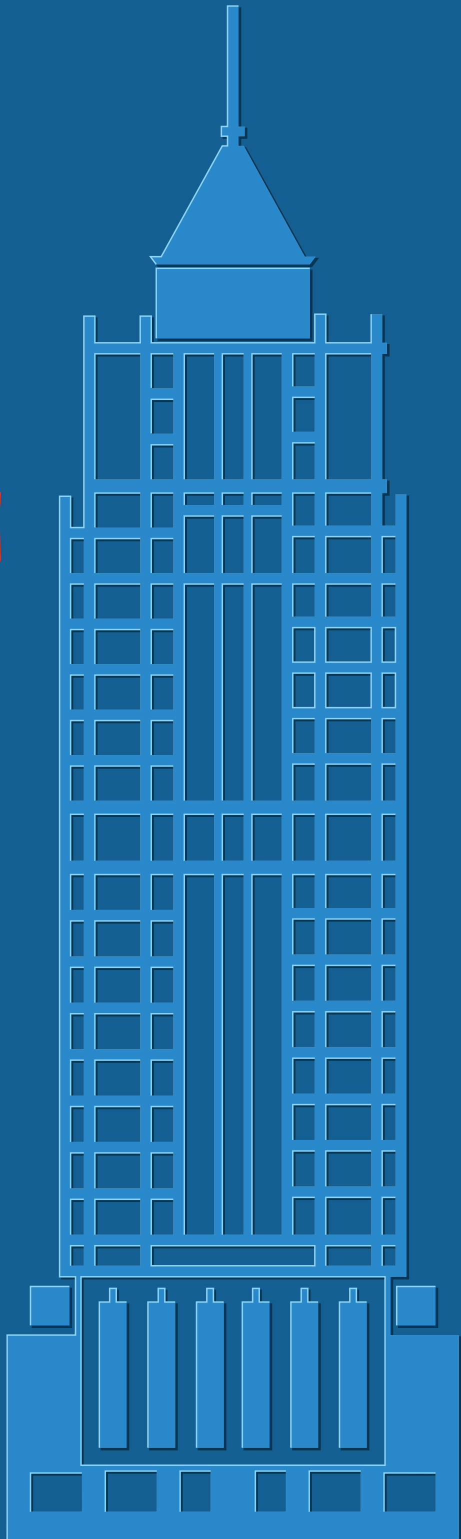
Playmates®

1966 60 2026

YEARS of EXCELLENCE!

2026 Interim Report



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Highlights

For the six months ended 30 June	2026 *HK$'000*	2025 *HK$'000*
Group revenue	**267,300**	261,116
– from toy business	**186,115**	185,514
– from property investments and management businesses	**80,803**	74,800
– from investment business	**382**	802
Gross profit	**180,929**	146,835
Net revaluation deficit on investment properties	**(125,722)**	(234,926)
Operating loss	**(94,662)**	(227,641)
Loss before income tax	**(86,492)**	(198,940)
Loss attributable to owners of the Company	**(90,955)**	(205,570)
Loss per share	***HK cents***	*HK cents*
– Basic	**(4.40)**	(9.94)
– Diluted	**(4.40)**	(9.94)
Interim dividend per share	**1.50**	1.50

Property Investments and Management

The property investments and management segment recorded a 8.0% increase in revenue to HK$80.8 million during the first half of 2026 compared to the same period last year (same period in 2025: HK$74.8 million). The Group's investment properties were revalued by independent professional surveyors at the fair value of HK$3.9 billion. A net revaluation deficit of HK$125.7 million was recorded in the consolidated income statement of the Group (same period in 2025: HK$234.9 million). Segment operating loss including property revaluation was HK$67.3 million (same period in 2025: HK$183.1 million).

The revaluation deficit in the Group's investment properties during the first half of 2026 primarily reflected continued weakness in Hong Kong's commercial and industrial property markets, amid economic uncertainty, ample supply and subdued retail market sentiment, partially offset by a modest rebound in the valuation of residential properties in Hong Kong.

(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 10.2% of the fair value of the Group's overall investment property portfolio (31 December 2025: 9.8%).

Aggregate rental income generated from the investment properties of the Group was HK$70.7 million, an increase of 8.8% from the prior year period (same period in 2025: HK$65.0 million). Overall occupancy rate of the Group's investment properties was 71.7% (31 December 2025: 61.8%).

