

KIDDIELAND

Kiddieland International Limited

童園國際有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 3830



2025
Interim Report

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors



Ms. Lo Shiu Shan Suzanne

(appointed as Chairwoman on 28 June 2025)

Ms. Sin Lo Siu Wai Sylvia

(Chief Executive Officer)

Mr. Lo Hung (former Chairman)

(resigned as Chairman on 27 June 2025)

Ms. Leung Siu Lin Esther

Independent Non-executive Directors

Mr. Man Ka Ho Donald

Mr. Cheng Dominic

Mr. Sit Hon Wing

AUDIT COMMITTEE

Mr. Sit Hon Wing (Chairman)

Mr. Man Ka Ho Donald

Mr. Cheng Dominic

REMUNERATION COMMITTEE

Mr. Cheng Dominic (Chairman)

Mr. Man Ka Ho Donald

Mr. Sit Hon Wing

Ms. Sin Lo Siu Wai Sylvia

NOMINATION COMMITTEE

Mr. Man Ka Ho Donald (Chairman)

Mr. Cheng Dominic

Mr. Sit Hon Wing

Ms. Sin Lo Siu Wai Sylvia


(appointed on 28 June 2025)

AUTHORISED REPRESENTATIVES

Ms. Sin Lo Siu Wai Sylvia

Mr. Cheung Ka Cheong

COMPANY SECRETARY



Mr. Cheung Ka Cheong



AUDITOR

PricewaterhouseCoopers

Certified Public Accountants

Registered Public Interest Entity Auditor

22/F, Prince's Building

Central, Hong Kong

PRINCIPAL BANKER

The Hongkong and Shanghai Banking

Corporation Limited

HSBC Main Building

1 Queen's Road Central

Hong Kong

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

14/F, Bank of America Tower

12 Harcourt Road, Central, Hong Kong

REGISTERED OFFICE

Windward 3, Regatta Office Park

PO Box 1350, Grand Cayman KY1-1108

Cayman Islands

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited

Windward 3, Regatta Office Park

PO Box 1350, Grand Cayman KY1-1108

Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

COMPANY WEBSITE

<http://www.kiddieland.com.hk>

STOCK CODE

3830



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The global economic landscape has been unstable with ongoing geopolitical tension. Due to the unpredictable additional tariffs imposed by the US government, the sales performance to affected region during six months ended 31 October 2025 (the “**Review Period**”) was greatly hurt. Despite these challenges, thanks for the diversified customer base in the Toy business, the revenue from other regions during the Review Period was relatively constant.

On the other hand, as the PRC domestic market is the only major target market with less impact from Western regions, the sales performance of the Laboratory Equipment Business has grown rapidly. As a result, the Group’s unaudited revenue for the Review Period was approximately HK\$128.7 million, marking a decrease of 5.4% compared to the corresponding period last year (the “**Last Period**”) (2024: HK\$136.1 million). The profit attributable to owners of the Company for the Review Period was approximately HK\$3.9 million, a decrease of 29.1% compared to the net profit of approximately HK\$5.5 million reported for the same period in 2024.

OPERATING RESULTS

Revenue

The revenue from North America greatly declined by 38.8% to approximately HK\$42.4 million in the Review Period (2024: HK\$69.3 million). Both sales orders and average selling price were largely decreased due to the additional tariffs imposed by the US government during the Review Period.

The European market slightly declined by 0.9% to approximately HK\$32.6 million in the Review Period (2024: HK\$32.9 million). Sales orders and average selling price were relatively constant. The decreasing trend during the past few years has been slowed down and the performance was relatively stable.

To conclude, revenue generated from the Toy Business largely decreased by 23.2% to approximately HK\$82.8 million in the Review Period (2024: HK\$107.8 million).

Revenue generated from the Laboratory Equipment Business largely increased by 62.2% to approximately HK\$45.9 million in the Review Period (2024: HK\$28.3 million). The increase was mainly attributed to the large-scale renovation plan for the educational equipment implemented by the National Development and Reform Commission (“**NDRC**”) of the Government of the PRC.

As a result of the above, the Group’s overall revenue decreased by 5.4% to approximately HK\$128.7 million in the Review Period (2024: HK\$136.1 million).



