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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 2026

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 2026, together with comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Year ended 30 April	
		2026	2025
	Note	***HK$'000***	*HK$'000*
Revenue	*4*	**200,594**	196,856
Cost of sales	*7*	**(172,608)**	(167,448)
Gross profit		**27,986**	29,408
Other income	*5*	**195**	125
Other gains, net	*6*	**145**	192
Selling and distribution expenses	*7*	**(11,116)**	(13,117)
Administrative expenses	*7*	**(21,586)**	(21,988)
Impairment losses on financial assets, net	*13*	**(763)**	(72)
Operating loss		**(5,139)**	(5,452)
Finance income		**302**	477
Finance expenses		**(240)**	(395)
Finance costs, net	*8*	**62**	82
Loss before taxation		**(5,077)**	(5,370)
Income tax expenses	*9*	**(1,169)**	(3,315)
Loss for the year		**(6,246)**	(8,685)
Other comprehensive loss for the year			
Item that may be reclassified to profit or loss:			
Currency translation differences		**(230)**	(63)
Other comprehensive loss for the year, net of tax		**(230)**	(63)
Total comprehensive loss for the year		**(6,476)**	(8,748)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

	Note	**Year ended 30 April** **2026** ***HK$'000***	2025 *HK$'000*
Loss for the year attributable to:			
Owners of the Company		**(6,246)**	(6,985)
Non-controlling interests		**–**	(1,700)
		(6,246)	(8,685)
Total comprehensive loss attributable to:			
Owners of the Company		**(6,476)**	(7,485)
Non-controlling interests		**–**	(1,263)
		(6,476)	(8,748)
Basic and diluted losses per share ***(HK cents)***	*11*	**(0.6)**	(0.7)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 April	
		2026	2025
	Note	***HK$'000***	*HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment	*12*	**5,519**	5,545
Right-of-use assets		**352**	93
Intangible assets		**5,170**	9,021
Deferred income tax assets		**6,057**	7,175
Deposits and prepayments	*13*	**79**	–
		17,177	21,834
Current assets			
Inventories		**6,824**	8,538
Trade receivables	*13*	**11,468**	8,333
Other receivables, deposits and prepayments	*13*	**5,947**	7,931
Contract assets		**–**	63
Cash and bank balances		**9,898**	6,967
		34,137	31,832
Total assets		**51,314**	53,666
EQUITY			
Owners of the Company			
Share capital		**100,000**	100,000
Other reserves		**6,408**	6,408
Exchange reserves		**(2,402)**	(2,172)
Accumulated losses		**(92,118)**	(85,872)
		11,888	18,364
Non-controlling interests		**–**	–
Total equity		**11,888**	18,364

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

		As at 30 April	
		2026	2025
	Note	***HK$'000***	*HK$'000*
LIABILITIES			
Non-current liabilities			
Accruals and other payables		**441**	3,215
Deferred income tax liabilities		**644**	593
Lease liabilities		**97**	–
		1,182	3,808
Current liabilities			
Trade and bills payables	*14*	**12,281**	6,453
Accruals and other payables		**16,207**	15,476
Contract liabilities		**9,477**	9,462
Lease liabilities		**279**	103
		38,244	31,494
Total liabilities		**39,426**	35,302
Total equity and liabilities		**51,314**	53,666

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 Hong Kong Financial Reporting 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.

When preparing the consolidated financial statements, the directors assessed the Group's ability to continue as a going concern. Although the Group reported net current liabilities of approximately HK$4,107,000 as at 30 April 2026, the directors have prepared the consolidated financial statements on a going concern basis, which is supported by the following considerations:

1. As at 30 April 2026, a material portion of the Group's current liabilities, amounting to approximately HK$9,477,000, consists of contract liabilities relating to customer advance payments. These obligations do not require future cash outflows but will instead be satisfied through the delivery of goods or services in the ordinary course of business. When contract liabilities are excluded from the calculation, the Group would in fact maintain a net current asset position of approximately HK$5,370,000.

2. As at 30 April 2026, the Group has access to unused banking facilities totalling HK$59,100,000, which provides substantial additional liquidity to the Group in the next twelve months. This ensures that, should additional funding be required, the Group has access to sufficient financial resources to meet its obligations as and when they fall due.

