



**Playmates Toys Limited**  
**2018 Interim Results Briefing**  
**10 August 2018**

# 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](http://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

**nickelodeon™**  
**TEENAGE MUTANT NINJA**  
**TURTLES™**



## Our 2018 Interim Results Reflected

- Limiting supply of *TMNT* products to prepare for fresh beginning of next iteration in 4th quarter of 2018
- Lower gross profit ratio due to:
  - (i) higher proportion of sales outside U.S.
  - (ii) product clearance in U.S.
  - (iii) higher development costs
- Lower marketing, selling & distribution costs and stable overhead expenses

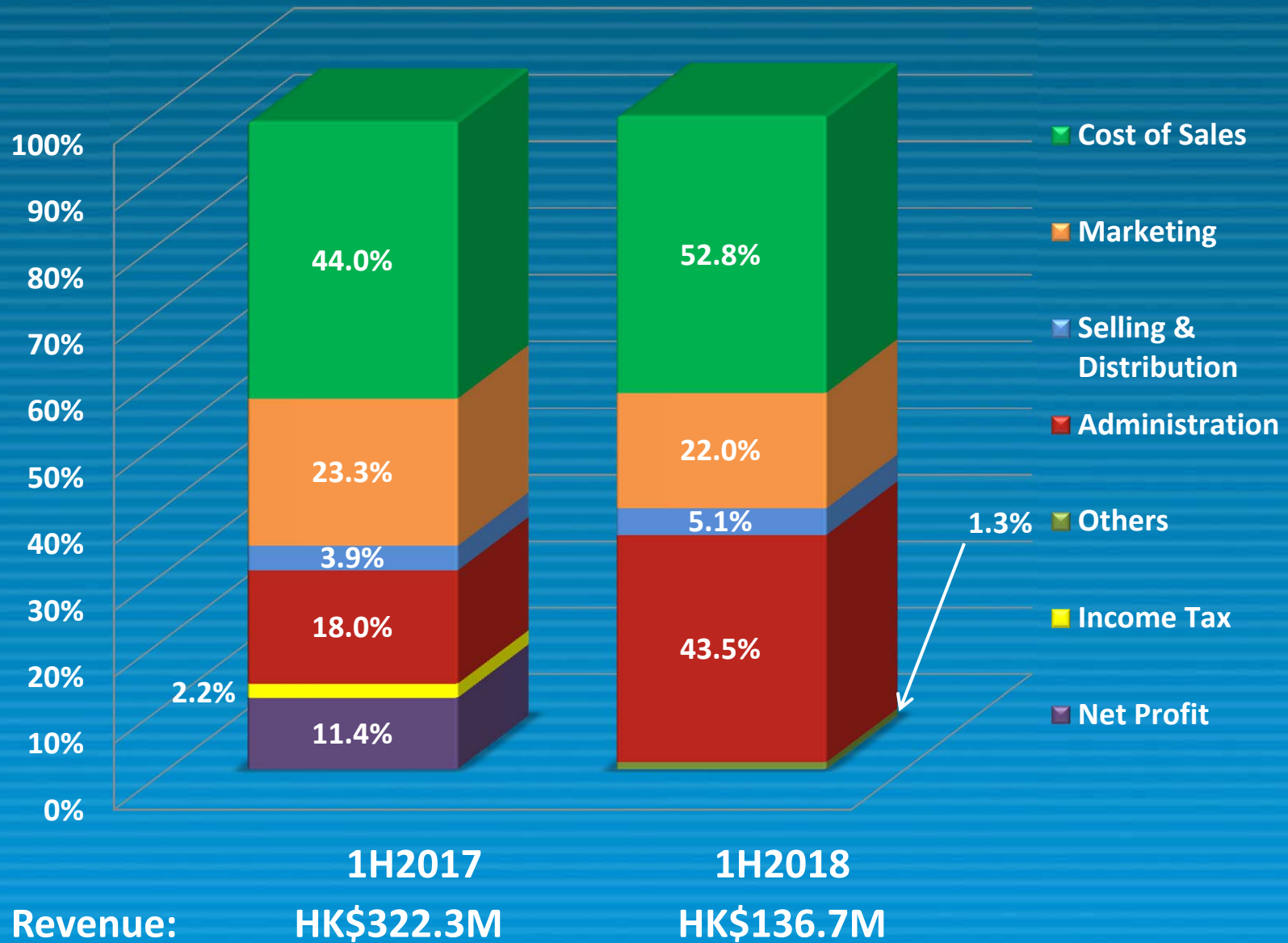
# Financial Highlights

## Income Statement

HK\$ Million	1H2017	1H2018	+/-%
Revenue	322.3	136.7	-57.6%
Gross Profit	180.6	64.5	-64.3%
Marketing	(75.2)	(30.1)	60.0%
Selling & Distribution	(12.6)	(7.0)	44.4%
Administration	(58.1)	(59.5)	-2.3%
Operating Profit/Loss	34.7	(41.5)	-219.7%
Profit/Loss before taxation	43.8	(33.8)	-177.1%
Income Tax	(7.2)	3.2	144.6%
Net Profit/Loss	36.6	(30.5)	-183.5%
Earnings/Loss per Share (HK¢)	3.03	(2.58)	
Dividend per Share (HK¢)	3.00	-	

