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## **Goodbaby International Holdings Limited**

**好孩子國際控股有限公司**

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

**(Stock Code: 1086)**

### **RENEWAL AND SUPPLEMENT OF EXISTING CONTINUING CONNECTED TRANSACTION**

Reference is made to the announcement of the Company dated 7 October 2015 in relation to, among others, the 2015 CCT Agreements.

The 2015 CCT Agreements will expire on 31 December 2018. On 28 August 2018, the Group entered into the 2018 CCT Agreements to renew and supplement the 2015 CCT Agreements.

#### **LISTING RULES IMPLICATIONS**

##### **(1) The 2018 Lease Agreements**

As all the applicable percentage ratios (other than the profits ratio) of the 2018 Lease Agreements, when aggregated, are over 0.1% but less than 5%, the 2018 Lease Agreements are subject to the reporting, annual review and announcement requirements and exempt from the requirement of Independent Shareholders' approval pursuant to Chapter 14A of the Listing Rules.

##### **(2) The 2018 Supply Agreement**

As all the applicable percentage ratios (other than the profits ratio) of the 2018 Supply Agreement, are over 0.1% but less than 5%, the 2018 Supply Agreement are subject to the reporting, annual review and announcement requirements and exempt from the requirement of Independent Shareholders' approval pursuant to Chapter 14A of the Listing Rules.

## **INTRODUCTION**

Reference is made to the announcement of the Company dated 7 October 2015 in relation to, among others, the 2015 CCT Agreements.

## **THE 2018 LEASE AGREEMENTS**

Pursuant to the 2015 Lease Agreements, GGPX agreed to lease certain properties to the Group for a period from 1 January 2016 till 31 December 2018. As the 2015 Lease Agreements will expire on 31 December 2018, the Group entered into the 2018 Lease Agreements on 28 August 2018 to renew and supplement the 2015 Lease Agreements for a period commencing from 1 January 2019 and ending on 31 December 2021. Details of each of the 2018 Lease Agreements are set out below:

### **(1) The 2018 First Lease Agreement**

The 2015 First Lease Agreement will expire on 31 December 2018.

On 28 August 2018, GCPX as lessee and GGPX as lessor entered into the 2018 First Lease Agreement to renew and supplement the 2015 First Lease Agreement. The principal terms of the 2018 First Lease Agreement are set out below.

Subject matter : GGPX agreed to renew and supplement the lease of Property I to GCPX principally for production, manufacturing and manufacturing support facilities purposes.

The aggregate lease area has increased from 78,131.1m<sup>2</sup> under the 2015 First Lease Agreement to 84,070.8m<sup>2</sup> under the 2018 First Lease Agreement to include the New Property. The additional space will be used for manufacturing and ancillary services.

Term : Commencing from 1 January 2019 to 31 December 2021 (both days inclusive)

Rent : The rent under the 2018 First Lease Agreement was determined with reference to the prevailing market rent as well as the qualities of other properties in the area surrounding the properties under the 2018 First Lease Agreement (i.e. Property I) and may be adjusted in accordance with the terms of the lease by mutual agreement or by the appointment of an independent valuator with international reputation and acceptable to both parties.

The rent is payable in advance on a monthly basis before the tenth day of each month.

Renewal : GCPX has an option to renew the 2018 First Lease Agreement by a notice of three month prior to the expiry of the 2018 First Lease Agreement for a further period of three years, subject to satisfaction of all applicable disclosure requirements and obtaining of shareholders' approval (if required) under the Listing Rules.

