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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)**

## **SUPPLEMENTAL ANNOUNCEMENT TO 2019 ANNUAL REPORT – USE OF PROCEEDS**

References are made to the section headed “Future Plans and Use of Proceeds” in the prospectus of Kiddieland International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 11 September 2017 (the “**Prospectus**”), and the section headed “Management Discussion and Analysis – Use of Proceeds” in the 2019 annual report of the Company published on 16 August 2019 (the “**2019 Annual Report**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Prospectus and the 2019 Annual Report, respectively.

This announcement is made to provide supplemental information to the 2019 Annual Report and an update to the use of proceeds from the listing of the company’s securities on The Stock Exchange of Hong Kong Limited on 21 September 2017 (the “**Listing**”).

The net proceeds of the Listing (after deducting the underwriting fees, commissions and all related expenses payable by the Group in connection to the Listing) amounted to approximately HK\$81.4 million (the “**Net Proceeds**”). Up to 30 April 2019, a total amount of approximately HK\$64.9 million out of the Net Proceeds had been utilised by the Group according to the allocation set out in the Prospectus and the remaining balance of approximately HK\$16.5 million is expected to be utilised as intended.

In addition to the information disclosed in the section headed “Management Discussion and Analysis” in the 2019 Annual Report, the Board would like to provide additional information pursuant to paragraph 11(8) of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to the use of the Net Proceeds as follows:

Use of net proceeds	Planned use of net proceeds	Amount utilised up to 30 April 2018	Amount utilised during the year ended 30 April 2019	Amount utilised up to 30 April 2019	Unutilised amount as at 30 April 2019	Expected timeline for utilising the remaining net proceeds
Diversification of product offerings by developing new products and further entering into licensing arrangements	42,200	(33,072)	(9,128)	(42,200)	-	
Strengthening sales and marketing of the Company's co-branded products and Kiddieland branded products	22,100	(5,734)	(3,486)	(9,220)	12,880	On or before 30 April 2022
Acquiring machinery and upgrading existing machinery	7,700	(1,745)	(2,370)	(4,115)	3,585	On or before 30 April 2020
Repair and maintenance of the factory, production tools and machinery	9,400	(5,429)	(3,971)	(9,400)	-	
<b>Total</b>	<b>81,400</b>	<b>(45,980)</b>	<b>(18,955)</b>	<b>(64,935)</b>	<b>16,465</b>	

The Board confirmed that the supplementary information provided in this announcement does not affect any other information contained in the 2019 Annual Report and, save as disclosed above, the content of the 2019 Annual Report remains unchanged.

By Order of the Board  
**Kiddieland International Limited**  
**Lo Hung**  
*Chairman*

Hong Kong, 10 August 2020

*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 Ms. TSE Yuen Shan, Mr. MAN Ka Ho Donald and Mr. CHENG Dominic as the Independent Non-executive Directors.*