MANAGEMENT DISCUSSION AND ANALYSIS



Gross Profit



The Group recorded a gross profit decreased by 8.0% to approximately HK\$21.8 million in the Review Period (2024: HK\$23.7 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 17.9% (2024: 17.5%) while there was a decline in the Laboratory Equipment Business from 17.1% to 15.2%. While the economy in China remains slow, the industry competition in the Laboratory Equipment Business remains strong and price-sensitive. A decrease in the Group's gross profit margin of 0.5% to 16.9% (2024: 17.4%) is recorded in the Review Period.

Selling and Distribution Expenses

Selling and distribution expenses decreased by 7.9% to approximately HK\$5.8 million during the Review Period (2024: HK\$6.3 million). This reduction was primarily due to decrease in staff costs related to sales representatives, which corresponded to the decline in revenue from the Toy Business and Laboratory Equipment Business.

Administrative Expenses

Administrative expenses decreased by 4.5% to approximately HK\$10.5 million in the Review Period (2024: HK\$11.0 million). The decrease was mainly attributed to the decrease in staff costs and the other fixed overheads.

Finance Income/Costs, Net

Net finance income in the Review Period was approximately HK\$0.01 million whilst the Company recorded net finance costs of approximately HK\$0.1 million in the Last Period. The decrease in finance cost was attributed to the decrease in bills interest expenses during the Review Period.

Income Tax Expenses

The Group recorded income tax expenses of approximately HK\$0.9 million for the Review Period (2024: HK\$2.0 million). The decrease was mainly attributable to the decrease in the assessable profit and the absence of de-recognition of deferred tax assets of the Laboratory Equipment Business incurred in the Last Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Net Profit

The Group recorded a net profit attributable to owners of the Company of approximately HK\$3.9 million for the Review Period (2024: HK\$5.5 million). The decrease in net profit was mainly attributed to the reduction in revenue and the increase in impairment loss on receivables from customers. It was partially offset by (i) the decrease in selling and distribution expenses; (ii) the decrease in administrative expenses; and (iii) the decrease in income tax expenses.

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 2025, 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 impact of the tariffs from the United States, coupled with lingering effects of the ongoing wars globally has affected consumer spending to some degree. 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 despite the challenging landscape. Our proactive approach, including the introduction of reengineered and innovative products, has been pivotal in improving our profitability.



MANAGEMENT DISCUSSION AND ANALYSIS



As we look forward, the global economic situation is expected to show signs of improvement in 2026 with the adjusted and stable tariff situation in the US. 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 and hot licenses. With growing popularity and demand in licensed products worldwide, our branded products benefit significantly especially with many upcoming theatrical releases. With our diverse lines of innovative and improved designs, we are able to increase profitability and grow market share in both retail and online channels. Our strategic initiatives will be geared towards leveraging these anticipated market trends and evolving consumer preferences.

In parallel with Toy Business, Kiddieland Technology focuses on three core strategies: policy response, product optimization and technological innovation, and market development, with a strong commitment to the laboratory equipment business. During the period, Kiddieland Technology successfully signed and almost completed the project with the Hubei Provincial National Development and Reform Commission, with order amount over RMB20 million and won the bid for the Hainan Provincial National Reform Project, with a pre-ordered amount of around RMB19 million. In the next phase, we will focus on laboratory renovation projects commissioned in Anhui, Shanxi, and Qinghai provinces, and actively work to expand our local market share of educational equipment industry.

To accelerate the capture of market share, Kiddieland Technology works together across three dimensions: brand, product, and service and participated in several fairs like the Asian Education Preparation Expo in Sichuan Province during the period. The on-site professional demonstration of the results of “laboratory operation evaluation system of the high school entrance examinations” and “AI immediate scoring system” fully showcased its innovative advantages in efficiency, accuracy, and naturalness to the Public.

