



# 2025 INTERIM REPORT

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## MANAGEMENT DISCUSSION AND ANALYSIS

### Highlights

<b>For the six months ended 30 June</b>	<b>2025 HK\$'000</b>	2024 HK\$'000
Group revenue	<b>261,116</b>	526,666
– from toy business	<b>185,514</b>	445,141
– from property investments and management businesses	<b>74,800</b>	79,339
– from investment business	<b>802</b>	2,186
Gross profit	<b>146,835</b>	324,137
Net revaluation deficit on investment properties	<b>(234,926)</b>	(249,529)
Operating loss	<b>(227,641)</b>	(121,081)
Loss before income tax	<b>(198,940)</b>	(80,414)
Loss attributable to owners of the Company	<b>(205,570)</b>	(159,880)
Loss per share	<b>HK cents</b>	HK cents
– Basic	<b>(9.94)</b>	(7.72)
– Diluted	<b>(9.94)</b>	(7.72)
Interim dividend per share	<b>1.50</b>	1.50

### Property Investments and Management

The property investments and management segment recorded a 5.7% decrease in revenue to HK\$74.8 million during the first half of 2025 compared to the same period last year (same period in 2024: HK\$79.3 million). The Group's investment properties were revalued by independent professional surveyors at the fair value of HK\$4.2 billion. A net revaluation deficit of HK\$234.9 million was recorded in the consolidated income statement of the Group (same period in 2024: HK\$249.5 million). Segment operating loss including property revaluation was HK\$183.1 million (same period in 2024: HK\$190.3 million).

## **(a) Property Investments**

The Group's major investment properties include (i) a commercial building, The Toy House, at 100 Canton Road; (ii) a number of residential units at Hillview, 21-23A MacDonnell Road, and (iii) Playmates Factory Building at 1 Tin Hau Road, Tuen Mun. The Group's property portfolio also includes overseas investment properties in the United Kingdom, the United States of America and Japan, which in aggregate accounted for 9.6% of the fair value of the Group's overall investment property portfolio (31 December 2024: 8.6%).

Aggregate rental income generated from the investment properties of the Group was HK\$65.0 million, a decrease of 5.1% from the prior year period (same period in 2024: HK\$68.5 million). Overall occupancy rate of the Group's investment properties was 58.8% (31 December 2024: 60.3%).

### **(i) Commercial**

The Group's investment in commercial properties consists of The Toy House, 100 Canton Road, Tsimshatsui, Kowloon, Hong Kong. The changes in consumption patterns of inbound tourists to Hong Kong, together with the increase in local consumers' outbound travel, have continued to make 2025 a challenging year for many retail businesses in Hong Kong. This dynamic has dampened demand for retail premises in the area. Further, an oversupply and the ongoing soft demand of office space have led to the subdued market conditions in the commercial sector. However, we expect Canton Road to remain one of the premier shopping districts in Hong Kong over the long term.

### **(ii) Residential**

The Group's principal investment in residential properties includes units in Hillview on MacDonnell Road, Mid-Levels, Hong Kong. Amid a challenging economic environment, the residential market remains soft during the first half of 2025. On the other hand, our interior renovation and improvement works which have been carried out successively since 2021 should enhance the value of the property over the long term.

### **(iii) Industrial**

The Group's investment in industrial properties consists of Playmates Factory Building in Tuen Mun, New Territories, Hong Kong. With the revived government policy to revitalize and optimize the use of existing industrial buildings, the Group submitted a planning application in June 2019 to the Town Planning Board of Hong Kong to seek permission for the wholesale conversion of Playmates Factory Building for commercial uses. On January 3, 2020, this application was conditionally approved. The subsequent stage in the approval process (special waiver application) is currently in progress. The Group will continue to monitor the economic environment and awaiting further update to government policy before proceeding with the building conversion and deciding on the scale of the project.

## (b) Property Management

The Group engaged Savills Property Management Limited (“Savills”) to manage The Toy House and Playmates Factory Building. Savills provides comprehensive property management services, including repair and maintenance, building security, general cleaning for common areas, hand-over and take-over of premises, and the monitoring of reinstatement and refurbishment works.

Income generated from the property management business segment decreased by 9.3% to HK\$9.8 million as compared to HK\$10.8 million during the same period last year.

We continue to maintain a long-term view of our property investments and will adjust the balance of our property portfolio to achieve our strategic objective of seeking investment returns through capital appreciation and growth in recurring income. In the meantime, we will closely monitor the risks and uncertainties arising from the ever-changing global economy and market conditions.

## Playmates Toys

Playmates Toys worldwide turnover during the first half of 2025 was HK\$186 million (same period in 2024: HK\$445 million), representing a decline of 58% compared to the prior year period. The unfavourable comparison 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 *Teenage Mutant Ninja Turtles* (“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.

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, 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.

Playmates Toys 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 Playmates Toys group’s 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). Playmates Toys group’s net loss during the first half of 2025 was HK\$25.6 million (same period in 2024: net profit of HK\$91.5 million).

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. 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.

## **Brand Overview**

### ***Teenage Mutant Ninja Turtles (“TMNT”)***

Paramount Pictures and Nickelodeon Movies are developing a 4-season series that will serve as a “bridge” between ***Teenage Mutant Ninja Turtles: Mutant Mayhem*** and its sequel, slated to release in 2027. Season 1 of the spinoff series, titled ***Tales of The Teenage Mutant Ninja Turtles***, was released on Paramount+ in August 2024, followed by Netflix in January 2025 in the U.S. and other major markets around the world throughout 2025. Seasons 2 to 4 of the series are scheduled to debut on Paramount+ this Fall and run through Spring 2027. Both the movie sequel and the Paramount+ series will be produced by Seth Rogen’s Point Grey Pictures. We are actively developing new products to coincide with the upcoming content.

### ***Power Rangers***

We have recently entered into a global license agreement with Hasbro, a leading toy and game company, to produce and distribute ***Power Rangers*** toys. We are developing an extensive kid-targeted ***Mighty Morphin Power Rangers: Re-Ignition*** toy line, including action figures, collectibles, combinable Zords and roleplay accessories. This debut will be supported by new and enhanced content on YouTube, Netflix and other entertainment channels, all designed to engage a new generation of kids in the ***Power Rangers*** story. We have begun initial shipments and are seeing encouraging early consumer feedback. Distribution will continue to expand throughout the Fall.

### ***Godzilla x Kong***

The ***Godzilla x Kong Monsterverse*** franchise continues to sustain consumer engagement in a non-movie year, following the successful release of ***Godzilla x Kong: The New Empire*** in March 2024. As the global master toy licensee, we continue to develop extensions to our product line to include characters from across the MonsterVerse movies and TV shows.

## **Winx**

Following the celebration of its 20<sup>th</sup> anniversary last year, Italian entertainment group Rainbow has announced the highly anticipated CGI reboot, **Winx Club: The Magic Is Back**, set to premiere on Netflix in October 2025. We will debut an all-new fashion doll and role-play toy line in the U.S. and select international markets this Fall, with distribution expanding in Spring 2026.

## **Portfolio Investments**

The Group engages in portfolio investments which involve investing in listed equity shares. The investment policy provides for a set of prudent guidance and control framework to achieve the objective of managing a portfolio that is highly liquid and offers reasonable risk-adjusted returns through capital appreciation and dividend and interest income.

