



Playmates Toys Limited
2017 Interim Results Briefing
25 August 2017

Forward-Looking Statements

This presentation and subsequent discussion may contain forward-looking statements with respect to the financial condition, results of operation and business of Playmates Toys Limited. Such forward-looking statements represent expectations or beliefs concerning future events and involve known and unknown risks and uncertainties which could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

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About Playmates Toys

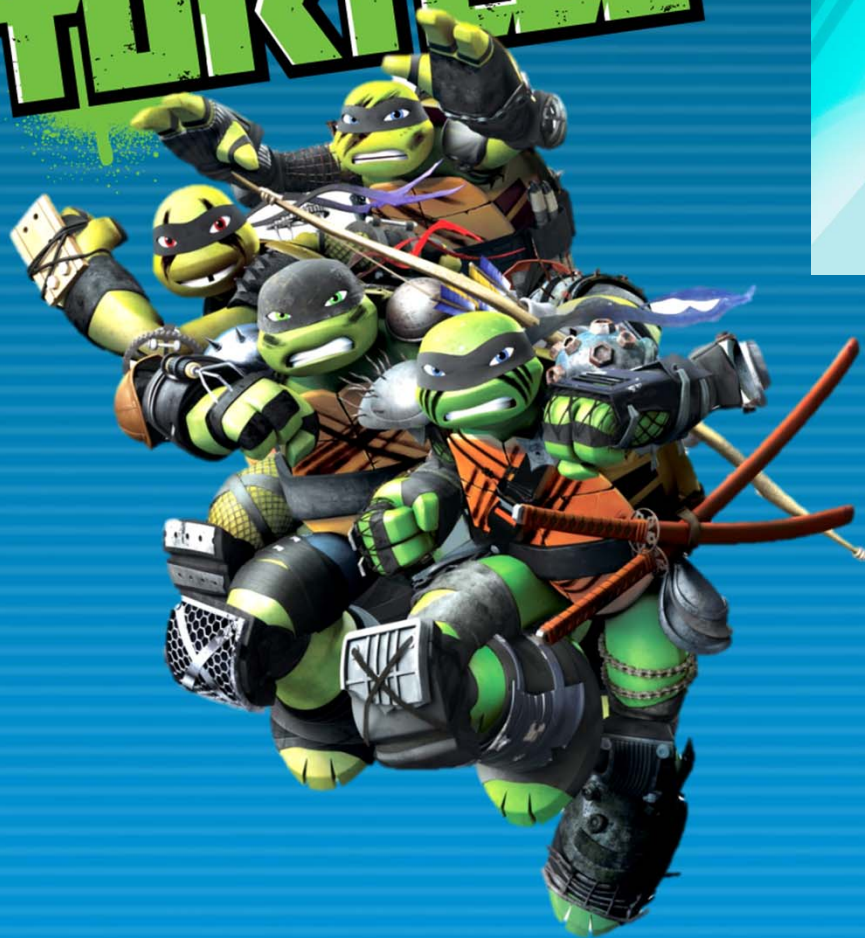
- Founded: 1966
- First Group listing: 1984
- HKSE#0869 – Playmates Toys Limited
- A leading manufacturer of promotional toys
- Create, design, market & distribute branded products worldwide
- More information – www.playmatestoy.com

Our Mission

We strive to create superior shareholder value by selectively investing in proprietary and licensed brands and delivering quality, safe, and innovative toys to the consumers while managing costs prudently to maximize operational leverage.

Our Latest Performance

TALES OF THE
TEENAGE MUTANT NINJA
TURTLES



Operating Environment

During the first half of 2017:

- NPD reported US retail sales of toys grew by about 3%*,
- Driven partly by major franchises including several competitive action adventure brands

