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**Kiddieland International Limited**

**童園國際有限公司**

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

**(Stock Code: 3830)**

**ANNOUNCEMENT OF ANNUAL RESULTS FOR  
THE YEAR ENDED 30 APRIL 2025**

**ANNUAL RESULTS**

The board (the “**Board**”) of directors (the “**Directors**”) of Kiddieland International Limited (the “**Company**”) hereby announces the annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 30 April 2025, together with comparative figures for the previous year as follows:

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Year ended 30 April	
		2025	2024
	Note	HK\$'000	HK\$'000
Revenue	4	196,856	215,144
Cost of sales	7	(167,448)	(182,459)
<b>Gross profit</b>		<b>29,408</b>	<b>32,685</b>
Other income	5	125	129
Other gains, net	6	192	981
Selling and distribution expenses	7	(13,117)	(13,038)
Administrative expenses	7	(21,988)	(28,601)
Impairment losses on financial assets, net	13	(72)	(55)
<b>Operating loss</b>		<b>(5,452)</b>	<b>(7,899)</b>
Finance income		477	552
Finance expenses		(395)	(787)
Finance costs, net	8	82	(235)
<b>Loss before taxation</b>		<b>(5,370)</b>	<b>(8,134)</b>
Income tax expenses	9	(3,315)	(1,057)
<b>Loss for the year</b>		<b>(8,685)</b>	<b>(9,191)</b>
<b>Other comprehensive loss for the year</b>			
<i>Item that may be reclassified to profit or loss:</i>			
Currency translation differences		(63)	(1,849)
Other comprehensive loss for the year, net of tax		(63)	(1,849)
<b>Total comprehensive loss for the year</b>		<b>(8,748)</b>	<b>(11,040)</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

		Year ended 30 April	
		2025	2024
	Note	HK\$'000	HK\$'000
<b>Loss for the year attributable to:</b>			
Owners of the Company		(6,985)	(7,338)
Non-controlling interests		<u>(1,700)</u>	<u>(1,853)</u>
		<u><b>(8,685)</b></u>	<u><b>(9,191)</b></u>
<b>Total comprehensive loss attributable to:</b>			
Owners of the Company		(7,485)	(9,097)
Non-controlling interests		<u>(1,263)</u>	<u>(1,943)</u>
		<u><b>(8,748)</b></u>	<u><b>(11,040)</b></u>
<b>Basic and diluted losses per share (HK cents)</b>	11	<u><b>(0.7)</b></u>	<u><b>(0.7)</b></u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 April	
		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	5,545	5,662
Right-of-use assets		93	2,648
Intangible assets		9,021	7,056
Deferred income tax assets		7,175	10,447
Deposits and prepayments	13	–	76
		21,834	25,889
<b>Current assets</b>			
Inventories		8,538	9,831
Trade receivables	13	8,333	8,731
Other receivables, deposits and prepayments	13	7,931	6,395
Contract assets		63	110
Income tax recoverable		–	8
Cash and bank balances		6,967	7,340
		31,832	32,415
<b>Total assets</b>		53,666	58,304
<b>EQUITY</b>			
<b>Owners of the Company</b>			
Share capital		100,000	100,000
Other reserves		6,408	6,242
Exchange reserves		(2,172)	(1,672)
Accumulated losses		(85,872)	(78,887)
		18,364	25,683
<b>Non-controlling interests</b>		–	1,429
<b>Total equity</b>		18,364	27,112

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**

		<b>As at 30 April</b>	
		<b>2025</b>	<b>2024</b>
	<i>Note</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Accruals and other payables		<b>3,215</b>	1,563
Deferred income tax liabilities		<b>593</b>	550
Lease liabilities		<b>–</b>	105
		<b>3,808</b>	2,218
<b>Current liabilities</b>			
Trade and bills payables	<i>14</i>	<b>6,453</b>	4,908
Accruals and other payables		<b>15,476</b>	14,530
Contract liabilities		<b>9,462</b>	6,840
Lease liabilities		<b>103</b>	2,696
		<b>31,494</b>	28,974
<b>Total liabilities</b>		<b>35,302</b>	31,192
<b>Total equity and liabilities</b>		<b>53,666</b>	58,304

# NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

## 1 GENERAL INFORMATION

Kiddieland International Limited was incorporated in the Cayman Islands on 3 June 2016 as an exempted company with limited liability. The address of its registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The Company is an investment holding company. Its subsidiaries are principally engaged in the manufacturing and selling of plastic toy products and laboratory equipments.

In the opinion of the directors, the Company's ultimate and immediate holding company is KLH Capital Limited, a company incorporated in the British Virgin Islands.

The consolidated financial information are presented in Hong Kong Dollars ("HK\$") unless otherwise stated.

## 2 BASIS OF PREPARATION

The consolidated financial information of the Group have been prepared in accordance with HKFRS Accounting Standards ("HKFRSs") and requirements of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial information have been prepared under the historical cost convention.

The preparation of the consolidated financial information in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the Group's accounting policies.