(i) Commercial

The Group's investment in commercial properties consists of The Toy House, 100 Canton Road, Tsimshatsui, Kowloon, Hong Kong. During the first half of 2026, Hong Kong's retail leasing market stabilized and began to show signs of recovery. The commercial property market also reached an equilibrium between the supply of office space and leasing demand. The Group believes that Canton Road will retain its position as one of Hong Kong's premier shopping districts 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. During the first half of 2026, the overall residential property market showed signs of improvement, with a gradual recovery in leasing demand supporting higher occupancy and rental levels. While the residential property market continued to be influenced by prevailing economic conditions, the Group remains focused on maintaining the quality and competitiveness of its properties. The interior renovation and improvement works are expected to further enhance the value of the properties 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. 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.

During the first half of 2026, having considered the prevailing business and economic conditions, the Group decided not to proceed with the wholesale conversion project and to allow the special waiver application to lapse. The Group will continue to periodically consider the optimal use of Playmates Factory Building in light of changes in business conditions, market circumstances and relevant government policies. If future conditions allow, we may revisit this conversion project at a later date.

(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 increased by 3.1% to HK$10.1 million as compared to HK$9.8 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 2026 was HK$186 million (same period in 2025: HK$186 million), approximately flat compared to the prior year period. Declines in ***Miraculous: Tales of Ladybug & Cat Noir, MonsterVerse*** and ***Teenage Mutant Ninja Turtles (“TMNT”)*** product shipments were offset by the expanded distribution of our ***Power Rangers*** product line.

Gross profit ratio on toy sales was 58% (same period in 2025: 43%). Higher gross profit margin in the first half of 2026 was driven primarily by HK$12 million of U.S. tariff-related provision reversals and refunds, as well as slightly lower clearance costs of discontinuing products. Operating expenses increased by 15% compared to prior year, driven primarily by unfulfilled royalties and higher selling expenses. Administration expenses were approximately flat compared to the prior year period.

Playmates Toys group reported an operating loss of HK$27 million during the first half of 2026 (same period in 2025: operating loss of HK$45 million). Other net income during the current year period included a HK$3 million net unrealized and realized loss on Playmates Toys group’s listed equities investment position (same period in 2025: HK$9 million gain) and HK$15 million in interest income (same period in 2025: HK$21 million). Playmates Toys group’s net loss during the first half of 2026 was HK$18 million (same period in 2025: net loss of HK$26 million).

2026 is shaping up to be another transition year for us. The continued expansion in distribution of our ***Power Rangers*** product line, as well as ongoing shipments of our ***TMNT*** and ***MonsterVerse*** toy lines, have provided support to our business during the first half of the year, and will continue to do so in the second half of 2026. We expect further boosts from new brand launches in the Fall and initial shipments of products tied to the ***Godzilla x Kong: Supernova*** movie release. The stabilization in global trade dynamics so far in 2026 has also been a welcome reprieve, although we expect U.S. import tariffs to continue under different forms, and put some negative pressure on our profitability over the long term. In addition to the U.S. tariff-related refunds received during the first half, we have received a further HK$11 million in refunds since 1 July 2026.

Brand Overview

Power Rangers

We launched our kid-targeted ***Mighty Morphin Power Rangers: Re-Ignition*** toy line last Fall, supported by new and enhanced content on YouTube, Netflix and other entertainment channels. Refreshed Season 2 action figures, collectibles, combinable Zords and roleplay accessories will hit shelves starting this summer. We are in active development of Season 3 products, including an expanded collector-targeted offering across more fan-favorite ***Power Rangers*** series titles.

Godzilla x Kong

The ***Godzilla x Kong Monsterverse*** franchise continues to sustain consumer engagement in a non-movie year. 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. 2027 is set to be a landmark year for the franchise with the premiere of ***Godzilla x Kong: Supernova*** in March, with initial shipments of movie-related products beginning in late 2026. Through highly detailed figures and new toy segments, we are excited to offer new ways to collect and play for fans worldwide.

Dungeon Crawler Carl

Dungeon Crawler Carl is a bestselling Literary Role-Playing Game franchise created by author Matt Dinniman. Blending action, satire and humor, the franchise has attracted millions of readers and listeners worldwide, with all eight book titles and audio book titles reaching The New York Times bestseller lists. This Fall, we will be launching a line of action figures, collectibles, plush, role play and other collector-focused merchandise at specialty retailers in the U.S.