After taking into consideration of the above factors, the directors are satisfied that the Group will have sufficient financial resources to meet its financial obligations as they fall due in the foreseeable future and consider that it is appropriate for the consolidated financial statements to be prepared on a going concern basis because there is no material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

2 BASIS OF PREPARATION (CONTINUED)

(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 2025:

Amendments to illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36, and HKAS 37	Disclosures about Uncertainties in the Financial Statements
Amendments to HKAS 21	Lack of Exchangeability

Adoption of the new and amended standards listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) New standards and amendments to standards that are not yet effective and have not been early adopted by the Group

The following new standards and amendments to standards are not effective for annual periods commencing on or after 1 May 2025 and have not been early adopted by the Group:

		Effective for annual periods commencing on or after
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 May 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 May 2026
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 May 2026
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency	1 May 2027
HKFRS 18	Presentation and Disclosure in Financial Statements	1 May 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 May 2027
Amendment to HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 May 2027
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 May 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	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.

2 BASIS OF PREPARATION (CONTINUED)

(b) New standards and amendments to standards that are not yet effective and have not been early adopted by the Group (continued)

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 to 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 to the Group's financial position and results of operations upon adopting these new and amended standards to existing HKFRS.

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 2026, 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 2026 and 2025.

3 SEGMENT INFORMATION (CONTINUED)

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 2026

	Toy business *HK$'000*	**Laboratory equipment business** *HK$'000*	**Total** *HK$'000*
Revenue	**113,266**	**87,328**	**200,594**
Cost of sales	**(95,053)**	**(77,555)**	**(172,608)**
Gross profit	**18,213**	**9,773**	**27,986**
Segment results	**(677)**	**(3,839)**	**(4,516)**
Unallocated:			
Other income			**195**
Other gains, net			**145**
Administrative expenses			**(963)**
Finance costs, net			**62**
Loss before taxation			**(5,077)**

For the year ended 30 April 2025

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

3 SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities

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

As at 30 April 2026

	Toy business *HK$'000*	**Laboratory equipment business** *HK$'000*	**Total** *HK$'000*
Assets			
Segment assets	**36,830**	**13,693**	**50,523**
Unallocated:			
Property, plant and equipment			**739**
Cash and bank balances			**52**
Total assets			**51,314**
Liabilities			
Segment liabilities	**16,582**	**22,844**	**39,426**
Total liabilities			**39,426**

As at 30 April 2025

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

3 SEGMENT INFORMATION (CONTINUED)

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

	2026	2025
	HK$'000	*HK$'000*
America	**59,184**	83,397
Europe	**44,925**	47,401
Asia Pacific and Oceania (exclude the PRC)	**9,157**	6,422
The PRC	**87,328**	59,636
	200,594	196,856

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:

	2026	2025
	HK$'000	*HK$'000*
Hong Kong	**739**	344
The PRC	**5,211**	5,294
	5,950	5,638

For the year ended 30 April 2026, there was one (2025: Nil) customer which individually contributed over 10% of the Group's total revenue.

	2026	2025
	HK$'000	*HK$'000*
Customer A	**29,746**	N/A*

* Represent less than 10% of the Group's total revenue for the respective year

The five largest customers accounted for approximately 37.6% (2025: 30.9%) of the revenue of the Group for the year ended 30 April 2026.

4 REVENUE

	2026	2025
	HK$'000	*HK$'000*
Sales of toys	**113,266**	146,331
Sales of laboratory equipments	**87,328**	50,525
Sales of goods	**200,594**	196,856

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

	2026	2025
	HK$'000	*HK$'000*
Sundry income	**195**	125

6 OTHER GAINS, NET

	2026	2025
	HK$'000	*HK$'000*
Exchange gain, net	**145**	107
Other gain on lease modification	**–**	86
Net loss on disposal and write-off of property, plant and equipment	**–**	(1)
	145	192

Note:

During the year ended 30 April 2025, the Group early terminated the lease of a factory. At the termination date of the lease, right-of-use assets of approximately HK$1,211,000 and lease liabilities of approximately HK$1,297,000 were derecognised and resulted in a gain on lease modification of approximately HK$86,000.