### (a) New and amended standards adopted by the Group

The Group has applied the following new and amended standards and interpretations for the first time for its annual period commencing on 1 May 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The adoption listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## 2 BASIS OF PREPARATION (CONTINUED)

### (b) Amendments to standards (collectively refer as “Amendments”) that are not yet effective and have not been early adopted by the Group

The following amendments are not effective for annual periods commencing on or after 1 May 2024 and have not been early adopted by the Group:

Amendments to HKAS 21	Lack of Exchangeability <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11 <sup>2</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>3</sup>
HKFRS 19	Subsidiaries without Public Accountability: Disclosures <sup>3</sup>
Amendments to Hong Kong Interpretation 5	Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause <sup>3</sup>
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>

#### Notes:

- (1) Effective for annual periods commencing on or after 1 May 2025
- (2) Effective for annual periods commencing on or after 1 May 2026
- (3) Effective for annual periods commencing on or after 1 May 2027
- (4) To be determined

The Group will adopt the above new and amended standards as and when they become effective. Further information about those HKFRSs that are expected to be applicable to the Group is described below.

HKFRS 18 introduces new requirements for presentation within the consolidated statement of comprehensive income, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements and the notes. In addition, narrow-scope amendments have been made to HKAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from ‘profit or loss’ to ‘operating profit or loss’ and removing the optionality around classification of cash flows from dividends and interest. There are also consequential amendments to several other standards. HKFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. HKFRS 18 will apply retrospectively. The new requirements are expected to impact the Group’s presentation of the statement of profit or loss and disclosures of the Group’s financial performance. So far, the Group considers that the adoption of HKFRS 18 is unlikely to have a significant impact on the Group’s results of operations and financial position.

The directors of the Company have performed preliminary assessment and do not anticipate any significant impact on the Group’s financial position and results of operations upon adopting these new and amended standards to existing HKFRSs.

### 3 SEGMENT INFORMATION

The executive Directors of the Company have been identified as the chief operating decision-makers of the Group who review the Group's internal reporting in order to assess performance of the Group on a regular basis and allocate resources.

During the year ended 30 April 2025, the Group engaged in two operating segments namely, toy business and laboratory equipment business. The chief operating decision-makers assess the business performance based on a measure of operating results. Information reported to the chief operating decision-makers for the purposes of resources allocation and performance assessment focuses on the operation results of the Group as a whole as the Group's resources are integrated. Accordingly, the related revenue and results, assets and liabilities of the operating segments of toy business and laboratory equipment business are presented for the years ended 30 April 2025 and 2024.

#### Segment revenue and results

The following is an analysis of the Group's revenue and results by operating segment:

#### For the year ended 30 April 2025

	<b>Toy business</b>	<b>Laboratory equipment business</b>	<b>Total</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
Revenue	<b>146,331</b>	<b>50,525</b>	<b>196,856</b>
Cost of sales	<b>(123,575)</b>	<b>(43,873)</b>	<b>(167,448)</b>
Gross profit	<b>22,756</b>	<b>6,652</b>	<b>29,408</b>
Segment results	<b>2,171</b>	<b>(6,868)</b>	<b>(4,697)</b>
Unallocated:			
Other income			<b>125</b>
Other gains, net			<b>106</b>
Administrative expenses			<b>(986)</b>
Finance costs, net			<b>82</b>
Loss before taxation			<b>(5,370)</b>



### 3 SEGMENT INFORMATION (CONTINUED)

#### Segment revenue and results (continued)

For the year ended 30 April 2024

	Toy business HK\$'000	Laboratory equipment business HK\$'000	Total HK\$'000
Revenue	155,670	59,474	215,144
Cost of sales	(134,249)	(48,210)	(182,459)
Gross profit	21,421	11,264	32,685
Segment results	(251)	(7,077)	(7,328)
Unallocated:			
Other income			129
Other gains, net			323
Administrative expenses			(1,023)
Finance costs, net			(235)
Loss before taxation			(8,134)

#### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segment:

As at 30 April 2025

	Toy business HK\$'000	Laboratory equipment business HK\$'000	Total HK\$'000
<b>Assets</b>			
Segment assets	40,310	12,893	53,203
Unallocated:			
Property, plant and equipment			344
Cash and bank balances			119
Total assets			53,666
<b>Liabilities</b>			
Segment liabilities	18,551	16,751	35,302
Total liabilities			35,302

### 3 SEGMENT INFORMATION (CONTINUED)

#### Segment assets and liabilities (continued)

As at 30 April 2024

	Toy business HK\$'000	Laboratory equipment business HK\$'000	Total HK\$'000
<b>Assets</b>			
Segment assets	36,015	21,838	57,853
Unallocated:			
Property, plant and equipment			345
Cash and bank balances			106
Total assets			58,304
<b>Liabilities</b>			
Segment liabilities	15,073	16,119	31,192
Total liabilities			31,192

The Group's revenue by geographical location, which is determined by the continent where the goods were delivered, is as follows:

	2025 HK\$'000	2024 HK\$'000
America	83,397	93,474
Europe	47,401	48,077
Asia Pacific and Oceania (exclude the PRC)	6,422	12,022
The PRC	59,636	61,571
	196,856	215,144

The Group's non-current assets (excluding deferred income tax assets and intangible assets) by geographical location, which is determined by the city/country in which the asset is located, are as follows:

	2025 HK\$'000	2024 HK\$'000
Hong Kong	344	345
The PRC	5,294	8,041
	5,638	8,386

For the year ended 30 April 2025, there was no (2024: Nil) customers which individually contributed over 10% of the Group's total revenue. The five largest customers accounted for approximately 30.9% (2024: 36.4%) of the revenue of the Group for the year ended 30 April 2025.

#### 4 REVENUE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Sales of toys	146,331	155,670
Sales of laboratory equipments	<u>50,525</u>	<u>59,474</u>
Sales of goods	<u>196,856</u>	<u>215,144</u>

Sales of goods are recognised at the point in time that the control of the goods have passed to the customers, which is primarily upon the acceptance of the products by the customers.

