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Crystal Aurora International Ltd.
(Incorporated in the British Virgin Islands with limited liability)

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)

JOINT ANNOUNCEMENT
(1) PROPOSAL FOR THE PRIVATISATION OF GOODBABY INTERNATIONAL HOLDINGS LIMITED BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 86 OF THE COMPANIES ACT OF THE CAYMAN ISLANDS
(2) PROPOSED WITHDRAWAL OF LISTING
(3) SPECIAL DEAL IN RELATION TO THE ROLLOVER ARRANGEMENT
AND
(4) ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Financial Adviser to the Offeror

建银国际
CCB International

Independent Financial Adviser to Independent Board Committee of the Company

RAINBOW.
RAINBOW CAPITAL (HK) LIMITED
浤 博 資 本 有 限 公 司

INTRODUCTION

On 27 September 2026, the Offeror requested the Board to put forward to the Scheme Shareholders the Proposal which, if approved and implemented, will result in the privatisation of the Company and the withdrawal of the listing of the Shares on the Stock Exchange. The Proposal will be implemented by way of the Scheme.

TERMS OF THE PROPOSAL

Under the Proposal, the Scheme Shares will be cancelled and extinguished and, in consideration thereof, each Scheme Shareholder will be entitled to receive the Cancellation Price in the sum of HK$1.50 in cash for each Scheme Share cancelled and extinguished; and the Share Option Offer will be made.

Save for the Interim Dividend which will be payable on 28 September 2026, the Company does not intend to announce, declare and/or pay any dividend, distribution or other return of capital before the Effective Date, or the date on which the Scheme is not approved or the Proposal otherwise does not become effective (as the case may be).

If, after the Announcement Date, any dividend, other distribution and/or other return of capital (other than the Interim Dividend) is announced, declared or paid in respect of the Shares, the record date of which falls on or before the Effective Date, the Offeror will reduce the Cancellation Price by an amount equal to the gross amount of such dividend, distribution and/or return of capital, as the case may be, per Share, in which case any reference in this joint announcement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced. The Cancellation Price will not be reduced as a result of the Interim Dividend.

The Cancellation Price will not be increased, and the Offeror does not reserve the right to do so. Shareholders, Offered Option Holders and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.

The implementation of the Proposal is, and the Scheme will become effective and binding on the Offeror, the Company and all the Scheme Shareholders, subject to the fulfillment or waiver (as applicable) of the Scheme Conditions on or before the Long Stop Date. All of the Scheme Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will not become effective.

SHARE OPTION OFFER

As at the Announcement Date, there are 152,153,500 Share Options granted and outstanding under the Share Option Schemes, among which, 91,367,500 Share Options are held by the Offered Option Holders. The exercise in full of all Share Options held by the Offered Option Holders will result in the allotment and issue of 91,367,500 Shares.

The Offeror will make (or procure to be made on its behalf) an appropriate offer to the Offered Option Holders in accordance with Rule 13 of the Takeovers Code. The Share Option Offer will be conditional upon the Scheme becoming effective.

Under the Share Option Offer, the Offeror will, in accordance with Rule 13 of the Takeovers Code, offer the Offered Option Holders the Option Consideration (which is the "see-through" price, being the Cancellation Price minus the relevant exercise price of the relevant outstanding Share Option) in cash for the cancellation of each outstanding Share Option they hold.

FINANCIAL RESOURCES

The maximum cash consideration payable by the Offeror under the Proposal and the Share Option Offer is approximately HK$1,322,255,626.50. The Offeror intends to finance the cash required for the Proposal and the Share Option Offer through loan facilities arranged by The Hongkong and Shanghai Banking Corporation Limited for the Offeror.

CCBI, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for discharging its obligations in respect of the full implementation of the Proposal and the Share Option Offer.

SPECIAL DEAL IN RELATION TO THE ROLLOVER ARRANGEMENT

The Rollover Shareholders, being Mr. Liu, Mr. Pos and Silvermount will retain their respective shareholdings in the Company and remain as shareholders of the Company in their personal capacity or through companies controlled by them after the Scheme becomes effective. The Rollover Shareholders, in aggregate, directly or indirectly hold 117,258,488 Shares (representing approximately 7.01% of the issued share capital of the Company) as at the Announcement Date.

As at the Announcement Date, Mr. Liu and Mr. Pos, who are Connected Option Holders and members of the Rollover Shareholders, together hold an aggregate of 56,633,000 Share Options under the Share Option Schemes. Each of such Connected Option Holders has irrevocably undertaken to the Company and the Offeror that he or she shall not exercise any Share Options on or before the Record Date and all of the Share Options held by such Connected Option Holders shall lapse immediately upon the Scheme becoming effective and the Option Consideration which would otherwise be payable to such Connected Option Holders under the Share Option Offer if the Share Option Offer were extended to, and accepted by, them shall be satisfied by the Company allotting and issuing to each of such Connected Option Holders (or their respective nominees) such number of Shares equal to the aggregate Option Consideration payable to each relevant Connected Option Holder divided by the Cancellation Price, rounded down to the nearest integer, as compensation. Based on such arrangement, an aggregate of 20,268,704 Shares will be allotted and issued to Mr. Liu and Mr. Pos or their respective nominees. The Undertakings shall terminate if the Proposal does not become effective or is withdrawn, whichever is earlier.

Upon the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be restored to its former number by the allotment and issue to the Offeror, credited as fully paid, of the same number of new Shares as the number of Scheme Shares cancelled and extinguished. Upon the Scheme becoming effective, the Offeror will hold up to 881,503,751 Shares (on the assumption that all the Offered Option Holders exercise their outstanding Share Options to become Scheme Shareholders before the relevant record date and there is no other change in the issued share capital of the Company before the relevant record date). The Company will repurchase all such Shares held by the Offeror which will be cancelled and extinguished in consideration of the Company assuming the obligations of the Offeror under the loan facilities obtained by the Offeror for the purpose of the Proposal and the Share Option Offer. No cash consideration will be paid to the Offeror for the Repurchase.

Following the Repurchase, the Company will become wholly owned by the Offeror Group (excluding the Offeror) and the Rollover Shareholders. The Company is of the view that it is important for the Company to retain the Rollover Shareholders as its management and shareholders to ensure continued operation of the Company and the long-term sustainable development and growth of the Company.

As the Rollover Arrangement is not offered to all Shareholders, the Rollover Arrangement to the extent it offers any benefit to the Shareholders other than the Offeror which is not extended to all Shareholders constitutes a special deal and requires the consent of the Executive under Rule 25 of the Takeovers Code. The Offeror will (before the despatch of the Scheme Document) make an application for consent from the Executive to the Rollover Arrangement conditional on: (i) the Independent Financial Adviser confirming that the Rollover Arrangement is fair and reasonable so far as the Independent Shareholders are concerned; and (ii) the passing of an ordinary resolution by the Independent Shareholders at the EGM to approve the Rollover Arrangement.

ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising Ms. Chiang Yun, Mr. Wong Shun Tak and Mr. Jin Peng, each an independent non-executive Director, has been established by the Board to make a recommendation to the Independent Shareholders and the Offered Option Holders as to (i) whether the Proposal, the Scheme, the Share Option Offer and the Rollover Arrangement are fair and reasonable; (ii) voting at the Court Meeting and the EGM; and (iii) acceptance of the Share Option Offer by the Offered Option Holders.

Ms. Fu, a non-executive Director, is the spouse of Mr. Song, the sole director of the Offeror. Ms. Fu is also one of the Offeror Concert Parties, the Connected Option Holders and the Rollover Shareholders. Therefore, she is considered to have direct or indirect interest in the Proposal, the Scheme, the Share Option Offer and the Rollover Arrangement for consideration by the Independent Board Committee, and will not become a member of the Independent Board Committee. Mr. Ho was appointed and has remained, a non-executive Director since 1 February 2013. He is presumed to be acting in concert with Mr. Song and other executive Director in relation to the Company in accordance with Class (6) of the definition of "acting in concert" under the Takeovers Code, and therefore, he will not become a member of the Independent Board Committee.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Independent Financial Adviser has been appointed to advise the Independent Board Committee in connection with the Proposal, the Scheme, the Share Option Offer and the Rollover Arrangement. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

DESPATCH OF THE SCHEME DOCUMENT

Under Rule 8.2 of the Takeovers Code, the Scheme Document should be despatched to the Shareholders and the Offered Option Holders within 21 days of the Announcement Date, that is, on or before 16 October 2026. The Scheme Document may only be despatched to the Shareholders and the Offered Option Holders after the Court has, at a Directions Hearing to be held on a date to be fixed by the Court, directed the holding of the Court Meeting.

As additional time is required to procure the holding of the Directions Hearing and to finalise the information to be included in the Scheme Document, an application will be made to the Executive for its consent to extend the latest time for the despatch of the Scheme Document. A further announcement will be made by the Company and the Offeror in respect of the application for the consent and the expected date of despatch of the Scheme Document.

PROPOSED WITHDRAWAL OF LISTING OF THE SHARES

Upon the Scheme becoming effective, all the Scheme Shares will be cancelled and extinguished and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title.

The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules immediately following the Scheme becoming effective.

The Shareholders will be notified by way of an announcement of the date of the last day for dealing in the Shares and the date on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective.