7 EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution expenses, administrative expenses and net impairment losses on financial assets are analysed as follows:

	2026	2025
	HK$'000	*HK$'000*
Auditor's remuneration		
— Audit services	**920**	850
— Non-audit services	**135**	134
Advertising and promotion expenses	**3,009**	4,170
Amortisation of intangible assets	**6,243**	6,791
Impairment losses on property, plant and equipment *(note 12)*	**–**	1,064
Bank charges	**417**	466
Commissions	**1,313**	882
Consumables	**456**	540
Cost of inventories sold	**144,389**	135,506
Custom and declaration handling expenses	**1,635**	–
Depreciation of property, plant and equipment *(note 12)*	**1,620**	2,042
Depreciation of right-of-use assets	**287**	1,302
Expenses for short-term and low-value operating leases	**2,972**	2,187
Impairment losses on financial assets, net *(note 13)*	**763**	72
Legal and professional fee	**963**	393
Licenses fees	**2,322**	7,088
Logistics and warehousing expenses	**2,279**	2,204
Other taxes	**174**	55
Repair and maintenance expenses	**302**	577
Product testing expenses	**1,390**	1,728
Provision for impairment of inventories	**530**	1,136
Staff costs, including Directors' emoluments	**20,322**	21,599
Subcontracting expenses	**8,623**	5,191
Utilities	**393**	286
Other expenses	**4,616**	6,362
	206,073	202,625

8 FINANCE COSTS, NET

	2026	2025
	HK$'000	*HK$'000*
Finance income:		
Bank interest income	**302**	477
Finance expenses:		
Bank overdraft interest	**(10)**	(10)
Other bank borrowing interest	**(209)**	(318)
Interest on lease liabilities	**(21)**	(67)
	(240)	(395)
Finance costs, net	**62**	82

9 INCOME TAX EXPENSES

For the year ended 30 April 2026, Hong Kong profits tax has been provided for at the rate of 16.5% (2025: 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% (2025: 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 ranging from 5% to 39% (2025: 5% to 39%) on the estimated assessable profit.

	2026	2025
	HK$'000	*HK$'000*
Current taxation		
— Hong Kong profits tax	**–**	–
— U.S. corporate income tax	**–**	–
	–	–
Deferred taxation		
— Origination and reversal of temporary differences	**1,169**	3,315
	1,169	3,315
Income tax expenses	**1,169**	3,315

9 INCOME TAX EXPENSES (CONTINUED)

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:

	2026	2025
	HK$'000	*HK$'000*
Loss before taxation	**(5,077)**	(5,370)
Tax calculated at domestic tax rates applicable to loss in respective countries	**(941)**	(1,546)
Income not subject to tax	**(554)**	(375)
Expenses not deductible for tax purpose	**577**	1,008
Tax losses not recognised	**713**	1,529
Release of tax losses recognised in prior years	**1,374**	2,715
Utilisation of tax losses not recognised previously	**–**	(16)
Income tax expenses	**1,169**	3,315

For the year ended 30 April 2026, the weighted average applicable tax rate was -23.0% (2025: -61.7%).

During the year ended 30 April 2026, approximately HK$5,496,000 (2025: approximately HK$10,860,000) of tax losses recognised in prior years was 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 2026 was declared or paid by the Company (2025: Nil).

11 LOSSES PER SHARE

(a) Basic losses per share

	2026	2025
Loss attributable to the owners of the Company *(HK$'000)*	**(6,246)**	(6,985)
Weighted average number of ordinary shares in issue *(in thousand)*	**1,000,000**	1,000,000
Basic losses per share *(HK cents)*	**(0.6)**	(0.7)

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 2026 and 2025 are the same as basic losses per share as there is no potential dilutive Share.