#### 5 OTHER INCOME

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Sundry income	<u>125</u>	<u>129</u>

#### 6 OTHER GAINS, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Exchange gain, net	107	323
Gain on lease termination	86	—
Net (loss)/gain on disposal and write-off of property, plant and equipment	<u>(1)</u>	<u>658</u>
	<u>192</u>	<u>981</u>

## 7 EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution expenses and administrative expenses are analysed as follows:

	2025 HK\$'000	2024 HK\$'000
Auditor's remuneration		
— Audit services	850	1,100
— Non-audit services	134	282
Advertising and promotion expenses	4,170	2,947
Amortisation of intangible assets	6,791	6,398
Impairment losses on property, plant and equipment ( <i>note 12</i> )	1,064	1,680
Impairment losses on intangible assets	—	912
Bank charges	466	424
Commissions	882	3,616
Consumables	540	811
Cost of inventories sold	135,506	149,363
Custom and declaration handling expenses	—	26
Depreciation of property, plant and equipment ( <i>note 12</i> )	2,042	2,315
Depreciation of right-of-use assets	1,302	2,678
Expenses for short-term and low-value operating leases	2,187	2,572
Legal and professional fee	393	525
Licenses fees	7,088	8,514
Logistics and warehousing expenses	2,204	2,475
Other taxes	55	707
Repair and maintenance expenses	577	568
Product testing expenses	1,728	1,464
Provision for impairment of inventories	1,136	69
Staff costs, including Directors' emoluments	21,599	25,310
Subcontracting expenses	5,191	3,566
Utilities	286	318
Other expenses	6,362	5,458
	<u>202,553</u>	<u>224,098</u>

## 8 FINANCE COSTS, NET

	2025 HK\$'000	2024 HK\$'000
Finance income:		
Bank interest income	<u>477</u>	<u>552</u>
Finance expenses:		
Bank overdraft interest	(10)	(1)
Trade financing cost	(318)	(513)
Interest on lease liabilities	<u>(67)</u>	<u>(273)</u>
	<u>(395)</u>	<u>(787)</u>
Finance costs, net	<u>82</u>	<u>(235)</u>

## 9 INCOME TAX EXPENSES

For the year ended 30 April 2025, Hong Kong profits tax has been provided for at the rate of 16.5% (2024: 16.5%) on the estimated assessable profit. The Group's subsidiaries in the PRC are subject to China corporate income tax at a rate of 25% (2024: 25%) on the estimated assessable profits. The Group's subsidiary in the U.S. is subject to U.S. corporate income tax at progressive tax rates ranged from 5% to 39% (2024: 5% to 39%) on the estimated assessable profit.

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current taxation		
— Hong Kong profits tax	—	2
— U.S. corporate income tax	—	(37)
	—	(35)
Deferred taxation		
— Origination and reversal of temporary differences	<b>3,315</b>	1,092
	<b>3,315</b>	1,092
Income tax expenses	<b>3,315</b>	1,057

The difference between the actual income tax expenses charged to the consolidated statements of comprehensive income and the amounts which would result from applying the enacted tax rates to loss before taxation can be reconciled as follows:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss before taxation	<b>(5,370)</b>	(8,134)
Tax calculated at domestic tax rates applicable to loss in respective countries	<b>(1,546)</b>	(2,171)
Income not subject to tax	<b>(375)</b>	(773)
Expenses not deductible for tax purpose	<b>1,008</b>	1,329
Tax losses not recognised	<b>1,529</b>	3,077
Release of tax losses recognised in prior years	<b>2,715</b>	258
Utilisation of tax losses previously not recognised	<b>(16)</b>	(663)
Income tax expenses	<b>3,315</b>	1,057

For the year ended 30 April 2025, the weighted average applicable tax rate was -61.7% (2024: -13.0%)

During the year ended 30 April 2025, approximately HK\$10,860,000 (2024: HK\$1,032,000) of tax losses recognised in prior years were released as the Group expected they are unable to generate sufficient assessable profit to utilise the tax losses.

## 10 DIVIDENDS

No final dividend for the year ended 30 April 2025 was declared or paid by the Company (2024: Nil).

## 11 LOSSES PER SHARE

### (a) Basic losses per share

	2025	2024
Loss attributable to the owners of the Company ( <i>HK\$'000</i> )	<u>(6,985)</u>	<u>(7,338)</u>
Weighted average number of ordinary shares in issue ( <i>in thousand</i> )	<u>1,000,000</u>	<u>1,000,000</u>
Basic losses per share ( <i>HK cents</i> )	<u>(0.7)</u>	<u>(0.7)</u>

Basic losses per share is calculated by dividing the loss attributable to the Company's owners by the weighted average number of ordinary shares in issue during the year.

### (b) Diluted losses per share

Diluted losses per share for the year ended 30 April 2025 and 2024 are the same as basic losses per share as there is no potential dilutive Share.

