

[For immediate release]



PLAYMATES TOYS ANNOUNCED 2024 INTERIM RESULTS

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Highlights

For the six months ended 30 June	2024 HK\$'000	2023 HK\$'000
Revenue	445,141	347,231
Gross profit	249,447	187,415
Operating profit	68,435	56,227
Profit before income tax	117,420	86,428
Income tax (expense)/credit	(25,962)	542
Profit attributable to owners of the Company	91,458	86,970
Earnings per share	HK cents	HK cents
- Basic	7.75	7.37
- Diluted	7.75	7.37
Interim dividend per share	2.00	2.00

- In the first half of 2024, Playmates Toys reported revenue of HK\$445 million (same period in 2023: HK\$347 million), operating profit of HK\$68.4 million (same period in 2023: HK\$56.2 million), and net profit of HK\$91.5 million (same period in 2023: HK\$87 million)
- During the first half of 2024, we successfully relaunched our **Godzilla x Kong** product line, supported by the March 2024 release of the **Godzilla x Kong: The New Empire** movie
- However, we also recorded lower shipment volume of our **Teenage Mutant Ninja Turtles** toy line compared to the prior year period, which included the positive impact of the movie release
- Gross margin expanded slightly to 56%, driven by: (i) a higher percentage of overall sales generated in the US market, which carries a higher gross margin, (ii) reduced discounting of excess inventory, and (iii) lower product development and tooling costs as a percentage of sales
- Operating expenses increased 47% year-over-year, reflecting higher promotional and distribution expenses in the US market. Administration expenses increased 22% year-over-year, but decreased slightly as a percentage of revenue
- Net profit in the first half of 2024 also included a HK\$20.7 million mark-to-market unrealized and realized gain on our listed equities investment position (same period in 2023: HK\$15.9 million) and HK\$29.8 million in interest income (same period in 2023: HK\$15.7 million)

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(August 23, 2024 – 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 2024. Group worldwide turnover during the first half of 2024 was HK\$445 million (same period in 2023: HK\$347 million). The Company declared an interim dividend payout of HK cents 2.0 per share (2023 interim dividend: HK cents 2.0 per share).

Group Chairman Mr. Michael Chan commented: “The year-over-year increase in turnover was driven by the successful relaunch of our **Godzilla x Kong** product line, supported by the March 2024 release of the **Godzilla x Kong: The New Empire** movie, partially offset by lower shipment volume of our **Teenage Mutant Ninja Turtles** toy line compared to the prior year period, which included the positive impact of the **Teenage Mutant Ninja Turtles: Mutant Mayhem** animated movie release.

The Company generated operating profit of HK\$68.4 million in the first half of 2024, representing an increase of 22% compared to the prior year period (same period in 2023: HK\$56.2 million).

Looking forward to the second half of 2024, the cumulative impact of inflation over the past few years will continue to stretch household budgets across many markets around the world and lead to increasingly value-conscious purchasing. In addition, lapping the **TMNT** movie release last year will continue to present challenging year-over-year comparisons. However, the launch of the **Tales of The Teenage Mutant Ninja Turtles** animated series on Paramount+ this summer should provide support for the **TMNT** brand. We also expect continued positive contribution from our **Godzilla x Kong** product line.

Beyond 2024, we continue to be optimistic about the long-term future of **TMNT**, as well as the new brands under development for 2025 and 2026.”

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