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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 INTERIM RESULTS FOR
THE SIX MONTHS ENDED 31 OCTOBER 2024**

INTERIM RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Kiddieland International Limited (“**Kiddieland**” or the “**Company**”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 31 October 2024 together with the comparative unaudited figures for the corresponding period in 2023.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 October 2024

	<i>Note</i>	Six months ended 31 October 2024 HK\$’000 (unaudited)	Six months ended 31 October 2023 HK\$’000 (unaudited)
Revenue	5	136,130	148,709
Cost of sales	6	(112,464)	(121,998)
Gross profit		23,666	26,711
Other income		234	233
Other gains/(losses), net		54	(706)
Selling and distribution expenses	6	(6,320)	(7,201)
Administrative expenses	6	(10,962)	(14,714)
Reversals of impairment losses/(impairment losses) on financial assets, net		16	(40)

		Six months ended 31 October 2024 HK\$'000 (unaudited)	Six months ended 31 October 2023 HK\$'000 (unaudited)
Operating profit		6,688	4,283
Finance income		262	315
Finance expenses		(345)	(559)
Finance costs, net		(83)	(244)
Profit before taxation		6,605	4,039
Income tax expenses	7	(2,048)	(355)
Profit for the period		4,557	3,684
Other comprehensive loss			
<i>Item that may be reclassified to profit or loss:</i>			
Currency translation differences		(42)	(720)
Other comprehensive loss for the period, net of tax		(42)	(720)
Total comprehensive income for the period		4,515	2,964
Profit/(loss) for the period attributable to:			
Owners of the Company		5,545	4,510
Non-controlling interests		(988)	(826)
		4,557	3,684
Total comprehensive income/(loss) attributable to:			
Owners of the Company		5,506	3,901
Non-controlling interests		(991)	(937)
		4,515	2,964
Earnings per share for profit attributable to owners of the Company during the period (expressed in HK cents per share)			
Basic and diluted earnings per share	8	0.6	0.5

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 October 2024

	<i>Note</i>	As at 31 October 2024 HK\$'000 (unaudited)	As at 30 April 2024 HK\$'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	9	5,301	5,662
Right-of-use assets		1,256	2,648
Intangible assets		3,829	7,056
Deferred income tax assets		8,254	10,447
Deposits and prepayments		–	76
		18,640	25,889
Current assets			
Inventories		10,444	9,831
Trade receivables	10	26,987	8,731
Other receivables, deposits and prepayments		5,006	6,395
Contract assets		118	110
Income tax recoverable		–	8
Cash and bank balances		2,297	7,340
		44,852	32,415
Total assets		63,492	58,304
EQUITY			
Owners of the Company			
Share capital	11	100,000	100,000
Other reserves		6,242	6,242
Exchange reserves		(1,711)	(1,672)
Accumulated losses		(73,342)	(78,887)
		31,189	25,683
Non-controlling interests		438	1,429
Total equity		31,627	27,112

	<i>Note</i>	As at 31 October 2024 HK\$'000 (unaudited)	As at 30 April 2024 HK\$'000 (audited)
LIABILITIES			
Non-current liabilities			
Accruals and other payables		85	1,563
Deferred income tax liabilities		405	550
Lease liabilities		–	105
		<u>490</u>	<u>2,218</u>
Current liabilities			
Trade and bills payables	12	6,939	4,908
Accruals and other payables		11,582	14,530
Contract liabilities		11,501	6,840
Lease liabilities		1,353	2,696
		<u>31,375</u>	<u>28,974</u>
Total liabilities		<u><u>31,865</u></u>	<u><u>31,192</u></u>
Total equity and liabilities		<u><u>63,492</u></u>	<u><u>58,304</u></u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION OF THE GROUP

Kiddieland International Limited (the “**Company**”) 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 condensed consolidated interim financial information is presented in Hong Kong Dollars (“**HK\$**”) unless otherwise stated.