## 12 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements <i>HK\$'000</i>	Furniture and fixtures <i>HK\$'000</i>	Office equipment <i>HK\$'000</i>	Motor vehicles <i>HK\$'000</i>	Plant and machinery <i>HK\$'000</i>	Moulds and tools <i>HK\$'000</i>	Moulds work-in- progress <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>As at 1 May 2023</b>								
Cost	12,390	4,800	6,766	7,306	2,959	28,577	216	63,014
Accumulated depreciation and impairment losses	(12,320)	(4,563)	(6,445)	(7,208)	(1,786)	(22,704)	–	(55,026)
Net book value	<u>70</u>	<u>237</u>	<u>321</u>	<u>98</u>	<u>1,173</u>	<u>5,873</u>	<u>216</u>	<u>7,988</u>
<b>Year ended 30 April 2024</b>								
Beginning of the year	70	237	321	98	1,173	5,873	216	7,988
Addition	–	4	382	205	–	746	1,285	2,622
Depreciation ( <i>note 7</i> )	(5)	(62)	(238)	(31)	(241)	(1,738)	–	(2,315)
Impairment losses	–	–	–	–	–	(1,680)	–	(1,680)
Disposal and write-off	(65)	(85)	(1)	–	(82)	(602)	(1)	(836)
Transfer upon completion	–	–	–	–	–	1,272	(1,272)	–
Exchange differences	–	(6)	(10)	(3)	(34)	(64)	–	(117)
End of the year	<u>–</u>	<u>88</u>	<u>454</u>	<u>269</u>	<u>816</u>	<u>3,807</u>	<u>228</u>	<u>5,662</u>
<b>As at 30 April 2024 and 1 May 2024</b>								
Cost	12,234	4,535	7,126	7,507	2,708	24,602	228	58,940
Accumulated depreciation and impairment losses	(12,234)	(4,447)	(6,672)	(7,238)	(1,892)	(20,795)	–	(53,278)
Net book value	<u>–</u>	<u>88</u>	<u>454</u>	<u>269</u>	<u>816</u>	<u>3,807</u>	<u>228</u>	<u>5,662</u>
<b>Year ended 30 April 2025</b>								
Beginning of the year	–	88	454	269	816	3,807	228	5,662
Addition	110	–	27	3	–	789	2,115	3,044
Depreciation ( <i>note 7</i> )	(12)	(44)	(156)	(69)	(227)	(1,534)	–	(2,042)
Impairment losses	–	–	–	–	–	(1,064)	–	(1,064)
Disposal and write-off	–	–	–	–	(1)	–	–	(1)
Transfer upon completion	–	–	–	–	–	1,841	(1,841)	–
Exchange differences	–	(1)	(2)	(5)	(15)	(31)	–	(54)
End of the year	<u>98</u>	<u>43</u>	<u>323</u>	<u>198</u>	<u>573</u>	<u>3,808</u>	<u>502</u>	<u>5,545</u>
<b>As at 30 April 2025</b>								
Cost	12,283	4,522	7,136	4,395	2,669	26,853	502	58,360
Accumulated depreciation and impairment losses	(12,185)	(4,479)	(6,813)	(4,197)	(2,096)	(23,045)	–	(52,815)
Net book value	<u>98</u>	<u>43</u>	<u>323</u>	<u>198</u>	<u>573</u>	<u>3,808</u>	<u>502</u>	<u>5,545</u>

## 12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

### (a) Depreciation expenses recognised in the consolidated statement of comprehensive income

	2025 HK\$'000	2024 HK\$'000
Cost of sales	1,801	2,034
Administrative expenses	241	281
	<u>2,042</u>	<u>2,315</u>

### (b) Impairment of property, plant and equipment, right-of-use assets, intangible assets and prepayments for non-current assets

The carrying value of property, plant and equipment, right-of-use assets, intangible assets and prepayments for non-current assets are assessed at the end of each reporting period for indications of impairment with reference to evaluation undertaken by management. For assets with impairment indicators, management performed evaluation to assess the recoverable amount of each asset being the higher of its value in use or its fair value less costs of disposal. As at 30 April 2025, management performed two separate impairment assessments for the toy business and laboratory equipment business.

The estimates of the recoverable amounts were based on value-in-use calculations using discounted cash flow projections based on the financial forecasts approved by management, with major assumptions such as revenue growth rate, gross profit margin and discount rate. Except for specific impairment losses recognised during the year, management determined that no further provision for impairment is required at the year end and it is not necessary to assess the recoverable amount using fair value less cost of disposal method.

#### *Toy business segment*

During the year ended 30 April 2025, specific impairment loss of approximately HK\$1,064,000 was recognised for several moulds and tools which are unable to generate cash flow during the year. Other than that, no impairment indicators have been identified by the management for the carrying amount of the remaining property, plant and equipment, right-of-use assets, intangible assets and prepayments for non-current assets in relation to the toy business segment, having taken into consideration both internal financial reports and external factors such as economic condition, industry risk and market risk.



## 12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

### (b) Impairment of property, plant and equipment, right-of-use assets, intangible assets and prepayments for non-current assets (continued)

#### *Laboratory equipment business segment*

As at 30 April 2025, the carrying amount of the property, plant and equipment, right-of-use assets, intangible assets and prepayments for non-current assets in relation to the laboratory equipment business segment was approximately HK\$858,000 (2024: HK\$4,182,000).

At 30 April 2025, the recoverable amount of the laboratory equipment business segment had been determined based on value in use, which was higher than the carrying value of the non-financial assets of the laboratory equipment business segment. Therefore, no additional provision for impairment was recognised for the non-financial assets of the laboratory equipment business segment as at 30 April 2025.

