[For immediate release]

PLAYMATES TOYS ANNOUNCED 2025 INTERIM RESULTS

* * *

Highlights

For the six months ended 30 June	2025 *HK$'000*	2024 *HK$'000*
Revenue	**185,514**	445,141
Gross profit	**79,360**	249,447
Operating (loss)/profit	**(45,293)**	68,435
(Loss)/Profit before income tax	**(15,517)**	117,420
Income tax expense	**(10,093)**	(25,962)
(Loss)/Profit attributable to owners of the Company	**(25,610)**	91,458
(Loss)/Earnings per share	***HK cents***	*HK cents*
- Basic	**(2.17)**	7.75
- Diluted	**(2.17)**	7.75
Interim dividend per share	**1.00**	2.00

- In the first half of 2025, Playmates Toys reported revenue of HK$186 million (same period in 2024: HK$445 million), operating loss of HK$45 million (same period in 2024: operating profit of HK$68 million), and net loss of HK$25.6 million (same period in 2024: net profit of HK$91.5 million)
- The year-over-year decrease in revenue was driven by: (i) the anticipated decline in Godzilla x Kong product shipments, (ii) moderating demand for our Teenage Mutant Ninja Turtles ("TMNT") products, and (iii) some disruption in shipments to the U.S. market in April amidst escalating trade tensions
- Gross profit ratio on toy sales was 43% (same period in 2024: 56%). Lower gross profit margin in the first half of 2025 reflected: (i) payment of tariffs in effect for goods entering the U.S. starting in Q2 2025, (ii) higher product development and tooling costs as a percentage of sales, and (iii) higher clearance costs of discontinuing products
- Operating expenses declined by 49% compared to prior year, reflecting lower variable costs, partially offset by higher media production expenses as a percentage of sales

(August 15, 2025 – 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 2025. Group worldwide turnover during the first half of 2025 was HK$186 million (same period in 2024: HK$445 million). The Company declared an interim dividend payout of HK cent 1.0 per share (2024 interim dividend: HK cents 2.0 per share).

Group Chairman Mr. Michael Chan commented: "Although we expected 2025 to be a transition year for us, the first half of 2025 proved to be exceptionally challenging in large part due to global trade dynamics. The year-over-year decrease in revenue was driven by: (i) the anticipated decline in Godzilla x Kong product shipments as we lapped the Godzilla x Kong: The New Empire movie release in March 2024, (ii) moderating demand for our TMNT products in the absence of any tentpole entertainment event for the TMNT brand, and (iii) some disruption in shipments to the U.S. market in April amidst escalating trade tensions.

Lower gross profit margin in the first half of 2025 (43%, compared to 56% in the prior year period) reflected: (i) payment of tariffs in effect for goods entering the U.S. starting in Q2 2025, (ii) higher product development and tooling costs as a percentage of sales, in preparation for new product launches in the second half of 2025, and (iii) higher clearance costs of discontinuing products.

Operating expenses declined by 49% compared to prior year, reflecting lower variable costs, partially offset by higher media production expenses as a percentage of sales, in preparation for upcoming new brand launches. Administration expenses increased 7% compared to the prior year period.

The group reported an operating loss of HK$45 million during the first half of 2025 (same period in 2024: operating profit of HK$68 million). Other net income during the current year period included a HK$9 million net unrealized and realized gain on our listed equities investment position (same period in 2024: HK$21 million) and HK$21 million in interest income (same period in 2024: HK$30 million). Net loss attributable to shareholders during the first half of 2025 was HK$25.6 million (same period in 2024: net profit of HK$91.5 million).

We expect challenges posed by global trade dynamics to continue for the medium term. As trade negotiations continue, tariff rates may be further adjusted in the second half of 2025, which would reintroduce uncertainty in our operating environment. The currently effective tariffs will continue to negatively pressure our profitability, partially offset by selective pricing adjustments that will become effective in Q3 2025. We are carefully assessing sourcing alternatives as the global trade situation develops. We are also closely monitoring consumer spending patterns as the overall toy industry adapts to the latest trade dynamics."

- End -

For enquiries, please contact:

iPR Ogilvy Ltd.

Callis Lau / Gary Li / Ruth Chau

Tel: 2136 6185

Fax: (852) 3170 6606

Email: callis.lau@iprogilvy.com / gary.li@iprogilvy.com / ruth.chau@iprogilvy.com