Annual caps : The annual caps for the three years ending 31 December 2021 are set out below:

	<b>year ending 31 December 2019 <i>RMB' 000</i></b>	<b>year ending 31 December 2020 <i>RMB' 000</i></b>	<b>year ending 31 December 2021 <i>RMB' 000</i></b>
Annual cap	10,593	11,098	11,602

The annual caps were determined based on historical transaction amount taking into account the additional space of 5,939.7m<sup>2</sup> for the New Property, the monthly rent as explained in the paragraph headed "Rent" above, and the potential increase in market rentals during the term of the 2018 First Lease Agreement. The historical annual caps and actual transaction amount are set out below:

	<b>year ended 31 December 2016 <i>RMB' 000</i></b>	<b>year ended 31 December 2017 <i>RMB' 000</i></b>	<b>year ending 31 December 2018 <i>RMB' 000</i></b>
Annual cap	8,626	9,001	9,376
Actual transaction amount	8,420	8,573	4,465 for the seven months ended 31 June 2018

As at the date of this announcement, the annual caps under the 2015 First Lease Agreement have not been exceeded. The 2018 First Lease Agreement is subject to the Company's compliance with the requirements of the Listing Rules with respect to continuing connected transactions.

## **(2) The 2018 Second Lease Agreement**

The 2015 Second Lease Agreement will expire on 31 December 2018. On 28 August 2018, GCPC as lessee and GGPX as lessor entered into the 2018 Second Lease Agreement to renew the 2015 Second Lease Agreement. The principal terms of the 2018 Second Lease Agreement are set out below.

**Subject** : GGPX agreed to lease Property II to GCPC principally for the usage as logistics warehouse purpose.

**Term** : Commencing from 1 January 2019 to 31 December 2021 (both days inclusive)

**Rent** : The aggregate annual rent under the 2018 Second Lease Agreement was determined with reference to the prevailing market rent as well as the qualities of other properties in the area surrounding the properties under the 2018 Second Lease Agreement (i.e. Property II) and may be adjusted in accordance with the terms of the lease by mutual agreement or by the appointment of an independent valuator with international reputation and acceptable to both parties.

The rent is payable in advance on a monthly basis before the tenth day of each month.

**Renewal** : GCPC has an option to renew the 2018 Second Lease Agreement by a notice of three month prior to the expiry of the 2018 Second Lease Agreement for a further period of three years, subject to satisfaction of all applicable disclosure requirements and the obtaining of shareholders' approval (if required) under the Listing Rules.

Annual caps : The annual caps for the three years ending 31 December 2021 are set out below:

	<b>year ending 31 December 2019 <i>RMB' 000</i></b>	<b>year ending 31 December 2020 <i>RMB' 000</i></b>	<b>year ending 31 December 2021 <i>RMB' 000</i></b>
Annual cap	1,847	1,924	2,001

The annual caps were determined based on historical transaction amount, the monthly rent as explained in the paragraph headed “Rent” above, and the potential increase in market rentals during the term of the 2018 Second Lease Agreement. The historical annual caps and actual transaction amount are set out below:

	<b>year ended 31 December 2016 <i>RMB' 000</i></b>	<b>year ended 31 December 2017 <i>RMB' 000</i></b>	<b>year ending 31 December 2018 <i>RMB' 000</i></b>
Annual cap	1,616	1,693	1,770
Actual transaction amount	1,577	1,612	843 for the seven months ended 31 June 2018

As at the date of this announcement, the annual caps under the 2015 Second Lease Agreement have not been exceeded. The 2018 Second Lease Agreement is subject to the Company’s compliance with the requirements of the Listing Rules with respect to continuing connected transactions.

## **THE 2018 SUPPLY AGREEMENT**

Reference is made to the announcement of the Company dated 7 October 2015 in relation to the 2015 Supply Agreement entered into between GBHK, a wholly-owned subsidiary of the Company, and GCHL, pursuant to which GBHK agreed to supply, or procure its subsidiaries to supply certain durable juvenile products to GCHL and its subsidiaries for domestic sales for a period from 1 January 2016 to 31 December 2018. Under the 2015 Supply Agreement, the Group relied mainly on the gb brand, Mothercare brand and gb Kids Station brand retail channels of the GCHL group.