Key assumptions used in the value-in-use calculations for the recoverable amount of non-financial assets are as follows:

	2025	2024
Weighted average annual revenue growth rate:	10%	6%
Gross profit margin:	18%	24%
Discount rate:	15%	15%

## 13 TRADE RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2025 HK\$'000	2024 HK\$'000
Trade receivables	8,812	9,138
Less: loss allowance	(479)	(407)
Trade receivables, net	<u>8,333</u>	<u>8,731</u>
Deposits	6,128	3,760
Prepayments	415	620
Other receivables	<u>13,998</u>	<u>14,414</u>
	20,541	18,794
Less: loss allowance	<u>(12,610)</u>	<u>(12,323)</u>
Other receivables, deposits and prepayments, net	7,931	6,471
Less: prepayments for property, plant and equipment and factory rental deposits classified as non-current assets	<u>–</u>	<u>(76)</u>
Current portion	<u>7,931</u>	<u>6,395</u>

### 13 TRADE RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade receivables. To measure the expected credit losses, trade receivables have been grouped based on geographical locations, shared credit risk characteristics and ageing profiles.

The carrying amounts of trade receivables, other receivables, deposits and prepayments approximate their fair values.

The gross carrying amounts of trade receivables, other receivables, deposits and prepayments are denominated in the following currencies:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
US\$	<b>13,535</b>	10,475
HK\$	<b>437</b>	391
RMB	<b>15,380</b>	17,065
Others	<b>1</b>	1
	<u><b>29,353</b></u>	<u>27,932</u>

The Group grants credit periods to customers ranged from 0 to 120 days. As at 30 April 2025, the ageing analysis of trade receivables in gross amount based on invoice date is as follows:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 3 months	<b>6,287</b>	7,780
3 months to 1 year	<b>2,201</b>	1,034
Over 1 year	<b>324</b>	324
	<u><b>8,812</b></u>	<u>9,138</u>

Movement of the Group's provision for impairment of trade receivables is as follows:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Beginning of the year	<b>(407)</b>	(352)
Provision for impairment for the year	<b>(72)</b>	(55)
	<u><b>(479)</b></u>	<u>(407)</u>

## 14 TRADE AND BILLS PAYABLES

The ageing analysis of trade and bills payables based on invoice date is as follows:

	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
Within 1 month	<b>3,298</b>	3,822
1 to 2 months	<b>1,266</b>	710
2 to 3 months	<b>173</b>	182
Over 3 months	<b>1,716</b>	194
	<hr/>	<hr/>
	<b>6,453</b>	4,908
	<hr/> <hr/>	<hr/> <hr/>

Trade and bills payables are denominated in the following currencies:

	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
US\$	<b>3,867</b>	3,309
HK\$	<b>25</b>	11
RMB	<b>2,561</b>	1,588
	<hr/>	<hr/>
	<b>6,453</b>	4,908
	<hr/> <hr/>	<hr/> <hr/>

The carrying amounts of trade and bills payables approximate their fair values.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

As mentioned in the “Business Review” and “Outlook/future prospects and strategies” sections in the last few annual reports and interim reports, since the Toy Business is expected to continue to suffer in the near term due to the factors beyond the Group’s control. With the new asset-light business model changed from self-manufacturing to outsource subcontracting, the Toy Business has turned to be profitable in this year.

Since U.S. is the major targeted market in Toy industry all the time, the tariff gloom becomes the biggest concern of our customers in the last few months of the financial year, even throughout the whole world, especially from March to April 2025, which hurt our sales performance during the period. The revenue generated from the Toy Business decreased by 6.0% from approximately HK\$155.7 million to approximately HK\$146.3 million.

For the Laboratory Equipment Business, Kiddieland Technology has been committed to catering to the educational policy of the Government of the PRC and meet the development needs of China's vast education market. Kiddieland Technology invested heavily in laboratory product research and development, launched intelligent laboratory products and developed the AI scoring system to replace the traditional laboratory evaluation during the past few years, striving to become a leader in educational equipment and information teaching in China.

Since 2024, the National Development and Reform Commission (NDRC) of the government of the PRC has implemented a large-scale renovation plan for educational equipment with a total investment of nearly RMB10 billion for five consecutive years. Kiddieland Technology has actively collaborated with powerful enterprises in various provinces to seize opportunities, successfully winning bids for the Jiangxi Provincial NDRC Laboratory Renovation Project (already completed and delivered) and the Hubei Provincial NDRC Laboratory Renovation Project (being delivered in an orderly manner). In 2025, the Company will continue to participate in laboratory renovation projects under the NDRC in provinces and cities, including Anhui, Hainan, Guizhou, Sichuan, Chongqing, Gansu, Guangxi, Shanxi, Heilongjiang, and Tianjin, with a capital scale of approximately RMB1.357 billion. Kiddieland Technology will continue to seize opportunities and leverage its strengths in the above projects.

The revenue generated from the Laboratory Equipment Business decreased by 15.1% from approximately HK\$59.5 million to approximately HK\$50.5 million.

The Group’s revenue for the year was approximately HK\$196.9 million, which has decreased by 8.5% as compared to that of last year (2024: HK\$215.1 million). The Group recorded a net loss attributable to owners of the Company of approximately HK\$7.0 million for the year ended 30 April 2025 (2024: HK\$7.3 million). The decrease in net loss recorded by the Group this year was attributed to the great reduction in administrative expenses, while it is partially offset by (i) the decrease in revenue; (ii) the increase in manufacturing overheads; and (iii) the increase in tax expenses due to the derecognition of deferred tax assets of the Laboratory Equipment Business.