2 BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information for the six months ended 31 October 2024 is prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34, “Interim Financial Reporting”. It should be read in conjunction with the annual report for the year ended 30 April 2024 (the “**Annual Report**”), which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied are consistent with those as described in the Annual Report, except for the adoption of new and amended standards, improvements and interpretations of HKFRSs effective for the financial year commencing on 1 May 2024.

(a) New and amended standards, improvements and interpretations of HKFRSs adopted by the Group

The Group has adopted the following new and amended standards, improvements and interpretations of HKFRSs which are mandatory for the financial year commencing on 1 May 2024 and are relevant to its operation:

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
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The adoption of new and amended standards, improvements and interpretations of HKFRSs does not have a material impact to the Group’s financial performance and positions for the current and prior periods and/or on the disclosure set out in these condensed consolidated financial information.

(b) New and amended standards, improvements and interpretations of HKFRSs not yet adopted by the Group

The following new and amended standards, improvements and interpretations of HKFRSs are not yet effective for annual periods commencing on or after 1 May 2024 and have not been early adopted by the Group:

		Effective for annual periods commencing on or after
Amendments to HKAS 21	Lack of Exchangeability	1 May 2025
HKFRS 18 (Amendments)	Presentation and Disclosure in Financial Statements	1 May 2027
HKFRS 19 (Amendments)	Subsidiaries without Public Accountability: Disclosures	1 May 2027
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

None of the above new and amended standards, improvements and interpretations of HKFRSs is expected to have a significant effect on the consolidated financial statements of the Group.

4 ESTIMATES

The preparation of condensed consolidated interim financial information requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Annual Report.

5 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 six months ended 31 October 2024, 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 of the operating segments of toy business and laboratory equipment business are presented for the six months ended 31 October 2024 and 2023. The related assets and liabilities of the operating segments as at 31 October 2024 and 30 April 2024 are presented as below.

Segment revenue and results

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

For the six months ended 31 October 2024 (unaudited)

	Toy business <i>HK\$'000</i>	Laboratory equipment business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue	107,838	28,292	136,130
Cost of sales	(89,009)	(23,455)	(112,464)
Gross profit	18,829	4,837	23,666
Segment results	9,128	(2,728)	6,400
Unallocated:			
Other income			234
Other gains, net			54
Finance costs, net			(83)
Profit before income tax			6,605

For the six months ended 31 October 2023 (unaudited)

	Toy business <i>HK\$'000</i>	Laboratory equipment business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue	112,078	36,631	148,709
Cost of sales	(92,715)	(29,283)	(121,998)
Gross profit	19,363	7,348	26,711
Segment results	7,357	(2,601)	4,756
Unallocated:			
Other income			233
Other losses, net			(706)
Finance costs, net			(244)
Profit before income tax			4,039

Segment assets and liabilities

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

	Toy business <i>HK\$'000</i>	Laboratory equipment business <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 31 October 2024 (unaudited)			
Assets			
Segment assets	43,605	19,586	63,191
Unallocated:			
Property, plant and equipment			281
Cash and bank balances			20
Total assets			<u>63,492</u>
Liabilities			
Segment liabilities	14,031	17,834	<u>31,865</u>
Total liabilities			<u>31,865</u>
As at 30 April 2024 (audited)			
Assets			
Segment assets	36,015	21,838	57,853
Unallocated:			
Property, plant and equipment			345
Cash and bank balances			106
Total assets			<u>58,304</u>
Liabilities			
Segment liabilities	15,073	16,119	<u>31,192</u>
Total liabilities			<u>31,192</u>

For the six months ended 31 October 2024, revenue by geographical areas is as follows:

	Six months ended 31 October 2024 <i>HK\$'000</i> (unaudited)	Six months ended 31 October 2023 <i>HK\$'000</i> (unaudited)
America	69,803	69,716
Europe	32,905	33,283
Asia Pacific and Oceania (exclude the PRC)	5,130	9,079
The PRC	28,292	36,631
	<u>136,130</u>	<u>148,709</u>

The analysis of revenue by geographical segment is based on the location of customers.