Upon completion of the Acquisition in 2017, the Group became the owner of the gb brand retail channel. Under the 2018 Supply Agreement, the Group will rely on certain retained sales channels of GCHL (mainly including “Mothercare” and “gb Kids Station” brand stores) for the sale of its durable juvenile products.

As a result of the Acquisition, the Group’s portfolio also increased from durable juvenile products under GBHK to cover a wide range of non- durable juvenile products under Oasis Dragon Limited . As such, the 2018 Supply Agreement will cover an expanded product range to include both durable and non- durable juvenile products.

The 2015 Supply Agreement will expire on 31 December 2018 . On 28 August 2018, the Company and GCHL entered into the 2018 Supply Agreement. The principal terms of the 2018 Supply Agreement are set out below.

- Subject matter : The Company agreed to supply, or procure its subsidiaries to supply, the MBC Products to GCHL and its subsidiaries as non-exclusive distributors to distribute the MBC Products domestically in the PRC.
- Term : Commencing from 1 January 2019 to 31 December 2021 (both days inclusive).
- Price and pricing policy : Subject to the 2018 Supply Agreement, the total price and terms of each order will be set out in individual contracts.

The price of each MBC Product to be supplied by the Group under the 2018 Supply Agreement will be determined upon arm’s length negotiation between the parties in the ordinary course of business of the Group.

To determine the prevailing market price, the production or outsourcing department of the Company will provide the cost analysis in relation to each MBC Product to the market and sales department for consideration. The prevailing market price is determined through market research involving obtaining questionnaires from potential customers and/or distributors based on the type and nature of the relevant product. At the same time, the market and sales department will also obtain quotes of similar products from not less than two competing brands unless such quotes are not available for certain types of products. Once the information on prevailing market price of the

relevant product has been gathered through market research, the market and sales department will determine the proposed benchmark retail price and then discuss with the finance department on the gross profit requirement applicable to each relevant product in order to determine the mark-up rate as well as the discount rate applicable to each relevant product, and submit the final purchase price of the relevant product to the general manager of the market and sales department for final approval.

The price of each MBC Product will be determined along the following principles:

(i) *Pre-determine a benchmark retail price for each MBC Product*

To pre-determine a benchmark retail price for the relevant MBC Product, the Company will make reference to (a) the prevailing market prices of the products similar to the relevant MBC Product; and (b) its costs of the production of the relevant MBC Product plus mark-up rate specific to the relevant MBC Product.

For a new product or an existing product with new and enhanced features, the Company will refer to the prevailing market prices by conducting market research in the manner as mentioned above prior to the launch of such product.

For an existing product with new and enhanced features, the Company will also refer to the historical price charged by the Group before the new and enhanced features are introduced and take into account of indicative range of additional price which may be acceptable to end-users obtained through market research conducted by the Group in the manner as mentioned above prior to the launch of such product. For an existing product with no new and enhanced features, the Company will refer to the average retail price of products similar to the relevant MBC Products offered by other competing brands. The Company will obtain prices offered by at least two other competing brands for comparison purpose.

After identifying the prevailing market prices of the products similar to the relevant MBC Product, the Group will also make reference to the costs of the production of the relevant MBC Product and mark-up rate specific to the relevant MBC Product.

The mark-up rate applicable to the relevant MBC Product may vary under the 2018 Supply Agreement. The Company will consider the following factors in determining the mark-up rate to be applied to the relevant MBC Product: (a) the brand of the relevant MBC Product; (b) the product type and, in particular, whether the product consists of any innovative feature; (c) the market positioning of the product as to whether the relevant MBC Product is targeted at high-end or low-end market users; and (d) the distribution networks and the incidental logistic arrangement for the product. As an indication, a higher mark-up rate will generally be considered for a product with a well-established brand name targeted at a high-end market and/or with innovative feature, while a lower mark-up rate will be considered for hypermarket as compared with shopping mall.



The mark-up rate will be determined by the Company with respect to each product based on the above factors and in the manner as described above.