## **FINANCIAL REVIEW**

### **Revenue**

As mentioned in Business Review, revenue generated from North America decreased by 10.6% to approximately HK\$82.7 million (2024: HK\$92.5 million). Both sales orders and average selling price had decreased. The decrease was mainly attributed to revenue decrease from a top developed country in the region and the switching of product mix to products with relatively low unit price. In addition, with the import tariff announced and implemented by the government of U.S. in March and April 2025, the orders from U.S. has been postponed and cancelled and sales to U.S. during these months have dropped significantly, hurting the sales performance to North America this year.

On the other hand, revenue generated from Europe slightly decreased by 1.5% to approximately HK\$47.4 million (2024: HK\$48.1 million). Sales orders increased while average selling price had decreased. The revenue decrease was mainly attributed to (i) the sluggish economy in several developing countries in Eastern Europe, especially Ukraine and Russia due to the war against each other; and (ii) the currency appreciation of USD which hurt the purchasing power in the European region.

Fortunately, the revenue decrease in the above two main regions is partially offset by the existence of sales from a large multinational retailer in the PRC during this year.

Revenue generated from the Laboratory Equipment Business decreased by 15.1% to approximately HK\$50.5 million (2024: HK\$59.5 million). The decrease was mainly due to the new policy from the NDRC, thus most of the projects invested by the local government of the provinces were temporarily put on hold and postponed.

As a result of the above, the Group's overall revenue decreased by 8.5% to approximately HK\$196.9 million (2024: HK\$215.1 million).

### **Gross profit**

The Group's gross profit decreased by 10.1% to approximately HK\$29.4 million for the year (2024: HK\$32.7 million). Although there was a 8.3% decrease in the cost of sales during the year, the decreasing amplitude in revenue outweighs the range of the decrease in cost of sales.

The decrease in gross profit was attributed to (i) the 8.5% decrease in revenue discussed above; (ii) the increase in manufacturing overheads in the Laboratory Equipment Business; and (iii) a provision for impairment of inventories has been recognised for the Laboratory Equipment Business. As a result of the above, the gross profit ratio of the Toy Business increased by 1.8% to 15.6%, while the gross profit ratio of the Laboratory Equipment Business decreased by 5.7% to 13.2% in this year respectively.

## **Selling and distribution expenses**

Selling and distribution expenses slightly increased by 0.8% to approximately HK\$13.1 million for the year (2024: HK\$13.0 million). The increase was mainly attributed to the increase in the promotion expenses used promotional activities like Education Expo, in order to drive the revenue amount in the future period.

## **Administrative expenses**

Administrative expenses greatly reduced by 23.1% to approximately HK\$22.0 million for the year (2024: HK\$28.6 million). The decrease was mainly attributed to the decrease in administrative staff costs of the Laboratory Equipment Business and operating lease expenses of the Toy Business.

## **Finance income/costs, net**

Net finance income for the year was approximately HK\$0.1 million whilst the Company recorded net finance costs of approximately HK\$0.2 million in last year. It is mainly attributed to the decrease in interest on lease liabilities arising from the lease modification of the Laboratory Equipment Business.

## **Income tax expenses**

The Group recorded income tax expenses of approximately HK\$3.3 million for the year (2024: HK\$1.1 million). The income tax expenses recorded in both years were mainly attributable to the derecognition of deferred tax assets of the Laboratory Equipment Business. In this year, the Toy Business has recorded income tax expenses as there is a turnaround whilst the Laboratory Equipment Business has not recognised deferred tax assets regarding the loss incurred in this year.

## **Net loss**

The Group recorded a net loss attributable to owners of the Company of approximately HK\$7.0 million for the year (2024: HK\$7.3 million). The decrease in net loss recorded in this year was mainly attributed to the great reduction in administrative expenses of approximately HK\$6.6 million. It was partially offset by (i) the decrease in revenue; (ii) the increase in manufacturing overheads of the Laboratory Equipment Business; and (iii) the non-recognition of deferred tax assets of the Laboratory Equipment Business regarding the loss for the year.

## **Inventories**

Inventories as at 30 April 2025 were approximately HK\$8.5 million, decreased from approximately HK\$9.8 million as at 30 April 2024. Inventory turnover days for the year were 23.4 days (2024: 31.2 days). The decrease in stock level was primarily attributed to a provision for impairment of inventories for the Laboratory Equipment Business of approximately HK\$1.1 million has been recognised during the year.

## **Trade receivables**

Trade receivables as at 30 April 2025 were approximately HK\$8.3 million, decreased from approximately HK\$8.7 million as at 30 April 2024. Trade receivables turnover days for the year were 15.8 days (2024: 17.6 days). The decrease in receivables level was attributed to the decrease in sales level during the last 3 months of the financial year since most of the payment terms offered to the customers are 30 to 90 days.

## **Trade and bills payables**

Trade and bills payables as at 30 April 2025 were approximately HK\$6.5 million, increased from approximately HK\$4.9 million as at 30 April 2024. Trade and bills payables turnover days for the year were 12.4 days (2024: 15.8 days). The increase in payables level was attributed to the increase in purchase activity during the last 3 months of the financial year as there are more newly signed sales contracts during the mentioned period comparing to the same period of last year.

## **Liquidity and financial resources**

During the year ended 30 April 2025, the Group mainly financed its working capital by internal resources and bank borrowings. As at 30 April 2025, cash and cash equivalents amounted to approximately HK\$7.0 million (2024: HK\$7.3 million). The decrease was mainly due to the operating loss recorded in this year. The current ratio of the Group, as calculated by total current assets over total current liabilities, was 1.0 as at 30 April 2025 (2024: 1.1).