* Source: The NPD Group, Inc. / Retail Tracking Service, January-June 2017

Our 2017 Interim Results Reflected

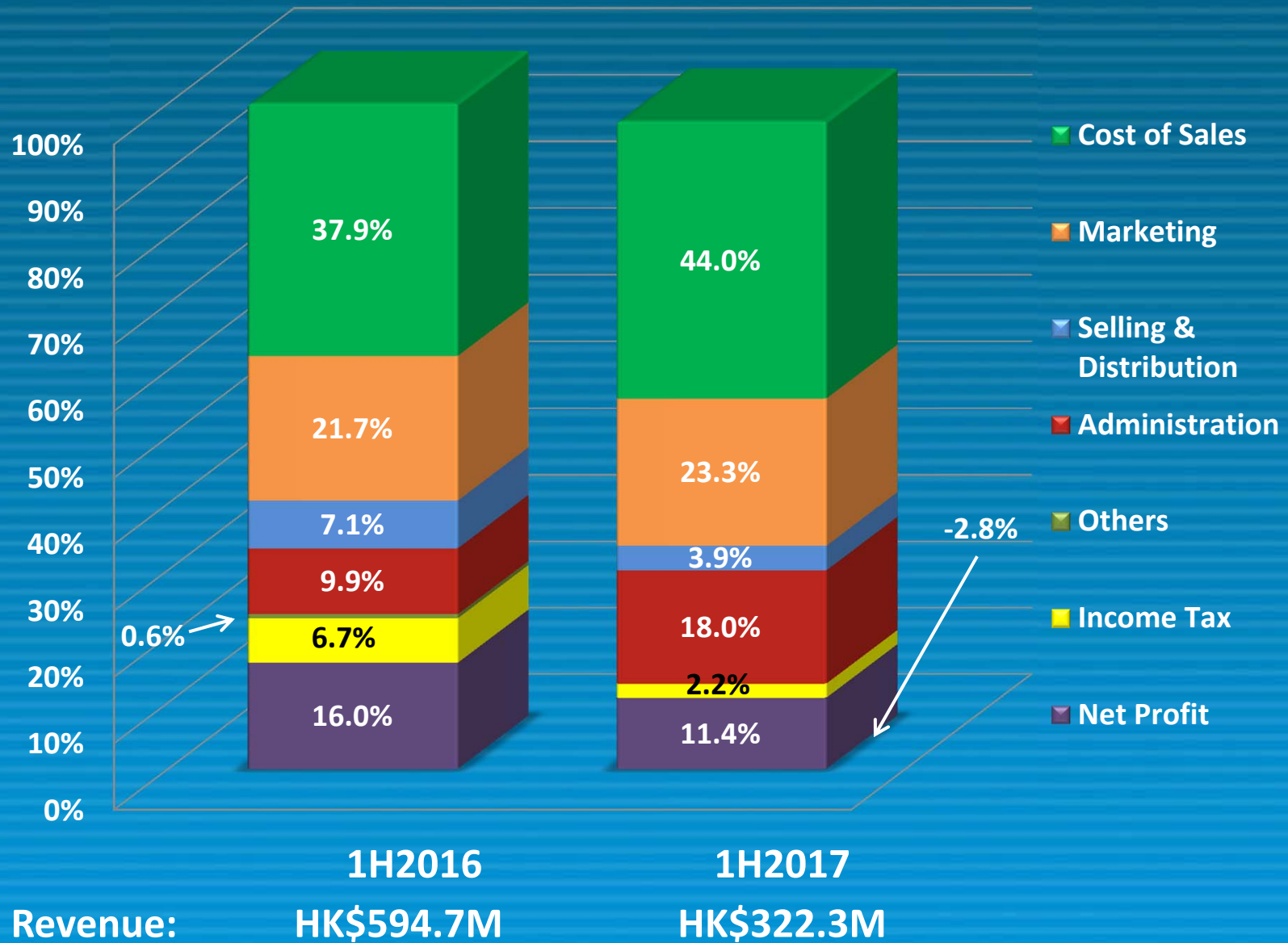
- TMNT, Ben 10 and Voltron all contributed to 1H 2017 revenue
- Lower gross profit ratio driven by higher proportion of sales outside U.S.
- Lower promotional expenses compared to 1H 2016