Subject to the requirements of the Takeovers Code, the Scheme will not become effective if any of the Scheme Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. The listing of the Shares on the Stock Exchange will not be withdrawn if the Scheme does not become effective or the Proposal and the Share Option Offer otherwise lapse.

WARNINGS

Shareholders, Offered Option Holders and potential investors of the Company should be aware that the implementation of the Proposal is subject to the Scheme Conditions being fulfilled or waived, as applicable, and the Share Option Offer is conditional upon the Scheme becoming effective. The Scheme may or may not become effective, and the Proposal and the Share Option Offer may or may not be implemented. Shareholders, Offered Option Holders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

This joint announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of any applicable laws and regulations. The Proposal will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal, including details on how to vote on the Proposal. Any acceptance, rejection or other response to the Proposal should be made only on the basis of information in the Scheme Document and the individual circumstances of the Shareholder or the Offered Option Holders (as the case may be) making the decision.

The availability of the Proposal and the Share Option Offer to persons who are not resident in Hong Kong may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in Hong Kong should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. Details in relation to overseas Scheme Shareholders and Offered Option Holders will be contained in the Scheme Document.

1. INTRODUCTION

On 27 September 2026, the Offeror requested the Board to put forward to the Scheme Shareholders the Proposal which, if approved and implemented, will result in the privatisation of the Company and the withdrawal of the listing of the Shares on the Stock Exchange. The Proposal will be implemented by way of the Scheme.

2. TERMS OF THE PROPOSAL

If the Proposal is approved and implemented:

(a) all the Scheme Shares held by the Scheme Shareholders will be cancelled and extinguished on the Effective Date in exchange for the payment by the Offeror to the Scheme Shareholders of the Cancellation Price of HK$1.50 in cash, for each Scheme Share;

(b) the Offered Option Holders will be entitled to receive the Option Consideration in exchange for the cancellation of their Share Options;

(c) upon the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be restored to its former number by the allotment and issue to the Offeror, credited as fully paid, of the same number of new Shares as the number of Scheme Shares cancelled and extinguished. The reserve created in the Company's books of account as a result of any reduction in issued share capital will be applied to the paying up in full of the new Shares so allotted and issued, credited as fully paid, to the Offeror;

(d) the Company will become wholly owned by the Offeror and the relevant members of the Offeror Concert Parties; and

(e) subject to the Scheme becoming effective, the Company will make an application to the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules for the withdrawal of the listing of the Shares on the Stock Exchange with effect from the Effective Date.

Comparison of Value

The Cancellation Price of HK$1.50 per Scheme Share cancelled and extinguished represents:

(a) a premium of approximately 38.89% over the closing price of HK$1.08 per Share as quoted on the Stock Exchange on the Last Trading Day;

(b) a premium of approximately 53.06% over the average closing price of approximately HK$0.98 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;

(c) a premium of approximately 53.06% over the average closing price of approximately HK$0.98 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;

(d) a premium of approximately 61.29% over the average closing price of approximately HK$0.93 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;

(e) a premium of approximately 64.84% over the average closing price of approximately HK$0.91 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;

(f) a premium of approximately 63.04% over the average closing price of approximately HK$0.92 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;

(g) a premium of approximately 54.64% over the average closing price of approximately HK$0.97 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day;

(h) a discount of approximately 59.46% to the audited consolidated net asset value attributable to Shareholders of approximately HK$3.70 per Share as at 31 December 2025, calculated based on the audited consolidated net asset value of the Company attributable to Shareholders of approximately HK$6,193,766,000 as at 31 December 2025 as extracted from the Company's 2025 annual report and the 1,672,607,166 Shares (being the number of Shares in issue as at 31 December 2025); and

(i) a discount of approximately 61.73% to the unaudited consolidated net asset value attributable to Shareholders of approximately HK$3.92 per Share as at 30 June 2026 calculated based on the unaudited consolidated net asset value of the Company attributable to Shareholders of approximately HK$6,567,455,000 as at 30 June 2026 as extracted from the Company's 2026 interim report and the 1,673,332,166 Shares (being the number of Shares in issue as at 30 June 2026).

Basis of determining the Cancellation Price

The Cancellation Price has been determined on a commercial basis after taking into account, among other things, the recent and historical prices of the Shares and trading volume of the Shares, the financial performance, the macroeconomic outlook, the sentiment of the consumer sector in the Group's major markets and business prospects of the Group, and with reference to other privatisation transactions relating to companies listed on the Stock Exchange in recent years.

Save for the Interim Dividend which will be payable on 28 September 2026, the Company does not intend to announce, declare and/or pay any dividend, distribution or other return of capital before the Effective Date, or the date on which the Scheme is not approved or the Proposal otherwise does not become effective (as the case may be).

If, after the Announcement Date, any dividend, other distribution and/or other return of capital (other than the Interim Dividend) is announced, declared or paid in respect of the Shares, the record date of which falls on or before the Effective Date, the Offeror will reduce the Cancellation Price by an amount equal to the gross amount of such dividend, distribution and/or return of capital, as the case may be, per Share, in which case any reference in this joint announcement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced. The Cancellation Price will not be reduced as a result of the Interim Dividend.

The Cancellation Price will not be increased, and the Offeror does not reserve the right to do so. Shareholders, Offered Option Holders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.

Highest and lowest prices of the Shares

During the six-month period preceding the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK$1.11 per Share on 4 September 2026, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK$0.81 per Share on 25 June 2026, 2 July 2026, 6 July 2026 and 13 July 2026.

Trading activities contributing to price and liquidity movements in the Shares following the publication of this joint announcement may be affected by the existence of the Scheme, which may or may not be indicative of the financial prospects of the Group, and could be transient in nature. Shareholders are reminded to exercise caution in drawing any inference from any such activities when contemplating the approval and acceptance of the Scheme.

3. SHARE OPTION OFFER

As at the Announcement Date, there are 152,153,500 Share Options granted and outstanding under the Share Option Schemes, among which, 91,367,500 Share Options are held by the Offered Option Holders. The exercise in full of all Share Options held by the Offered Option Holders would result in the allotment and issue of 91,367,500 new Shares, representing 5.46% of the issued share capital of the Company as at the Announcement Date and 5.18% of the total issued share capital of the Company as enlarged by the issue of such new Shares.

The Offeror will make (or procure to be made on its behalf) an appropriate offer to the Offered Option Holders in accordance with Rule 13 of the Takeovers Code. The Share Option Offer will be conditional upon the Scheme becoming effective.

Under the Share Option Offer, the Offeror will, in accordance with Rule 13 of the Takeovers Code, offer the Offered Option Holders the Option Consideration (which is the "see-through" price, being the Cancellation Price minus the relevant exercise price of the relevant outstanding Share Option) in cash for the cancellation of each outstanding Share Option they hold. Where the exercise price of any outstanding Share Option is equal to or greater than the Cancellation Price (such that the "see-through" price is zero or negative), the Option Consideration of a nominal amount of HK$0.00001 per outstanding Share Option will be made.

The table below sets out the exercise price and the corresponding "see-through" price for the outstanding Share Options under the Share Option Offer as at the Announcement Date:

Date of grant	**Exercise period of outstanding Share Options**	**Exercise price** *(HK$)*	**Option Consideration/ "See- through" price** *(HK$)*	**Number of outstanding Share Options held by the Offered Option Holders**
27 March 2018	27 March 2018 – 27 March 2028	4.54	0.00001	3,000,000
28 May 2018	28 May 2018 – 27 May 2028	5.122	0.00001	3,100,000
23 May 2019	23 May 2019 – 22 May 2029	3.75	0.00001	15,700,000
19 June 2020	19 June 2020 – 22 May 2029	0.96	0.54	11,047,000
11 December 2020	11 December 2020 – 10 December 2030	1.01	0.49	2,352,500
16 June 2022	16 June 2022 – 15 June 2032	1.042	0.458	500,000
2 July 2024	2 July 2024 – 1 July 2034	0.485	1.015	55,668,000
			Total	91,367,500

If any outstanding Share Option is exercised at the relevant exercise price in accordance with the terms of the Share Option Schemes before the Record Date, and the corresponding Shares are allotted and issued to such Offered Option Holder(s) prior to the Record Date, any such Shares shall form part of the Scheme Shares and may be voted at the Court Meeting. Please see the section headed "**17. VOTING AT THE COURT MEETING AND EGM**" below for further details.

In the event that (i) any outstanding Share Option has not been so exercised; and (ii) the Offered Option Holders do not accept the Share Option Offer in respect of such outstanding Share Option, such Share Option shall lapse immediately upon the Scheme becoming effective according to the terms of the Share Option Schemes.

During the offer period, the Company does not intend to grant any new Share Options under the Share Option Schemes.

The Share Option Offer will be conditional on the Scheme becoming effective. If any of the Scheme Conditions is not satisfied or waived (where applicable) on or before the Long Stop Date and the Proposal and the Scheme does not become effective, the Share Option Offer will also not become unconditional.

Further information on the Share Option Offer will be set out in a notice to the Offered Option Holders, which will be despatched at or around the same time as the despatch of the Scheme Document.