As of 30 June 2025, fair market value of the Group's investment portfolio was HK\$98.9 million (31 December 2024: HK\$109.1 million) representing 1.7% of the total assets of the Group (31 December 2024: 1.8%). This comprised of HK\$23.6 million of equities listed in Hong Kong (31 December 2024: HK\$32.4 million) and HK\$75.3 million of equities listed overseas (31 December 2024: HK\$76.7 million). None of the individual securities positions held by the Group had a market value that exceeded 0.3% of the total assets of the Group. The top 10 listed securities in aggregate represented 1.6% of the total assets of the Group, and included NVIDIA Corporation (NVDA.US), Amazon.com, Inc. (AMZN.US), The Walt Disney Company (DIS.US), Netflix, Inc. (NFLX.US), Tencent Holdings Limited (700.HK), Microsoft Corporation (MSFT.US), Alphabet Inc. (GOOG.US), Sun Hung Kai Properties Limited (16.HK), The Goldman Sachs Group, Inc (GS.US) and Apple Inc. (AAPL.US).

The Group reported a net gain from investments of HK\$11.5 million in the first half of 2025 (same period in 2024: HK\$18.5 million). During the first half of 2025, dividend and interest income generated from the portfolio were HK\$22.2 million (same period in 2024: HK\$32.2 million).

The Group will remain vigilant in monitoring and balancing the investment portfolio, taking into account developments in the major global economies and securities markets.

## CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### Condensed Consolidated Income Statement

For the six months ended 30 June 2025

	Note	Unaudited Six months ended 30 June		
		2025 US\$'000 (Note 19)	2025 HK\$'000	2024 HK\$'000
<b>Revenue</b>	3	33,477	261,116	526,666
Cost of sales		(14,651)	(114,281)	(202,529)
<b>Gross profit</b>		18,826	146,835	324,137
Marketing and licensing expenses		(6,104)	(47,609)	(91,651)
Selling and distribution expenses		(2,004)	(15,629)	(31,725)
Administration expenses		(9,784)	(76,312)	(72,313)
Net revaluation deficit on investment properties	9	(30,119)	(234,926)	(249,529)
<b>Operating loss</b>		(29,185)	(227,641)	(121,081)
Other net income	4	4,262	33,242	48,651
Finance costs		(582)	(4,541)	(7,984)
<b>Loss before income tax</b>	5	(25,505)	(198,940)	(80,414)
<b>Income tax expense</b>	6	(2,464)	(19,218)	(34,485)
<b>Loss for the period</b>		<u>(27,969)</u>	<u>(218,158)</u>	<u>(114,899)</u>
<b>(Loss)/Profit for the period attributable to:</b>				
Owners of the Company		(26,355)	(205,570)	(159,880)
Non-controlling interests		(1,614)	(12,588)	44,981
		<u>(27,969)</u>	<u>(218,158)</u>	<u>(114,899)</u>
		<i>US cents</i>	<i>HK cents</i>	<i>HK cents</i>
<b>Loss per share</b>	8			
Basic		<u>(1.27)</u>	<u>(9.94)</u>	<u>(7.72)</u>
Diluted		<u>(1.27)</u>	<u>(9.94)</u>	<u>(7.72)</u>



# Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

	Unaudited		
	Six months ended 30 June		
	2025	2025	2024
	US\$'000	HK\$'000	HK\$'000
	(Note 19)		
<b>Loss for the period</b>	<b>(27,969)</b>	<b>(218,158)</b>	(114,899)
<b>Other comprehensive income:</b>			
Items that may be reclassified subsequently to profit or loss:			
– Exchange differences arising on translation of foreign subsidiaries	3,424	26,710	(10,936)
<b>Total comprehensive income for the period</b>	<b>(24,545)</b>	<b>(191,448)</b>	(125,835)
<b>Total comprehensive income attributable to:</b>			
Owners of the Company	(22,931)	(178,860)	(170,816)
Non-controlling interests	(1,614)	(12,588)	44,981
	<b>(24,545)</b>	<b>(191,448)</b>	(125,835)

**Condensed Consolidated Statement of Financial Position**  
*As at 30 June 2025*

		Unaudited 30 June 2025 <i>US\$'000</i> (Note 19)	Unaudited 30 June 2025 <i>HK\$'000</i>	Audited 31 December 2024 <i>HK\$'000</i>
	<i>Note</i>			
<b>Non-current assets</b>				
Fixed assets				
– Investment properties	9	539,494	4,208,052	4,416,969
– Other property, plant and equipment	9	17,460	136,193	133,551
		<u>556,954</u>	<u>4,344,245</u>	<u>4,550,520</u>
Right-of-use assets		427	3,334	5,152
Goodwill		766	5,976	5,976
Prepayments	11	359	2,798	–
Deferred tax assets		<u>4,679</u>	<u>36,494</u>	<u>37,665</u>
		<u>563,185</u>	<u>4,392,847</u>	<u>4,599,313</u>
<b>Current assets</b>				
Inventories		4,437	34,608	27,654
Trade receivables	10	5,859	45,697	138,475
Deposits paid, other receivables and prepayments	11	8,606	67,136	68,155
Taxation recoverable		2,827	22,050	22,324
Financial assets at fair value through profit or loss		12,683	98,924	109,116
Cash and deposits with banks		<u>138,626</u>	<u>1,081,282</u>	<u>1,102,889</u>
		<u>173,038</u>	<u>1,349,697</u>	<u>1,468,613</u>
<b>Current liabilities</b>				
Bank loans	12	17,538	136,800	172,200
Trade payables	13	5,945	46,373	23,274
Deposits received, other payables and accrued charges	14	16,773	130,817	156,375
Provisions		5,488	42,805	55,074
Lease liabilities		527	4,114	4,326
Taxation payable		<u>4,675</u>	<u>36,468</u>	<u>17,890</u>
		<u>50,946</u>	<u>397,377</u>	<u>429,139</u>
<b>Net current assets</b>		<u>122,092</u>	<u>952,320</u>	<u>1,039,474</u>
<b>Total assets less current liabilities</b>		<u>685,277</u>	<u>5,345,167</u>	<u>5,638,787</u>

		Unaudited 30 June 2025 US\$'000 (Note 19)	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
	<i>Note</i>			
<b>Non-current liabilities</b>				
Bank loans	12	–	–	3,200
Lease liabilities		–	–	1,924
Long service payment liabilities		258	2,016	1,889
Deferred tax liabilities		4,617	36,015	36,410
		<u>4,875</u>	<u>38,031</u>	<u>43,423</u>
<b>Net assets</b>		<u>680,402</u>	<u>5,307,136</u>	<u>5,595,364</u>
<b>Equity</b>				
Share capital	15	2,651	20,680	20,680
Reserves		608,133	4,743,433	4,984,302
<b>Equity attributable to owners of the Company</b>		610,784	4,764,113	5,004,982
<b>Non-controlling interests</b>		69,618	543,023	590,382
<b>Total equity</b>		<u>680,402</u>	<u>5,307,136</u>	<u>5,595,364</u>