For the six months ended 31 October 2024, there was no (six months ended 31 October 2023: one) customer(s) which individually contributed over 10% of the Group's total revenue. During the period, the revenue contributed from the customer is as follows:

	Six months ended 31 October 2024 <i>HK\$'000</i> (unaudited)	Six months ended 31 October 2023 <i>HK\$'000</i> (unaudited)
Customer A	N/A*	19,381

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

6 EXPENSES BY NATURE

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

	Six months ended 31 October 2024 HK\$'000 (unaudited)	Six months ended 31 October 2023 HK\$'000 (unaudited)
Auditor's remuneration		
— Audit services	500	700
— Non-audit services	—	21
Advertising and promotion expenses	1,151	1,468
Amortisation of intangible assets	3,432	3,187
Bank charges	245	254
Commissions	794	1,168
Consumables	288	408
Cost of inventories sold	92,498	99,992
Custom and declaration handling expenses	—	25
Depreciation of property, plant and equipment (<i>note 9</i>)	963	1,201
Depreciation of right-of-use assets	1,375	1,298
Expenses for short-term and low-value operating leases	696	1,651
Licenses fees	6,744	7,975
Logistics and warehousing expenses	1,612	1,853
Other taxes	1	144
Product testing expenses	896	743
Repair and maintenance expenses	410	304
Staff costs, including Directors' emoluments	10,665	13,328
Subcontracting expenses	3,371	3,690
Utilities	203	190
Other expenses	3,902	4,313
	129,746	143,913

7 INCOME TAX EXPENSES

For the six months ended 31 October 2024 and 2023, Hong Kong profits tax has been provided for at the rate of 16.5% on the estimated assessable profit. The Group's subsidiaries in the PRC are subject to China enterprise income tax at a rate of 25% on 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% on the estimated assessable profit.

The amount of income tax expenses charged to the condensed consolidated interim statement of comprehensive income represents:

	Six months ended 31 October 2024 HK\$'000 (unaudited)	Six months ended 31 October 2023 HK\$'000 (unaudited)
Current income tax		
— Current tax on profit for the period	—	2
Deferred income tax	<u>2,048</u>	<u>353</u>
Income tax expenses	<u><u>2,048</u></u>	<u><u>355</u></u>

8 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the six months ended 31 October 2024 and 2023.

	Six months ended 31 October 2024 (unaudited)	Six months ended 31 October 2023 (unaudited)
Profit attributable to owners of the Company (HK\$'000)	<u>5,545</u>	<u>4,510</u>
Weighted average number of ordinary shares in issue (<i>in thousand</i>)	<u>1,000,000</u>	<u>1,000,000</u>
Basic earnings per share (HK cents)	<u>0.6</u>	<u>0.5</u>

(b) Diluted earnings per share

Diluted earnings per share for the period ended 31 October 2024 and 2023 are the same as basic earnings per share as there was no potential dilutive share.

9 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements <i>HK\$'000</i> (unaudited)	Furniture and fixtures <i>HK\$'000</i> (unaudited)	Office equipment <i>HK\$'000</i> (unaudited)	Motor vehicles <i>HK\$'000</i> (unaudited)	Plant and machinery <i>HK\$'000</i> (unaudited)	Moulds and tools <i>HK\$'000</i> (unaudited)	Moulds work-in- progress <i>HK\$'000</i> (unaudited)	Total <i>HK\$'000</i> (unaudited)
Six months ended 31 October 2023								
Net book value								
At beginning of the period	70	237	321	98	1,173	5,873	216	7,988
Addition	-	4	3	-	-	325	416	748
Depreciation (<i>note 6</i>)	(4)	(33)	(160)	(12)	(120)	(872)	-	(1,201)
Transfer upon completion	-	-	-	-	-	333	(333)	-
Disposal	-	-	-	-	(25)	-	-	(25)
Exchange differences	-	(9)	(11)	(4)	(45)	(144)	-	(213)
At end of the period	<u>66</u>	<u>199</u>	<u>153</u>	<u>82</u>	<u>983</u>	<u>5,515</u>	<u>299</u>	<u>7,297</u>