Paris & Pups

Paris & Pups is an original animated series inspired by global icon Paris Hilton and her beloved pets. that celebrate friendship, self-expression, kindness, and imagination for kids ages 5–8. Inspired by the series, we are launching our ***Paris & Pups*** toy line this Fall, featuring fashion dolls, playsets, interactive plush, collectibles, and wearable accessories that extend the brand's themes of creativity, friendship, music, and collectible play.

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 2026, fair market value of the Group's investment portfolio was HK$110.6 million (31 December 2025: HK$110.3 million) representing 2.1% of the total assets of the Group (31 December 2025: 2.0%). This comprised of HK$22.5 million of equities listed in Hong Kong (31 December 2025: HK$26.6 million) and HK$88.1 million of equities listed overseas (31 December 2025: HK$83.7 million). None of the individual securities positions held by the Group had a market value that exceeded 0.4% of the total assets of the Group. The top 10 listed securities in aggregate represented 1.9% of the total assets of the Group, and included NVIDIA Corporation (NVDA.US), Alphabet Inc. (GOOG.US), Amazon.com, Inc. (AMZN.US), The Walt Disney Company (DIS.US), Tencent Holdings Limited (700.HK), The Goldman Sachs Group, Inc (GS.US), Microsoft Corporation (MSFT.US), Sun Hung Kai Properties Limited (16.HK), Netflix, Inc. (NFLX.US) and Apple Inc. (AAPL.US).

The Group reported a net loss from investments of HK$4.1 million in the first half of 2026 (same period in 2025: net gain of HK$11.5 million). During the first half of 2026, dividend and interest income generated from the portfolio were HK$15.6 million (same period in 2025: HK$22.2 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 2026

		Unaudited		
		Six months ended 30 June		
		2026	**2026**	2025
	Note	***US$'000***	***HK$'000***	*HK$'000*
		(Note 19)		
Revenue	*3*	**34,269**	**267,300**	261,116
Cost of sales		**(11,073)**	**(86,371)**	(114,281)
Gross profit		**23,196**	**180,929**	146,835
Marketing and licensing expenses		**(7,028)**	**(54,819)**	(47,609)
Selling and distribution expenses		**(2,278)**	**(17,771)**	(15,629)
Administration expenses		**(9,908)**	**(77,279)**	(76,312)
Net revaluation deficit on investment properties	*9*	**(16,118)**	**(125,722)**	(234,926)
Operating loss		**(12,136)**	**(94,662)**	(227,641)
Other net income	*4*	**1,432**	**11,166**	33,242
Finance costs		**(384)**	**(2,996)**	(4,541)
Loss before income tax	*5*	**(11,088)**	**(86,492)**	(198,940)
Income tax expense	*6*	**(1,654)**	**(12,898)**	(19,218)
Loss for the period		**(12,742)**	**(99,390)**	(218,158)
Loss for the period attributable to:				
Owners of the Company		**(11,661)**	**(90,955)**	(205,570)
Non-controlling interests		**(1,081)**	**(8,435)**	(12,588)
		(12,742)	**(99,390)**	(218,158)
		US cents	***HK cents***	*HK cents*
Loss per share	*8*			
Basic		**(0.56)**	**(4.40)**	(9.94)
Diluted		**(0.56)**	**(4.40)**	(9.94)

Condensed Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2026

	Unaudited		
	Six months ended 30 June		
	2026	**2026**	2025
	US$'000	***HK$'000***	*HK$'000*
	(Note 19)		
Loss for the period	**(12,742)**	**(99,390)**	(218,158)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
– Exchange differences arising on translation of foreign subsidiaries	**(486)**	**(3,788)**	26,710
Total comprehensive income for the period	**(13,228)**	**(103,178)**	(191,448)
Total comprehensive income attributable to:			
Owners of the Company	**(12,147)**	**(94,743)**	(178,860)
Non-controlling interests	**(1,081)**	**(8,435)**	(12,588)
	(13,228)	**(103,178)**	(191,448)