As at 30 April 2025, the Group's net current assets were approximately HK\$0.3 million (2024: HK\$3.4 million). The Group did not have any bank borrowings as at 30 April 2025 (2024: Nil). The Group's financial gearing, based on the total bank borrowings compared to the total equity, was 0% (2024: 0%). All bank borrowings and banking facilities were subject to floating interest rates. As at 30 April 2025, the Group had undrawn banking facilities of approximately HK\$69.1 million (2024: HK\$212.1 million). The Group and the Directors will maintain the availability of bank facilities and negotiate with banks to increase the borrowings limit for working capital needs, if necessary.

## **FOREIGN CURRENCY EXPOSURE**

The Group's sales, purchases and expenses incurred in toy business are mainly denominated in Hong Kong and US Dollar. And for production factory located in the PRC related to laboratory equipment business, sales, purchases and expenses incurred there are denominated in Renminbi.

Since Hong Kong Dollar remains pegged to US Dollar, the Group does not foresee a substantial exposure in this area, and will closely monitor the trend of Renminbi to see if any action is required.

As at 30 April 2025, the Group had not entered into any financial instrument for the hedging of foreign currency.

## **EMPLOYEES AND REMUNERATION POLICY**

As at 30 April 2025, the Group employed 109 full-time management, administrative and production staff in Hong Kong and the PRC. The Group has seasonal fluctuations in the number of workers employed in its production plant while the number of management and administrative staff remains stable. The Group remunerates its employees based on their performance, experience and prevailing industry practices.

## **ENVIRONMENTAL, SOCIAL AND CORPORATE RESPONSIBILITY**

The Group is committed to achieving environmental sustainability and has implemented its Corporate Social Responsibility strategy across the organisation by embedding social responsibility into daily operations. The Group's production plant substantially complied with all applicable local and international environmental regulations.

The Group has installed solar panels as well as energy saving devices for machines at its factory in the PRC. The Group also encourages environmental protection practices such as setting up recycling bins, promoting using recycled papers and reducing energy consumption by switching off lightings and electrical appliances. The Group resolves to adopt and encourages practices that prevent or minimise pollution and optimise efficient use of energy and natural resources in order to provide employees with a safe and healthy working and living environment.

## **SIGNIFICANT INVESTMENT HELD**

Except for investments in subsidiaries, the Group did not hold any significant investment during the year.

## **CAPITAL COMMITMENTS**

As at 30 April 2025, the Group did not have any commitments for acquisition of property, plant and equipment which have been contracted, but not provided for in the consolidated financial statements.

## **CONTINGENT LIABILITIES**

As at 30 April 2025, the Group did not have any contingent liabilities.

## **OUTLOOK/FUTURE PROSPECTS AND STRATEGIES**

Reflecting on the past fiscal year, the global economic landscape has been unstable with ongoing geopolitical tension. Kiddieland continues to embrace all opportunities and challenges, with each playing a crucial role in our continued growth and success. The continued impact on the economy from the prolonged war in Ukraine, compounded by the new complications among Israel, Palestine, and Iran have further complicated the economic situation. Moreover, with the additional tariffs imposed by the US government, the sentiment in consumer spending is inevitably affected.



Global settings have impacted our daily operations with increased freight costs and often extended delivery lead time. Additional tariffs have further muddled the overall economic landscape. While sales started off strong earlier in the year, these external factors pose new challenges as we proceed into the year. Despite such, Kiddieland's commitment to innovation and progress remains unwavering. Our dedication to developing creative, high-quality, and competitive products has been pivotal in enhancing our profitability. With Disney's new theatrical releases of blockbusters in the coming year, our licensed toys pair beautifully to bring innovation and superior value. Our new and exciting products continue to accommodate consumers from the dynamic market today.

In the growing demands for flexibility in production, our collaboration with trusted subcontractors has further established an efficient connection for seamless operations with maximum efficiency. As we continue to improve our supply chain resilience by diversifying our sourcing and logistic partners, Kiddieland will also establish our own warehouse facility in the US to ensure smooth and seamless domestic deliveries in North America. Simultaneously, we will expand our online presence and improve our e-commerce capabilities in order to reach a broader audience worldwide. We remain steadfast in our mission to expand our extensive product range and deliver exceptional value to our customers.

In parallel with our toy business, to welcome the new year, Kiddieland Technology (laboratory equipment business) will continue to work hard in four key areas: business system, product optimisation and technological innovation, market development and cost reduction and efficiency improvement:

- I. Business system: Kiddieland Technology takes the “the ‘Notice by the State Council of Issuing the Action Plan for Promoting Large-scale Equipment Renewals and Consumer Goods Trade-ins (國務院關於印發<推動大規模設備更新和消費品以舊換新行動方案>的通知)’ as the business orientation and builds up two major business support systems.
  1. Regular business system: In June 2025, the Ministry of Education issued the “Configuration Standards of Teaching Equipment for Seven Subjects in Ordinary Senior Secondary Schools: Mathematics, Physics, Chemistry, Biology, Geography, General Technology, and Information Technology (《普通高中數學、物理、化學、生物學、地理、通用技術和資訊技術7個學科教學裝備配置標準》)” (hereinafter referred to as the ‘**Configuration Standards**’), which aims to improve the standardised system for the configuration of equipment in primary and secondary schools, regulate and lead the scientific configuration of teaching equipment for ordinary senior secondary schools across the country, and to accelerate the process of the high-quality development of basic education. The inclusion of Kiddieland Technology's experimental teaching management system, AI experimental operation examination system and teacher demonstration system in the Configuration Standard will significantly increase the Company's sales share in the high school laboratory equipment market.
  2. NDRC business system: In 2025, the funding scale of the NDRC laboratory transformation project will be approximately RMB1.357 billion. Kiddieland Technology will continue to play its due role in the above project.