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 October 2025

	Note	Six months ended 31 October 2025 HK\$'000 (unaudited)	Six months ended 31 October 2024 HK\$'000 (unaudited)
Revenue	6	128,711	136,130
Cost of sales	7	(106,908)	(112,464)
Gross profit		21,803	23,666
Other income		29	234
Other gains, net		87	54
Selling and distribution expenses	7	(5,804)	(6,320)
Administrative expenses	7	(10,532)	(10,962)
(Impairment losses)/reversals of impairment losses on financial assets, net		(843)	16
Operating profit		4,740	6,688
Finance income		167	262
Finance expenses		(162)	(345)
Finance costs, net		5	(83)
Profit before taxation		4,745	6,605
Income tax expenses	8	(895)	(2,048)
Profit for the period		3,850	4,557

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 October 2025

	Note	Six months ended 31 October 2025 HK\$'000 (unaudited)	Six months ended 31 October 2024 HK\$'000 (unaudited)
Other comprehensive loss			
<i>Item that may be reclassified to profit or loss:</i>			
Currency translation differences		(38)	(42)
Other comprehensive loss for the period, net of tax		(38)	(42)
Total comprehensive income for the period		3,812	4,515
Profit/(loss) for the period attributable to:			
Owners of the Company		3,850	5,545
Non-controlling interests		–	(988)
		3,850	4,557
Total comprehensive income/(loss) attributable to:			
Owners of the Company		3,812	5,506
Non-controlling interests		–	(991)
		3,812	4,515
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	9	0.4	0.6

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 October 2025

	Note	As at 31 October 2025 HK\$'000 (unaudited)	As at 30 April 2025 HK\$'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	11	5,380	5,545
Right-of-use assets	13	465	93
Intangible assets	12	6,600	9,021
Deferred income tax assets		6,369	7,175
Deposits and prepayments		76	–
		18,890	21,834
Current assets			
Inventories		10,867	8,538
Trade receivables	14	19,813	8,333
Other receivables, deposits and prepayments		5,894	7,931
Contract assets		27	63
Cash and bank balances		9,357	6,967
		45,958	31,832
Total assets		64,848	53,666
EQUITY			
Owners of the Company			
Share capital	15	100,000	100,000
Other reserves		6,408	6,408
Exchange reserves		(2,210)	(2,172)
Accumulated losses		(82,022)	(85,872)
		22,176	18,364
Non-controlling interests	18	–	–
Total equity		22,176	18,364

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 October 2025

	Note	As at 31 October 2025 HK\$'000 (unaudited)	As at 30 April 2025 HK\$'000 (audited)
LIABILITIES			
Non-current liabilities			
Accruals and other payables		1,807	3,215
Deferred income tax liabilities		682	593
Lease liabilities	13	229	–
		2,718	3,808
Current liabilities			
Trade and bills payables	16	12,018	6,453
Accruals and other payables		17,883	15,476
Contract liabilities		9,793	9,462
Lease liabilities	13	260	103
		39,954	31,494
Total liabilities		42,672	35,302
Total equity and liabilities		64,848	53,666

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 October 2025

	Attributable to owners of the Company (unaudited)				Non-controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Other reserves HK\$'000	Exchange reserves HK\$'000	Accumulated losses HK\$'000		
Balance as at 1 May 2025	100,000	6,408	(2,172)	(85,872)	–	18,364
Profit for the period	–	–	–	3,850	–	3,850
Other comprehensive loss	–	–	(38)	–	–	(38)
Total comprehensive income/(loss)	–	–	(38)	3,850	–	3,812
Balance as at 31 October 2025	100,000	6,408	(2,210)	(82,022)	–	22,176

	Attributable to owners of the Company (unaudited)				Non-controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Other reserves HK\$'000	Exchange reserves HK\$'000	Accumulated losses HK\$'000		
Balance as at 1 May 2024	100,000	6,242	(1,672)	(78,887)	1,429	27,112
Profit/(loss) for the period	–	–	–	5,545	(988)	4,557
Other comprehensive loss	–	–	(39)	–	(3)	(42)
Total comprehensive income/(loss)	–	–	(39)	5,545	(991)	4,515
Balance as at 31 October 2024	100,000	6,242	(1,711)	(73,342)	438	31,627