Financial Highlights

Income Statement

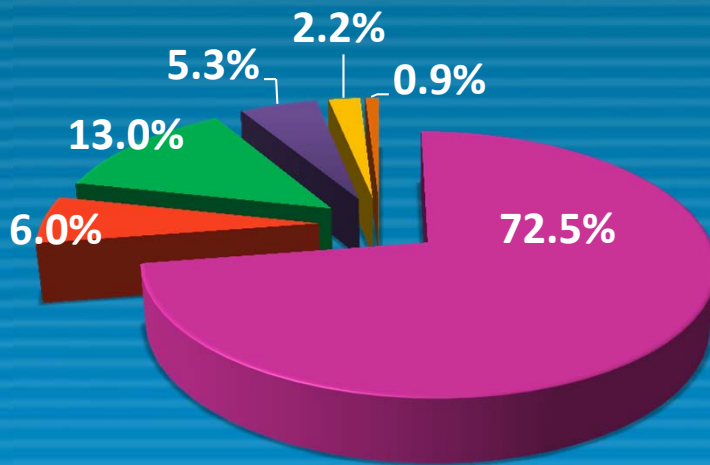
HK\$ Million	1H2016	1H2017	+/-%
Revenue	594.7	322.3	-45.8%
Gross Profit	369.4	180.6	-51.1%
Marketing	(129.1)	(75.2)	-41.7%
Selling & Distribution	(42.5)	(12.6)	-70.4%
Administration	(59.1)	(58.1)	-1.7%
Operating Profit	138.7	34.7	-75%
Profit before taxation	135.1	43.8	-67.6%
Income Tax	(39.9)	(7.2)	-81.9%
Net Profit	95.2	36.6	-61.6%
Earnings per Share (HK¢)	7.86	3.03	
Dividend per Share (HK¢)	5.00	3.00	

Margin Analysis

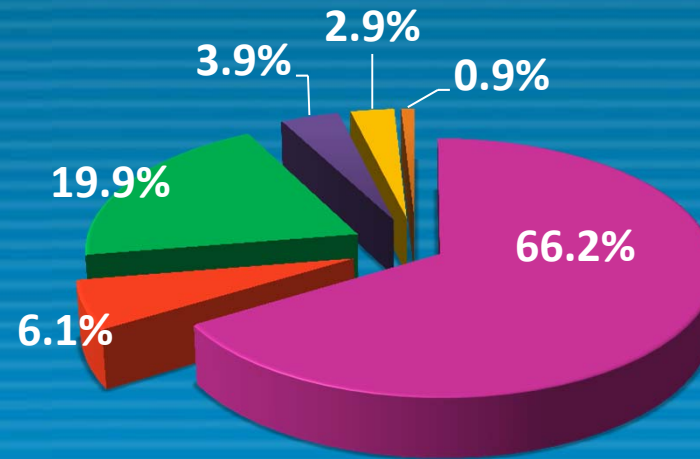


Revenue Breakdown by Regions

1H 2016



1H 2017



■ U.S.A. ■ Other Americas ■ Europe ■ Australasia ■ Asia ■ Others

Financial Highlights

Balance Sheet

HK\$ Million	30/06/16	30/06/17
Inventories	37.9	43.7
Trade Receivables	202.8	137.2
Cash & Bank Balances	1,049.8	1,040.0
Net Current Assets	1,120.5	1,027.5
Net Assets	1,172.3	1,086.6
Net Asset per Share (HK\$)	0.97	0.90
Gearing Ratio	0.0	0.0
Current Ratio	5.0	5.2

Looking Forward



Looking Forward

- Strong competitive pressure to persist in rest of 2017
- TMNT business will continue to contract year-over-year in transition to the next generation - *Rise of the Teenage Mutant Ninja Turtles*, launching in Fall 2018
- Continued expansion in distribution of new brands – Voltron, Ben 10 and Mysticons
- Actively pursuing selective new opportunities



nickelodeon™
TEENAGE MUTANT NINJA
TURTLES™

- Current TV series in Season 5
- TMNT continues to be a major boys action brand
- ALL NEW animated series, *Rise of the Teenage Mutant Ninja Turtles*, launching in Fall 2018



- Netflix released Season 3 of DreamWorks Animation series *Voltron: Legendary Defender* in August 2017
- Sustained positive audience reviews since 2016 debut
- Playmates continues to develop new products





- Cartoon Network re-launched Ben 10 in International markets in Oct 2016; across North America in Apr 2017
- Playmates all-new Ben 10 toy line commenced shipment in 1H 2017
- Continued development of new products

MYSTICONS



- Brand new TV series by Nelvana Studio, Nickelodeon and Topps Company
- Targeting girls audience, Mysticons tells epic tale of four girls who transform into legendary warriors
- Scheduled to debut on Nickelodeon in Fall 2017
- Playmates to launch toy line in early 2018



Playmates Toys Limited

Thank You!