

[For immediate release]



PLAYMATES TOYS ANNOUNCED 2020 INTERIM RESULTS

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Highlights

	2020	2019
For the six months ended 30 June	HK\$'000	HK\$'000
Revenue	83,988	157,156
Gross profit	38,684	80,014
Operating loss	(54,301)	(31,071)
Loss before income tax	(49,426)	(21,282)
Income tax (expense)/credit	(3,212)	1,381
Loss attributable to owners of the Company	(52,638)	(19,901)
Loss per share	HK cents	HK cents
- Basic	(4.46)	(1.69)
- Diluted	(4.46)	(1.69)

- Playmates Toys' decline in turnover partly due to planned hiatus of *Teenage Mutant Ninja Turtles* and contraction in *Ben 10*
- COVID-19 pandemic severely disrupted global supply chain, and created extremely challenging environment to launch new brands
- *Ben 10* expected to continue to generate positive contribution
- *Godzilla vs. Kong* movie delayed to 2021; Playmates to launch product line in Fall 2020 as previously planned
- COVID-19 pandemic expected to continue to present severe challenges to operating environment in the near term

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(August 21, 2020 – Hong Kong) – **Playmates Toys Limited** (“Playmates Toys” or “the Company”, HKEx Stock Code: 869) announced today its interim results for the six months ended 30 June 2020. Group worldwide turnover during the first half of 2020 was HK\$84 million (same period in 2019: HK\$157 million). The company did not declare an interim dividend (2019 interim dividend: Nil).

Group Chairman Mr. Sidney To commented: “The decline in turnover was partly due to the planned hiatus of **Teenage Mutant Ninja Turtles** and a contraction in **Ben 10** – both were main brands during the prior year.

“In addition, the COVID-19 pandemic severely disrupted the global supply chain; had a significant negative impact on retail sales around the world starting in March, and created an extremely challenging environment in which to launch new brands. As a result, sales from our new brand launches during the first half of 2020 did not offset the contraction in **TMNT** and **Ben 10**.”

Mr. To continued: “Cartoon Network’s **Ben 10** animated TV series, currently in season 4, continues to attract a significant fan base in the U.S. and in many international markets. We expect continued positive contribution from the brand in 2020.

“The COVID-19 pandemic has upended movie release schedules, including the **Godzilla vs. Kong** movie from Legendary Entertainment and Warner Bros. Pictures, which has been delayed to 2021. We will launch our **Godzilla vs. Kong** movie product line in Fall 2020 as previously planned.

“Following its debut on Cartoon Network, ZAG’s action-comedy animation series **Power Players** is now streaming on Netflix. While the retail shut-down as a result of the COVID-19 pandemic hampered our product launch in the U.S. earlier this year, we are rolling out our **Power Players** product line across many major international markets throughout the rest of this year.

“We will also launch two new brands in the Fall: a collection of figures inspired by the five-time Grammy award winning artist, **Billie Eilish**, and a line of role play toys based on the popular action-packed YouTube adventure series, **Spy Ninjas**.”

Mr. To concluded, “The COVID-19 pandemic continues to present severe challenges to our operating environment in the near term. However, we will continue to prudently manage operating costs and focus our resources and efforts on selective new opportunities that are good fits for our core competence and reflect the changing consumer behaviours.”

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For enquiries, please contact:

iPR Ogilvy Ltd.

Molisa Lau / Tim Man

Tel: 2136 6953 / 3920 7676

Fax: (852) 3170 6606

Email: molisa.lau@iprogilvy.com / tim.man@iprogilvy.com