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 October 2025

	Six months ended 31 October 2025 HK\$'000 (unaudited)	Six months ended 31 October 2024 HK\$'000 (unaudited)
Cash flows from operating activities		
Net cash generated from/(used in) operations	3,920	(1,428)
Interest received	167	262
Interest paid	(153)	(277)
Income tax refunded	–	8
Net cash generated from/(used in) operating activities	3,934	(1,435)
Cash flows from investing activities		
Purchases of property, plant and equipment	(599)	(629)
Settlements of liabilities arising from acquisitions of licenses	(767)	(1,426)
Purchase of intangible assets	(31)	(31)
Net cash used in investing activities	(1,397)	(2,086)
Cash flows from financing activities		
Repayment of principal element of lease liabilities	(143)	(1,431)
Repayment of interest element of lease liabilities	(9)	(68)
Net cash used in financing activities	(152)	(1,499)
Net increase/(decrease) in cash and cash equivalents	2,385	(5,020)
Effect on exchange rate differences	5	(23)
Cash and cash equivalents at beginning of the period	6,967	7,340
Cash and cash equivalents at end of the period	9,357	2,297

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 2025 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 2025 (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**”).



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION



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 standards, amendments and interpretations of HKFRSs effective for the financial year commencing on 1 May 2025.

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

The Group has adopted the following new standards and amendments to standards which are mandatory for the financial year commencing on 1 May 2025 and are relevant to its operation:

Amendments to HKAS 21

Lack of Exchangeability

The adoption of new standards, amendments 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.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(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 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 Contracts Referencing Nature-dependent Electricity	1 May 2026
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 May 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 May 2026
Amendments to HKFRS 18	Presentation and Disclosure in Financial Statements	1 May 2027
Amendments to HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 May 2027
Amendments to Hong Kong Interpretation 5	Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	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 standards and amendments to existing standards is expected to have a significant effect on the consolidated financial statements of the Group.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION



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 FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual report, and should be read in conjunction with the Annual Report.

There have been no changes in the Group's risk management policies since the year ended 30 April 2025.

(b) Liquidity risk

Compared to the year ended 30 April 2025, there was no material change in the contractual undiscounted cash out flows for financial liabilities

(c) Fair value estimation

The Group's financial assets comprise of cash and bank balances, trade and bills receivables, other receivables and deposits; and the Group's financial liabilities comprise of trade and bills payables, accruals and other payables and bank borrowings. The carrying amounts of the financial assets and financial liabilities approximate their fair values due to their short maturities.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

6 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 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 of the operating segments of toy business and laboratory equipment business are presented for the six months ended 31 October 2025 and 2024. The related assets and liabilities of the operating segments as at 31 October 2025 and 30 April 2025 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 2025 (unaudited)

	Toy business HK\$'000	Laboratory equipment business HK\$'000	Total HK\$'000
Revenue	82,845	45,866	128,711
Cost of sales	(67,991)	(38,917)	(106,908)
Gross profit	14,854	6,949	21,803
Segment results	4,829	(205)	4,624
Unallocated:			
Other income			29
Other gains, net			87
Finance costs, net			5
Profit before income tax			4,745

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

6 SEGMENT INFORMATION *(Continued)*

Segment revenue and results *(Continued)*

For the six months ended 31 October 2024 (unaudited)

	Toy business HK\$'000	Laboratory equipment business HK\$'000	Total HK\$'000
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

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

6 SEGMENT INFORMATION (Continued)

Segment assets and liabilities

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

	Toy business HK\$'000	Laboratory equipment business HK\$'000	Total HK\$'000
As at 31 October 2025 (unaudited)			
Assets			
Segment assets	47,896	16,602	64,498
Unallocated:			
Property, plant and equipment			297
Cash and bank balances			53
Total assets			64,848
Liabilities			
Segment liabilities	21,982	20,690	42,672
Total liabilities			42,672

As at 30 April 2025 (audited)

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

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

6 SEGMENT INFORMATION *(Continued)*

For the six months ended 31 October 2025, revenue by geographical areas is as follows:

	Six months ended 31 October 2025 HK\$'000 (unaudited)	Six months ended 31 October 2024 HK\$'000 (unaudited)
America	42,755	69,803
Europe	32,600	32,905
Asia Pacific and Oceania (exclude the PRC)	7,490	5,130
The PRC	45,866	28,292
	128,711	136,130

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

For the six months ended 31 October 2025, there was no (six months ended 31 October 2024: Nil) customers 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 2025 HK\$'000 (unaudited)	Six months ended 31 October 2024 HK\$'000 (unaudited)
Customer A	N/A*	N/A*