**Condensed Consolidated Cash Flow Statement**  
For the six months ended 30 June 2025

	Unaudited		
	Six months ended 30 June		
	2025	2025	2024
	US\$'000	HK\$'000	HK\$'000
	(Note 19)		
<b>Operating activities</b>			
Cash generated from operations	10,728	83,670	213,315
Interest paid	(466)	(3,632)	(6,323)
Interest received	79	614	1,679
Dividends received	24	188	507
Overseas tax paid	—	—	(40,226)
<b>Net cash generated from operating activities</b>	<b>10,365</b>	<b>80,840</b>	<b>168,952</b>
<b>Investing activities</b>			
Capitalised subsequent expenditure on investment properties	(297)	(2,320)	(2,334)
Purchases of other property, plant and equipment	(506)	(3,947)	(513)
Prepayments for fixed assets	(359)	(2,798)	(8,270)
Purchases of financial assets at fair value through profit or loss	(516)	(4,021)	(1,621)
Proceeds from disposal of financial assets at fair value through profit or loss	3,294	25,694	17,022
Interest received	2,717	21,191	29,867
Dividends received	30	237	240
Decrease/(Increase) in bank deposits and treasury notes with original maturity greater than 3 months	17,636	137,557	(30,962)
<b>Net cash generated from investing activities</b>	<b>21,999</b>	<b>171,593</b>	<b>3,429</b>
<b>Financing activities</b>			
Dividends paid to owners of the Company	(7,954)	(62,040)	(62,091)
Dividends paid to non-controlling interests	(4,462)	(34,800)	(34,842)
New bank loans	—	—	30,000
Repayment of bank loans	(4,949)	(38,600)	(78,575)
Repurchase of shares of the Company	—	—	(174)
Purchase of shares for share award plan of a listed subsidiary	(215)	(1,680)	—
Payment of lease liabilities	(291)	(2,270)	(2,204)
<b>Net cash used in financing activities</b>	<b>(17,871)</b>	<b>(139,390)</b>	<b>(147,886)</b>

	Unaudited		
	Six months ended 30 June		
	2025	2025	2024
	US\$'000	HK\$'000	HK\$'000
	(Note 19)		
Net increase in cash and cash equivalents	14,493	113,043	24,495
Cash and cash equivalents at 1 January	80,388	627,030	479,515
Effect of foreign exchange rate changes	373	2,907	(492)
Cash and cash equivalents at 30 June	<u>95,254</u>	<u>742,980</u>	<u>503,518</u>
<i>Analysis of cash and cash equivalents:</i>			
Cash and deposits with banks per consolidated statement of financial position	138,626	1,081,282	1,149,898
Less: time deposits with original maturity greater than 3 months	(14,368)	(112,070)	(360,630)
Less: treasury notes with original maturity greater than 3 months	<u>(29,004)</u>	<u>(226,232)</u>	<u>(285,750)</u>
Cash and cash equivalents per consolidated cash flow statement	<u>95,254</u>	<u>742,980</u>	<u>503,518</u>

# **Condensed Consolidated Statement of Changes in Equity** *For the six months ended 30 June 2025*

	Unaudited Attributable to owners of the Company										Total equity
	Share capital	Share premium	Capital redemption reserve	Share repurchase reserve	Exchange reserve	Shared-based compensation reserve	Property revaluation reserve	Retained profits	Total	Non-controlling interests	
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 January 2024	20,700	103,221	9,154	–	(44,315)	4,040	130,028	5,270,813	5,493,641	572,446	6,066,087
Loss for the period	–	–	–	–	–	–	–	(159,880)	(159,880)	44,981	(114,899)
Other comprehensive income:											
– Exchange differences arising on translation of foreign subsidiaries	–	–	–	–	(10,936)	–	–	–	(10,936)	–	(10,936)
Total comprehensive income for the period	–	–	–	–	(10,936)	–	–	(159,880)	(170,816)	44,981	(125,835)
Repurchase of shares of the Company	(3)	(171)	3	–	–	–	–	(3)	(174)	–	(174)
Share option scheme of a listed subsidiary – share options lapsed	–	–	–	–	–	(972)	–	972	–	–	–
2023 second interim dividend paid	–	–	–	–	–	–	–	(31,046)	(31,046)	–	(31,046)
2023 special interim dividend paid	–	–	–	–	–	–	–	(31,045)	(31,045)	–	(31,045)
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	(34,842)	(34,842)
Transactions with owners	(3)	(171)	3	–	–	(972)	–	(61,122)	(62,265)	(34,842)	(97,107)
At 30 June 2024	20,697	103,050	9,157	–	(55,251)	3,068	130,028	5,049,811	5,260,560	582,585	5,843,145

	Unaudited										
	Attributable to owners of the Company								Total	Non-controlling interests	Total equity
	Share capital	Share premium	Capital redemption reserve	Share repurchase reserve	Exchange reserve	Shared-based compensation reserve	Property revaluation reserve	Retained profits			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000			
At 1 January 2025	20,680	102,104	9,174	–	(57,049)	3,138	130,028	4,796,907	5,004,982	590,382	5,595,364
Loss for the period	–	–	–	–	–	–	–	(205,570)	(205,570)	(12,588)	(218,158)
Other comprehensive income:											
– Exchange differences arising on translation of foreign subsidiaries	–	–	–	–	26,710	–	–	–	26,710	–	26,710
Total comprehensive income for the period	–	–	–	–	26,710	–	–	(205,570)	(178,860)	(12,588)	(191,448)
Share option scheme of a listed subsidiary											
– share options lapsed	–	–	–	–	–	(39)	–	39	–	–	–
Share award plan of a listed subsidiary											
– value of services	–	–	–	–	–	885	–	–	885	855	1,740
– purchase of shares for share award plan	–	–	–	–	–	–	–	(854)	(854)	(826)	(1,680)
2024 second interim dividend paid	–	–	–	–	–	–	–	(31,020)	(31,020)	–	(31,020)
2024 special interim dividend paid	–	–	–	–	–	–	–	(31,020)	(31,020)	–	(31,020)
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	(34,800)	(34,800)
Transactions with owners	–	–	–	–	–	846	–	(62,855)	(62,009)	(34,771)	(96,780)
At 30 June 2025	20,680	102,104	9,174	–	(30,339)	3,984	130,028	4,528,482	4,764,113	543,023	5,307,136

## Notes to the Condensed Consolidated Financial Information

### 1. Basis of preparation and accounting policies

This condensed consolidated financial information has been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

This condensed consolidated financial information should be read in conjunction with the 2024 annual financial statements.

The accounting policies used in the preparation of this condensed consolidated financial information are consistent with those used in the annual financial statements for the year ended 31 December 2024.

### 2. Changes in accounting policies

The HKICPA has issued a number of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) that are first effective for the current accounting period. None of these amendments have had a material effect on the Group’s results and financial position for the current or prior periods. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### 3. Revenue and segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the Group’s senior executive management for their decisions about resources allocation to the Group’s business components and for their review of the performance of those components. Based on the internal reports reviewed by the senior executive management of the Group that are used to make strategic decision, the Group has presented the following three reportable segments.

Property investments and management businesses: this segment invests and leases commercial, industrial and residential premises for rental income, to gain from the appreciation in properties’ values in the long term and to provide property management services for property management fee income.

Investment business: this segment invests in financial instruments including listed equities for interest income and dividend income and to gain from the appreciation in instruments’ values.

Toy business: this segment engages in the design, development, marketing and distribution of toys and family entertainment activity products.



Revenue by major products or service lines is as follows:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Revenue from contracts with customers:		
– Sale of toys	<b>185,514</b>	445,141
– Property management income	<b>9,754</b>	10,804
	<b>195,268</b>	455,945
Revenue from other sources:		
– Rental income from investment properties	<b>65,046</b>	68,535
– Dividend income	<b>188</b>	507
– Interest income	<b>614</b>	1,679
	<b>65,848</b>	70,721
Total revenue	<b>261,116</b>	526,666

### 3.1 Segment results, assets and liabilities

The Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment to assess segment performance and allocate resources between segments.