Irrevocable Undertakings

Each of the Connected Option Holders has irrevocably undertaken to the Company and the Offeror that he or she shall not exercise any Share Options on or before the Record Date (the "**Undertakings**") and all of the Share Options held by the Connected Option Holders shall lapse immediately upon the Scheme becoming effective and the Option Consideration which would otherwise be payable to the Connected Option Holders under the Share Option Offer if the Share Option Offer were extended to, and accepted by, them shall be satisfied by the Company allotting and issuing to each of the Connected Option Holders (or their respective nominees) such number of Shares equal to the aggregate Option Consideration payable to each relevant Connected Option Holder divided by the Cancellation Price, rounded down to the nearest integer. The Undertakings shall terminate if the Proposal does not become effective or is withdrawn, whichever is earlier.

Details of the Share Options held by the Connected Option Holders and number of Shares to be allotted and issued to the Connected Option Holders (or their respective nominees) are set out below:

Name of Connected Option Holder	**Exercise price** *(HK$)*	**Option Consideration/ "See-through" price** *(HK$)*	**Number of outstanding Share Options held**	**Aggregate Option Consideration** *(HK$)*	**Number of Shares to be allotted and issued**
Mr. Song	(i) 0.485	(i) 1.015	(i) 1,668,000	1,693,020.00	1,128,680
Ms. Fu	(i) 3.75 (ii) 0.96 (iii) 0.485	(i) 0.00001 (ii) 0.54 (iii) 1.015	(i) 600,000 (ii) 217,000 (iii) 1,668,000	1,810,206.00	1,206,804
Mr. Liu	(i) 3.75 (ii) 0.96 (iii) 0.485	(i) 0.00001 (ii) 0.54 (iii) 1.015	(i) 6,300,000 (ii) 1,953,000 (iii) 10,000,000	11,204,683.00	7,469,788
Mr. Pos	(i) 4.54 (ii) 0.96 (iii) 0.485	(i) 0.00001 (ii) 0.54 (iii) 1.015	(i) 17,500,000 (ii) 4,200,000 (iii) 16,680,000	19,198,375.00	12,798,916
	Total		**60,786,000**	**33,906,284.00**	**22,604,188**

4. SPECIAL DEAL IN RELATION TO THE ROLLOVER ARRANGEMENT

(a) The Rollover Shareholders retaining their respective shareholdings in the Company and remaining as shareholders of the Company after the Scheme becoming effective

The Rollover Shareholders, being Mr. Liu, Mr. Pos and Silvermount will retain their respective shareholdings in the Company and remain as shareholders of the Company in their personal capacity or through companies controlled by them after the Scheme becomes effective. The Rollover Shareholders, in aggregate, directly or indirectly hold 117,258,488 Shares (representing approximately 7.01% of the issued share capital of the Company) as at the Announcement Date.

(b) The allotment and issue of Shares to Mr. Liu and Mr. Pos (or their respective nominees) after the Scheme becoming effective

As at the Announcement Date, Mr. Liu and Mr. Pos, who are Connected Option Holders and members of the Rollover Shareholders, together hold an aggregate of 56,633,000 Share Options under the Share Option Schemes.

As set out in the section headed "3. SHARE OPTION OFFER — Irrevocable Undertakings" above, each of such Connected Option Holders has irrevocably undertaken to the Company and the Offeror that he shall not exercise any Share Options on or before the Record Date and all of the Share Options held by such Connected Option Holders shall lapse immediately upon the Scheme becoming effective and the Option Consideration which would otherwise be payable to such Connected Option Holders under the Share Option Offer if the Share Option Offer were extended to, and accepted by, them shall be satisfied by the Company allotting and issuing to each of such Connected Option Holders (or their respective nominees) such number of Shares equal to the aggregate Option Consideration payable to each relevant Connected Option Holder divided by the Cancellation Price, rounded down to the nearest integer, as compensation. Based on such arrangement, an aggregate of 20,268,704 Shares will be allotted and issued to Mr. Liu and Mr. Pos or their respective nominees (details of which are set out in the table in the section headed "3. SHARE OPTION OFFER — Irrevocable Undertakings" above). The Undertakings shall terminate if the Proposal does not become effective or is withdrawn, whichever is earlier.

(c) The Repurchase after the Scheme becoming effective

Upon the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be restored to its former number by the allotment and issue to the Offeror, credited as fully paid, of the same number of new Shares as the number of Scheme Shares cancelled and extinguished. Upon the Scheme becoming effective, the Offeror will hold up to 881,503,751 Shares (on the assumption that all the Offered Option Holders exercise their outstanding Share Options to become Scheme Shareholders before the relevant record date and there is no other change in the issued share capital of the Company before the relevant record date). The Company will repurchase all such Shares held by the Offeror which will be cancelled and extinguished and as consideration for the Repurchase, the Company will assume the obligations of the Offeror under the loan facilities obtained by the Offeror for the purpose of the Proposal and the Share Option Offer upon the Repurchase. No cash or other consideration will be paid to the Offeror for the Repurchase. Following the Repurchase, the Company will become wholly owned by the Offeror Group (excluding the Offeror) and the Rollover Shareholders.

The Company is of the view that it is important for the Company to retain the Rollover Shareholders as its management and shareholders to ensure continued operation of the Company and the long-term sustainable development and growth of the Company.

Special Deal and Independent Shareholder Approval

As the Rollover Arrangement is not offered to all Shareholders, the Rollover Arrangement to the extent it offers any benefit to the Shareholders other than the Offeror which is not extended to all Shareholders constitutes a special deal and requires the consent of the Executive under Rule 25 of the Takeovers Code. The Offeror will (before the despatch of the Scheme Document) make an application for consent from the Executive to the Rollover Arrangement conditional on: (i) the Independent Financial Adviser confirming that the Rollover Arrangement is fair and reasonable so far as the Independent Shareholders are concerned; and (ii) the passing of an ordinary resolution by the Independent Shareholders at the EGM to approve the Rollover Arrangement.

Accordingly, as set out in Scheme Condition (f) in the section headed **"5. THE SCHEME CONDITIONS**", the Proposal and the Scheme are subject to: (i) the receipt of an opinion from the Independent Financial Adviser confirming that the Rollover Arrangement is fair and reasonable so far as the Independent Shareholders are concerned; (ii) the passing of an ordinary resolution by the Independent Shareholders at the EGM to approve the Rollover Arrangement; and (iii) the grant of consent under Rule 25 of the Takeovers Code from the Executive in respect of the Rollover Arrangement.

Each of the Rollover Shareholders and the relevant Connected Option Holders is considered to be acting in concert with the Offeror as a result of the Rollover Arrangement, and is therefore not an Independent Shareholder and will not be voting on the Rollover Arrangement at the EGM.

5. THE SCHEME CONDITIONS

The implementation of the Proposal is, and the Scheme will become effective and binding on the Offeror, the Company and the Scheme Shareholders, subject to the fulfilment or waiver (as applicable) of the following Scheme Conditions:

(a) the approval of the Scheme (by way of poll) by the Scheme Shareholders representing not less than 75% in value of the Shares held by the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting in accordance with the prevailing requirements of Section 86 of the Companies Act as at the date of the Court Meeting;

(b) the approval of the Scheme (by way of poll) at the Court Meeting by the Independent Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Independent Shareholders that are cast either in person or by proxy at the Court Meeting and the number of votes cast (by way of poll) by Independent Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by all Independent Shareholders;

(c) (i) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve and give effect to the reduction of the issued share capital of the Company by cancelling and extinguishing the Scheme Shares, and (ii) the passing of an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to immediately thereafter increase the issued share capital of the Company to the amount prior to the cancellation and extinguishment of the Scheme Shares and apply the reserve created as a result of the aforesaid cancellation and extinguishment of the Scheme Shares to pay up in full at par value such number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished as a result of the Scheme, credited as fully paid, for issuance to the Offeror;

(d) the Court's sanction of the Scheme (with or without modifications) and its confirmation of the reduction of the issued share capital of the Company as a result of the cancellation and extinguishment of the Scheme Shares, and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Court and the minutes approved by the Court in respect of the reduction of the issued share capital of the Company for registration;

(e) compliance, to the extent necessary, with the procedural requirements and conditions, if any, under Sections 15, 16 and 17 of the Companies Act in relation to the reduction of the issued share capital of the Company referred to in paragraph (c)(i) above;

(f) (i) the receipt of an opinion from the Independent Financial Adviser confirming that the Rollover Arrangement is fair and reasonable so far as the Independent Shareholders are concerned; (ii) the passing of an ordinary resolution by the Independent Shareholders at the EGM to approve the Rollover Arrangement; and (iii) the grant of consent under Rule 25 of the Takeovers Code from the Executive in respect of the Rollover Arrangement;

(g) other than the consent and approval referred to in paragraphs (a) to (d) and (f) above, all authorisations, registrations, filings, rulings, consents, opinions, permissions and approvals in connection with the Proposal required before the Scheme becoming effective having been obtained from, given by or made with (as the case may be) the governments and/or government bodies, regulatory bodies, courts or institutions, in the Cayman Islands, Hong Kong and any other relevant jurisdictions;

(h) all authorisations, registrations, filings, rulings, consents, opinions, permissions and approvals in connection with the Proposal required before the Scheme becoming effective remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions in connection with the Proposal having been complied with and no requirement having been imposed by any governments and/or government bodies, regulatory bodies, courts or institutions which is not expressly provided for, or is in addition to requirements expressly provided for, in relevant laws, rules, regulations or codes in connection with the Proposal or any matters, documents (including circulars) or things relating thereto, in each aforesaid case up to and at the time when the Scheme becomes effective;

(i) all necessary consents which may be required for the implementation of the Proposal under any existing contractual obligations of the Company being obtained or waived by the relevant party(ies), where any failure to obtain such consent or waiver would have a material adverse effect on the business of the Group; and

(j) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order that would make the Proposal or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or the Scheme or its implementation in accordance with its terms) from the Announcement Date up to and at the time when the Scheme becomes effective, other than such actions, proceedings, suits, investigations or enquiries as would not have a material adverse effect on the legal ability of the Offeror to proceed with the Proposal or the Scheme.