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

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

7 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 2025 HK\$'000 (unaudited)	Six months ended 31 October 2024 HK\$'000 (unaudited)
Auditor's remuneration		
— Audit services	460	500
— Non-audit services	—	—
Advertising and promotion expenses	1,008	1,151
Amortisation of intangible assets (note 12)	3,099	3,432
Bank charges	219	245
Commissions	1,169	794
Consumables	172	288
Cost of inventories sold	89,813	92,498
Custom and declaration handling expenses	1,478	—
Depreciation of property, plant and equipment (note 11)	784	963
Depreciation of right-of-use assets (note 13)	157	1,375
Expenses for short-term and low-value operating leases	1,915	696
Licenses fees	2,975	6,744
Logistics and warehousing expenses	1,447	1,612
Other taxes	82	1
Product testing expenses	666	896
Repair and maintenance expenses	158	410
Staff costs, including Directors' emoluments	9,489	10,665
Subcontracting expenses	4,079	3,371
Utilities	202	203
Other expenses	3,872	3,902
	123,244	129,746

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

8 INCOME TAX EXPENSES

For the six months ended 31 October 2025 and 2024, 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 2025 HK\$'000 (unaudited)	Six months ended 31 October 2024 HK\$'000 (unaudited)
Current income tax		
— Current tax on profit for the period	—	—
Deferred income tax	895	2,048
Income tax expenses	895	2,048

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

9 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 2025 and 2024.

	Six months ended 31 October 2025 (unaudited)	Six months ended 31 October 2024 (unaudited)
Profit attributable to owners of the Company (HK\$'000)	3,850	5,545
Weighted average number of ordinary shares in issue (in thousand)	1,000,000	1,000,000
Basic earnings per share (HK cents)	0.4	0.6

(b) Diluted earnings per share

Diluted earnings per share for the period ended 31 October 2025 and 2024 are the same as basic earnings per share as there was no potential dilutive share.

10 DIVIDENDS

For the six months ended 31 October 2025, no dividend was declared or paid by the Company.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

11 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements	Furniture and fixtures	Office equipment	Motor vehicles	Plant and machinery	Moulds and tools	Moulds work-in- progress	Total
	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)

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 (note 7)	-	(24)	(78)	(35)	(116)	(710)	-	(963)
Transfer upon completion	-	-	-	-	-	570	(570)	-
Exchange differences	-	(2)	(1)	(2)	(7)	(15)	-	(27)
At end of the period	-	62	375	236	693	3,935	-	5,301

Six months ended 31 October 2025

Net book value

At beginning of the period	98	43	323	198	574	3,807	502	5,545
Addition	-	1	43	-	-	35	520	599
Depreciation (note 7)	(18)	(20)	(82)	(35)	(107)	(522)	-	(784)
Transfer upon completion	-	-	-	-	-	1,022	(1,022)	-
Exchange differences	-	1	2	4	10	3	-	20
At end of the period	80	25	286	167	477	4,345	-	5,380

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

12 INTANGIBLE ASSETS

	Six months ended 31 October 2025 HK\$'000 (unaudited)	Six months ended 31 October 2024 HK\$'000 (unaudited)
Software	30	326
Licenses	6,570	3,503
	6,600	3,829
Beginning of the period	9,021	7,056
Addition	678	209
Less: amortisation (note 7)	(3,099)	(3,432)
Less: impairment losses	–	–
Exchange differences	–	(4)
End of the period	6,600	3,829

Licenses represent minimum payments under license arrangement for non-exclusive rights of manufacturing toy products with specific cartoon icons and distributing to certain countries.

During the six months ended 31 October 2025, amortisation charge of approximately HK\$3,095,000 (six months ended 31 October 2024: HK\$3,428,000) and HK\$4,000 (six months ended 31 October 2024: HK\$4,000) were charged to cost of sales and administrative expenses, respectively.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

13 LEASES AND RIGHT-OF-USE ASSETS

The Group has lease contracts for factories and buildings, office premise, warehouse and staff quarter. The movements during the six months ended 31 October 2025 are set out below:

	Six months ended 31 October 2025 HK\$'000 (unaudited)	Six months ended 31 October 2024 HK\$'000 (unaudited)
Right-of-use assets		
At beginning of the period	93	2,648
Addition	529	–
Depreciation (note 7)	(157)	(1,375)
Exchange differences	–	(17)
At end of the period	465	1,256
Lease liabilities		
At beginning of the period	103	2,801
Addition	529	–
Finance cost	9	68
Payment	(152)	(1,499)
Exchange differences	–	(17)
At end of the period	489	1,353
Current	260	1,353
Non-current	229	–

