



Media Release – 10 April 2025

H&H Group reports a strong first quarter with double-digit revenue growth in Q1 2025 driven by growth across all three business segments

Leading global family nutrition company Health and Happiness (H&H) International Holdings Limited ('H&H Group' stock code: 1112.HK) has announced its unaudited operational statistics for the three months ended 31 March 2025. The Group's total revenue increased by 10.4% year-on-year on a reported basis (10.9% on a like-for-like (LFL) basis) to RMB3,169.9 million.

Nick Mann, Group CEO and CEO of Australia, New Zealand and Asia at H&H Group, says he's very pleased with the performance of the Group in the first quarter of the year, particularly the turnaround of mainland China's Baby Nutrition and Care (BNC) segment led by the recovery of the infant milk formula (IMF) business.

"I'm delighted to announce that in the first quarter of 2025 the Group has returned to a positive growth trajectory, driven by a strong period from our BNC segment (increasing 25.3%) led by the turnaround of our IMF business in mainland China (increasing 46.9%). This was boosted by continued growth across our Adult Nutrition and Care (ANC) segment (3.2% growth) with Swisse solidifying its online leadership in mainland China and performing well in key expansion markets. At the same time, our Pet Nutrition and Care (PNC) segment grew 7.3%, led by Zesty Paws in North America and Solid Gold rebounding in mainland China. The recovery in our mainland China IMF business was thanks to a strong sales surge during Q1 (46.9%), fuelled by our steadfast strategy to acquire new customers and grow our market share in the super-premium. The successful restructuring of our PNC business in mainland China to premiumise Solid Gold has also paid off, as we can now share this segment has returned to growth in mainland China. Meanwhile, our nutritional supplements category further propelled our growth, contributing 65.1% of total Group revenue."

H&H maintained a healthy level of liquidity with a cash balance of RMB1.4 billion as of 31 March 2025.

The Group's mainland China market returned to growth, with revenue increasing by 18.1% year-on-year on a LFL basis, accounting for 68.8% of Group revenue. The ANC segment maintained its growth momentum, increasing by 8.9% and accounting for 67.7% of total ANC revenue.

Mr Mann comments, "Our ANC segment in mainland China continues to perform well, maintaining our No.1 position in the mainland China online VHMS market¹ as we remain committed to our mega-brand strategy which has been driving growth for us through increased consumer segmentation and penetration as we cater to a wider base of consumers. We continued to leverage consumer demand for beauty, multi-vitamins and detox products, while innovative categories, such as Swisse Plus+ and Little Swisse, fuelled growth. Cross-border e-commerce sales grew by 14.3% on a LFL basis and made a significant contribution to the mainland China ANC segment (79.1%). Sales in normal trade declined by 7.6% due to a 19.5% fall in sales in offline channels."

Mainland China's BNC segment returned to growth with sales in IMF increasing by 46.9%. Biostime's market share in the super-premium IMF segment increased to 13.7%² in the twelve months ended 28 February 2025 (accelerating to 15.6% in the first two months of 2025³). The pace of contraction in the overall super-premium IMF market slowed significantly in Q1.

Mr Mann adds, "As a result of our clear commitment to strategic priorities, as well as unwavering determination and perseverance, we have recovered our IMF business in mainland China to return to a growth trajectory. We focused on continuing to acquire new customers, particularly in the e-commerce and baby speciality store channels, while growing our market share. Our Stage 1 and Stage 2 IMFs also continued to steadily gain market share, reaching 5.3% and 5.4% respectively in the first two months of 2025, with retail scanned sales increasing by 55.4% and 8.7% respectively⁴ - laying a solid foundation for the growth of our older stages IMF formulas later in 2025."

Sales of high-margin paediatric probiotic and nutritional supplements declined by 14.1% due to reduced traffic and sector-wide challenges across the supplements business within the pharmacy channel. The online sales of this category continued healthy

¹ According to research statistics by Early Data, an independent data provider, market share data for the past two months ended 28 February 2025.

² According to research statistics by Nielsen, an independent research company, market share data for the past twelve months ended 28 February 2025.

³ According to research statistics by Nielsen, an independent research company, market share data for the past two months ended 28 February 2025.

