

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 2022

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 2022 (the “Period”) was approximately HK\$6,442.8 million, representing a decrease of 9.4% from approximately HK\$7,112.0 million for the corresponding period in 2021. 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 5.7% decrease as compared with the corresponding period in 2021.

(HK\$ million)	Nine months ended 30 September		Change (%)	Change on a constant currency basis (%)		
	2022 (unaudited)	2021 (unaudited)				
Revenue	\$6,442.8	\$7,112.0	-9.4%	-5.7%		
	Amount	% of Revenue	Amount	% of Revenue	Change (%)	Change on a constant currency basis (%)
Strategic Brands Revenue	5,458.1	84.7%	5,694.1	80.1%	-4.1%	0.5%
CYBEX	2,443.5	37.9%	2,523.4	35.5%	-3.2%	7.7%
gb	1,143.1	17.7%	1,707.7	24.0%	-33.1%	-32.1%
Evenflo	1,871.5	29.1%	1,463.0	20.6%	27.9%	26.1%
Blue Chip	723.0	11.2%	1,047.2	14.7%	-31.0%	-30.9%

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 4.1% decline in revenue (a 0.5% increase on a constant currency basis) from the revenue of the corresponding period in 2021.

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

- **CYBEX** brand recorded a slight revenue decrease of 3.2% (a 7.7% increase on a constant currency basis) during the Period as a result of strong revenue growth in the first quarter of 2022 being tempered, in the second and the third quarter, by lingering global logistic supply challenges, volatile consumer confidence due to high inflation and geopolitical conflict in Europe and unfavorable foreign exchange fluctuations. The brand's fundamental strength remained robust, supported by its strong brand position and product portfolio (both car seats and wheeled goods). CYBEX continued to expand and fortify its global omni-channel distribution network and outperform competitions. As a result, it continued to gain market share in all key markets.
- **gb** brand experienced a revenue decline of 33.1% (a 32.1% decrease on a constant currency basis) during the Period from the corresponding period of 2021. In its key China market, gb brand declined by 35.5% (a 34.7% decrease on a constant currency basis). The anticipated revenue decline was primarily due to offline store closures and the negatively impacted consumer traffic and confidence as a result of restrictive measures implemented by the government to curb the pandemic. Additionally, the continuing birth rate decline in China is also a contributing factor in the revenue decline. During the Period, gb continued to right-size the commercial operations to adapt to the new situation and focus on its brand transformation.
- **Evenflo** brand continued to generate record revenue with very positive growth rate of 27.9% (a 26.1% increase on a constant currency basis) during the Period, significantly gaining market share. The strong growth momentum was primarily driven by continued growth in digital channels and strong consumer acceptance of innovative products, elevated product portfolio and the continued elevation of its brand image.

The Group's Blue Chip business recorded a revenue decline of 31.0 % (a 30.9% decrease on a constant currency basis) to approximately HK\$723.0 million during the Period as compared to HK\$1,047.2 million in the corresponding period of 2021. The revenue decline is primarily driven by a slowdown in customer orders caused by destocking by customers and retailers due to normalization of global logistic situation and weakening consumer demand as result of high inflation and inventory levels. The Group continued to provide robust, value-oriented solutions for its key customers and accordingly, the Group's Blue Chip business relationship remains stable and sound.

During the Period, the Group's revenue from other businesses, including the Group's tactical brands, was approximately HK\$261.7 million as compared to approximately HK\$370.7 million in the corresponding period of 2021. The approximate 29.4% decrease (a 30.5% decrease on a constant currency basis) in revenue was primarily driven by the Group's continued business rationalization and COVID-19 restrictions.

During the Period, the Group recorded overall negative revenue growth, which was anticipated as it navigates through uncertainties and dynamics in a volatile macro global environment. That said, we remain extremely cautious toward the overall macro situations and place our key focus on profitability improvement and cash management by implementing all necessary control measures and planned strategies.

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, 4 November 2022

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 Ms. CHIANG Yun, Mr. SHI Xiaoguang, Mr. JIN Peng and Mr. SO Tak Young.