Scheme Conditions set out in paragraphs (a) to (h) cannot be waived in any event. The Offeror reserves the right to waive Scheme Conditions set out in paragraphs (i) to (j) either in whole or in part, either generally or in respect of any particular matter. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Scheme Conditions as a basis for not proceeding with the Proposal if the circumstances which give rise to a right to invoke any such Scheme Condition are of material significance to the Offeror in the context of the Proposal. The Company has no right to waive any of the Scheme Conditions.

All of the Scheme Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Scheme will not become effective. When the Scheme Conditions are satisfied or waived (as applicable), the Scheme will become effective and binding on the Offeror, the Company and all the Scheme Shareholders.

As at the Announcement Date, with respect to the Scheme Conditions in:

(a) paragraph (g), each of the Offeror and the Company is not currently aware of any requirement for such authorisations or consents which are required other than those set out in the Scheme Conditions in paragraphs (a) to (d) and (f);

(b) paragraph (i), each of the Offeror and the Company is not aware of any such consents required; and

(c) paragraph (j), each of the Offeror and the Company is not aware of any such action, proceeding, suit, investigation, enquiry, statute, regulation, demand or order.

As at the Announcement Date, none of the Scheme Conditions has been fulfilled or waived (as the case may be).

The implementation of the Share Option Offer will be conditional upon the Scheme becoming effective.

WARNINGS

Shareholders, Offered Option Holders and potential investors of the Company should be aware that the implementation of the Proposal is subject to the Scheme Conditions being fulfilled or waived (including the approval of the Rollover Arrangement as a special deal under Rule 25 of the Takeovers Code), as applicable. The Scheme may or may not become effective, and the Proposal and the Share Option Offer may or may not be implemented. Shareholders, Offered Option Holders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

6. FINANCIAL RESOURCES

Cancellation Price

As at the Announcement Date, the total issued share capital of the Company comprises 1,673,437,166 Shares. There are (a) 790,136,251 Scheme Shares in issue; and (b) 152,153,500 outstanding Share Options, of which 91,367,500 outstanding Share Options are held by the Offered Option Holders, entitling the Offered Option Holders to subscribe for a total of 91,367,500 new Shares upon exercise of such Share Options.

On the assumption that all Offered Option Holders exercise their outstanding Share Options to become Scheme Shareholders before the Record Date and there is no other change in the issued share capital of the Company before the Record Date, the Proposal will involve making an offer to cancel and extinguish 881,503,751 Scheme Shares in exchange for the Cancellation Price of HK$1.50 per Scheme Share, resulting in the amount of cash required for the Scheme being approximately HK$1,322,255,626.50. No cash will be required for the Share Option Offer.

On the assumption that none of the outstanding Share Options held by the Offered Option Holders is exercised or lapses before the Record Date, the Proposal will involve making an offer to cancel and extinguish 790,136,251 Scheme Shares in exchange for the Cancellation Price of HK$1.50 per Scheme Share, resulting in the amount of cash required for the Scheme being approximately HK$1,185,204,377. In addition, the amount of cash required for the Share Option Offer will be approximately HK$63,850,343, which is equal to the aggregate of:

(a) the see-through price of HK$0.00001 per Share Option multiplied by 15,700,000 outstanding Share Options with an exercise price of HK$3.75 per Share;

(b) the see-through price of HK$0.00001 per Share Option multiplied by 3,000,000 outstanding Share Options with an exercise price of HK$4.54 per Share;

(c) the see-through price of HK$0.00001 per Share Option multiplied by 3,100,000 outstanding Share Options with an exercise price of HK$5.122 per Share;

(d) the see-through price of HK$0.54 per Share Option multiplied by 11,047,000 outstanding Share Options with an exercise price of HK$0.96 per Share;

(e) the see-through price of HK$0.49 per Share Option multiplied by 2,352,500 outstanding Share Options with an exercise price of HK$1.01 per Share;

(f) the see-through price of HK$0.458 per Share Option multiplied by 500,000 outstanding Share Options with an exercise price of HK$1.042 per Share; and

(g) the see-through price of HK$1.015 per Share Option multiplied by 55,668,000 outstanding Share Options with an exercise price of HK$0.485 per Share.

The maximum cash consideration payable by the Offeror under the Proposal and the Share Option Offer would be approximately HK$1,322,255,626.50 (under the scenario where all Offered Option Holders exercise their outstanding Share Options to become Scheme Shareholders before the Record Date).

The Company does not intend to announce, declare and/or pay any dividend, distribution or other return of capital before the Effective Date, or the date on which the Scheme is not approved or the Proposal and the Share Option Offer otherwise lapse (as the case may be).

Confirmation of Financial Resources

The Offeror intends to finance the cash required for the Proposal and the Share Option Offer through the loan facilities arranged by The Hongkong and Shanghai Banking Corporation Limited for the Offeror. As part of the security to the loan facilities, all the Shares held by the Rollover Shareholders are charged to the security agent for the lenders.

CCBI, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for discharging its obligations in respect of the full implementation of the Proposal and the Share Option Offer.

7. REASONS FOR AND BENEFITS OF THE PROPOSAL

For the Scheme Shareholders

Offer an attractive opportunity to fully exit and monetize investments in the Company amid limited trading liquidity.

The trading liquidity of the Shares has remained low for a sustained period of time. The average daily trading volume of the Shares for the 6 and 12 months leading up to and including the Last Trading Day were approximately 2,216,808 Shares and 2,665,517 Shares, respectively, representing only 0.13% and 0.16% of the issued share capital of the Company respectively as at the Announcement Date. The low trading liquidity would be challenging for the Scheme Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares. The Proposal provides an immediate opportunity for the Scheme Shareholders to exit and reallocate the proceeds to alternative investment opportunities.

Unlock shareholder value at a compelling premium.

The Proposal provides an attractive opportunity for the Scheme Shareholders to monetize their investments at a premium over the prevailing Share price. The Cancellation Price represents a premium of approximately 38.89% over the closing price of HK$1.08 per Share as at the Last Trading Day, as well as a premium of approximately 53.06% and 61.29% over the average closing price of approximately HK$0.98 and HK$0.93 per Share for the 30 and 60 trading days up to and including the Last Trading Day, respectively. In addition, during the period from 26 March 2025 up to the Announcement Date, the Cancellation Price is higher than the closing prices of the Shares throughout the entire period.

For the Company

Reduce costs of maintaining the Company's listing status

The listing of the Company involves administrative, compliance and other listing-related costs and expenses. If the Proposal is successful, these costs and expenses would be eliminated and thus allow the Offeror and the Company to allocate more resources for the development of the business of the Group.

Furthermore, following the implementation of the Proposal, the Company can be relieved from market expectations and share price fluctuation as a publicly listed company. The management of the Company can also utilise the resources which would otherwise go towards administrative, compliance and other listing-related matters of the Company on the business operations of the Group.

Scheme Shareholders and Offered Option Holders are reminded to refer to the details of the Proposal and the Share Option Offer set out in the Scheme Document, including the advice of the Independent Financial Adviser and the recommendation from the Independent Board Committee in respect of the Proposal and the Share Option Offer, before making a decision.

8. SHAREHOLDING STRUCTURE

As at the Announcement Date:

(a) the issued share capital of the Company comprises 1,673,437,166 Shares;

(b) a total of 152,153,500 Share Options are outstanding, of which 91,367,500 outstanding Share Options are held by the Offered Option Holders;

(c) there are no other outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into Shares;

(d) the Offeror does not hold any Shares and the Offeror Concert Parties hold in aggregate 883,300,915 Shares, representing approximately 52.78% of the issued share capital of the Company;

(e) save for the 883,300,915 Shares held by the Offeror Concert Parties (representing approximately 52.78% of the issued share capital of the Company), 60,786,000 outstanding Share Options held by the Connected Option Holders, in respect of which each of the Connected Option Holders has irrevocably undertaken to the Company and the Offeror that he or she shall not exercise any such Share Options on or before the Record Date, and 96,000 outstanding Share Options held by Mr. Ho Kwok Yin, Eric, a non-executive Director, none of the Offeror and the Offeror Concert Parties beneficially owns, control or has direction over any other Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company;

(f) the Scheme Shares comprise a total of 790,136,251 Shares held or beneficially owned by the Scheme Shareholders, representing approximately 47.22% of the issued share capital of the Company; and

(g) CCBI is the financial adviser to the Offeror in connection with the Proposal and the Share Option Offer. Accordingly, CCBI is presumed to be acting in concert with the Offeror in relation to the Company in accordance with Class (5) of the definition of "acting in concert" under the Takeovers Code. As at the Announcement Date, CCBI does not hold any Shares.