(ii) *Determine the discount rate*

Upon the determination of a benchmark retail price, the Company will apply the applicable discount rate to it. The Company will consider the following factors before determining the discount rate to be applied: (a) the profile of each individual customer including the coverage of the distribution network and the market position of each individual customer; (b) the type as well as the quantity of products ordered by such individual customer; and (c) the track record of the corporation between such individual customer and the Group. As an indication, depending on the type of products ordered, a higher discount rate will generally be considered for a long-term customer with a broad distribution network and a high quantity of orders. The discount rate will be determined by the Company based on the above factors and in the manner as described above.

Once a benchmark retail price and the discount rate applicable to an individual customer and the specific product are confirmed, the Group will set the final purchase price.

(iii) *Ensure the terms offered to GCHL and its subsidiaries, as connected persons of the Group, are no more favourable to the terms offered to independent third parties*

For products to be sold to GCHL and its subsidiaries, as connected persons of the Group, the Group will also ensure that the terms offered to it will not be more favourable than those offered by the Group to independent third parties.

The pricing principles above apply to all the customers of the Group, including GCHL and/its subsidiaries.

Accordingly, the Board is of the view that the terms of the 2018 Supply Agreement offered by the Group to its connected persons are no more favorable than those offered by the Group to independent third parties.

Annual Caps : The annual caps for the three years ending 31 December 2021 are set out below:

	<b>year ending 31 December 2019</b>	<b>year ending 31 December 2020</b>	<b>year ending 31 December 2021</b>
	<i>RMB' 000</i>	<i>RMB' 000</i>	<i>RMB' 000</i>
Annual cap	45,100	63,400	89,600

The annual caps were determined with reference to:

- (i) the historical transaction amount of durable MBC Products of the Group under the 2015 Supply Agreement in the corresponding channels retained by the vendors to the Acquisition;
- (ii) the newly acquired non-durable MBC product range of the Group in 2017 and the historical transaction amount of the non-durable MBC Products in the corresponding channels; and

(iii) the expected increase in demand for the MBC Product in the domestic PRC market and by GCHL and its subsidiaries driven by the projected expansion of the retail network and coverage in the PRC of GCHL.

The historical annual caps and actual transaction amount under the 2015 Supply Agreement are set out below:

	<b>year ended 31 December 2016</b>	<b>year ended 31 December 2017</b>	<b>year ending 31 December 2018</b>
	<i>RMB' 000</i>	<i>RMB' 000</i>	<i>RMB' 000</i>
Annual cap	1,110,000	1,450,000	1,870,000
Actual transaction amount	666,259	603,386	10,627 for the seven months ended 31 June 2018

As at the date of this announcement, the annual caps under the 2015 Supply Agreement have not been exceeded. The 2018 Supply Agreement is subject to the Company's compliance with the requirements of the Listing Rules with respect to continuing connected transactions.

## **REASONS AND BENEFITS OF ENTERING INTO THE 2018 CCT AGREEMENTS**

### **(1) The 2018 Lease Agreements**

The 2018 Lease Agreements will renew and supplement the terms of the 2015 Lease Agreements.

The Company is of the view the entering of the 2018 Lease Agreements would continue to provide the Group with stable premises for its production and warehouse purposes as well as accommodation.

Each of the 2018 Lease Agreements was entered into after arm's length negotiation.

The annual rent of each of the Property I and Property II is lower than the prevailing market rent of the properties in the area surrounding the properties.

Accordingly, the Directors (including the independent non-executive Directors excluding the Chairman, Ms. Fu Jingqiu and Mr. Liu Tongyou) consider that the terms of the 2018 Lease Agreements (including the annual caps) are fair and reasonable so far as the Shareholders are concerned and are in the interest of the Shareholders as a whole.