12 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements *HK$'000*	Furniture and fixtures *HK$'000*	Office equipment *HK$'000*	Motor vehicles *HK$'000*	Plant and machinery *HK$'000*	Moulds and tools *HK$'000*	Moulds work-in-progress *HK$'000*	Total *HK$'000*
As at 1 May 2024								
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	–	88	454	269	816	3,807	228	5,662
Year ended 30 April 2025								
Beginning of the year	–	88	454	269	816	3,807	228	5,662
Addition	110	–	27	3	–	789	2,115	3,044
Depreciation *(note 7)*	(12)	(44)	(156)	(69)	(227)	(1,534)	–	(2,042)
Impairment losses *(note 7)*	–	–	–	–	–	(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	98	43	323	198	573	3,808	502	5,545
As at 30 April 2025 and 1 May 2025								
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	98	43	323	198	573	3,808	502	5,545
Year ended 30 April 2026								
Beginning of the year	**98**	**43**	**323**	**198**	**573**	**3,808**	**502**	**5,545**
Addition	**–**	**1**	**62**	**–**	**–**	**406**	**1,067**	**1,536**
Depreciation *(note 7)*	**(36)**	**(29)**	**(162)**	**(71)**	**(216)**	**(1,106)**	**–**	**(1,620)**
Transfer upon completion	**–**	**–**	**–**	**–**	**–**	**1,022**	**(1,022)**	**–**
Exchange differences	**–**	**2**	**4**	**11**	**27**	**14**	**–**	**58**
End of the year	**62**	**17**	**227**	**138**	**384**	**4,144**	**547**	**5,519**
As at 30 April 2026								
Cost	**12,448**	**4,558**	**7,233**	**4,416**	**2,757**	**29,309**	**547**	**61,268**
Accumulated depreciation and impairment losses	**(12,386)**	**(4,541)**	**(7,006)**	**(4,278)**	**(2,373)**	**(25,165)**	**–**	**(55,749)**
Net book value	**62**	**17**	**227**	**138**	**384**	**4,144**	**547**	**5,519**

12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

	2026	2025
	HK$'000	*HK$'000*
Cost of sales	**1,351**	1,801
Administrative expenses	**269**	241
	1,620	2,042

(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 when indications of impairment have been identified by management. As of 30 April 2026 and 30 April 2025, management identified two cash generating units (CGUs): the toy business segment and the laboratory equipment business segment. When impairment indicators were identified in a CGU, management conducted an impairment assessment to determine the recoverable amount of that CGU, being the higher of its value in use or its fair value less cost of disposal.

As at 30 April 2026, management has identified impairment indicators for both the toy business and laboratory equipment business and accordingly, impairment assessment has been conducted for these two CGUs. (2025: impairment indicators has been identified for the laboratory equipment business and accordingly, management has performed an impairment assessment in this CGU.)

The estimation of the recoverable amounts of either CGU was 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. As a result of the impairment assessment, management determined that no further provision for impairment is required for either CGU 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

As at 30 April 2026, impairment indicators have been identified by the management for 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 toy business segment, having taken into consideration both internal financial reports and external factors such as economic condition, industry risk and market risk. According to the results of the impairment assessment, no provision for impairment was recognised for the non-financial assets of the toy business segment as at 30 April 2026.

The key assumptions used in the value-in-use calculations to determine the recoverable amount for the toy business segment as at 30 April 2026 are as follows:

	2026
Weighted average annual revenue growth rate	**9%**
Gross profit margin	**19%**
Discount rate	**12%**

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 2026, 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$670,000 (2025: HK$858,000).

At 30 April, 2026, 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 2026.

The key assumptions used in the value-in-use calculations to determine the recoverable amount for the laboratory equipment business segment as at 30 April 2026 and 30 April 2025 are as follows:

	2026	2025
Weighted average annual revenue growth rate:	**9%**	10%
Gross profit margin:	**13%**	18%
Discount rate:	**15%**	15%

13 TRADE RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2026 ***HK$'000***	2025 *HK$'000*
Trade receivables	**12,387**	8,812
Less: loss allowance	**(919)**	(479)
Trade receivables, net	**11,468**	8,333
Prepayments	**4,525**	6,128
Deposits	**433**	415
Other receivables	**12,235**	13,998
	17,193	20,541
Less: loss allowance	**(11,167)**	(12,610)
Other receivables, deposits and prepayments, net	**6,026**	7,931
Less: prepayments for property, plant and equipment and factory rental deposits classified as non-current assets	**(79)**	–
Current portion	**5,947**	7,931