- II. Product optimisation and technological innovation: Kiddieland Technology owns two core product series, namely “science, chemistry and biology intelligent laboratory” and “laboratory operation evaluation system of the high school entrance examinations”. The Company has launched a solution integrating intelligent laboratory products and intelligent operations, realising the platformisation of laboratory IOC management, with comprehensive management functions in water supply, environmental monitoring, etc., and constructing a new mode of intelligent teaching in intelligent laboratories. In terms of evaluation system, the AI scoring system developed by the Company replaced the traditional laboratory evaluation with AI vision and deep learning technology to facilitate intelligent teaching and examination, and truly achieve the purpose of “one set of system, multi-purpose teaching and examination, supervise teaching by examination, assist examination by teaching (一套系統，教考多用，以考督教，以教助考)”. Meanwhile, the third generation of examination terminals have been further optimised, and the quality and stability have been significantly improved. At the same time, the third generation of examination terminal products has been further optimised, and its quality and stability have been significantly improved.
- III. Market development: Kiddieland Technology will enhance its revenue and profitability by expanding its market share and enhancing its brand influence. At the 83rd China Educational Equipment Exhibition (Tianjin) in April 2025 and Sichuan Educational Equipment Exhibition (Chengdu) in June 2025, the Company demonstrated its multi-dimensional layout and technical strength through its rich product lines and solutions in real-life situations, winning high praise from leaders at all levels and exhibitors. Kiddieland Technology has established and continuously optimized the “dual-track strategic layout of pipeline expansion and NDRC projects” to continue to implement the strategy of “division of functions” and “regional synergy”, fully covering the overall K12 market in 31 provinces, autonomous regions, and municipalities across the country.
- IV. Cost reduction and efficiency improvement: The Company has effectively reduced operating costs and improved overall efficiency by continuously optimizing production processes and supply chain management. In terms of R&D and operation and maintenance, the modular design and cloud service support system were strengthened to reduce customized development investment and on-site maintenance frequency, and the response time to customer issues was improved by 30%. In the future, Kiddieland Technology will continue to contribute to the innovative development of China’s educational equipment industry with high-quality products and excellent services.

In conclusion, we are confident our strategic initiatives will enable us to navigate the challenges ahead and capitalize on emerging opportunities.

## **OTHER INFORMATION**

### **Final Dividend**

The Board has resolved not to declare any final dividend for the year ended 30 April 2025.

## **Closure of Register of Members**

For the purpose of determining the shareholders' eligibility to attend and vote at the annual general meeting (the “**AGM**”) to be held on Friday, 26 September 2025, the register of members of the Company will be closed from Wednesday, 24 September 2025 to Friday, 26 September 2025, both days inclusive, during which no transfer of shares will be registered. In order to qualify for attending and voting at the AGM, shareholders should ensure that all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. (Hong Kong time) on Tuesday, 23 September 2025.

## **Annual General Meeting**

The AGM will be held on Friday, 26 September 2025. Notice of the AGM will be sent to the shareholders of the Company in due course.

## **Purchase, Sale or Redemption of Listed Securities**

During the year ended 30 April 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

## **Corporate Governance Code**

Throughout the year ended 30 April 2025, the Company had complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 (formerly Appendix 14) to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

## **Code for Dealing in Company's Securities by Directors**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 (formerly Appendix 10) to the Listing Rules. Having made specific enquiry to all Directors, the Directors confirmed that they have complied with the required standards as set out in the Model Code throughout the year ended 30 April 2025.

## **Audit Committee and Review of Results**

The Audit Committee of the Company has reviewed with the management the consolidated financial statements of the Group for the year ended 30 April 2025, accounting principles and practices adopted by the Group, and discussed auditing, internal controls, risk management and financial reporting matters relating to the preparation of the annual results of the Group for the year ended 30 April 2025.

## **Scope of work of PricewaterhouseCoopers**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 30 April 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

## **Publication of Annual Results Announcement and Annual Report**

This results announcement is published on the website of the Stock Exchange at ([www.hkexnews.hk](http://www.hkexnews.hk)) and that of the Company at ([www.kiddieland.com.hk](http://www.kiddieland.com.hk)). The 2025 annual report of the Company will be despatched to the shareholders of the Company, if a printed copy is requested, and made available on the website of the Stock Exchange and that of the Company in due course in the manner as required by the Listing Rules.

## **Appreciation**

On behalf of the Board, I would like to take this opportunity to express my sincere thanks and gratitude all our shareholders, business partners, customers, suppliers, bankers, the management and staff for their support and contribution to the Group and its business throughout the year.

By Order of the Board  
**Kiddieland International Limited**  
**Lo Shiu Shan Suzanne**  
*Chairwoman*

Hong Kong, 29 July 2025

*As at the date of this announcement, the Board comprises Ms. LO Shiu Shan Suzanne, Ms. SIN LO Siu Wai Sylvia, Mr. LO Hung and Ms. LEUNG Siu Lin Esther as the Executive Directors and Mr. MAN Ka Ho Donald, Mr. CHENG Dominic and Mr. SIT Hon Wing as the Independent Non-executive Directors.*