Inter-segment revenue represents inter-company rental and property management fee charged on properties owned by the Group. Inter-segment transactions are conducted at arm's length.

The segment results for the six months ended 30 June 2025 are as follows:

	Property investments and management businesses <i>HK\$'000</i>	Investment business <i>HK\$'000</i>	Toy business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Gross revenue from contracts with customers by timing of revenue recognition				
– Point in time	–	–	185,514	185,514
– Over time	10,142	–	–	10,142
Gross revenue from other sources	67,705	802	–	68,507
Inter-segment revenue	(3,047)	–	–	(3,047)
	<u>74,800</u>	<u>802</u>	<u>185,514</u>	<u>261,116</u>
Revenue from external customers	<u>74,800</u>	<u>802</u>	<u>185,514</u>	<u>261,116</u>
Segment (loss)/profit before depreciation	(179,175)	777	(43,283)	(221,681)
Depreciation	(3,910)	–	(2,112)	(6,022)
	<u>(183,085)</u>	<u>777</u>	<u>(45,395)</u>	<u>(227,703)</u>
Segment operating (loss)/profit	<u>(183,085)</u>	<u>777</u>	<u>(45,395)</u>	<u>(227,703)</u>
Other net income	30	2,472	30,718	33,220
Finance costs	(3,665)	(19)	(840)	(4,524)
	<u>(3,635)</u>	<u>2,453</u>	<u>29,878</u>	<u>28,696</u>
Segment (loss)/profit before income tax	<u>(186,720)</u>	<u>3,230</u>	<u>(15,517)</u>	<u>(199,007)</u>
Unallocated corporate income				67
Loss before income tax				<u>(198,940)</u>

The segment results for the six months ended 30 June 2024 are as follows:

	Property investments and management businesses <i>HK\$'000</i>	Investment business <i>HK\$'000</i>	Toy business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Gross revenue from contracts with customers by timing of revenue recognition				
– Point in time	–	–	445,141	445,141
– Over time	11,192	–	–	11,192
Gross revenue from other sources	71,163	2,186	–	73,349
Inter-segment revenue	(3,016)	–	–	(3,016)
	<u>79,339</u>	<u>2,186</u>	<u>445,141</u>	<u>526,666</u>
Revenue from external customers				
	<u>79,339</u>	<u>2,186</u>	<u>445,141</u>	<u>526,666</u>
Segment (loss)/profit before depreciation	(186,254)	2,161	70,284	(113,809)
Depreciation	(4,066)	–	(2,074)	(6,140)
	<u>(190,320)</u>	<u>2,161</u>	<u>68,210</u>	<u>(119,949)</u>
Segment operating (loss)/profit				
	<u>(190,320)</u>	<u>2,161</u>	<u>68,210</u>	<u>(119,949)</u>
Other net income/(loss)	19	(2,227)	50,822	48,614
Finance costs	(6,336)	(21)	(1,612)	(7,969)
	<u>(6,317)</u>	<u>(2,248)</u>	<u>49,210</u>	<u>40,645</u>
Segment (loss)/profit before income tax	<u>(196,637)</u>	<u>(87)</u>	<u>117,420</u>	<u>(79,304)</u>
Unallocated corporate expenses				<u>(1,110)</u>
Loss before income tax				<u>(80,414)</u>

The segment assets and liabilities as at 30 June 2025 are as follows:

	Property investments and management businesses <i>HK\$'000</i>	Investment business <i>HK\$'000</i>	Toy business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment assets (including cash and deposits with banks)	<u>4,359,795</u>	<u>56,962</u>	<u>1,267,866</u>	5,684,623
Inter-segment elimination	(41)	–	(3,951)	(3,992)
Deferred tax assets				36,494
Taxation recoverable				22,050
Unallocated assets				<u>3,369</u>
Total assets				<u>5,742,544</u>
Reportable segment liabilities	<u>173,039</u>	<u>–</u>	<u>193,006</u>	366,045
Inter-segment elimination	(1,528)	–	(2,464)	(3,992)
Deferred tax liabilities				36,015
Taxation payable				36,468
Unallocated liabilities				<u>872</u>
Total liabilities				<u>435,408</u>

The segment assets and liabilities as at 31 December 2024 are as follows:

	Property investments and management businesses <i>HK\$'000</i>	Investment business <i>HK\$'000</i>	Toy business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment assets (including cash and deposits with banks)	<u>4,565,614</u>	<u>74,191</u>	<u>1,370,418</u>	6,010,223
Inter-segment elimination	(44)	–	(6,355)	(6,399)
Deferred tax assets				37,665
Taxation recoverable				22,324
Unallocated assets				<u>4,113</u>
Total assets				<u>6,067,926</u>
Reportable segment liabilities	<u>214,595</u>	<u>–</u>	<u>209,200</u>	423,795
Inter-segment elimination	(1,511)	–	(4,888)	(6,399)
Deferred tax liabilities				36,410
Taxation payable				17,890
Unallocated liabilities				<u>866</u>
Total liabilities				<u>472,562</u>

### 3.2 Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's fixed assets, prepayments, right-of-use assets and goodwill ("specified non-current assets"). The geographical location of revenue is based on the country in which the customer is located. The geographical location of the specified non-current assets is based on the physical location of the assets in case of fixed assets and right-of-use assets, and the location of operation to which they are related in case of prepayments and goodwill.

	Revenue from external customers		Specified non-current assets	
	Six months ended 30 June		30 June	31 December
	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong (place of domicile)	<u>75,602</u>	<u>81,629</u>	<u>3,894,867</u>	<u>4,125,229</u>
Americas				
– U.S.A.	131,459	309,462	179,785	181,226
– Others	20,217	25,826	–	–
Europe	31,351	90,536	199,560	181,703
Asia Pacific other than				
Hong Kong	2,487	18,825	82,141	73,490
Others	<u>–</u>	<u>388</u>	<u>–</u>	<u>–</u>
	<u>185,514</u>	<u>445,037</u>	<u>461,486</u>	<u>436,419</u>
	<u><u>261,116</u></u>	<u><u>526,666</u></u>	<u><u>4,356,353</u></u>	<u><u>4,561,648</u></u>

### 3.3 Major customers

The Group's customer base includes three (2024: two) customers with each of whom transactions have exceeded 10% of the Group's total revenue. Revenue from sales to each of these customers amounted to approximately HK\$56,572,000, HK\$51,054,000 and HK\$50,122,000 (2024: HK\$157,994,000 and HK\$102,552,000) respectively.

#### 4. Other net income

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Net gain/(loss) on financial assets at fair value through profit or loss ( <i>Note</i> ):		
– unrealised	12,325	14,005
– realised	(845)	4,511
From Playmates Toys' treasury:		
– Interest income	21,149	29,811
– Dividend income	237	240
Others	376	84
	<u>33,242</u>	<u>48,651</u>

*Note:*

In the net gain/(loss) on financial assets at fair value through profit or loss, unrealised gain of HK\$10,148,000 (2024: unrealised gain of HK\$17,303,000) and realised loss of HK\$1,139,000 (2024: realised gain of HK\$3,439,000) was attributable to Playmates Toys' treasury investment.

