

[For immediate release]



PLAYMATES TOYS ANNOUNCED 2020 ANNUAL RESULTS

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Highlights

	For the year ended 31 December	
	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Revenue	289,240	358,739
Gross profit	142,009	184,254
Operating loss	(32,540)	(35,576)
Loss attributable to shareholders	(30,063)	(37,278)
	<i>HK cents</i>	<i>HK cents</i>
Basic loss per share	(2.55)	(3.16)

- Playmates Toys reported 2020 revenue of HK\$289 million (2019: \$359 million) and net loss of HK\$30 million (2019 net loss: HK\$37 million)
- COVID-19 pandemic hit every major market of Playmates around the world in successive waves during the year
- Company remains financially sound and development programs for new products and new brands are progressing according to plan
- Challenges were far from over as 2021 began – lockdown and social-distancing measures were re-enforced or intensified in many countries, including the US and in Europe, Playmates most important markets

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(March 5, 2021 – Hong Kong) – **Playmates Toys Limited** (“Playmates Toys” or “the Group”, HKEx Stock Code: 869) announced today its results for the year ended 31 December 2020. Group worldwide turnover for the year ended 31 December 2020 was HK\$289 million (2019: HK\$359 million), a decrease of 19% compared to the prior year. Net loss attributable to shareholders was HK\$30 million (2019: HK\$37 million). Basic loss per share was HK cents 2.55 (2019: HK Cents 3.16). The board did not recommend payment of dividend.

Group Chairman Mr. Sidney To said: “I echo many in observing that 2020 had challenged us in ways we never could have expected. The COVID-19 pandemic, described by the OECD as “the first fully global crisis since World War II”, hit every one of our major markets around the world in successive waves during the year resulting in sporadic shutdown of social and economic activities wherever it touched. The global toy supply chain was severely disrupted during Spring 2020, especially since toys were classified as non-essential goods. Although we saw gradual improvement throughout the year, as production and transportation services resumed in late second quarter, supply chain logistics remained challenged, with longer than normal lead times.”

Mr. To continued: “Given the extraordinary circumstances, our Spring 2020 product launches on the whole did not perform to our original expectations. However, our Fall 2020 introductions, **Godzilla vs. Kong** and **Miraculous Ladybug**, did achieve strong starts in the US and International markets respectively. Importantly, the Company remains financially sound and our development programs for new products and new brands for 2021 and beyond, including the return of a new generation of **Teenage Mutant Ninja Turtles**, are progressing according to plan.”

Mr. To added, “The challenges, however, were far from over as 2021 began. Lockdown and social-distancing measures were re-enforced or intensified in many countries, including the US and in Europe, our most important markets. Nevertheless, the rolling out of mass vaccination offers some hope that the pandemic may soon be under control, leading to a return of retail spending to pre-pandemic levels.”

Mr. To concluded, “Against the uncertainties and challenges of our operating environment, we will continue to prudently manage operating costs and adhere to the stated strategy of nurturing our established brands while investing selectively in new opportunities.”

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