Assuming that all the Share Options held by the Offered Option Holders will be exercised in full and there is no other change in the issued share capital of the Company before the Effective Date, the table below sets out the shareholding structure of the Company (i) as at the Announcement Date, (ii) before completion of the Proposal (assuming that all outstanding Share Options held by the Offered Option Holders will be exercised), (iii) immediately upon completion of the Proposal, and (iv) immediately upon completion of the Repurchase:

Shareholders	As at the Announcement Date (based on the existing issued share capital of the Company)		Before completion of the Proposal (assuming that all outstanding Share Options held by the Offered Option Holders are exercised in full)		Immediately upon completion of the Proposal (assuming that all outstanding Share Options held by the Offered Option Holders are exercised in full, Share Options held by the Connected Option Holders have lapsed and new Shares have been allotted and issued to them, as compensation, and there is no other change in shareholding of the Company before the Effective Date)		Immediately upon completion of the Repurchase (assuming that all outstanding Share Options held by the Offered Option Holders are exercised in full and there is no other change in shareholding of the Company before the Effective Date)	
	No. of Shares	*Approximate % (Note 1)*	*No. of Shares*	*Approximate % (Note 1)*	*No. of Shares*	*Approximate % (Note 1)*	*No. of Shares*	*Approximate % (Note 1)*
(A) Offeror Group								
Offeror *(Note 2)*	–	–	–	–	881,503,751	49.32	–	–
Mr. Song *(Note 9)*	–	–	–	–	1,128,680	0.06	1,128,680	0.12
Ms. Fu *(Note 9)*	–	–	–	–	1,206,804	0.07	1,206,804	0.13
Cayey Enterprises *(Note 5)*	69,738,176	4.17	69,738,176	3.95	69,738,176	3.90	69,738,176	7.70
Rosy Phoenix *(Note 5)*	157,492,047	9.41	157,492,047	8.92	157,492,047	8.81	157,492,047	17.39
PUD *(Notes 3 and 5)*	409,518,229	24.47	409,518,229	23.20	409,518,229	22.91	409,518,229	45.21
Sure Growth *(Notes 4 and 5)*	129,293,975	7.73	129,293,975	7.33	129,293,975	7.23	129,293,975	14.27
Sub-total of (A)	**766,042,427**	**45.78**	**766,042,427**	**43.41**	**1,649,881,662**	**92.31**	**768,377,911**	**84.82**
(B) Rollover Shareholders *(Note 2)*								
Mr. Liu *(Notes 6 and 9)*	29,057,573	1.74	29,057,573	1.65	36,527,361	2.04	36,527,361	4.03
Mr. Pos *(Notes 7 and 9)*	88,200,915	5.27	88,200,915	5.00	100,999,831	5.65	100,999,831	11.15
Sub-total of (B)	**117,258,488**	**7.01**	**117,258,488**	**6.64**	**137,527,192**	**7.69**	**137,527,192**	**15.18**

Shareholders	As at the Announcement Date (based on the existing issued share capital of the Company)		Before completion of the Proposal (assuming that all outstanding Share Options held by the Offered Option Holders are exercised in full)		Immediately upon completion of the Proposal (assuming that all outstanding Share Options held by the Offered Option Holders are exercised in full, Share Options held by the Connected Option Holders have lapsed and new Shares have been allotted and issued to them, as compensation, and there is no other change in shareholding of the Company before the Effective Date)		Immediately upon completion of the Repurchase (assuming that all outstanding Share Options held by the Offered Option Holders are exercised in full and there is no other change in shareholding of the Company before the Effective Date)	
	No. of Shares	*Approximate % (Note 1)*	*No. of Shares*	*Approximate % (Note 1)*	*No. of Shares*	*Approximate % (Note 1)*	*No. of Shares*	*Approximate % (Note 1)*
(C) Non-executive Director								
Mr. Ho *(Note 8)*	–	–	96,000	0.01	–	–	–	–
Sub-total of (C)	**–**	**–**	**96,000**	**0.01**	**–**	**–**	**–**	**–**
(D) Offeror and the Offeror Concert Parties (A) + (B) + (C)	**883,300,915**	**52.78**	**883,396,915**	**50.06**	**1,787,408,854**	**100.00**	**905,905,103**	**100.00**
(E) Independent Shareholders								
Independent non-executive Directors								
Ms. Chiang Yun	–	–	96,000	0.01	–	–	–	–
Mr. Jin Peng	2,914,000	0.17	3,010,000	0.17	–	–	–	–
Public Shareholders	**787,222,251**	**47.04**	**878,301,751**	**49.77**	**–**	**–**	**–**	**–**
Sub-total of (E)	**790,136,251**	**47.22**	**881,407,751**	**49.94**	**–**	**–**	**–**	**–**
(F) Scheme Shareholders (C) + (E)	**790,136,251**	**47.22**	**881,503,751**	**49.95**	**–**	**–**	**–**	**–**
Total number of Shares in issue (D) + (E)	**1,673,437,166**	**100.00**	**1,764,804,666**	**100.00**	**1,787,408,854**	**100.00**	**905,905,103**	**100.00**

Assuming that none of the Share Options held by the Offered Option Holders will be exercised and there is no change in the issued share capital of the Company before the Effective Date, the table below sets out the shareholding structure of the Company (i) as at the Announcement Date, (ii) immediately upon completion of the Proposal, and (iii) immediately upon completion of the Repurchase:

Shareholders	**As at the Announcement Date (based on the existing issued share capital of the Company)**		**Immediately upon completion of the Proposal (assuming that Share Options held by the Connected Option Holders have lapsed and new Shares have been allotted and issued to them, as compensation, there is no change in shareholding of the Company before the Effective Date)**		**Immediately upon completion of the Repurchase (assuming that there is no change in shareholding of the Company before the Effective Date)**	
	No. of Shares	*Approximate % (Note 1)*	*No. of Shares*	*Approximate % (Note 1)*	*No. of Shares*	*Approximate % (Note 1)*
(A) Offeror Group						
Offeror *(Note 2)*	–	–	790,136,251	46.59	–	–
Mr. Song *(Note 9)*	–	–	1,128,680	0.07	1,128,680	0.12
Ms. Fu *(Note 9)*	–	–	1,206,804	0.07	1,206,804	0.13
Cayey Enterprises *(Note 5)*	69,738,176	4.17	69,738,176	4.11	69,738,176	7.70
Rosy Phoenix *(Note 5)*	157,492,047	9.41	157,492,047	9.29	157,492,047	17.39
PUD *(Notes 3 and 5)*	409,518,229	24.47	409,518,229	24.15	409,518,229	45.21
Sure Growth *(Notes 4 and 5)*	129,293,975	7.73	129,293,975	7.62	129,293,975	14.27
Sub-total of (A)	**766,042,427**	**45.78**	**1,558,514,162**	**91.89**	**768,377,911**	**84.82**
(B) Rollover Shareholders *(Note 2)*						
Mr. Liu *(Notes 6 and 9)*	29,057,573	1.74	36,527,361	2.15	36,527,361	4.03
Mr. Pos *(Notes 7 and 9)*	88,200,915	5.27	100,999,831	5.96	100,999,831	11.15
Sub-total of (B)	**117,258,488**	**7.01**	**137,527,192**	**8.11**	**137,527,192**	**15.18**

Shareholders	As at the Announcement Date (based on the existing issued share capital of the Company)		Immediately upon completion of the Proposal (assuming that Share Options held by the Connected Option Holders have lapsed and new Shares have been allotted and issued to them, as compensation, there is no change in shareholding of the Company before the Effective Date)		Immediately upon completion of the Repurchase (assuming that there is no change in shareholding of the Company before the Effective Date)	
	No. of Shares	*Approximate % (Note 1)*	*No. of Shares*	*Approximate % (Note 1)*	*No. of Shares*	*Approximate % (Note 1)*
(C) Non-executive Director						
Mr. Ho *(Note 8)*	–	–	–	–	–	–
Sub-total of (C)	**–**	**–**	**–**	**–**	**–**	**–**
(D) Offeror and the Offeror Concert Parties (A) + (B) + (C)	**883,300,915**	**52.78**	**1,696,041,354**	**100.00**	**905,905,103**	**100.00**
(E) Independent Shareholders						
Independent non-executive Directors						
Ms. Chiang Yun	–	–	–	–	–	–
Mr. Jin Peng	2,914,000	0.17	–	–	–	–
Public Shareholders	**787,222,251**	**47.04**	**–**	**–**	**–**	**–**
Sub-total of (E)	**790,136,251**	**47.22**	**–**	**–**	**–**	**–**
(F) Scheme Shareholders (C) + (E)	**790,136,251**	**47.22**	**–**	**–**	**–**	**–**
Total number of Shares in issue (D) + (E)	**1,673,437,166**	**100.00**	**1,696,041,354**	**100.00**	**905,905,103**	**100.00**

Notes:

(1) All percentages in the above table are approximations. The percentages may not add up to the relevant total or sub-total percentage due to rounding.

(2) The Shares held by the Shareholders listed in categories (A) and (B) will not form part of the Scheme Shares and will not be voted at the Court Meeting. Under the Scheme, Shares held by the Shareholders listed in categories (A) and (B) will not be cancelled and extinguished. The share capital of the Company will, on the Effective Date, be reduced by cancelling and extinguishing the Scheme Shares, and forthwith upon such reduction, the share capital of the Company will be increased to its former amount by the issuance to the Offeror, credited as fully paid, of the same number of Shares as is equal to the number of Scheme Shares cancelled and extinguished.