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:

	2026	2025
	HK$'000	*HK$'000*
US$	**10,942**	13,535
HK$	**921**	437
RMB	**17,716**	15,380
Others	**1**	1
	29,580	29,353

The Group grants credit periods to customers ranging from 0 to 120 days. As at 30 April 2026, the ageing analysis of trade receivables in gross amount based on invoice date is as follows:

	2026	2025
	HK$'000	*HK$'000*
Within 3 months	**10,181**	6,287
3 months to 1 year	**2,093**	2,201
Over 1 year	**113**	324
	12,387	8,812

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

	2026	2025
	HK$'000	*HK$'000*
Beginning of the year	**(479)**	(407)
Provision for impairment for the year	**(763)**	(72)
Written off for the year	**323**	–
End of the year	**(919)**	(479)

14 TRADE AND BILLS PAYABLES

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

	2026	2025
	HK$'000	*HK$'000*
Within 1 month	**4,784**	3,298
1 to 2 months	**3,802**	1,266
2 to 3 months	**1,202**	173
Over 3 months	**2,493**	1,716
	12,281	6,453

Trade and bills payables are denominated in the following currencies:

	2026	2025
	HK$'000	*HK$'000*
US$	**5,268**	3,867
HK$	**3**	25
RMB	**7,010**	2,561
	12,281	6,453

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, the revenue of the Toy Business is expected to continue to suffer in the near term due to the factors beyond the Group's control.

Since U.S. is the major targeted market in toy industry all the time, the U.S. tariff gloom continues to be the biggest concern of the customers throughout the year. Fortunately, as the U.S. import tariff has been finally fixed at 10% on February 2026, the uncertainties in the market have been fully eliminated. Customers started to return to market and placed orders and demands on the products. The revenue generated from the Toy Business decreased by 22.6% to approximately HK$113.3 million (2025: 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 meeting 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 Guangdong Province or even in China. The revenue generated from the Laboratory Equipment Business increased by 72.9% from approximately HK$50.5 million to approximately HK$87.3 million.

The Group's revenue for the year was approximately HK$200.6 million, which has increased by 1.9% as compared to that of last year (2025: HK$196.9 million). The Group recorded a net loss attributable to owners of the Company of approximately HK$6.2 million for the year ended 30 April 2026 (2025: HK$7.0 million). The decrease in net loss recorded by the Group this year was attributed to the great reduction in selling and distribution expenses and the decrease in derecognition of deferred tax assets of the Laboratory Equipment Business, while it is partially offset by (i) the increase in manufacturing overheads; and (ii) the U.S. tariff incurred in the Toy Business.

FINANCIAL REVIEW

Revenue

As mentioned in Business Review, revenue generated from North America decreased by 28.9% to approximately HK$58.8 million (2025: HK$82.7 million). Both sales orders and average selling price were largely decreased. The decrease was mainly attributed to the additional tariffs imposed by the government of U.S. during the year and the switching of product mix to products with relatively low unit price.

Comparing to the 38.8% decrease in the first half of the year, revenue generated from North America in the second half of the year increased by 22.4% to from approximately HK$13.4 million to HK$16.4 million. The sales rebound in the second half implies that the negative impact of the tariff gloom has started becoming eliminated.

On the other hand, revenue generated from Europe decreased by 5.3% to approximately HK$44.9 million (2025: HK$47.4 million). Sales orders decreased while average selling price had slightly increased. 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.

As a result of the above, the revenue generated from the Toy Business decreased by 22.6% to approximately HK$113.3 million (2025: HK$146.3 million).

Revenue generated from the Laboratory Equipment Business greatly increased by 72.9% to approximately HK$87.3 million (2025: HK$50.5 million). The increase was mainly due to the large-scale renovation plan for educational equipment from the National Development and Reform Commission (NDRC) of the government of the PRC implemented since 2024.

To conclude, the Group's overall revenue increased by 1.9% to approximately HK$200.6 million (2025: HK$196.9 million).

Gross profit

The Group's gross profit decreased by 4.8% to approximately HK$28.0 million for the year (2025: HK$29.4 million). Although there was a 1.9% increase in the revenue during the year, the increasing amplitude in cost of sales (3.1%) outweighs the range of the increase in revenue.