Six months ended 31 October 2024

Net book value								
At beginning of the period	-	88	454	269	816	3,807	228	5,662
Addition	-	-	-	4	-	283	342	629
Depreciation (<i>note 6</i>)	-	(24)	(78)	(35)	(116)	(710)	-	(963)
Transfer upon completion	-	-	-	-	-	570	(570)	-
Exchange differences	-	(2)	(1)	(2)	(7)	(15)	-	(27)
At end of the period	<u>-</u>	<u>62</u>	<u>375</u>	<u>236</u>	<u>693</u>	<u>3,935</u>	<u>-</u>	<u>5,301</u>

10 TRADE RECEIVABLES

	As at 31 October 2024 <i>HK\$'000</i> (unaudited)	As at 30 April 2024 <i>HK\$'000</i> (audited)
Trade receivables	27,378	9,138
Less: loss allowance	<u>(391)</u>	<u>(407)</u>
Trade receivables, net	<u>26,987</u>	<u>8,731</u>

The gross amounts of trade receivables are denominated in the following currencies:

	As at 31 October 2024 <i>HK\$'000</i> (unaudited)	As at 30 April 2024 <i>HK\$'000</i> (audited)
US\$	25,427	7,794
RMB	1,951	1,344
	<u>27,378</u>	<u>9,138</u>

The Group grants credit periods to customers ranged from 0 to 180 days. As at 31 October 2024, the ageing analysis of trade receivables in gross amount based on invoice date is as follows:

	As at 31 October 2024 <i>HK\$'000</i> (unaudited)	As at 30 April 2024 <i>HK\$'000</i> (audited)
Within 3 months	26,868	7,780
3 months to 1 year	186	1,034
Over 1 year	324	324
	<u>27,378</u>	<u>9,138</u>

11 SHARE CAPITAL

	Number of shares (in thousand) (unaudited)	Nominal value <i>HK\$'000</i> (unaudited)
Authorised ordinary shares at HK\$0.1 each: As at 31 October 2024 and 30 April 2024	<u>10,000,000</u>	<u>1,000,000</u>
Ordinary shares issued and fully paid: As at 31 October 2024 and 30 April 2024	<u>1,000,000</u>	<u>100,000</u>

12 TRADE AND BILLS PAYABLES

Trade and bills payables are denominated in the following currencies:

	As at 31 October 2024 <i>HK\$'000</i> (unaudited)	As at 30 April 2024 <i>HK\$'000</i> (audited)
US\$	6,312	3,309
HK\$	–	11
RMB	627	1,588
	<u>6,939</u>	<u>4,908</u>

As at 31 October 2024, the ageing analysis of trade and bills payables based on invoice date is as follows:

	As at 31 October 2024 <i>HK\$'000</i> (unaudited)	As at 30 April 2024 <i>HK\$'000</i> (audited)
Within 1 month	5,237	3,822
1 to 2 months	1,392	710
2 to 3 months	297	182
Over 3 months	13	194
	<u>6,939</u>	<u>4,908</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The global economic climate continues to recover from the impacts of the COVID-19 pandemic, which has weakened purchasing power worldwide. Concurrently, economic slowdowns and depreciating currencies in countries outside the United States, relative to the US Dollar, have further dampened demand for our goods. Despite these challenges, the Toy Business has remained profitable during six months ended 31 October 2024 (the “**Review Period**”), thanks to our innovative, high-quality, and competitively priced products, as well as our strategic collaboration with trusted subcontractors who consistently deliver exceptional value to our customers.

On the other hand, growth in the Laboratory Equipment Business has slowed, primarily due to domestic challenges, including deflation and price competition. As a result, the Group’s unaudited revenue for the Review Period was approximately HK\$136.1 million, marking a decrease of 8.5% compared to the corresponding period last year (the “**Last Period**”) (2023: HK\$148.7 million). However, the profit attributable to owners of the Company for the Review Period was approximately HK\$5.5 million, a slight improvement compared to the net profit of approximately HK\$4.5 million reported for the same period in 2023.