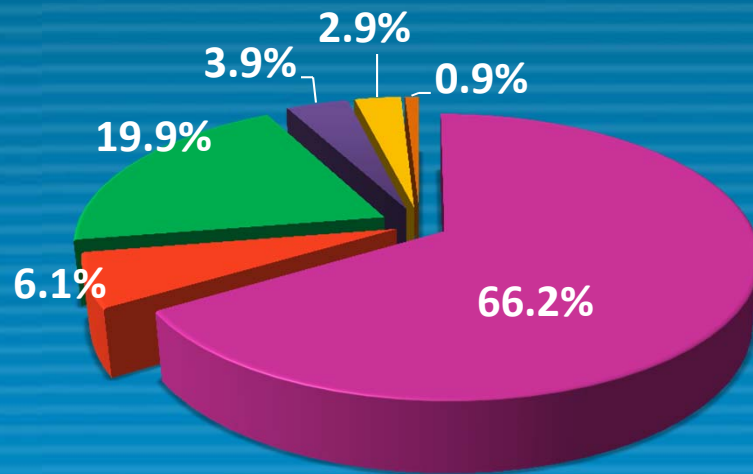


# Margin Analysis

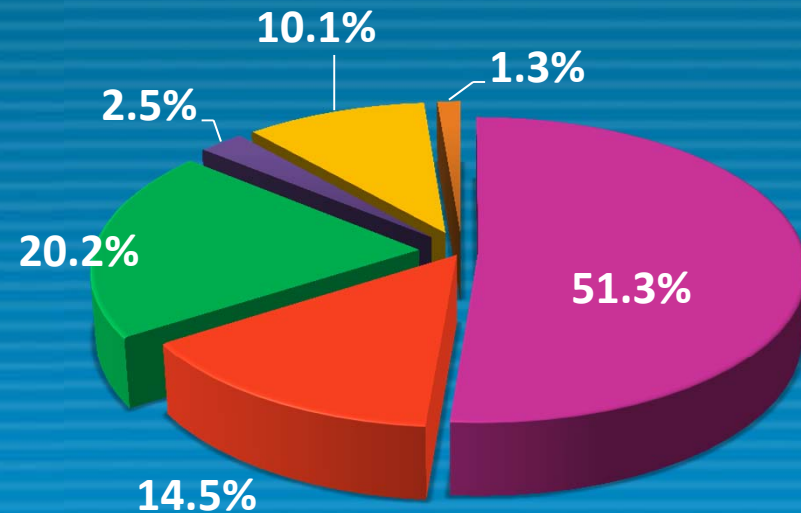


# Revenue Breakdown by Regions

1H 2017



1H 2018



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

# Financial Highlights

## Balance Sheet

HK\$ Million	30/06/17	30/06/18
<b>Inventories</b>	<b>43.7</b>	<b>17.4</b>
<b>Trade Receivables</b>	<b>137.2</b>	<b>40.3</b>
<b>Cash &amp; Bank Balances</b>	<b>1,040.0</b>	<b>1,011.9</b>
<b>Net Current Assets</b>	<b>1,027.5</b>	<b>937.4</b>
<b>Net Assets</b>	<b>1,086.6</b>	<b>984.6</b>
<b>Net Asset per Share (HK\$)</b>	<b>0.90</b>	<b>0.83</b>
<b>Gearing Ratio</b>	<b>0.0</b>	<b>0.0</b>
<b>Current Ratio</b>	<b>5.2</b>	<b>5.7</b>

# Looking Forward



## Looking Forward

- Expect stronger second half of 2018 driven by launch of *Rise of the Teenage Mutant Ninja Turtles* in 4th quarter and continuation of *Ben 10* toy shipments
- Launch two internally-developed product lines, *Kuroba* and *Tine Toes*, in Fall 2018
- Actively pursuing selective new opportunities



- ALL-NEW animated series, *Rise of the Teenage Mutant Ninja Turtles*, launching in Fall 2018
- Relaunch will be supported by significant promotions during 4th quarter
- Limited shipment in late 2017 provided fresh start for new product line in Fall 2018
- Confident in *TMNT*'s prospects as evergreen entertainment franchise



- Cartoon Network's *Ben 10* animated TV series continues to be popular in US and in many international markets.
- Actively developing 2019 product line extensions.

# KUROBA!

- Internally-developed toy line will be launched in Fall 2018
- Unique way to play classic game of "*rock, paper, scissors*" with interactive twist!
- Early test under way at U.S. Target Stores; animated webisodes telling stories of *Kuroba* available on **YouTube**







- *Tiny Toes*, collectible line of interactive baby dolls, will be launched during 4th quarter 2018
- Each Tiny Toe interactive doll comes to life in your palm with numerous functions and play features



**Playmates Toys Limited**

**Thank You!**