The decrease in gross profit was attributed to (i) the increase in manufacturing overheads under the Laboratory Equipment Business; and (ii) the U.S. tariff incurred when selling to one of the U.S. customers under the Toy Business. It is partially offset by the slight increase in revenue. As a result of the above, the gross profit ratio of the Toy Business increased by 0.5% to 16.1%, while the gross profit ratio of the Laboratory Equipment Business decreased by 2.0% to 11.2% in this year respectively.

Selling and distribution expenses

Selling and distribution expenses decreased by 15.3% to approximately HK$11.1 million for the year (2025: HK$13.1 million). The decrease was mainly attributed to the non-existence of one-off promotion expenses to one of the top customers like last year.

Administrative expenses

Administrative expenses slightly decreased by 1.8% to approximately HK$21.6 million for the year (2025: HK$22.0 million). The decrease was mainly attributed to the decrease in administrative staff costs of both the Toys Business and Laboratory Equipment Business.

Finance income, net

Net finance income for the year was approximately HK$0.1 million, which is broadly similar to last year.

Income tax expenses

The Group recorded income tax expenses (net of tax credits) of approximately HK$1.2 million for the year (2025: HK$3.3 million). The income tax expenses recorded in both years were mainly attributable to the derecognition of deferred tax assets of the Laboratory Equipment Business that recognised in prior years. The Laboratory Equipment Business has not recognised additional deferred tax assets regarding the loss incurred during this year and last year.

Net loss

The Group recorded a net loss attributable to owners of the Company of approximately HK$6.2 million for the year (2025: HK$7.0 million). The decrease in net loss recorded in this year was mainly attributed to the decrease in selling and distribution expenses of approximately HK$2.0 million and income tax expenses of approximately HK$2.1 million. It was partially offset by (i) the increase in the manufacturing overheads of the Laboratory Equipment Business; and (ii) the U.S. tariff incurred when selling to one of the U.S. customers under the Toy Business.

Inventories

Inventories as at 30 April 2026 were approximately HK$6.8 million, decreased from approximately HK$8.5 million as at 30 April 2025. Inventory turnover days for the year were 21.4 days (2025: 23.4 days). The decrease in stock level was primarily attributed to more outsourcing activities under the Laboratory Equipment Business during the year.

Trade receivables

Trade receivables as at 30 April 2026 were approximately HK$11.5 million, increased from approximately HK$8.3 million as at 30 April 2025. Trade receivables turnover days for the year were 19.3 days (2025: 16.6 days). The increase in receivables level was attributed to the increase in sales level during the last 3 months of the financial year and 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 2026 were approximately HK$12.3 million, increased from approximately HK$6.5 million as at 30 April 2025. Trade and bills payables turnover days for the year were 24.2 days (2025: 15.3 days). The increase in payables level was attributed to the increase in purchase activity during the last 3 months of the financial year and the change of payment term from major suppliers from 30 days to 45 days in this year.

Liquidity and financial resources

During the year ended 30 April 2026, the Group mainly financed its working capital by internal resources. As at 30 April 2026, cash and cash equivalents amounted to approximately HK$9.9 million (2025: HK$7.0 million). The increase was mainly due to the change of payment term from major suppliers from 30 days to 45 days in this year. The current ratio of the Group, as calculated by total current assets over total current liabilities, was 0.9 as at 30 April 2026 (2025: 1.0).

As at 30 April 2026, the Group's net current liabilities were approximately HK$4.1 million (2025: net current assets of HK$0.3 million). The Group did not have any bank borrowings as at 30 April 2026 (2025: Nil). The Group's financial gearing, based on the total bank borrowings compared to the total equity, was 0% (2025: 0%). All bank borrowings and banking facilities were subject to floating interest rates. As at 30 April 2026, the Group had undrawn banking facilities of approximately HK$59.1 million (2025: HK$69.1 million). In view of the above net current asset or liability position, 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 and purchases are mainly denominated in Hong Kong and US Dollar. And for production factory located in the PRC, 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 2026, the Group had not entered into any financial instrument for the hedging of foreign currency.

