

[For immediate release]



## PLAYMATES TOYS ANNOUNCED 2017 ANNUAL RESULTS

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### Highlights

	For the year ended 31 December	
	2017 HK\$'000	2016 HK\$'000
Revenue	758,329	992,933
Gross profit	411,326	595,720
Operating profit	74,131	175,256
Profit attributable to shareholders	55,764	110,206
	HK cents	HK cents
Basic earnings per share	4.63	9.09
Full year cash dividends per share	6.00	10.00

- Playmates Toys' 2017 turnover decrease was driven by contraction in **Teenage Mutant Ninja Turtles** ("TMNT") business, partially offset by contribution from our new brands, including **Ben 10** and **Voltron**.
- The decrease in **TMNT** sales reflected intensified competitive pressure and a planned transition to the brand's next iteration in Fall 2018
- Playmates Toys limited the shipment of current **TMNT** products in late 2017 in order to provide a fresh start for the new series in Fall 2018
- Playmates Toys continues to develop Cartoon Network's **Ben 10** Season 2 new products for Fall 2018 and beyond.

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(March 5, 2018 – Hong Kong) – **Playmates Toys Limited** (“Playmates Toys” or “the Group”, HKEx Stock Code: 869) announced today its results for the year ended 31 December 2017. The Group worldwide turnover for the year ended 31 December 2017 was HK\$758 million (2016: HK\$993 million), a decrease of 24% compared to the prior year. Net profit attributable to shareholders was HK\$56 million, a decrease of 49.1% compared to prior year (2016: HK\$110 million). Basic earnings per share was HK cents 4.63 (2016: HK Cents 9.09). The Board declared a second interim dividend of HK cents 3.00 per share, making full year cash dividends of HK cents 6.00 per share for the year (2016: HK cents 10 per share).

Group Chairman Mr. Sidney To said: “The decrease in turnover was driven by contraction in our **Teenage Mutant Ninja Turtles** (“**TMNT**”) business, partially offset by contribution from our new brands, including **Ben 10** and **Voltron**. The decrease in **TMNT** sales reflected intensified competitive pressure and a planned transition into the brand’s next iteration in Fall 2018, whereas revenue in 2016 had been boosted by shipments of products related to the **TMNT** movie.

“Nickelodeon will re-imagine the **TMNT** franchise in an all-new animated series, **Rise of the Teenage Mutant Ninja Turtles** launching in Fall 2018.”

Mr. To continued: “As part of the transition into the next **TMNT** iteration, we began limiting shipments of current **TMNT** products in late 2017 in order to provide a fresh start for the new series in Fall 2018. Therefore, we expect little **TMNT** sales in 2018 until the second half of the year.

“We began initial shipments of our **Ben 10** toy line during the first half of 2017, and expanded distribution in the second half of the year. With Season 2 launching in Spring 2018, Cartoon Network’s **Ben 10** animated TV series continues to be popular in the US and in many International markets. We are continuing to develop new products for Fall 2018 and beyond.”

Mr. To concluded, “We remain committed to the proven strategy of focusing our resources and efforts to manage our established brands for long term profitability, while actively pursuing selective new opportunities that are good fits for our core competence.”

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