(3) As at the Announcement Date, PUD is owned as to 27.99% by Cayey Enterprises, as to 27.99% by Rosy Phoenix, as to 13.05% by Powergain Global Limited, as to 10.23% by Lexidirect Corporation and as to 20.75% by 77 individuals who are former or existing employees of the Group and each of them holds less than 10% of the equity interest. Powergain Global Limited is wholly-owned by Mr. Wang Haiye, who is the nephew of Mr. Song. Lexidirect Corporation is owned as to 90% by Shi Lan, an independent third party and as to 10% by Mr. Liu.

(4) As at the Announcement Date, Sure Growth is owned as to 53.33% by Cayey Enterprises, as to 26.67% by Rosy Phoenix, as to 13.33% by Mr. Liu and as to 6.67% by Mr. Michael Nan Qu, who is an employee of the Company.

(5) Grappa Enterprises Limited and Gramma Enterprises Limited are indirectly wholly-owned by TTC. Grappa Enterprises Limited holds 99.99% of Cayey Enterprises directly. Gramma Enterprises Limited holds 99% of Rosy Phoenix directly. TTC is the trustee of Gramma Trust and Grappa Trust holding interest on trust for the beneficiaries of the Gramma Trust and Grappa Trust, respectively. The beneficiaries of Grappa Trust include Mr. Song (an executive Director, the sole director of the Offeror and the spouse of Ms. Fu) and his family members and the beneficiaries of Gramma Trust include Ms. Fu (a non-executive Director and the spouse of Mr. Song) and her family members. Accordingly, TTC is deemed to be a party acting in concert with the Offeror under Class (2) and Class (6) of the definition of "acting in concert" under the Takeovers Code. The Shares indirectly held by TTC as at the Announcement Date will not form part of the Scheme Shares and will not be cancelled or extinguished upon completion of the Proposal.

(6) Mr. Liu, an executive Director, is interested in 29,057,573 Shares held through Silvermount, a company wholly owned by him. The Shares held by Silvermount as at the Announcement Date will not form part of the Scheme Shares and will not be cancelled or extinguished upon completion of the Proposal.

(7) Mr. Pos, an executive Director, is interested in 88,200,915 Shares. The Shares held by Mr. Pos as at the Announcement Date will not form part of the Scheme Shares and will not be cancelled or extinguished upon completion of the Proposal.

(8) Mr. Ho is a non-executive Director and is presumed to be acting in concert with Mr. Song, Ms. Fu, Mr. Liu and Mr. Pos in relation to the Company in accordance with Class (6) of the definition of "acting in concert" under the Takeovers Code. Mr. Ho was appointed by the directors of the Company to the Board on 1 February 2013 at the recommendation of the then executive Directors. As at the Announcement Date, Mr. Ho does not have any relationship with the Offeror, other than being a fellow director of the Company with Mr. Song, the sole director and shareholder of the Offeror.

(9) As at the Announcement Date, Mr. Song, Ms. Fu, Mr. Liu and Mr. Pos are Connected Option Holders and together hold an aggregate of 60,786,000 Share Options under the Share Option Schemes. Immediately upon the Scheme becoming effective, all the Share Options held by the Connected Option Holders will lapse and as compensation, an aggregate of 22,604,188 Shares will be allotted and issued to them or their respective nominees.

9. INFORMATION ON THE GROUP

The Company is a limited liability company incorporated in the Cayman Islands whose shares have been listed on the Main Board of the Stock Exchange since 24 November 2010. The Group is principally engaged in the design, research and development, manufacturing, marketing and distribution of products for children.

Set out below is certain audited consolidated financial information of the Company as extracted from the Company's annual reports for the two years ended 31 December 2025 and the unaudited consolidated financial information of the Company as extracted from the Company's interim reports for the six months ended 30 June 2026 and 30 June 2025:

	For the six months ended 30 June		**For the years ended 31 December**	
	2026	**2025**	**2025**	**2024**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	(Unaudited)	*(Unaudited)*	*(Audited)*	*(Audited)*
Revenue	4,551,027	4,300,936	8,659,207	8,765,905
Profit before taxation	398,416	153,619	324,228	379,570
Profit for the year/period	276,669	105,537	218,351	356,216
Profit for the year/period attributable to equity holders of the Company	275,202	105,388	218,597	355,846
Earnings per share the year/period attributable to ordinary equity holders of the parent – basic and diluted	0.16	0.06	0.13	0.21

10. INFORMATION ON THE OFFEROR

The Offeror is a newly incorporated business company in the BVI with limited liability and an investment holding company set up solely for the purposes of implementing the Proposal. As at the Announcement Date, the Offeror is wholly owned by Mr. Song.

The sole director of the Offeror is Mr. Song. Mr. Song is the chairman and executive director of the Company, and responsible for the effective operation of the Board and the strategic guidance of the Group business. He was also the chief executive officer of the Company for the period from 24 November 2010 to 15 January 2016. Mr. Song is the founder with more than 30 years of experience in the juvenile products industry. Mr. Song majored in mathematics and graduated from Jiangsu Teachers University (江蘇師範學院) in 1981 with a certificate of graduation. Prior to establishing the Company, Mr. Song was a teacher in Lujia Middle School in Kunshan City from 1973 to 1984 and he was the Vice Principal from 1984 to 1993. Between 1989 and 1993, Mr. Song was also in charge of a factory run by Lujia Middle School, the predecessor of Goodbaby Group Co., Ltd., which is a major founding shareholder of the Group. In 1989, Mr. Song invented a "push and rock" stroller and subsequently founded the Group to engage in the design, manufacture and marketing of strollers under the "好孩子 Goodbaby" brand in China. Because of Mr. Song's outstanding achievements, he was awarded the Ernst & Young Entrepreneur of the Year Award (安永企業家獎) for the Greater China region in 2006. In 2012, Mr. Song was awarded the "Chinese Toy Industry's Outstanding Achievement Award" (中國玩具行業傑出成就獎) by the China Toy Association. In 2013, Mr. Song was selected as winner of Walter L. Hurd Executive Medal 2013 by the Walter L. Hurd Fo.

Mr. Song is an indirect shareholder and a director of Sure Growth and PUD, both of which are substantial shareholders of the Company. Mr. Song is also a shareholder and a director of Cayey Enterprises, which is a shareholder of the Company, and a shareholder of both PUD and Sure Growth. Mr. Song is the spouse of Ms. Fu, a non-executive Director.

11. INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

As at the Announcement Date, the Offeror intends that the Group will continue to carry on its existing businesses, and the Offeror has no intention, upon the Scheme becoming effective, to make any material change to (a) the existing business and/or material disposal or redeployment of assets of the Group, or (b) the continued employment of the employees of the Group as a result of the implementation of the Proposal and the Share Option Offer other than any change which the Group may from time to time implement in the ordinary course of business. The Offeror will conduct a strategic review of the Group's assets, corporate structure, capitalisation, operations, properties, policies and management to determine if any changes would be appropriate and desirable following the implementation of the Proposal with a view to optimising the Group's activities and development, and may make any changes as the Offeror deems necessary, appropriate or beneficial for the Group in light of its review of the Group or any future development.

The Group will continue to work with its customers and business partners in existing and future endeavours to grapple with business challenges.

12. PROPOSED WITHDRAWAL OF LISTING OF THE SHARES

Upon the Scheme becoming effective, all the Scheme Shares will be cancelled and extinguished and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title.

The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules immediately following the Scheme becoming effective.

The Shareholders will be notified by way of an announcement of the date of the last day for dealing in the Shares and the date on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective.

13. INDICATIVE TIMING OF THE COURT MEETING AND EGM

It is presently expected that the Court Meeting and the EGM will be held on or around November 2026, subject to the schedule of the Court and the results of the Directions Hearing.

A detailed expected timetable of the implementation of the Proposal and the Share Option Offer will be set out in the Scheme Document, which will also contain, among other things, further details of the Scheme.

14. ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising Ms. Chiang Yun, Mr. Wong Shun Tak and Mr. Jin Peng, each an independent non-executive Director, has been established by the Board to make a recommendation to the Independent Shareholders and the Offered Option Holders as to (i) whether the Proposal, the Scheme, the Share Option Offer and the Rollover Arrangement are fair and reasonable; (ii) voting at the Court Meeting and the EGM; and (iii) acceptance of the Share Option Offer by the Offered Option Holders.

Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee comprises all the non-executive Directors who have no direct or indirect interest in the Proposal other than as a Shareholder. Ms. Fu, a non-executive Director, is the spouse of Mr. Song, the sole director of the Offeror. Ms. Fu is also one of the Offeror Concert Parties, the Connected Option Holders and the Rollover Shareholders. Therefore, she is considered to have direct or indirect interest in the Proposal, the Scheme, the Share Option Offer and the Rollover Arrangement for consideration by the Independent Board Committee, and will not become a member of the Independent Board Committee. Mr. Ho was appointed and has remained, a non-executive Director since 1 February 2013. He is presumed to be acting in concert with Mr. Song and other executive Director in relation to the Company in accordance with Class (6) of the definition of "acting in concert" under the Takeovers Code, and therefore, he will not become a member of the Independent Board Committee.