OPERATING RESULTS

Revenue

The revenue from North America grew by 0.9% to approximately HK\$69.3 million in the Review Period (2023: HK\$68.7 million). A stable growth while average selling price remained relatively constant.

The European market declined by 1.2% to approximately HK\$32.9 million in the Review Period (2023: HK\$33.3 million). The decrease highlights the impact of sluggish European economy, compounded by high inflation. Revenue generated from Asia has underperformed with approximately HK\$1.4 million contribution in the Review Period (2023: HK\$4.4 million). The significant decline of 68.2% in the Asian market is attributed to economic and political uncertainties, including high interest rates and inflationary pressure.

Revenue generated from the Laboratory Equipment Business decreased by 22.7% to approximately HK\$28.3 million in the Review Period (2023: HK\$36.6 million). The business is affected by the economic slowdown in the PRC and intense price competition in the industry.

As a result of the above, the Group’s overall revenue decreased by 8.5% to approximately HK\$136.1 million in the Review Period (2023: HK\$148.7 million).

Gross Profit

The Group recorded a gross profit decreased by 11.2% to approximately HK\$23.7 million in the Review Period (2023: HK\$26.7 million). The decrease in gross profit is mainly due to the decrease in revenue during the Review Period. The Toy Business has maintained a stable gross profit margin of 17.5% while there was a slight decline in the Laboratory Equipment Business. While the economic growth in China remains slow, competition from Laboratory Equipment Business remains strong and price-sensitive. A decrease in gross profit margin of 3.0% to 17.1% is recorded in the Review Period.

Other Gains/(Losses)

The Group recorded other gains of approximately HK\$0.1 million in the Review Period whilst the Group recorded other losses of approximately HK\$0.7 million in the Last Period. The other losses recorded in the Last Period were mainly attributed to the impairment loss in intangible assets whilst no such impairment loss has been recorded in the Review Period.

Selling and Distribution Expenses

Selling and distribution expenses decreased by 12.5% to approximately HK\$6.3 million during the Review Period (2023: HK\$7.2 million). This reduction was primarily due to lower sales commissions, which corresponded to the decline in revenue from the Toy Business and Laboratory Equipment Business. Additionally, the decrease in expenses is attributed to a reduced headcount of sales representatives in the Laboratory Equipment Business.

Administrative Expenses

Administrative expenses decreased by 25.2% to approximately HK\$11.0 million in the Review Period (2023: HK\$14.7 million). The decrease was mainly attributed to the decrease in staff costs and the other fixed overheads.

Finance Costs

Net finance costs have improved by 50.0% to approximately HK\$0.1 million in the Review Period (2023: HK\$0.2 million). The decrease was attributed to the decrease in average bank borrowings level while the bank interest income earned on the surplus cash on hand kept at the same level during the Review Period.

Income Tax Expenses

The Group recorded income tax expenses of approximately HK\$2.0 million for the Review Period (2023: HK\$0.4 million). The increase was mainly attributable to the increase in the assessable profit and the de-recognition of deferred income tax assets of the Laboratory Equipment Business.

Net Profit

Although there is a slight decrease in the revenue level during the Review Period, the Group recorded a net profit of approximately HK\$5.5 million for the Review Period (2023: HK\$4.5 million). The increase in net profit was mainly attributed to (i) the decrease in selling and distribution expenses; (ii) the decrease in administrative expenses; and (iii) the absence of impairment loss in intangible assets. It was partially offset by the de-recognition of deferred income tax assets of the Laboratory Equipment Business.

Foreign Currency Exposure

The sales, purchases, and expenses incurred in the Toy Business are mainly denominated in Hong Kong and US Dollar. And for production factory located in the PRC in relation to the 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 substantial exposure in this area, and will closely monitor the trend of the Renminbi to see if any action is required.