#### 5. (Loss)/Profit before income tax

(Loss)/Profit before income tax is stated after charging/(crediting) the following:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Cost of inventories sold	90,999	184,619
Product development and tooling costs	14,946	10,638
Royalties expenses	25,849	58,936
Directors' and staff remunerations	41,926	39,857
Depreciation		
– other property, plant and equipment	4,384	4,518
– right-of-use assets	1,818	1,818
Interest expenses		
– on bank loans	3,632	6,323
– on lease liabilities	134	242
Net foreign exchange gain	(1,075)	(315)

## 6. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits for the period. Overseas taxation of overseas subsidiaries is provided in accordance with the applicable tax laws.

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Current taxation		
Hong Kong profits tax	<b>11,273</b>	15,565
Overseas taxation	<b>7,578</b>	12,897
	<b>18,851</b>	28,462
Deferred taxation		
Origination and reversal of temporary differences	<b>367</b>	6,023
Income tax expense	<b>19,218</b>	34,485

The Group's cumulative unrecognised tax losses as of 30 June 2025 amounted to HK\$66,159,000 (31 December 2024: HK\$11,071,000). These tax losses do not expire under respective tax legislation.

## 7. Dividends

### 7.1 Dividends attributable to the interim period

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Interim dividend of HK cents 1.5 per share (2024: HK cents 1.5 per share)	<b>31,020</b>	31,045

At a meeting held on 15 August 2025, the board of directors has resolved to pay an interim dividend of HK cents 1.5 per share to be paid on 19 September 2025 to shareholders whose names appear on the Company's Register of Members on 2 September 2025.

The interim dividends declared after the end of the reporting period have not been recognised as liabilities in this condensed consolidated financial information for the six months ended 30 June 2025.

The Company does not hold any treasury shares (whether in its own name or which is deposited with CCASS) and no interim dividends will be received in relation thereto.



## 7.2 Dividends attributable to the previous financial year and paid during the interim period

	Six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Dividends in respect of the previous financial year and paid during the interim period:		
Second interim dividend of HK cents 1.5 per share (2024: HK cents 1.5 per share)	<b>31,020</b>	31,046
Special interim dividend of HK cents 1.5 per share (2024: HK cents 1.5 per share)	<b>31,020</b>	31,045
	<b><u>62,040</u></b>	<b><u>62,091</u></b>

## 8. Loss per share

The calculation of basic loss per share is based on the loss attributable to owners of the Company of HK\$205,570,000 (2024: HK\$159,880,000) and the weighted average number of ordinary shares of 2,068,000,000 shares (2024: 2,069,760,000 shares) in issue during the period.

Diluted loss per share for the six months ended 30 June 2025 and 2024 equals to the basic loss per share as there were no potential ordinary shares.

The dilutive effect of the share options and share awards issued by the Group's listed subsidiary, Playmates Toys Limited was insignificant for the six months ended 30 June 2025 and 2024.

**9. Investment properties and other property, plant and equipment**

	<b>Investment properties HK\$'000</b>	<b>Other property, plant and equipment HK\$'000</b>
Opening net book amount as at 1 January 2025	<b>4,416,969</b>	<b>133,551</b>
Exchange fluctuation	<b>23,689</b>	<b>3,079</b>
Additions	<b>–</b>	<b>3,947</b>
Capitalised subsequent expenditure	<b>2,320</b>	<b>–</b>
Net revaluation deficit	<b>(234,926)</b>	<b>–</b>
Depreciation	<b>–</b>	<b>(4,384)</b>
<b>Closing net book amount as at 30 June 2025</b>	<b><u>4,208,052</u></b>	<b><u>136,193</u></b>
Opening net book amount as at 1 January 2024	4,933,614	139,337
Exchange fluctuation	(11,063)	(309)
Additions	–	513
Disposals	–	(6)
Capitalised subsequent expenditure	2,334	–
Net revaluation deficit	(249,529)	–
Depreciation	–	(4,518)
<b>Closing net book amount as at 30 June 2024</b>	<b>4,675,356</b>	<b>135,017</b>
Exchange fluctuation	(702)	(333)
Additions	–	3,074
Disposals	–	(1)
Capitalised subsequent expenditure	32,650	–
Net revaluation deficit	(290,335)	–
Depreciation	–	(4,206)
<b>Closing net book amount as at 31 December 2024</b>	<b><u>4,416,969</u></b>	<b><u>133,551</u></b>

## 10. Trade receivables

	<b>30 June 2025 HK\$'000</b>	31 December 2024 HK\$'000
Trade receivables	<b>84,950</b>	177,322
Less: Allowance for customer concession	<b>(39,253)</b>	(38,847)
	<b>45,697</b>	138,475

The Group grants credits to retail customers of the toy business to facilitate the sale of slow moving merchandise held by such customers. Such allowance for customer concession is arrived at by using available contemporary and historical information to evaluate the exposure.

The normal trade terms with toy business customers are letters of credit at sight or usance or on open accounts with credit term in the range of 60 to 90 days (2024: 60 to 90 days). For property investments and management business, no credit term is granted to tenants and customers. The following is an aging analysis of trade receivables based on the invoice date at the end of the reporting period:

	<b>30 June 2025 HK\$'000</b>	31 December 2024 HK\$'000
0 – 60 days	<b>39,035</b>	90,810
61 – 90 days	<b>5,360</b>	35,870
91 – 180 days	<b>684</b>	8,368
Over 180 days	<b>618</b>	3,427
	<b>45,697</b>	138,475

# 11. Deposits paid, other receivables and prepayments

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
<b>Non-current portion</b>		
Prepayments for fixed assets	<u>2,798</u>	<u>–</u>
<b>Current portion</b>		
Advanced royalties ( <i>Note(i)</i> )	48,454	48,851
Prepaid mold and line tooling expenses	6,820	4,163
Prepaid marketing expenses	4,728	4,064
Deferred rental income ( <i>Note(ii)</i> )	496	474
Miscellaneous prepaid expenses, deposits paid and receivables	<u>6,638</u>	<u>10,603</u>
	<u>67,136</u>	<u>68,155</u>

*Notes:*

- (i) These advanced royalties are recoupable by the Group against future royalties payable to toy licensors for future sales of licensed toy products.
- (ii) Deferred rental income are related to rent free periods and rental concessions given to tenants, which are amortised over the respective lease terms.

## 12. Bank loans

	<b>30 June 2025 HK\$'000</b>	31 December 2024 HK\$'000
Secured bank loans repayable		
Within one year	<b>136,800</b>	172,200
In the second year	—	3,200
	<b>136,800</b>	175,400
Current portion included in current liabilities	—	(172,200)
Non-current portion included in non-current liabilities	<b>136,800</b>	3,200

As at 30 June 2025 and 31 December 2024, all bank loans were denominated in HK dollar. All bank loans were on a floating interest rate basis and their effective interest rate at the end of the reporting period was 1.56% p.a. (31 December 2024: 5.49% p.a.).

As at 30 June 2025, the Group has banking facilities amounting to HK\$757,600,000 (31 December 2024: HK\$761,200,000), of which HK\$136,800,000 (31 December 2024: HK\$175,400,000) were utilised.

The banking facilities of certain subsidiaries are secured by investment properties and land and buildings of the Group with net book value of HK\$3,632,800,000 and HK\$79,125,000 respectively at 30 June 2025 (31 December 2024: HK\$3,856,000,000 and HK\$82,100,000).