Mr. Song, Ms. Fu, Mr. Liu and Mr. Pos, being the Directors, have abstained and will continue to abstain from voting at meetings of the Board in relation to the Proposal and the Share Option Offer given each of them has a material interest in the Proposal and the Share Option Offer. The Independent Board Committee has reserved its opinion pending the advice of the Independent Financial Adviser.

Scheme Shareholders and Offered Option Holders are reminded to carefully read the Scheme Document, including the letter of advice from the Independent Financial Adviser to the Independent Board Committee contained therein, before making a decision.

15. APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Independent Financial Adviser has been appointed to advise the Independent Board Committee in connection with the Proposal, the Scheme, the Share Option Offer and the Rollover Arrangement. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

16. DESPATCH OF THE SCHEME DOCUMENT

The Scheme Document containing, among other things, (a) further details of the Proposal, the Scheme, the Share Option Offer and the Rollover Arrangement, (b) the expected timetable, (c) an explanatory statement as required under the Companies Act and the rules of the Court, (d) information regarding the Company, (e) the recommendations of the Independent Board Committee with respect to the Proposal, the Scheme, the Share Option Offer and the Rollover Arrangement, (f) the letter of advice from the Independent Financial Adviser with respect to the Proposal, the Scheme, the Share Option Offer and the Rollover Arrangement, (g) notices of the Court Meeting and the EGM and the respective forms of proxy in relation thereto will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code, the Companies Act, the rules of the Court and applicable laws and regulations.

Under Rule 8.2 of the Takeovers Code, the Scheme Document should be despatched to the Shareholders and the Offered Option Holders within 21 days of the Announcement Date, that is, on or before 16 October 2026. The Scheme Document may only be despatched to the Shareholders and the Offered Option Holders after the Court has, at a Directions Hearing to be held on a date to be fixed by the Court, directed the holding of the Court Meeting.

As additional time is required to procure the holding of the Directions Hearing and to finalise the information to be included in the Scheme Document, an application will be made to the Executive for its consent to extend the latest time for the despatch of the Scheme Document. A further announcement will be made by the Company and the Offeror in respect of the application for the consent and the expected date of despatch of the Scheme Document.

The Scheme Document will contain important information, and the Shareholders and the Offered Option Holders are urged to read the Scheme Document carefully when casting any vote at (or providing any proxy in respect of) the Court Meeting and/or the EGM or (in the case of the Offered Option Holders) accepting the Share Option Offer. Any acceptance, rejection or other response to the Proposal and the Share Option Offer should be made only on the basis of information in the Scheme Document.

17. VOTING AT THE COURT MEETING AND EGM

As at the Announcement Date, the Offeror does not hold any Shares, and the Offeror Concert Parties hold 883,300,915 Shares, representing approximately 52.78% of the issued share capital of the Company. These Shares will not form part of the Scheme Shares and will not be cancelled and extinguished upon the Scheme becoming effective. All Offeror Concert Parties will procure that any Shares in respect of which they are beneficially interested will not be represented or voted at the Court Meeting. The Offeror Concert Parties will undertake to the Court that they will be bound by the Scheme and will execute and do all things as may be necessary or desirable to be executed and done by it for the purposes of the Scheme.

All Shareholders are entitled to attend the EGM and vote on (i) a special resolution to approve and give effect to the reduction of the issued share capital of the Company by cancelling and extinguishing the Scheme Shares; and (ii) an ordinary resolution to immediately thereafter increase the number of issued Shares in the share capital of the Company to the amount prior to the cancellation and extinguishment of the Scheme Shares and apply the reserve created as a result of the aforesaid cancellation and extinguishment of the Scheme Shares to pay up in full at par such number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished as a result of the Scheme, credited as fully paid, for issuance to the Offeror.

All Independent Shareholders are entitled to attend the EGM and vote on an ordinary resolution to approve the Rollover Arrangement.

18. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL AND THE SHARE OPTION OFFER LAPSE

Subject to the requirements of the Takeovers Code, the Scheme will not become effective if any of the Scheme Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. The listing of the Shares on the Stock Exchange will not be withdrawn if the Scheme does not become effective or the Proposal and the Share Option Offer otherwise lapse.

If the Scheme is not approved or the Proposal and the Share Option Offer otherwise lapse, there are restrictions under Rule 31.1 of the Takeovers Code on the Offeror making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or the Proposal and the Share Option Offer otherwise lapse, announce an offer or possible offer for the Company, except with the consent of the Executive.

Pursuant to Rule 2.3 of the Takeovers Code, if the Scheme is not approved and the Proposal is either not recommended by the Independent Board Committee or is not recommended as fair and reasonable by the Independent Financial Adviser, all costs and expenses incurred by the Company in connection with the Proposal, the Scheme and the Share Option Offer will be borne by the Offeror.

19. GENERAL

As at the Announcement Date:

(1) save as disclosed in the sections headed "**3. SHARE OPTION OFFER**" and "**8. SHAREHOLDING STRUCTURE**" above, none of the Offeror and the Offeror Concert Parties holds or has control or direction over any Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company;

(2) none of the Offeror and the Offeror Concert Parties has dealt in any Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company in the six months prior to and including (i) the Announcement Date and (ii) the Last Trading Day, respectively;

(3) save for the Undertakings, none of the Offeror and the Offeror Concert Parties has received an irrevocable commitment to vote for or against the Scheme or any part of the Proposal, or to accept or not accept the Option Offer;

(4) save as disclosed in the sections headed "**3. SHARE OPTION OFFER**" and "**8. SHAREHOLDING STRUCTURE**" above, none of the Offeror and the Offeror Concert Parties holds any convertible securities, warrants or options in respect of voting rights and rights over Shares;

(5) none of the Offeror and the Offeror Concert Parties has entered into any outstanding derivative in respect of securities in the Company;

(6) save for the Rollover Arrangement and the Undertakings, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to shares of the Offeror or Shares which might be material to the Proposal (as referred to in Note 8 to Rule 22 of the Takeovers Code);

(7) save for the Rollover Arrangement and the Undertakings, there is no agreement or arrangement to which any of the Offeror or the Offeror Concert Parties is a party which relates to the circumstances in which the Offeror may or may not invoke or seek to invoke a condition to the Proposal;

(8) none of the Offeror and the Offeror Concert Parties has borrowed or lent any Shares or any other securities of the Company;

(9) save for the Cancellation Price and the Option Consideration to be paid by the Offeror, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror and the Offeror Concert Parties (i) to the Scheme Shareholders or their concert parties in relation to the cancellation and extinguishment of the Scheme Shares or (ii) to the Offered Option Holders or their concert parties in relation to the cancellation of the Share Options;

(10) save for the Rollover Arrangement and the Undertakings, there is no agreement, arrangement or understanding between (i) any Shareholder on the one hand, and (ii) the Offeror and the Offeror Concert Parties on the other hand; and

(11) save for the Rollover Arrangement and the Undertakings, there is no agreement, arrangement, understanding or special deal (as defined in Rule 25 of the Takeovers Code) between (i) any Shareholder on the one hand, and (ii)(a) the Offeror and the Offeror Concert Parties or (b) the Company, its subsidiaries or associated companies, on the other hand.

20. DISCLOSURE OF DEALINGS

Associates of the Offeror and the Company (as defined in the Takeovers Code, including shareholders holding 5% or more of any class of relevant securities (as defined in paragraphs (a) to (d) in Note 4 to Rule 22 of the Takeovers Code) of any of the Offeror and the Company) are hereby reminded to disclose their dealings in the relevant securities of the Company under Rule 22 of the Takeovers Code during the offer period (as defined in the Takeovers Code) commencing on the Announcement Date.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

"Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than $1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation."

21. TAXATION AND INDEPENDENT ADVICE

Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of the Proposal. It is emphasised that none of the Offeror, the Company, Financial Adviser, nor any of their respective directors, officers or associates or any other person involved in the Proposal accepts responsibility (other than in respect of themselves, if applicable) for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Proposal.

22. OVERSEAS SCHEME SHAREHOLDERS AND OFFERED OPTION HOLDERS

The making and implementation of the Proposal and the Share Option Offer to those Scheme Shareholders and Offered Option Holders (as the case may be) who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions where such Scheme Shareholders and Offered Option Holders are located. Such Scheme Shareholders and Offered Option Holders should inform themselves about and observe any applicable legal and regulatory requirements of their own jurisdictions. It is the responsibility of any overseas Scheme Shareholders and Offered Option Holders wishing to accept the Proposal and the Share Option Offer (as the case may be) to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental or exchange control or other consents which may be required, or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due by such overseas Scheme Shareholders and Offered Option Holders in such jurisdiction.

In the event that the despatch of the Scheme Document to overseas Scheme Shareholders and Offered Option Holders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the directors of the Company regard as unduly onerous or burdensome (or otherwise not in the best interests of the Company or its Shareholders), the Scheme Document may, subject to the consent of the Executive, not be despatched to such overseas Shareholders. For that purpose, the Company may apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Scheme Document to such overseas Scheme Shareholders and Offered Option Holders. In granting the waiver, the Executive will be concerned to see that all material information in the Scheme Document is made available to such overseas Scheme Shareholders and Offered Option Holders.

