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## **PLAYMATES TOYS LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 869)

### **POSITIVE PROFIT ALERT**

This announcement is made by Playmates Toys Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (“**Board**”) wishes to inform shareholders of the Company and investors that, based on a review of the Group’s unaudited management accounts for the three months ended 31 March 2021, the unaudited revenue of the Group for the three months ended 31 March 2021 is approximately HK\$90 million as compared to HK\$47 million for the correspondence period in 2020, and the unaudited profit before income tax of the Group for the three months ended 31 March 2021 is approximately HK\$9 million as compared to the loss before income tax of HK\$21 million for the correspondence period in 2020. The favorable comparison was driven by: (i) severe COVID-19 restrictions starting in the first quarter of last year, (ii) government stimulus leading to increased consumer spending in major markets during the first quarter of 2021, (iii) solid performance of our product line tied to the “*Godzilla vs. Kong*” movie release in March 2021, and (iv) continued strong demand for our “*Miraculous: Tales of Ladybug & Cat Noir*” toy line.

We expect these factors to continue to drive a favorable year-over-year revenue comparison in the second quarter. However, as previously reported, the global supply chain is still experiencing significant disruption, including severe port congestion, computer chip shortages across all industries, and significant increases in raw material and transportation costs. We are actively working with our suppliers to minimize cost increases and shipment delays as much as possible.

The information contained in this announcement is only a preliminary assessment by the Board based on the management reports of the Group which have not been audited or reviewed by the Company's auditors. The Group's interim results for the six months ending 30 June 2021 are expected to be announced in August 2021.

**Shareholders of the Company and investors are advised to exercise caution in dealing in shares of the Company.**

By order of the Board  
**Ng Ka Yan**  
*Company Secretary*

Hong Kong, 14 May 2021

As at the date hereof, the Board comprises the following directors:

Mr. To Shu Sing, Sidney (*Chairman*); Mr. Chan Kong Keung, Stephen (*Executive Director*); Mr. Cheng Bing Kin, Alain (*Executive Director*); Mr. Chow Yu Chun, Alexander (*Independent Non-executive Director*); Mr. Lam Wai Hon, Ambrose (*Independent Non-executive Director*); Mr. Lee Ching Kwok, Rin (*Independent Non-executive Director*) and Mr. Tran Vi-hang William (*Executive Director*)