



Playmates Toys Limited
2018 Full Year Results Briefing
28 February 2019

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



Operating Environment

During 2018:

- Challenging retail environment driven by Toys "R" Us bankruptcy
- Softening consumer sentiments in the fourth quarter
- Competition from video games
- NPD Group reported US toy market contracted 2.0% in 2018*

* Source: The NPD Group / Retail Tracking Service Annual 2018 Adjusted Dollars.

Our 2018 Results Reflected

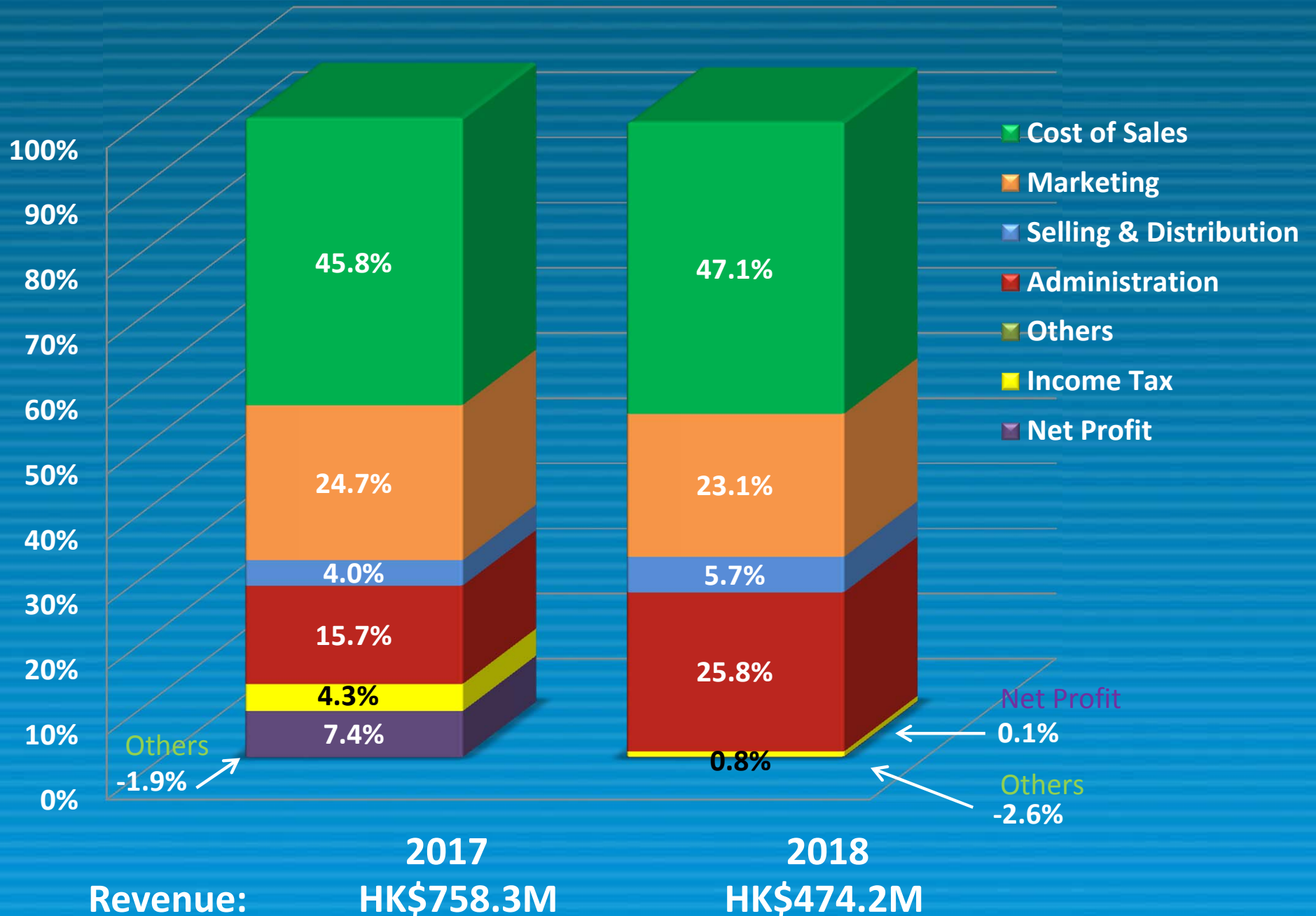
- Nickelodeon re-launched *TMNT* franchise in an all-new animated series, *Rise of the Teenage Mutant Ninja Turtles*, during Fall 2018.
- Cartoon Network's *Ben 10* animated TV series continues to be popular in US and many international markets.
- Lower recurring operating expenses: lower marketing, selling & distribution expenses and stable overhead expenses.