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

14 TRADE RECEIVABLES

	As at 31 October 2025 HK\$'000 (unaudited)	As at 30 April 2025 HK\$'000 (audited)
Trade receivables	21,135	8,812
Less: loss allowance	(1,322)	(479)
Trade receivables, net	19,813	8,333

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

	As at 31 October 2025 HK\$'000 (unaudited)	As at 30 April 2025 HK\$'000 (audited)
US\$	19,920	8,360
RMB	1,215	452
	21,135	8,812

The Group grants credit periods to customers ranged from 0 to 180 days. As at 31 October 2025, the ageing analysis of trade receivables in gross amount based on invoice date is as follows:

	As at 31 October 2025 HK\$'000 (unaudited)	As at 30 April 2025 HK\$'000 (audited)
Within 3 months	19,345	6,287
3 months to 1 year	1,238	2,201
Over 1 year	552	324
	21,135	8,812

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

15 SHARE CAPITAL

	Number of shares (in thousand) (unaudited)	Nominal value HK\$'000 (unaudited)
Authorised ordinary shares at HK\$0.1 each: As at 31 October 2025 and 30 April 2025	10,000,000	1,000,000
Ordinary shares issued and fully paid: As at 31 October 2025 and 30 April 2025	1,000,000	100,000

16 TRADE AND BILLS PAYABLES

Trade and bills payables are denominated in the following currencies:

	As at 31 October 2025 HK\$'000 (unaudited)	As at 30 April 2025 HK\$'000 (audited)
US\$	8,035	3,867
HK\$	253	25
RMB	3,730	2,561
	12,018	6,453

As at 31 October 2025, the ageing analysis of trade and bills payables based on invoice date is as follows:

	As at 31 October 2025 HK\$'000 (unaudited)	As at 30 April 2025 HK\$'000 (audited)
Within 1 month	4,834	3,298
1 to 2 months	5,892	1,266
2 to 3 months	300	173
Over 3 months	992	1,716
	12,018	6,453

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

17 RELATED PARTY TRANSACTIONS

The Directors are of the view that the following parties/companies were related parties that had transactions or balances with the Group during the period. The related party transactions set out below were carried out on terms mutually agreed between the parties.

Name of related parties	Relationship with the Group
Mr. Lo Hung	Executive Director of the Company
Ms. Leung Siu Lin Esther	Executive Director of the Company
Ms. Lo Shiu Shan Suzanne	Executive Director of the Company
Ms. Sin Lo Siu Wai Sylvia	Controlling shareholder and executive Director of the Company
Esther & Victor Limited	Controlled by Mr. Lo Hung and Ms. Leung Siu Lin Esther
Top Dragon Enterprise Investment Limited	Controlled by Mr. Lo Hung and Ms. Leung Siu Lin Esther

(a) Transactions with related parties

	Six months ended 31 October 2025 HK\$'000 (unaudited)	Six months ended 31 October 2024 HK\$'000 (unaudited)
(i) Operating lease expense for office paid or payable to Top Dragon Enterprise Investment Limited	720	600
	720	600
(ii) Key management compensation:		
Wages, salaries and bonuses	2,202	2,275
Retirement benefits	36	36
Other benefits	—	—
	2,238	2,311

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

17 RELATED PARTY TRANSACTIONS (Continued)

(b) Other arrangement

During the period, two related companies, Esther & Victor Limited and Top Dragon Enterprise Investment Limited, pledged their properties to banks to make available to the Group's bank facilities of approximately HK\$30,000,000 (six months ended 31 October 2024: HK\$185,050,000).

18 NON-CONTROLLING INTERESTS

Guangdong Kiddieland Technology Co., Ltd., a 79.25% (six months ended 31 October 2024: 75%) owned subsidiary of the Company, has non-controlling interests of 20.75% (six months ended 31 October 2024: 25%) which is material to the Group.