## **(2) The 2018 Supply Agreement**

The 2018 Supply Agreement was entered into taking into account of the expiry of the 2015 Supply Agreement and the expanded product range to include non-durable juvenile products upon completion of the Acquisition as explained in the paragraph under the section headed “THE 2018 SUPPLY AGREEMENT” above.

Upon the entering of the 2018 Supply Agreement, the Group’s relationship with GCHL will be maintained and the Group can take advantage of GCHL’s retained retail channels, including Mothercare brand retail channel, a high-end retailer worldwide, and gb Kids Station retail channel, a leading sport footwear retailer in the PRC, and further unified to cover both durable juvenile products and non-durable juvenile products.

The 2018 Supply Agreement was entered into after arm’s length negotiation.

The Directors (including the independent non-executive Directors excluding the Chairman, Ms. Fu Jingqiu, Mr. Liu Tongyou, Mr. Michael Nan Qu and Mr. Yang Ilcheul) consider that the terms of the 2018 Supply Agreement (including the annual caps) are fair and reasonable so far as the Shareholders are concerned and are in the interest of the Shareholders as a whole.

## **INTERNAL CONTROL**

The pricing policy for all the continuing connected transactions of the Group are supervised and monitored by the relevant personnel and management of the Group in charge to ensure the relevant continuing connected transaction is conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its Shareholders as a whole.

The relevant personnel and management of the Group will conduct regular checks to review and assess whether the transactions contemplated under the relevant continuing connected transaction are conducted in accordance with the terms of its respective agreement, monitor the transaction amounts and report to the senior

management monthly and to the board semi-annually on the utilization of the relevant annual cap and will also regularly update the market price for the purpose of considering if the price charged for a specific transaction is fair and reasonable and in accordance with the aforesaid pricing policy.

The independent non-executive Directors would continue to review the transactions contemplated under the relevant continuing connected transaction and its auditors would also conduct an annual review on the pricing terms and annual caps thereof.

Accordingly, the Directors consider that the internal control mechanism is effective to ensure that the transactions contemplated under the relevant continuing connected transaction have been and will be conducted on normal commercial terms and not prejudicial to the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE PARTIES**

### **(1) The Group**

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

GCPC is an indirect wholly owned subsidiary of the Company. It is principally engaged in the manufacture and sale of strollers, children's car seats, cribs, bicycles and tricycles, and other durable juvenile products.

GCPX is wholly-owned by GCPC. It is principally engaged in the manufacture and sale of strollers, children's bicycles and tricycles, cribs, and other durable juvenile products.

### **(2) The connected persons**

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

GGCL is a company which is held as to approximately 67.11% by the Chairman and his spouse. It is principally engaged in the leasing of its properties.

GGPX is wholly-owned by GGCL. It is principally engaged in the leasing of its properties.

As GCHL is held as to approximately 86.54% by companies ultimately controlled by the Chairman and his spouse, including PUD, which is a substantial shareholder of the Company, each of GCHL and GGPX is an

associate of the Chairman and a connected person of the Company.

## **LISTING RULES IMPLICATIONS**

### **(1) The 2018 Lease Agreements**

As all the applicable percentage ratios (other than the profits ratio) of the 2018 Lease Agreements, when aggregated, are over 0.1% but less than 5%, the 2018 Lease Agreements are subject to the reporting, annual review and announcement requirements and exempt from the requirement of Independent Shareholders' approval pursuant to Chapter 14A of the Listing Rules.

### **(2) The 2018 Supply Agreement**

As all the applicable percentage ratios (other than the profits ratio) of the 2018 Supply Agreement, are over 0.1% but less than 5%, the 2018 Supply Agreement are subject to the reporting, annual review and announcement requirements and exempt from the requirement of Independent Shareholders' approval pursuant to Chapter 14A of the Listing Rules.