Financial Performance

Income Statement Highlights

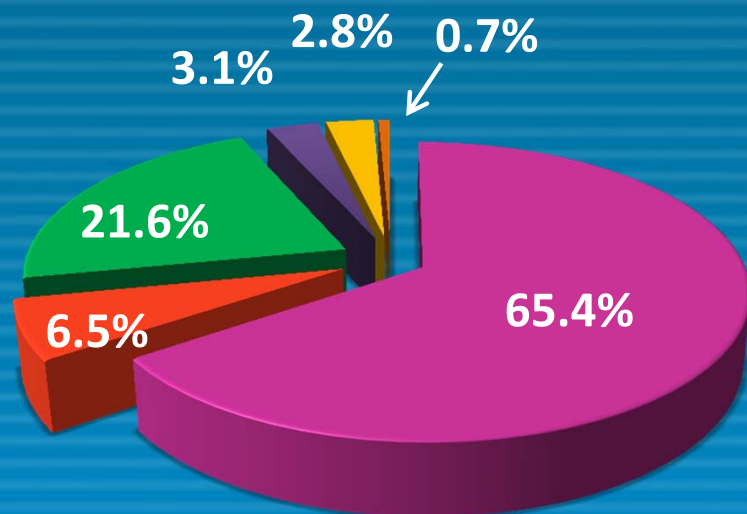
HK\$ Million	2017	2018	+/-%
Revenue	758.3	474.2	-37.0%
Gross Profit	411.3	250.9	-39.0%
Marketing	(187.3)	(109.6)	41.5%
Selling & Distribution	(30.6)	(27.1)	11.4%
Administration	(119.2)	(122.2)	-2.5%
Impairment Loss on Trade Receivables	-	(5.3)	N/A
Operating Profit/(loss)	74.1	(13.3)	-118.0%
Profit before Taxation	88.5	4.4	-95.1%
Income Tax	(32.8)	(3.8)	-88.4%
Net Profit	55.8	0.6	-99.0%
Earnings per Share (HK¢)	4.63	0.05	
Dividend per Share (HK¢)	6.00	-	

Margin Analysis



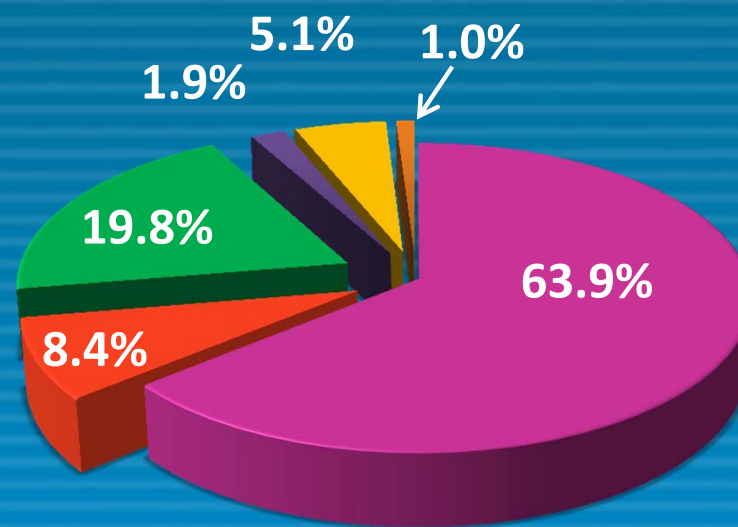
Revenue Breakdown by Regions

2017



HK\$758.3M

2018



HK\$474.2M

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

Financial Performance

Balance Sheet Highlights

HK\$ Million

31/12/2017 31/12/2018

Inventories	22.7	24.2
Trade Receivables	169.4	140.0
Cash & Bank Balances	1,021.2	1,008.1
Net Current Assets	1,020.2	972.6
Net Assets	1,064.7	1,017.7

Net Asset per Share (HK\$)

0.89

0.86

Gearing Ratio

0.0

0.0

Current Ratio

5.3

5.5

Looking Forward



and more to come...

Looking Forward

- ***Rise of the Teenage Mutant Ninja Turtles***
Season 2 will premiere in Fall 2019.
- ***Ben 10*** product line extensions in active development for Fall 2019 and beyond.
- ***ZAG HEROEZ: Power Players***, brand new show to debut in Fall 2019, multi-segment toy line in development to launch in early 2020.
- Actively pursuing selective new opportunities.



- Nickelodeon re-launched *TMNT* franchise in all-new animated series, *Rise of the Teenage Mutant Ninja Turtles*, during Fall 2018
- TV show off to a good start, will be supported by regular airings, on-air promotions, and additional short-form content throughout 2019
- Nickelodeon announced Season 2 will premiere in Fall 2019

BEN 10



- Cartoon Network's *Ben 10* continues to be popular in US and in many international markets
- Season 3 will premiere in Spring 2019 and introduce plenty of transformations and never-before-seen aliens and foes
- Product line extensions in active development for Fall 2019 and beyond



- Playmates secured master toy rights of **ZAG HEROEZ: Power Players**
- Brand new show scheduled to debut on Cartoon Network in Fall 2019
- Multi-segment toy line in development to launch in early 2020



Playmates Toys Limited

Thank You!