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**Goodbaby**  
International

**Goodbaby International Holdings Limited**

**好孩子國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code : 1086)**

## **NEGATIVE PROFIT ALERT**

This announcement is made by Goodbaby International Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and Rule 13.09 of the Listing Rules.

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that based on the preliminary assessment of the Group’s currently available unaudited management accounts, it is expected that the Group will record a decrease in net profit attributable to equity holders of the Company for the year ended 31 December 2021 by a percentage ranging from approximately 45% to 55% as compared with that for the year ended 31 December 2020. The decrease in net profit was primarily attributable to a decrease in gross profit margin while the Group kept positive revenue growth momentum. The decrease in gross profit margin was primarily due to:

- dramatic increase in all logistic costs including sea freight, inland and transfer cost, and shortage of logistic capacity;
- substantial increase of input costs of key raw materials; and
- weaker foreign exchange rates, especially Euro and U.S. dollar against the Chinese Renminbi,

partially offset by the Group’s products price increase, production-side cost efficiency improvement and hedging arrangement.

The Company is still in the process of preparing the annual results of the Group for the year ended 31 December 2021. The information contained in this announcement is only based on a preliminary assessment by the management of the Company with reference to the information currently available including the unaudited management accounts of the Group, which have not been reviewed or audited by the Company's auditors or the audit committee of the Company, and the actual results of the Group for the year ended 31 December 2021 may be different from what is disclosed herein. Investors are advised to read carefully the Group's annual results for the year ended 31 December 2021 which are expected to be published in due course pursuant to the requirements of the Listing Rules.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Goodbaby International Holdings Limited**  
**Song Zhenghuan**  
*Chairman*

Hong Kong, 31 January 2022

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