



Playmates Toys Limited
2019 Full Year Results Briefing
6 March 2020

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.playmatestoys.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 2019:

- Significant uncertainties in the global economic order due to US-China trade dispute and Brexit
- Challenging retail environment without Toys “R” Us
- Fewer shopping days between Thanksgiving and Christmas
- Competition from video games
- NPD Group reported US toy market contracted 4.3% in 2019*

* Source: The NPD Group / Retail Tracking Service Annual 2019 Adjusted Dollars.

Our 2019 Results Reflected

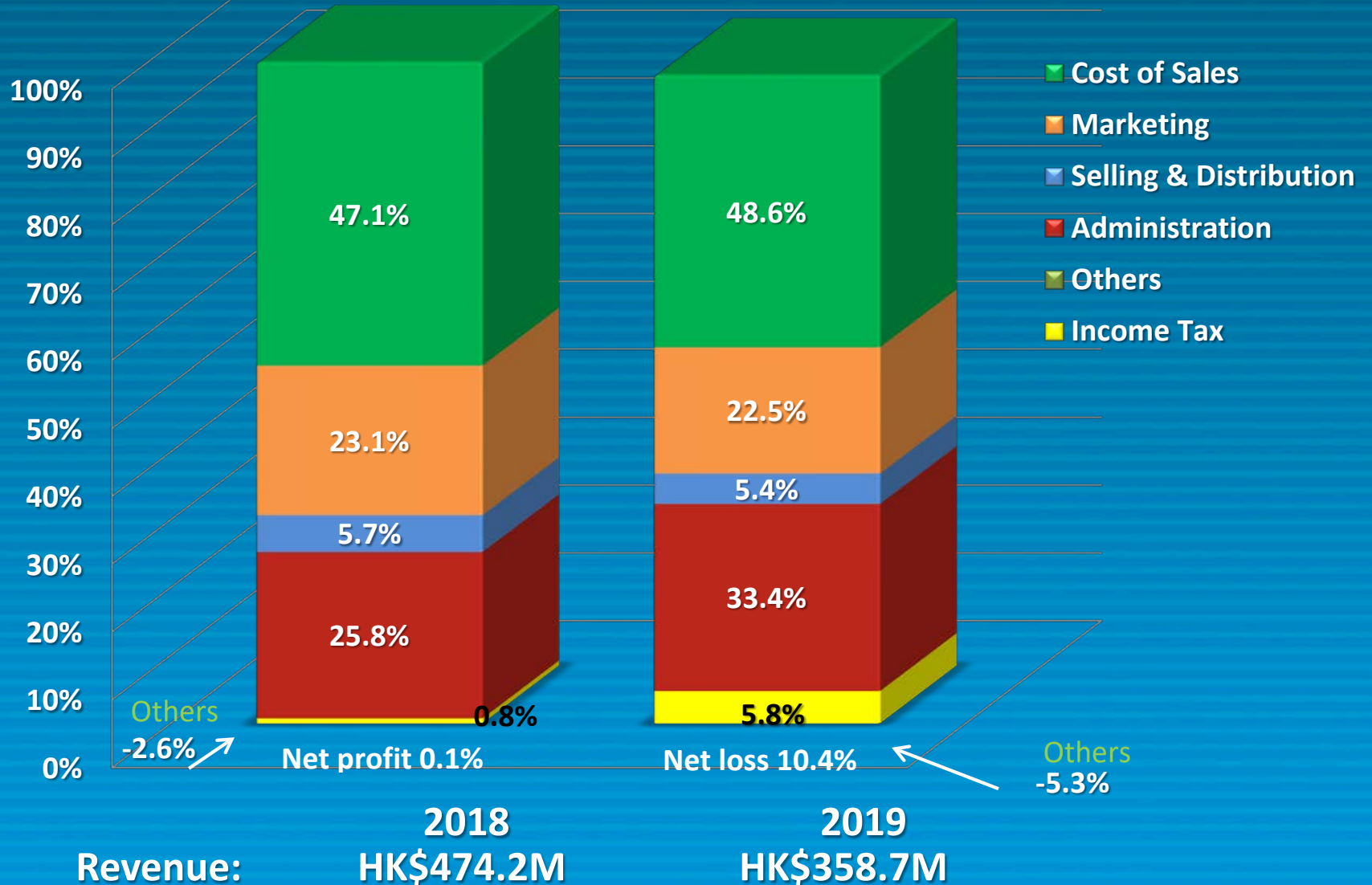
- Turnover decrease due to contraction in *Teenage Mutant Ninja Turtles* (“TMNT”) and *Ben 10*
- Cartoon Network’s *Ben 10* animated TV series continues to be popular in US and many international markets
- Lower recurring operating expenses: lower marketing, selling & distribution expenses and stable overhead expenses