## 13. Trade payables

The following is an aging analysis of trade payables based on the invoice date at the end of the reporting period:

	<b>30 June 2025 HK\$'000</b>	31 December 2024 HK\$'000
0 – 30 days	<b>42,550</b>	21,851
31 – 60 days	<b>1,758</b>	1,389
Over 60 days	<b>2,065</b>	34
	<b>46,373</b>	23,274

#### 14. Deposits received, other payables and accrued charges

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Contract liabilities		
– Purchase commitment guarantee deposits from toy distributors	6,862	7,081
– Sales deposits received in advance	10,312	10,192
Security deposits and advance receipts from tenants	25,383	25,308
Accrued product development, sales, marketing, licensing and distribution expenses	18,270	16,931
Accrued royalties	49,182	68,580
Accrued directors' and staff remunerations	5,580	14,654
Withholding tax payable	5,016	3,394
Accrued administrative expenses and professional fees	10,212	10,235
	<u>130,817</u>	<u>156,375</u>

#### 15. Share capital

	<b>Authorised Ordinary shares of HK\$0.01 each</b> <i>No. of shares</i> <i>HK\$'000</i>	
At 31 December 2024 and 30 June 2025	<u>30,000,000,000</u>	<u>300,000</u>
	<b>Issued and fully paid Ordinary shares of HK\$0.01 each</b> <i>No. of shares</i> <i>HK\$'000</i>	
At 1 January 2024	2,070,000,000	20,700
Cancellation of repurchased shares	<u>(2,000,000)</u>	<u>(20)</u>
At 31 December 2024 and 30 June 2025	<u>2,068,000,000</u>	<u>20,680</u>

During the period, the Company did not repurchased any shares of the Company and no shares were held or sold as treasury shares by the Company.

## 16. Fair value measurement of financial instruments

### 16.1 Financial assets and liabilities measured at fair value

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

	At 30 June 2025			
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Recurring fair value measurement</b>				
Financial assets at fair value through profit or loss:				
Equity investments listed in Hong Kong	23,581	–	–	23,581
Equity investments listed outside Hong Kong	75,343	–	–	75,343
	<u>98,924</u>	<u>–</u>	<u>–</u>	<u>98,924</u>

At 31 December 2024				
	Level 1	Level 2	Level 3	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Recurring fair value measurement</b>				
Financial assets at fair value through profit or loss:				
Equity investments listed in Hong Kong	32,371	–	–	32,371
Equity investments listed outside Hong Kong	76,745	–	–	76,745
	<u>109,116</u>	<u>–</u>	<u>–</u>	<u>109,116</u>

During the six months ended 30 June 2025 and 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

## 16.2 Financial assets and liabilities not reported at fair value

The carrying amounts of the Group's financial assets and liabilities (comprising trade receivables, deposits paid and other receivables, cash and deposits with banks, bank loans, trade payables, other payables and accrued charges and lease liabilities carried at amortised cost) approximate their fair values as at 30 June 2025 and 31 December 2024.



## 17. Commitments

### 17.1 Licensing commitments

In the normal course of business, the Group enters into contractual licensing agreements to secure its rights to design, develop, market and distribute certain toys and family entertainment activity products for future sales. Certain licensing agreements contain financial commitments by the Group to the licensors to be fulfilled during the terms of the contracts. The amounts of financial commitments contracted but not provided for at 30 June 2025 were payable as follows:

	<b>30 June 2025 HK\$'000</b>	<b>31 December 2024 HK\$'000</b>
Within one year	<b>51,745</b>	42,385
In the second to fifth years	<b>65,949</b>	96,174
	<b>117,694</b>	138,559

### 17.2 Lease commitments

The Group acts as lessee and lessor under leases.

#### 17.2.1 As lessee

As at 30 June 2025 and 31 December 2024, all of the Group's committed leases had already commenced and recognised as lease liabilities under HKFRS 16, *Leases*.

#### 17.2.2 As lessor

At 30 June 2025, the future aggregate minimum lease payments under non-cancellable leases for commercial, industrial and residential premises receivable by the Group were as follows:

	<b>30 June 2025 HK\$'000</b>	<b>31 December 2024 HK\$'000</b>
Within 1 year	<b>129,202</b>	120,808
After 1 year but within 2 years	<b>110,229</b>	110,619
After 2 years but within 3 years	<b>46,596</b>	94,318
	<b>286,027</b>	325,745

### 17.3 Capital commitments

Capital commitments outstanding at 30 June 2025 not provided for at the end of the reporting period were as follows:

	<b>30 June 2025 HK\$'000</b>	31 December 2024 HK\$'000
Contracted for	<b><u>1,448</u></b>	<b><u>2,480</u></b>

### 18. Related party transactions

During the six months ended 30 June 2025 and 2024, the Group did not enter into significant transactions with related parties.

No transactions have been entered with the directors of the Company (being the key management personnel) during the period other than the emoluments paid to them (being the key management personnel compensation).

### 19. US dollar equivalents

These are shown for reference only and have been arrived at based on the exchange rate of HK\$7.8 to US\$1 ruling at 30 June 2025.

## **INFORMATION PROVIDED IN ACCORDANCE WITH THE LISTING RULES**

### **Liquidity and Financial Resources**

The property investments and management businesses generated a relatively steady income stream throughout the period. Overall occupancy rate was 58.8% as at 30 June 2025 (31 December 2024: 60.3%).

Financial assets at fair value through profit or loss include investment in listed equities. As at 30 June 2025, the Group's financial assets at fair value through profit or loss amounted to HK\$98,924,000 (31 December 2024: HK\$109,116,000).

The toy business is inherently seasonal in nature. As a result, a disproportionately high balance of trade receivables is typically generated during the peak selling season in the second half of the year. Consistent with usual trade practices, a significant portion of the trade receivables is collected in the final weeks of the fourth quarter and in the first quarter of the subsequent year, resulting in a seasonal demand for working capital during the peak selling season. As at 30 June 2025, trade receivables related to toy business were HK\$44,435,000 (31 December 2024: HK\$136,670,000) and inventories were HK\$34,608,000 (31 December 2024: HK\$27,654,000).

The Group's gearing ratio, defined as total bank borrowings expressed as a percentage of total tangible assets, at 30 June 2025 was 2.4% compared to 2.9% at 31 December 2024. The current ratio, calculated as the ratio of current assets to current liabilities, was 3.4 at 30 June 2025 (31 December 2024: 3.4).

The Group maintains a level of cash that is necessary and sufficient to serve recurring operations as well as further growth and developmental needs. As at 30 June 2025, the Group's cash and deposits with banks were HK\$1,081,282,000 (31 December 2024: HK\$1,102,889,000), of which HK\$1,012,254,000 (31 December 2024: HK\$990,191,000) was denominated in United States dollar, HK\$14,916,000 (31 December 2024: HK\$21,672,000) in British pound, HK\$4,163,000 (31 December 2024: HK\$4,159,000) in Euro and the remaining balance was mainly denominated in Hong Kong dollar.

### **Charges on Group Assets**

Details of charges on Group assets are set out in note 12 to the condensed consolidated financial information.

### **Employees**

As at 30 June 2025, the Group had a total of 86 employees in Hong Kong, the United States of America and the United Kingdom.

There was no material change in remuneration policies compared to those disclosed in the most recently published annual report.

## **Share Award Plan**

### ***Share award plan of the Company***

The Company has not adopted any share award plan during the period.