WARNINGS

Shareholders, Offered Option Holders and potential investors of the Company should be aware that the implementation of the Proposal is subject to the Scheme Conditions being fulfilled or waived, as applicable, and the Share Option Offer is conditional upon the Scheme becoming effective. The Scheme may or may not become effective, and the Proposal and the Share Option Offer may or may not be implemented. Shareholders, Offered Option Holders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

This joint announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of any applicable laws and regulations. The Proposal will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal, including details on how to vote on the Proposal. Any acceptance, rejection or other response to the Proposal should be made only on the basis of information in the Scheme Document and the individual circumstances of the Shareholder or the Offered Option Holder (as the case may be) making the decision.

The availability of the Proposal and the Share Option Offer to persons who are not resident in Hong Kong may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in Hong Kong should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. Details in relation to overseas Scheme Shareholders and Offered Option Holders will be contained in the Scheme Document.

DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"acting in concert"	has the same meaning ascribed to it under the Takeovers Code, and "parties acting in concert" shall be construed accordingly
"Announcement Date"	27 September 2026, being the date of this joint announcement
"associate(s)"	has the same meaning ascribed to it under the Takeovers Code
"associated company(ies)"	has the same meaning ascribed to it under the Takeovers Code
"Board"	the board of Directors
"BVI"	the British Virgin Islands
"Cancellation Price"	the cancellation price of HK$1.50 per Scheme Share cancelled and extinguished pursuant to the Scheme, which shall be payable by the Offeror to the Scheme Shareholders in the form of cash
"Cayey Enterprises"	Cayey Enterprises Limited, a company incorporated in the BVI and owned as to 99.99% by Grappa Trust
"Companies Act"	the Companies Act (As Revised) of the Cayman Islands
"Company"	Goodbaby International Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1086)
"Connected Option Holders"	collectively, Mr. Song, Ms. Fu, Mr. Liu and Mr. Pos
"Court"	The Grand Court of the Cayman Islands
"Court Meeting"	a meeting of the Scheme Shareholders to be convened at the direction of the Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof
"Directions Hearing"	a directions hearing of the Court for the purpose of giving direction as to the holding of the Court Meeting

"Director(s)"	the director(s) of the Company
"Effective Date"	the date on which the Scheme becomes effective in accordance with the Companies Act
"EGM"	an extraordinary general meeting of the Company to be convened for the purpose of, among other matters, approving the changes to the issued share capital of the Company involved in the Scheme and implementing the Scheme, or any adjournment thereof
"Executive"	the Executive Director of the Corporate Finance Division of the SFC or any delegate thereof
"Financial Adviser" or "CCBI"	CCB International Capital Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the financial adviser to the Offeror in relation to the Proposal, the Scheme and the Share Option Offer
"Gramma Trust"	Gramma Trust, a trust of which TTC is the trustee and the beneficiaries of which include Ms. Fu and her family members
"Grappa Trust"	Grappa Trust, a trust of which TTC is the trustee and, the beneficiaries of which include Mr. Song and his family members
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Board Committee"	the independent board committee of the Company, which comprises Ms. Chiang Yun, Mr. Wong Shun Tak and Mr. Jin Peng, each an independent non-executive Director to make a recommendation to the Independent Shareholders, in respect of, among others, the Proposal, the Scheme and the Share Option Offer, respectively

"Independent Financial Adviser"	Rainbow Capital (HK) Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Company with the approval of the Independent Board Committee
"Independent Shareholders"	the Shareholders, other than (i) the Offeror, (ii) the Offeror Concert Parties (including the Rollover Shareholders) and (iii) those interested in or involved in the Rollover Arrangement
"Interim Dividend"	the interim dividend for the six months ended 30 June 2026 in the amount of HK$0.20 per Share declared by the Board on 31 August 2026 and payable on 28 September 2026
"Last Trading Day"	25 September 2026, being the last trading day immediately before the publication of this joint announcement
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	24 March 2027, or such later date as may be agreed between the Offeror and the Company, or to the extent applicable, as the Executive may consent and as the Court may allow
"Mr. Ho"	Mr. Ho Kwok Yin, Eric, a non-executive Director
"Mr. Liu"	Mr. Liu Tongyou, an executive Director
"Mr. Pos"	Mr. Martin Pos, an executive Director
"Mr. Song"	Mr. Song Zhenghuan, the chairman and executive Director, the sole director of the Offeror and the spouse of Ms. Fu
"Ms. Fu"	Ms. Fu Jingqiu, a non-executive Director and the spouse of Mr. Song
"Offered Option Holders"	holders of the Share Options other than the Connected Option Holders
"Offeror"	Crystal Aurora International Ltd., a business company incorporated in the BVI with limited liability

"Offeror Concert Parties"	parties acting in concert, or presumed to be acting in concert, with the Offeror under the definition of "acting in concert" under the Takeovers Code including, for the avoidance of doubt, PUD, Rosy Phoenix, Cayey Enterprises, Sure Growth, Silvermount, Mr. Song, Ms. Fu, Mr. Liu, Mr. Pos and Mr. Ho
"Offeror Group"	collectively, the Offeror, Mr. Song, Ms. Fu, Cayey Enterprises, Rosy Phoenix, PUD and Sure Growth
"Option Consideration"	the price for each Share Option payable by the Offeror to the Offered Option Holders accepting the Share Option Offer
"Proposal"	the proposal for the privatisation of the Company by the Offeror by way of the Scheme and the withdrawal of listing of the Shares from the Stock Exchange, on the terms and subject to the Scheme Conditions set out in this joint announcement
"PUD"	Pacific United Developments Limited, a company incorporated in the BVI and owned as to 27.99% by Cayey Enterprises and as to 27.99% by Rosy Phoenix
"Record Date"	the record date to be announced for the purpose of determining the entitlement of the Scheme Shareholders under the Scheme to receive the Cancellation Price under the Proposal
"Repurchase"	the proposed repurchase of the Shares held by the Offeror by the Company following the Effective Date
"Rollover Arrangement"	the arrangement between the Offeror and the Rollover Shareholders as set out in the section headed "**4. SPECIAL DEAL IN RELATION TO THE ROLLOVER ARRANGEMENT**" in this joint announcement, including (1) the Rollover Shareholders retaining their respective shareholdings in the Company and remaining as shareholders of the Company, (2) the allotment and issue of Shares to Mr. Liu and Mr. Pos who are Connected Option Holders and members of the Rollover Shareholders (or their respective nominees) and (3) the Repurchase, in each case after the Scheme becomes effective
"Rollover Shareholders"	Mr. Liu, Mr. Pos and Silvermount, a company controlled by Mr. Liu
"Rosy Phoenix"	Rosy Phoenix Limited, a company incorporated in Samoa and owned as to 99% by Gramma Trust

"Scheme"	a scheme of arrangement between the Company and the Scheme Shareholders under Section 86 of the Companies Act
"Scheme Conditions"	the conditions to the implementation of the Proposal and the Scheme, as set out in the section headed "**5. THE SCHEME CONDITIONS**" of this joint announcement
"Scheme Document"	the composite scheme document to be jointly issued by the Company and the Offeror to the Shareholders containing, among others, details of the Proposal together with the additional information specified in the section headed "**16. DESPATCH OF THE SCHEME DOCUMENT**" of this joint announcement
"Scheme Share(s)"	all Shares in issue and such further Share(s) as may be allotted and issued prior to the Record Date, other than those held or beneficially owned by the Offeror Group and the Rollover Shareholders
"Scheme Shareholder(s)"	registered holder(s) of the Scheme Shares as at the Record Date
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.01 each in the issued share capital of the Company
"Share Option(s)"	share option(s) granted by the Company under the Share Option Scheme(s) from time to time
"Share Option Offer"	the offer to be made by or on behalf of the Offeror to the Offered Option Holders, details of which are set out in the section headed "**3. SHARE OPTION OFFER**" of this joint announcement
"Share Option Schemes"	collectively, the share option schemes adopted by the Company on 5 November 2010, 25 May 2020 and 27 May 2025 (as amended from time to time)
"Shareholder(s)"	registered holder(s) of the Shares
"Silvermount"	Silvermount Limited, a company incorporated in Samoa and wholly owned by Mr. Liu

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Sure Growth"	Sure Growth Investments Limited, a company incorporated in the BVI and owned as to 53.33% by Cayey Enterprises, as to 26.67% by Rosy Phoenix and as to 13.33% by Mr. Liu
"Takeovers Code"	the Code on Takeovers and Mergers of Hong Kong
"trading day"	a day on which the Stock Exchange is open for the business of dealings in securities
"TTC"	Trident Trust Company (HK) Limited, a company incorporated in Hong Kong with limited liability, which is the trustee of Gramma Trust and Grappa Trust holding interest on trust for the beneficiaries of the Gramma Trust and Grappa Trust
"Undertaking"	the irrevocable undertaking dated 27 September 2026 entered into by each of the Connected Option Holders in favour of the Company and the Offeror, the details of which are set out in the section headed "**3. SHARE OPTION OFFER**" of this joint announcement
"%"	per cent

On behalf of the board of
Crystal Aurora International Ltd
SONG Zhenghuan
Sole Director

On behalf of the board of
Goodbaby International Holdings Limited
SONG Zhenghuan
Chairman

Hong Kong, 27 September 2026

As at the Announcement Date, the sole director of the Offeror is Mr. SONG Zhenghuan.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group) and confirms, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Company) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the Announcement Date, the executive Directors are Mr. SONG Zhenghuan, Mr. LIU Tongyou, Mr. Martin POS and Mr. XIA Xinyue; 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.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable inquiries, that, to the best of their knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.