GGPX is wholly owned by GGCL, which is a company held as to approximately 67.11% by the Chairman and Ms. Fu Jingqiu and Mr. Liu Tongyou is also interested in the shares of GGCL. As such, each of the Chairman, Ms. Fu Jingqiu and Mr. Liu Tongyou is considered to be interested in the transactions contemplated under the 2018 Lease Agreements and has abstained from voting for the resolution at the board meeting to approve the 2018 Lease Agreements and the relevant annual caps.

GCHL is held as to approximately 86.54% by companies ultimately controlled by the Chairman and Ms. Fu Jingqiu in which each Mr. Liu Tongyou and Mr. Michael Nan Qu is also interested and Mr. Yang Ilcheul is also the director of certain subsidiaries of GCHL. As such, each of the Chairman, Ms. Fu Jingqiu, Mr. Liu Tongyou, Mr. Michael Nan Qu and Mr. Yang Ilcheul is considered to be interested in the transactions contemplated under the 2018 Supply Agreement and has abstained from voting for the resolution at the board meeting to approve the 2018 Supply Agreement and the relevant annual caps.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the meanings set opposite them below:

“%”	per cent.
“2015 CCT Agreements”	the 2015 Lease Agreements and the 2015 Supply Agreement
“2015 First Lease Agreement”	the agreement dated 7 October 2015 entered into between GCPX and GGPX in relation to the lease of Property I (except for the New Property) from GGPX to GCPX
“2015 Lease Agreements”	the 2015 First Lease Agreement and the 2015 Second Lease Agreement
“2015 Second Lease Agreement”	the agreement dated 7 October 2015 entered into between GCPC and GGPX in relation to the lease of Property II from GGPX to GCPC
“2015 Supply Agreement”	the agreement dated 7 October 2015 entered into between GBHK and GCHL in relation to the supply of strollers, children’s car seats, cribs, children’s bicycles and other durable juvenile products (including but not limited to “CYBEX”, “Evenflo”, “gb” and “Happy Dino” brands)
“2018 CCT Agreements”	the 2018 Lease Agreements and the 2018 Supply Agreement
“2018 First Lease Agreement”	the agreement dated 28 August 2018 entered into between GCPX and GGPX in relation to the renewal and supplement of the 2015 First Lease Agreement
“2018 Lease Agreements”	the 2018 First Lease Agreement and the 2018 Second Lease Agreement
“2018 Second Lease Agreement”	the agreement dated 28 August 2018 entered into between GCPC and GGPX in relation to the renewal and supplement of the 2015 Second Lease Agreement
“2018 Supply Agreement”	the agreement dated 28 August 2018 entered into between the Company and GCHL in relation to the supply of MBC Products

“Acquisition”	the acquisition of Oasis Dragon Limited and its subsidiaries by the Company, details of which are set out in the circular of the Company 4 September 2017
“Board”	the board of the Company
“Chairman”	Mr. Song Zhenghuan, the chairman of the Group and an executive Director
“Company”	Goodbaby International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“GBHK”	Goodbaby (Hong Kong) Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“GCHL”	好孩子中國控股有限公司 (Goodbaby China Holdings Limited), a company established in Cayman Islands
“GCPC”	好孩子兒童用品有限公司 (Goodbaby Child Products Co., Ltd.*), a wholly foreign-owned enterprise established in the PRC and an indirect wholly owned subsidiary of the Company
“GCPX”	好孩子兒童用品平鄉有限公司 (Goodbaby Child Products Pingxiang Co., Ltd.*), a company established in the PRC and an indirect wholly owned subsidiary of the Company
“GGCL”	好孩子集團有限公司 (Goodbaby Group Co., Ltd.*), a company established in the PRC and controlled by the Chairman and his spouse, Ms. Fu Jingqiu
“GGPX”	好孩子集團平鄉有限公司 (Goodbaby Group Pingxiang Co., Ltd.*), a company established in the PRC and a wholly owned subsidiary of GGCL
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;