⁴ According to research statistics by Nielsen, an independent research company, market share data for the past two months ended 28 February 2025.



growth of 15.0%, which contributed 53.3% of this category, while the offline sales declined by 33.3% with the contribution lowered to 46.7%.

The PNC segment in mainland China also returned to growth, increasing by 13.7%, as the Group continued to premiumise Solid Gold and reallocate resources towards launching new higher-margin pet food and supplement products. These new products contributed 30.4% of total PNC revenue in mainland China during Q1, helping Solid Gold maintain its leading position in mainland China's online premium cat dry food category.

Australia and New Zealand (ANZ) faced a slower start to the year (declining by 13.5%) due to the high base of export sales in Q1 last year. Mr Mann explains, "the decline in sales for Q1 is a result of the high base effect we experienced in Q1 last year. Despite this, we continued to maintain growth in our domestic sales (4.5%) and cement our No. 1 position in the overall Australian VHMS market⁵. This was mainly driven by ongoing product innovation and premiumisation, including new innovative products; Smart Melts range, which offers convenient, dissolvable formats targeting stress relief, sleep support, energy enhancement and detoxification, and new Swisse Magnesium Glycinate, a rapidly absorbed form of Magnesium."

North America grew by 1.7%, continuing to leverage the well-established pet premiumisation and humanisation trend, and expanding pet population. Sales of Zesty Paws continued to grow (11.6% on a LFL basis) building on its success across Amazon and key retailers Sam's Club, Costco, Petco, Meijer, Walmart, Target, PetSmart, CVS and Tractor Supply. Sales of Solid Gold decreased by 27.7% due to ongoing channel optimisation and portfolio premiumisation efforts aimed at driving long-term growth.

Revenue from 'Other Territories' increased by 20.3% on a LFL basis, particularly expansion markets in Asia, including Hong Kong SAR, Thailand, India, and the Middle East. In March 2025, the Group launched the Swisse Professional range in Italy, marking the first step into the professional beauty market.

Looking ahead, the Group is on track to deliver positive top-line growth for 2025 focusing on high-margin nutritional VHMS and pet supplements and driving a continued growth trajectory for all three business segments (ANC, BNC and PNC). Mr Mann concludes, "we expect our ANC segment to continue its growth momentum, and we are committed to maintaining and leveraging Swisse's No. 1 position in the online market in mainland China and overall VMS market in ANZ. For the BNC segment, we remain on track to complete the 'GB' transition by the end of the first half of 2025, paving the way for positive top-line growth in IMF sales for both first half and full year of 2025. While for our PNC segment, in North America we will expand Zesty Paws' market position through our omni-channel strategy and ongoing category innovation, while actively pursuing expansion opportunities in the UK, Europe, Asia, and ANZ. For Solid Gold, premiumisation remains our core focus as we enhance our existing product portfolio."

The Group is closely monitoring the ongoing changes in the tariff environment and continuously optimising its global supply chain footprint. The Group also continues to work closely with its suppliers to mitigate cost impact. The direct tariff impact on trade of finished goods is mostly relating to i) the Solid Gold pet food export from US to China, which accounted for approximately 2% of the Group's total revenue last year and ii) the respective Solid Gold pet food and Swisse VHMS products export from Asia and ANZ to US, which accounted for less than 1% of the group's total revenue last year. However, in the longer term, the sourcing costs of some of our key ingredients may be affected due to tariff and currency fluctuations across regions.

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⁵ According to research statistics by IQVIA, an independent research company, market share data for the past twelve months ended 28 February 2025.



About H&H Group

H&H Group is a global health and nutrition company. Dynamic, courageous and ambitious in its mission to make people healthier and happier, the Group strives to inspire wellness while contributing positively to the needs of society and the planet. The Group has three business segments – Adult, Baby and Pet Nutrition and Care – supporting whole-family health and happiness, with premium brands providing nutrition and wellness solutions backed by science. Consumer brands include Biostime, Swisse, Zesty Paws, Solid Gold, Dodie, Good Goût, and Aurelia London. H&H Group is a B Corp certified company, committed to continuously improving and using business as a force for good to drive positive impact for people, pets, communities and the planet. The Group is headquartered in Hong Kong SAR and listed on the Hong Kong Stock Exchange ("H&H INTL HLDG" stock code 1112), with a second head office in London. More than 2,800 team members are located across 16 countries.

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