### ***Share award plan of Playmates Toys Limited (“PTL”)***

PTL, an indirect non-wholly owned subsidiary of the Company, adopted a share award plan (“Share Award Plan”) on 19 May 2023 (“Adoption Date”). The purpose of the Share Award Plan is to (a) recognise and reward the contributions of certain eligible participants (including employee participants, related entity participants and service provider participants) to the growth and development of PTL group and to give incentives thereto in order to retain them for the continual operation and development of the PTL group, and (b) to attract suitable personnel for further development of the PTL group. Subject to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and the terms and conditions of the Rules of the Share Award Plan, the board of directors of PTL (“PTL Board”) has a discretion to determine the terms of the award, including the vesting conditions and the date on which the award will vest.

The Share Award Plan will remain in force for a period of 10 years until 18 May 2033.

The maximum number of the shares of PTL (“PTL Shares”) which may be issued in respect of all awards and options to be granted under the Share Award Plan and other share schemes of PTL is 10% of the total number of PTL Shares in issue as at the Adoption Date (i.e. no more than 118,000,000 PTL Shares, representing 10% of the total number of PTL Shares in issue as at the date of this interim report) (“Plan Mandate Limit”). Out of such Plan Mandate Limit, the maximum number of PTL Shares which may be issued in respect of all awards granted to PTL service provider participants under the Share Award Plan (i.e. the service providers sublimit) is 5% of the total number of PTL Shares in issue as at the Adoption Date (i.e. no more than 59,000,000 PTL Shares, representing 5% of the total number of PTL Shares in issue as at the date of this interim report). The maximum number of PTL Shares which may be awarded under the Share Award Plan together with PTL Shares which may be issued under options granted to a selected participant, in a 12-month period, shall not (i) in aggregate exceed 1% of the issued share capital of PTL in issue; and (ii) exceed any limits applicable to such PTL selected participant under the Listing Rules.

No PTL Share was allotted and issued pursuant to share awards (“Share Awards”) granted under the Share Award Plan during the period. No PTL Share Award was vested, cancelled or lapsed under the Share Award Plan during the period.

On 6 December 2024, PTL Board resolved to grant a total of 6,000,000 Share Awards to selected eligible participants (including an executive director of PTL) under the Share Award Plan. Accordingly, there were 6,000,000 unvested Share Awards at the beginning and the end of the period (such Share Awards resolved by PTL Board to be fully satisfied through on-market purchases of existing PTL Shares). During the period, the trustee of the Share Award Plan (“Trustee”) purchased on the open market a total of 3,000,000 PTL Shares at a total consideration of approximately HK\$1,680,000 to satisfy the Share Awards to be vested in the subsequent period (subject to the Rules of the PTL Share Award Plan and individual grant terms). Accordingly, the number of PTL Shares available for award under the Plan Mandate Limit at the beginning and the end of the period remains 118,000,000 PTL Shares (out of which, 59,000,000 PTL Shares are available for award to service provider participants at the beginning and the end of the period).

The following table discloses the details of the Share Awards held by the selected eligible participants of the Share Award Plan (including an executive director of PTL) and their movement during the period.

Participant	Date of grant of Share Awards	Fair value per PTL share <i>(Note 3)</i> <i>HK\$</i>	Number of Share Awards				Unvested awards at 30 June 2025	Vesting Period and Remarks <i>(Note)</i>
			Unvested awards at 1 January 2025	Granted during the period	Cancelled during the period	Lapsed during the period		
<i>Share Award Plan</i>								
<i>Director of PTL</i>								
TRAN Vi-hang William	6 December 2024	0.58	1,000,000	-	-	-	1,000,000	(1)
<i>Continuous Contract</i>								
<i>Employee Participants, excluding PTL Directors</i>	6 December 2024	0.58	2,000,000	-	-	-	2,000,000	(1)
<i>Service Provider Participants including consultants of PTL</i>								
	6 December 2024	0.58	3,000,000	-	-	-	3,000,000	(1)
			<u>6,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000,000</u>	

*Notes:*

- (1) The Share Awards granted to selected eligible participants of PTL will vest on 6 December 2025. No purchase price is required to be paid to receive the PTL Shares awarded. Such Share Awards are not subject to any performance targets.
- (2) The closing price of the PTL Shares quoted on the Stock Exchange immediately before the date on which the Share Awards were granted was HK\$0.61.
- (3) The fair value of PTL shares of Share Award was based on the closing price per share at the date of grant and adjusted by the fair value of the dividends during the vesting period as the grantees are not entitled to dividends during the vesting period.
- (4) The weighted average closing price of the PTL Shares immediately before the date on which the Share Awards were vested was not applicable.
- (5) All Share Awards granted under the Share Award Plan would be satisfied by the Trustee's acquisition of existing PTL Shares from the open market. Accordingly, the number of new PTL Shares that can be issued under the Share Awards granted under the Share Award Plan during the period divided by the weighted average number of PTL Shares in issue for the period was not applicable.

## **Share Option Scheme**

### ***Share options of the Company***

The Company has not adopted any share option scheme during the period.

### ***Share options of PTL***

The following shows the particulars of the share options of PTL, an indirect non-wholly owned subsidiary of the Company, that are required to be disclosed under Rule 17.07 of Chapter 17 and Paragraph 10 of Appendix D2 of the Listing Rules.

Particulars of the share options of PTL granted to directors of the Company, directors of PTL, employees of PTL group and other participants pursuant to the Share Option Scheme of PTL adopted on 21 May 2018 (“2018 PTL Scheme”) and their movement during the period were as follows:

Participant	Date of grant	Exercise Price HK\$	Number of share options				Balance at 30 June 2025	Vesting/ Exercise Period and Remarks (Note)
			Balance at 1 January 2025	Granted during the period	Exercised during the period	Lapsed during the period		
2018 PTL Scheme								
CHAN Kwong Fai, Michael <i>Chairman and Director of the Company and PTL</i>	29 June 2018	0.826	2,000,000	-	-	-	2,000,000	(1)
CHAN, Helen <i>Director of the Company and PTL</i>	29 June 2018	0.826	1,000,000	-	-	-	1,000,000	(1)
CHAN Kong Keung, Stephen <i>Director of the Company and PTL</i>	29 June 2018	0.826	1,000,000	-	-	-	1,000,000	(1)
<i>Directors of PTL</i>								
TRAN Vi-hang William	29 June 2018	0.826	1,000,000	-	-	-	1,000,000	(1)
<i>Continuous Contract</i> <i>Employee Participants of PTL Group,</i> <i>excluding directors of PTL</i>	29 June 2018	0.826	9,916,000	-	-	252,000	9,664,000	(1)
<i>Other Participants including consultants</i> <i>of PTL</i>	29 June 2018	0.826	4,780,000	-	-	-	4,780,000	(1)
Total			19,696,000	-	-	252,000	19,444,000	

**Notes:**

- (1) Divided into 4 tranches (with each tranche covering one-fourth of the relevant share options) exercisable from 29 June 2018, 29 June 2019, 29 June 2020 and 29 June 2021 respectively to 28 June 2028.

No options were granted, exercised or cancelled during the period.

The number of PTL Shares available for issue pursuant to outstanding options granted under the 2018 PTL Scheme as at 30 June 2025 was 19,444,000. No PTL Shares was available for grant under the 2018 PTL Scheme at the beginning and the end of the period. Following the adoption of PTL Share Award Plan, 2018 PTL Scheme was terminated on 19 May 2023 and no further options will be granted thereunder. In other respects, the provisions of the 2018 PTL Scheme remain in full force and effect to the extent necessary to give effect to the exercise of options granted prior to its termination or otherwise as may be required in accordance with the rules of the 2018 PTL Scheme. The above outstanding options already granted under the 2018 PTL Scheme shall continue to be valid and exercisable in accordance with the provisions of the 2018 PTL Scheme and their terms of issue.