Financial Performance

Income Statement Highlights

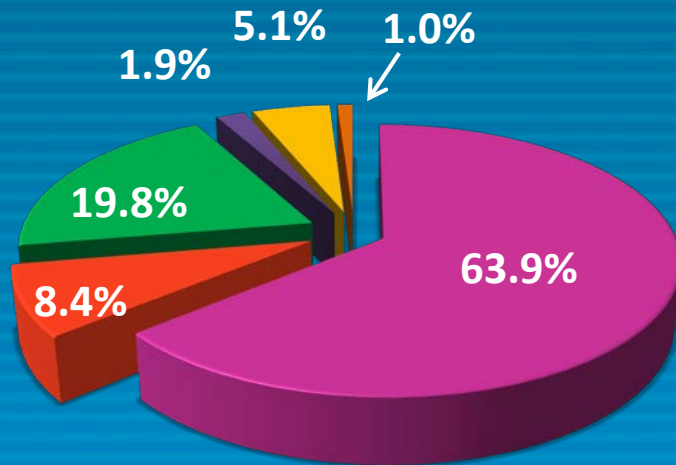
HK\$ Million	2018	2019	+/-%
Revenue	474.2	358.7	-24.3%
Gross Profit	250.9	184.3	-26.6%
Marketing	(109.6)	(80.6)	26.5%
Selling & Distribution	(27.1)	(19.5)	28.0%
Administration	(122.2)	(119.8)	2.0%
Impairment Loss on Trade Receivables	(5.3)	-	N/A
Operating loss	(13.3)	(35.6)	-167%
Profit/(Loss) before Taxation	4.4	(16.5)	-476%
Income Tax	(3.8)	(20.8)	-445%
Net Profit/(Loss)	0.6	(37.3)	N/A
Earnings/(Loss) per Share (HK¢)	0.05	(3.16)	N/A
Dividend per Share (HK¢)	-	-	

Margin Analysis



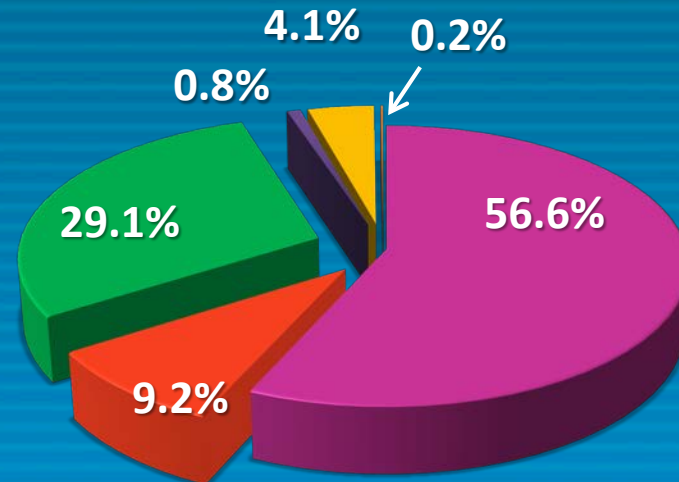
Revenue Breakdown by Regions

2018



HK\$474.2M

2019



HK\$358.7M

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

Financial Performance

Balance Sheet Highlights

HK\$ Million

31/12/2018

31/12/2019

Inventories	24.2	19.5
Trade Receivables	140.0	66.1
Cash & Bank Balances	1,008.1	1,005.6
Net Current Assets	972.6	957.3
Net Assets	1,017.7	985.3

Net Asset per Share (HK\$) 0.86 0.83

Gearing Ratio 0.0 0.0

Current Ratio 5.5 6.1

Looking Forward



Looking Forward

- Viral epidemic expected to disrupt supply chain in the first half 2020
- *Teenage Mutant Ninja Turtles* on planned hiatus; next re-imagination in development
- *Ben 10* Season 4 premiered in Spring 2020; product line extensions in active development
- *Power Players* toy line launched in early 2020; to roll out across major markets
- *Godzilla vs Kong* product line in development for blockbuster movie in Fall 2020
- *Frozen 2 Adventure Storytelling Figures* launched in Spring 2020
- And more to come.....

nickelodeon
RISE OF THE
TEENAGE MUTANT NINJA
TURTLES

- *TMNT* will go on a planned hiatus starting in 2020
- Work closely with ViacomCBS-Nickelodeon team on the next reimagination of the *Turtles*
- Confident in *TMNT* as evergreen entertainment franchise





- Cartoon Network's *Ben 10* continues to attract a significant fan base in US and many international markets
- Season 4 premiered in Spring 2020
- Product line extensions for 2020 in active development





- *Power Players* airs on Cartoon Network and soon to debut on Netflix
- Products launched in US in early 2020 then roll out across major markets

GODZILLA vs. KONG

ONE WILL FALL

- Playmates introduced products created for Legendary Entertainment's *Monsterverse*, beginning with *Godzilla vs. Kong*, highly anticipated film from Legendary and Warner Bros. Pictures scheduled for Fall 2020
- Products inspired by Toho's Classic Monsters launched in Spring 2020




Disney FROZEN II

- *Frozen II Adventure Storytelling Figures* have interactive technology that activates multiple phrases, songs and adventure play
- First wave of figures launched in Spring 2020 includes Elsa, Anna and Olaf





 ***Miraculous: Tales of Ladybug & Cat Noir*** has become a global phenomenon, airs in over 120 countries worldwide, with new seasons in production

 A collection of toys will launch in Fall 2020 in selected international market





- *Pikwik Pack*, brand new pre-school series, collaborate with Toronto-based Guru Studio
- Currently under development and slated to air on Disney Junior channel in US and a number of key markets





Playmates Toys Limited

Thank You!