As at 31 October 2024, the Group had not entered into any financial instrument for the hedging of foreign currency.

OUTLOOK/FUTURE PROSPECTS AND STRATEGIES

Kiddieland has faced different challenges and opportunities over the past year, but continues to strive to greater success with our continued development and success. The lingering effects of the ongoing wars globally coupled with weak currencies, there still remains some impact on consumer spending. The toy industry as a whole has also navigated the complexities of raw material inflation. However, these hurdles have not hindered our drive for innovation and progress as we continue to grow our product range and sales worldwide.

Kiddieland's reliable subcontractors and outsourced manufacturing processes continue to help enhance profitability. We have emerged with a resilient performance over the last fiscal year and are steadily growing our client base globally. Our proactive approach, including the introduction of reengineered and innovative products, has been pivotal in improving our profitability.

As we look forward, the global economic situation is expected to show signs of improvement in 2025. This anticipated upturn presents us with an opportunity to introduce more competitive and innovative products into a market primed for consumption after a period of reorganization.

In the forthcoming year, Kiddieland will continue to expand our product range with new, hot licenses. Such innovative and improved designs contribute to increased profitability, allowing us to grow market share in untapped countries and identify new buyers and channels. Our strategic initiatives will be geared towards leveraging these anticipated market trends and evolving consumer preferences.

In parallel with our Toy Business, Kiddieland Technology (Laboratory Equipment Business) strives to specialize in three aspects. Firstly, to further specialize, optimize, upgrade and innovate the intelligent laboratory products and series products of laboratory operation evaluation system of the high school entrance examinations. Secondly, to provide professional customized services for customers' individual needs, so as to strongly build up the popularity and satisfaction of the Company's products. Thirdly, to deepen the sales management, continue to provide customers with one-stop service in the pre-sales, sales and after-sales process to alleviate customers' worries and create more opportunities for subsequent orders.

In addition, Kiddieland Technology actively responds to national policies and continuously improves our product series. We believe that Kiddieland Technology is able to gain a foothold in China's education market. Kiddieland Technology will continue to take the mission of creating digital and intelligent products suitable for the strategic goals of national education, and empowering education with technological innovation.

Based on the above, our ability to adapt to conditions, be innovative and to succeed in the market has gradually increased over the past year, and the Company is optimistic about the future and potential market opportunities.

OTHER INFORMATION

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 31 October 2024.

Significant Investment Held

Except for investments in subsidiaries, the Group did not hold any significant investment during the six months ended 31 October 2024.

Interim Dividend

The Board has resolved not to declare any interim dividend in respect of the six months ended 31 October 2024.

Events after the Reporting Period

As of the date of this announcement, there is no significant event occurring after 31 October 2024.

Corporate Governance Code

Throughout the six months ended 31 October 2024, 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 Hong Kong 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 as set out in Appendix C3 (formerly Appendix 10) to the Listing Rules (the “**Model Code**”). Having made specific enquiry to each of the Directors, all the Directors have confirmed that they have complied with the required standards as set out in the Model Code throughout the six months ended 31 October 2024.

Audit Committee

The Audit Committee of the Company has reviewed with the management the interim results for the six months ended 31 October 2024, the accounting principles and practices adopted by the Group and discussed auditing, internal controls, risk management and financial reporting matters including a review of the unaudited interim financial information.

Publication of Interim Results Announcement and Interim Report

This announcement is published on the website of the Hong Kong Stock Exchange at (www.hkexnews.hk) and that of the Company at (www.kiddieland.com.hk). The interim report of the Company for the six months ended 31 October 2024 will be despatched to the shareholders of the Company and made available on the website of the Hong Kong Stock Exchange and that of the Company in due course.

Appreciation

On behalf of the Board, I would like to take this opportunity to thank 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 period.

By Order of the Board
Kiddieland International Limited
Lo Hung
Chairman

Hong Kong, 20 December 2024

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.