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KIDDIELAND™

Kiddieland International Limited

童園國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3830)

PROFIT WARNING

This announcement is made by Kiddieland International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform shareholders of the Company and potential investors that based on a preliminary review of the Group’s unaudited consolidated management accounts for the year ended 30 April 2022 (the “**Current Year**”), the revenue of the Group for the said period has decreased by approximately 19% as compared to that for the year ended 30 April 2021 (the “**Last Year**”). The Group is expected to record a loss of approximately HKD65.0 to 70.0 million for the Current Year as compared to the net profit of approximately HKD6.6 million for the Last Year.

The loss expected to incur by the Group in the Current Year was mainly attributable to (i) the decrease in revenue as a result of the escalated transportation cost per unit borne by our targeted customers; (ii) the increase in raw material price; (iii) the currency appreciation of RMB against HKD and USD, which increased the operating cost of the Group’s operations in the PRC; (iv) the impairment losses on property, plant and equipment and other receivable ; and (v) the increase in staff costs due to the absence of one-off non-recurring government subsidies in Hong Kong and the PRC in the Current Year.

The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the Current Year and information currently available to the Company, and is not based on any figures or information which have been audited by the Company’s auditor. The Company and the auditor are still in the process of finalising the annual results which are subject to the review and approval by the Company’s Audit Committee and the Board. The annual results are expected to be announced by the end of July 2022.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the shares of the Company.

By Order of the Board
Kiddieland International Limited
Lo Hung
Chairman

Hong Kong, 28 July 2022

As at the date of this announcement, the Board of Directors of the Company comprises Mr. LO Shiu Kee Kenneth, 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. LEUNG Kwok Wai Gary as the Independent Non-executive Directors.