Apart from the aforesaid, at no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable the directors and chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Save as disclosed above, neither PTL nor the Trustee of the Share Award Plan held or transferred any treasury shares for the purpose of satisfying share options or awards granted or to be granted under the Share Award Plan and 2018 PTL Scheme during the period.

#### **Directors' Interests and Short Positions in Shares and Underlying Shares of the Company or Any Associated Corporation**

As at 30 June 2025, the interests of each director of the Company in the shares, underlying shares of equity derivatives and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange under the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules (“Model Code”) were as follows:

##### ***Long positions in shares of the Company***

<b>Name of director</b>	<b>Nature of interest</b>	<b>Number of shares held</b>	<b>Percentage interest held</b>
CHAN Kwong Fai, Michael	Personal	104,000,000 ordinary shares	5.03%
CHAN, Helen	Personal	28,000,000 ordinary shares	1.35%
CHAN Kong Keung, Stephen	Personal	2,600,000 ordinary shares	0.13%
LO Kai Yiu, Anthony	Personal	250,000 ordinary shares	0.01%



***Long positions in shares of PTL***

<b>Name of director</b>	<b>Nature of interest</b>	<b>Number of shares held</b>	<b>Percentage interest held</b>
CHAN Kwong Fai, Michael	Personal	3,274,000 ordinary shares	0.28%
LO Kai Yiu, Anthony	Personal	376,000 ordinary shares	0.03%

***Long positions in underlying shares of PTL***

<b>Name of director</b>	<b>Nature of interest</b>	<b>Number of equity derivatives held</b>	<b>Number of underlying shares (ordinary shares)</b>	<b>Percentage interest held</b>
CHAN Kwong Fai, Michael	Personal	2,000,000 share options	2,000,000 shares	0.17%
CHAN, Helen	Personal	1,000,000 share options	1,000,000 shares	0.08%
CHAN Kong Keung, Stephen	Personal	1,000,000 share options	1,000,000 shares	0.08%

Unless stated otherwise, all the aforesaid shares and equity derivatives were beneficially owned by the directors concerned. The percentage shown was the number of shares or underlying shares the relevant director was interested expressed as a percentage of the number of issued shares of the relevant companies as at 30 June 2025.

Details of the share options held by the directors of the Company are disclosed in the above section headed “Share Option Scheme”.

Save as disclosed above, as at 30 June 2025, none of the directors of the Company were interested or deemed to be interested in short positions in the shares and underlying shares of equity derivatives of the Company or any associated corporation as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange under the Model Code.

## Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company Required to be Recorded under Section 336 of the SFO

As at 30 June 2025, persons (other than the directors of the Company) who had interests or short positions in the shares and underlying shares of the Company, being 5% or more of the Company's issued share capital, were recorded in the register required to be kept under section 336 of the SFO were as follows:

Name	Nature of interest	Number of shares held	Percentage interest held
Chan Chun Hoo, Thomas	Personal, Associate and Corporation (Note (i))	1,373,602,000 ordinary shares	66.42%
TGC Assets Limited	Beneficial Owner (Note (ii))	1,101,602,000 ordinary shares	53.27%

Notes:

- (i) Mr. Chan Chun Hoo, Thomas ("Mr. Chan") was interested in and deemed to be interested in 1,373,602,000 shares of the Company of which 142,000,000 shares were held by Mr. Chan directly, 130,000,000 shares were held by his wife and 1,101,602,000 shares were held by TGC Assets Limited ("TGC").
- (ii) Mr. Chan is the beneficial owner of all of the issued share capital of TGC and he was deemed to be interested in those shares.

Save as disclosed above, as at 30 June 2025, no other persons (other than the directors of the Company) had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

## Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries had redeemed, purchased or sold any of the Company's shares and the Company did not have any treasury shares during the period.

## **Compliance with the Corporate Governance Code**

The Company has applied the principles and complied with all the applicable code provisions (“Code Provisions”) of Part 2 of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules throughout the six months ended 30 June 2025, except the followings:

The Code Provision C.2.1 provides that the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. The Company does not have a designated chief executive. The Board oversees the management, businesses, strategy and financial performance of the Group. The day-to-day business of the Group is handled by the executive directors collectively. The executive directors supported by the senior executives are delegated with the responsibilities of running the business operations and making operational and business decisions of the Group. The Board considers that this structure is adequate to ensure an effective management and control of the Group’s businesses and operations. The structure outlined above will be reviewed regularly to ensure that sound corporate governance is in place.

Further information of the corporate governance practices of the Company will be set out in the corporate governance report in the annual report of the Company for the year ending 31 December 2025. The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code.

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited condensed consolidated financial information for the six months ended 30 June 2025.

## **Compliance with the Model Code**

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules for securities transactions by directors of the Company. All the members of the Board have confirmed, following specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code throughout the six-month period ended 30 June 2025.

## **Update on Director’s Information pursuant to Rule 13.51B(1) of the Listing Rules**

No information is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the period.

## **Closure of Register of Members**

The Register of Members of the Company will be closed from 1 September 2025 to 2 September 2025, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be qualified for the declared dividends, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Tricor Investor Services Limited ("Share Registrar") at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on 29 August 2025. The interim dividend will be paid on 19 September 2025 to the shareholders on the Register of Members of the Company on 2 September 2025.

## **Shareholder Information**

This interim report is available on the website of the Company and the website of The Stock Exchange of Hong Kong Limited. A printed version of this interim report is available on request from the Share Registrar free of charge. The Shareholder Services section of the website of the Company sets out details of the arrangements for dissemination of corporate communications of the Company.

On behalf of the Board  
**Chan Kwong Fai, Michael**  
*Chairman*

Hong Kong, 15 August 2025

## **CORPORATE INFORMATION**

### ***Directors***

CHAN Kwong Fai, Michael  
*(Chairman and Executive Director)*  
CHAN Helen *(Executive Director)*  
CHAN Kong Keung, Stephen  
*(Executive Director)*  
LEE Ka Sze, Carmelo  
*(Non-executive Director)*  
LO Kai Yiu, Anthony  
*(Independent Non-executive Director)*  
OR Ching Fai, Raymond  
*(Independent Non-executive Director)*  
TSIM Tak Chee  
*(Independent Non-executive Director)*

### ***Company Secretary***

NG Ka Yan

### ***Registered Office***

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### ***Principal Office***

23/F., The Toy House  
100 Canton Road  
Tsimshatsui  
Kowloon, Hong Kong

### ***Auditors***

Grant Thornton Hong Kong Limited  
*Certified Public Accountants*  
*Registered Public Interest Entity Auditor*

### ***Legal Advisors***

Conyers Dill & Pearman  
Deacons

### ***Principal Bankers***

The Bank of East Asia, Limited  
Hang Seng Bank Limited  
UBS AG  
Merrill Lynch, Pierce, Fenner & Smith Inc.

### ***Principal Share Registrars***

Codan Services Limited  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### ***Branch Share Registrars***

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

### ***Stock Code***

The shares of Playmates Holdings  
Limited are listed for trading on  
The Stock Exchange of Hong Kong  
Limited  
(Stock Code: 635)

### ***Website***

[www.playmates.net](http://www.playmates.net)



**Playmates Holdings Limited**  
(Incorporated in Bermuda with limited liability)  
(Stock code 635)  
**[www.playmates.net](http://www.playmates.net)**