“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Shareholders”	Shareholders other than the Chairman and his associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MBC Product(s)”	including (i) durable juvenile products of strollers, children’s car seats, cribs, children’s bicycles and other durable juvenile products under the “CYBEX”, “Evenflo”, “gb”, “Happy Dino” and other brands ; and (ii) non- durable juvenile products of infant, hygiene care, wipes, apparels, footwear and accessories and other non-durable juvenile products under “gb”, “Happy Dino” and other brands
“PRC”	the People’s Republic of China, excluding Taiwan, Hong Kong and Macao Special Administrative Region for the purpose of this announcement
“Property I”	collectively,

- (i) the premises situated on the south side of the eastern section of Zhonghua Road, Pingxiang County, Hebei Province, PRC (河北省平鄉縣城中華路東段南側) of a total of 73,457.1 square metres with building ownership certificates of Ping Fang Quan Zheng Qi Qu 03 Zi No. 563 (平房權證乞區03字第563號), Ping Fang Quan Zheng Qi Qu 03 Zi No. 564 (平房權證乞區03字第564號), Ping Fang Quan Zheng Qi Qu 03 Zi No. 565 (平房權證乞區03字第565號), Ping Fang Quan Zheng Qi Qu 03 Zi No. 566 (平房權證乞區03字第566號), Ping Fang Quan Zheng Qi Qu 03 Zi No. 567 (平房權證乞區03字第567號), Ping Fang Quan Zheng Qi Qu 03 Zi No. 568 (平房權證乞區03字第568號), Ping Fang Quan Zheng Qi Qu 03 Zi No. 569 (平房權證乞區03字第569號), Ping Fang Quan Zheng Qi Qu 03 Zi No. 570 (平房權證乞區03字第570號), Ping Fang Quan Zheng Qi Qu 03 Zi No.703 (平房權證乞區03字第703號), Ping Fang Quan Zheng Qi Qu 03 Zi No.704 (平房權證乞區03字第704號), Ping Fang Quan Zheng Qi Qu 03 Zi No. 705 (平房權證乞區03字第705號), Ping Fang Quan Zheng Qi Qu 03 Zi No. 707 (平房權證乞區03字第707號), Ping Fang Quan Zheng Qi Qu 03 Zi No. 708 (平房權證乞區03字第708號) and Ping Fang Quan Zheng Qi Qu 03 Zi No. 709 (平房權證乞區03字第709號);
- (ii) the premises situated on the south side of the eastern section of Zhonghua Road, Pingxiang County, Hebei Province, PRC (河北省平鄉縣城中華路東段南側) of a total of 4,674 square metres with building ownership certificates of Ping Fang Quan Zheng Qi Qu 03 Zi No. 564 (平房權證乞區03字第564號);
- (iii) the premises situated on the south side of the eastern section of Zhonghua Road, Pingxiang County, Hebei Province, PRC (河北省平鄉縣城中華路東段南側) of a total of 5,370 square metres with building ownership certificates of Ping Fang Quan Zheng Qi Qu 03 Zi No. 564 (平房權證乞區03字第564號); and

	(iv) the premises situated on the south side of the eastern section of Zhonghua Road, Pingxiang County, Hebei Province, PRC (河北省平鄉縣城中華路東段南側) of a total of 569.70 square meters with building ownership certificate Ping Fang Quan Zheng Qi Qu 03 Zi No.706 (平房權證乞區03字第706號). ((iii) and (iv) collectively “ <b>New Property</b> ”)
“Property II”	the premises situated on the south side of the eastern section of Zhonghua Road, Pingxiang County, Hebei Province, PRC (河北省平鄉縣城中華路東段南側) of a total of 12,821.82 square metres with building ownership certificate of Ping Fang Quan Zheng Qi Qu 03 Zi No.702 (平房權證乞區03字第702號)
“PUD”	Pacific United Developments Limited, a company incorporated in the British Virgin Islands with limited liability
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Shares”	ordinary shares of nominal value HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules

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

Hong Kong, 28 August 2018.

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