The summarised financial information of Guangdong Kiddieland Technology Co., Ltd. and its wholly-owned subsidiaries, Shenzhen Kiddieland Technology Co., Ltd., Guangzhou Lianda Smart Technology Co., Ltd., Kiddieland Technology Co., Limited and Shenzhen Kiddieland Information Technology Co., Ltd., before intra-group elimination, are presented as below:

	Six months ended 31 October 2025 HK\$'000 (unaudited)	Six months ended 31 October 2024 HK\$'000 (unaudited)
Revenue	45,866	28,292
Loss for the period	(166)	(3,953)
Total comprehensive loss for the period	(166)	(3,967)
Loss allocated to non-controlling interests	–	(991)
Cash flows generated from operating activities	506	1,750
Cash flows used in investing activities	(68)	(89)
Cash flows used in financing activities	–	(1,341)
Net cash inflows	438	320

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

18 NON-CONTROLLING INTERESTS (Continued)

	As at 31 October 2025 HK\$'000 (unaudited)	As at 30 April 2025 HK\$'000 (audited)
Current		
Assets	14,475	10,661
Liabilities	(20,690)	(16,751)
Net current liabilities	(6,215)	(6,090)
Non-current		
Assets	2,127	2,232
Liabilities	–	–
Net non-current assets	2,127	2,232
Net liabilities	(4,088)	(3,858)
Accumulated non-controlling interests	–	–



OTHER INFORMATION



DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION



As of 31 October 2025, the interests and/or short positions of the Directors and/or the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) contained in Appendix C3 (formerly Appendix 10) to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “**Listing Rules**”) were as follows:

Long position in shares of associated corporation — KLH Capital Limited (“KLH Capital”)

Name of Directors	Capacity	Nature of interests	Number of shares (ordinary)	Approximate percentage of shareholding in KLH Capital
Ms. Sin Lo Siu Wai Sylvia	Beneficial owner	Personal	10,000	100%

Save as disclosed above, as at 31 October 2025, none of the Directors or the chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations as recorded in the register required to be kept pursuant to section 352 of the SFO or which were required, pursuant to the Model Code, to be notified to the Company and the Hong Kong Stock Exchange.



OTHER INFORMATION



INTERESTS AND SHORT POSITIONS OF THE SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 October 2025, the interests and short positions of substantial shareholders (other than the Directors and the chief executive of the Company) in the shares or the underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Long position in the shares

Name of shareholder	Capacity	Number of shares (ordinary)	Approximate percentage of shareholding in the Company
KLH Capital	Beneficial owner	750,000,000 (note)	75%

Note: Ms. Sin Lo Siu Wai Sylvia, being executive Director and chief executive officer of the Company, holds 100% of the issued shares in KLH Capital.

Saved as disclosed above, as at 31 October 2025, the Company is not aware of any other party (not being a Director and the chief executive of the Company), who had interests or short positions in the shares and underlying shares of the Company, which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

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 2025.

SIGNIFICANT INVESTMENT HELD

Except for investments in subsidiaries, the Group did not hold any significant investment during the six months ended 31 October 2025.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 31 October 2025.





OTHER INFORMATION



EVENTS AFTER REPORTING PERIOD

As of the date of this report, there is no significant event occurring after 31 October 2025.



SHARE OPTION SCHEME

The shareholders of the Company approved and adopted a share option scheme on 31 August 2017 (the “**Share Option Scheme**”) to enable the Company to grant share options to the Directors, employees or other selected participants as incentives and rewards for their contribution to the Group. The Share Option Scheme took effect on 21 September 2017 (the “**Listing Date**”). Details of the Share Option Scheme are set out in the Company’s annual report 2025. Since its adoption, 20,000,000 share options had been granted on 19 July 2018 and expired on 18 July 2021 (both dates inclusive). No share option has been granted under the Share Option Scheme during the six months ended 31 October 2025. The balance of shares issuable under the Share Option Scheme as at 31 October 2025 is Nil.

CORPORATE GOVERNANCE CODE

Throughout the six months ended 31 October 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 Listing Rules.

CODE FOR DEALING IN COMPANY’S SECURITIES BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 (formerly Appendix 10) to the Listing Rules. Having made specific enquiry to each of the Directors, all the Directors confirmed that they have complied with the required standards as set out in the Model Code throughout the six months ended 31 October 2025.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed with the management the interim report for the six months ended 31 October 2025, 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.

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



Hong Kong, 19 December 2025