EMPLOYEES AND REMUNERATION POLICY

As at 30 April 2026, the Group employed 99 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 2026, 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 2026, the Group had contingent liabilities in relation to irrevocable standby letter of credit of approximately HK$4.0 million. Save as aforesaid, the Group did not have any other contingent liabilities.

OUTLOOK/FUTURE PROSPECTS AND STRATEGIES

Reflecting on the past fiscal year, Kiddieland has navigated a landscape filled with challenges and opportunities, with each playing a crucial role in our continued growth and success. The continued impact on the economy from the prolonged wars worldwide have complicated the economic situation. In addition to these geopolitical tensions, fluctuating currency values with the weak Euro and Yen have further muddied the global economic landscape. While consumer spending is improving, these external factors pose new challenges worldwide.

Our dedication to developing innovative, high-quality, and competitive products has been pivotal in enhancing our profitability. We have acquired exciting licensed properties to grow our product range and are focusing on markets with greater potential to take optimum advantage in the dynamic landscape today. With our experienced team, partners, and our extensive range of creative products, sales have grown steadily. With Disney's new theatrical releases of blockbusters in the coming year, our licensed toys pair beautifully to bring innovation and superior value.

As we continue to improve our supply chain resilience by diversifying our sourcing and logistic partners, Kiddieland will focus on expanding our online presence and improving our e-commerce capabilities to reach a broader audience. We will establish our own warehouse facility in the US to ensure smooth and seamless domestic deliveries in North America to grow our sales. 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, the Company's subsidiary Kiddieland Technology (laboratory equipment business) will continue to deepen its strategic deployment across four key areas: business system development, product innovation and digital empowerment, market development, and cost reduction and efficiency enhancement:

I. Business system development: In 2026, the key national policy direction for K12 education is the standardisation and renovation of primary and secondary school laboratories, with a clear requirement to achieve full compliance for science laboratories in all primary and secondary schools nationwide by 2027, and to include laboratory operations in the scoring framework of the high school entrance examinations. The annual investment in secondary school laboratory equipment nationwide is estimated to exceed RMB15 billion. Kiddieland Technology has accordingly mapped its business focus into two core segments — the regular business system and the NDRC business system.

II. Product innovation and digital empowerment: Kiddieland Technology owns two core product series, namely the "Science, Chemistry and Biology Smart Laboratory" and the "Laboratory Operation Evaluation System for the High School Entrance Examinations". The Company has successfully developed a new product line of E-Series Science, Chemistry and Biology Smart Laboratories, and has independently developed an AI management platform for science, chemistry and biology laboratories. The Company remains committed to empowering laboratory products with technology, and continues to deepen its presence in the K12 science laboratory teaching equipment sector, launching high-quality products that better meet teaching needs and keep pace with the development of the times.

III. Market development: Kiddieland Technology will further enhance its revenue and profitability by expanding its market share and strengthening its brand influence. At the same time, it has established and will continue to optimise its "dual-track strategic layout with equal emphasis on channel expansion and NDRC projects", to achieve full coverage of the K12 overall market across all 31 provinces, autonomous regions and municipalities nationwide.

IV. Cost reduction and efficiency enhancement: In terms of R&D and operation and maintenance, the Company will strengthen modular design and cloud-based support systems, reduce customised development investment and the frequency of on-site maintenance, with a target of improving the response time to customer issues by approximately 30%.

In conclusion, Kiddieland looks to the future with optimism and enthusiasm. Our commitment to innovation, quality, and sustainability will continue to drive our growth and success. 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 2026.

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, 25 September 2026, the register of members of the Company will be closed from Tuesday, 22 September 2026 to Friday, 25 September 2026, 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 Monday, 21 September 2026. The record date for determining the eligibility of shareholders to attend and vote at the 2026 AGM is Friday, 25 September 2026.

Annual General Meeting

The AGM will be held on Friday, 25 September 2026. 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 2026, 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 2026, 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 2026.

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 2026, 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 2026.

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 2026 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) and that of the Company at (www.kiddieland.com.hk). The 2026 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 2026

As at the date of this announcement, the Board comprises Ms. LO Shiu Shan Suzanne, Ms. SIN LO Siu Wai Sylvia 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.