#### Overview

During the Period, the Group’s core strategic brands of Cybox, gb and Evenflo recorded an overall 4.4% growth in revenue (9.3% growth on a constant currency basis) from the revenue of the corresponding period in 2018. As a result of the Group’s focused strategy, the Group’s strategic brands represent nearly 81.5% of the total revenues for the Period compared to approximately 78.0% in the corresponding period of 2018.

<sup>1</sup> The constant currency basis is the weighted growth rate of revenue in its original currency.

During the Period, the Group's core strategic brands performed as follows:

- **Cybox** brand's continued strong global revenue growth was primarily driven from its international brand recognition and performance and strengthening of its supply chain. The revenue growth was generated from increased sales in both car seats and wheeled goods in both the Europe, the Middle East and Africa ("EMEA") region and key regional markets outside EMEA. This continued growth was accomplished while managing the continuously challenging political, economic and retail environments.
- **gb** brand continued its drive toward stabilization and establishing a solid revenue momentum in the key China market. In China market, gb achieved a revenue growth of 4.3% on a constant currency basis in the Period; highlighted by the return to growth in the durables segment when compared to the corresponding period in 2018. The growth in the Period for durables in China market is attributable to the successful new product introductions (primarily wheeled goods) which generated double digit growth in the three months ended 30 September 2019. Non-durables, particularly home textiles and apparel, continued to realize solid revenue growth. In the rapidly changing China market environment, gb continued to execute strong results in all of its owned channels.
- **Evenflo** brand achieved growth in the Period, in the midst of a continually challenging political and retail environment. With a growing recognition for commitment to product innovation, Evenflo continues to build growth momentum as it prepares to launch additional new products related to awards of business from major national retailers and develops new channels of distribution.

During the Period, the Group's revenue from other business including the Group's tactical brands, retailer's private label business and Blue Chip business was approximately HK\$1,196.0 million as compared to approximately HK\$1,423.6 million in the corresponding period of 2018. This approximate 16.0% decrease (approximate -13.5% decrease on a constant currency basis) was closely tied to the reduced focus on the Group's tactical brands and private label business, offset by a strong recovery of revenue from our Blue Chip business in the three months ended 30 September 2019 versus its revenue decline in the first half of 2019.

**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, 6 November 2019

*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.*