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	Note	**Unaudited 30 June 2026 *US$'000*** *(Note 19)*	**Unaudited 30 June 2026 *HK$'000***	Audited 31 December 2025 *HK$'000*
Non-current assets				
Fixed assets				
– Investment properties	*9*	**496,660**	**3,873,944**	3,996,028
– Other property, plant and equipment	*9*	**16,386**	**127,812**	132,035
		513,046	**4,001,756**	4,128,063
Right-of-use assets		**770**	**6,005**	1,515
Goodwill		**766**	**5,976**	5,976
Prepayments	*11*	**96**	**749**	608
Deferred tax assets		**4,136**	**32,262**	27,643
		518,814	**4,046,748**	4,163,805
Current assets				
Inventories		**6,372**	**49,705**	27,419
Trade receivables	*10*	**5,722**	**44,629**	109,195
Deposits paid, other receivables and prepayments	*11*	**6,607**	**51,534**	51,153
Taxation recoverable		**24**	**186**	23,041
Financial assets at fair value through profit or loss		**14,181**	**110,613**	110,334
Cash and deposits with banks		**132,739**	**1,035,364**	1,004,744
		165,645	**1,292,031**	1,325,886
Current liabilities				
Bank loans	*12*	**15,385**	**120,000**	113,200
Trade payables	*13*	**7,702**	**60,074**	36,359
Deposits received, other payables and accrued charges	*14*	**17,550**	**136,904**	142,750
Provisions		**4,677**	**36,479**	39,579
Lease liabilities		**270**	**2,105**	1,924
Taxation payable		**2,665**	**20,786**	12,092
		48,249	**376,348**	345,904
Net current assets		**117,396**	**915,683**	979,982
Total assets less current liabilities		**636,210**	**4,962,431**	5,143,787

	Note	Unaudited 30 June 2026 US$'000 (Note 19)	Unaudited 30 June 2026 HK$'000	Audited 31 December 2025 HK$'000
Non-current liabilities				
Lease liabilities		**536**	**4,177**	–
Long service payment liabilities		**297**	**2,313**	2,173
Deferred tax liabilities		**4,656**	**36,317**	35,886
		5,489	**42,807**	38,059
Net assets		**630,721**	**4,919,624**	5,105,728
Equity				
Share capital	*15*	**2,651**	**20,680**	20,680
Reserves		**562,903**	**4,390,642**	4,542,915
Equity attributable to owners of the Company		**565,554**	**4,411,322**	4,563,595
Non-controlling interests		**65,167**	**508,302**	542,133
Total equity		**630,721**	**4,919,624**	5,105,728

Condensed Consolidated Cash Flow Statement
For the six months ended 30 June 2026

	Unaudited		
	Six months ended 30 June		
	2026	**2026**	2025
	US$'000	***HK$'000***	*HK$'000*
	(Note 19)		
Operating activities			
Cash generated from operations	**11,888**	**92,736**	83,670
Interest paid	**(257)**	**(2,008)**	(3,632)
Interest received	**23**	**176**	614
Dividends received	**26**	**206**	188
Overseas tax paid	**(958)**	**(7,472)**	–
Hong Kong tax refunded	**2,827**	**22,050**	–
Net cash generated from operating activities	**13,549**	**105,688**	80,840
Investing activities			
Capitalised subsequent expenditure on investment properties	**(866)**	**(6,755)**	(2,320)
Purchases of other property, plant and equipment	**(21)**	**(167)**	(3,947)
Prepayments for fixed assets	**(96)**	**(749)**	(2,798)
Purchases of financial assets at fair value through profit or loss	**(977)**	**(7,621)**	(4,021)
Proceeds from disposal of financial assets at fair value through profit or loss	**415**	**3,236**	25,694
Interest received	**1,919**	**14,968**	21,191
Dividends received	**38**	**300**	237
(Increase)/Decrease in bank deposits and treasury notes with original maturity greater than 3 months	**(3,864)**	**(30,142)**	137,557
Net cash (used in)/generated from investing activities	**(3,452)**	**(26,930)**	171,593
Financing activities			
Dividends paid to owners of the Company	**(7,954)**	**(62,040)**	(62,040)
Dividends paid to non-controlling interests	**–**	**–**	(34,800)
New bank loans	**3,846**	**30,000**	–
Repayment of bank loans	**(2,974)**	**(23,200)**	(38,600)
Repurchase of shares of a listed subsidiary	**(2,678)**	**(20,886)**	–
Purchase of shares for share award plan of a listed subsidiary	**–**	**–**	(1,680)
Payment of lease liabilities	**(250)**	**(1,949)**	(2,270)
Net cash used in financing activities	**(10,010)**	**(78,075)**	(139,390)

	Unaudited		
	Six months ended 30 June		
	2026	**2026**	2025
	US$'000	***HK$'000***	*HK$'000*
	(Note 19)		
Net increase in cash and cash equivalents	**87**	**683**	113,043
Cash and cash equivalents at 1 January	**93,645**	**730,432**	627,030
Effect of foreign exchange rate changes	**(26)**	**(205)**	2,907
Cash and cash equivalents at 30 June	**93,706**	**730,910**	742,980
Analysis of cash and cash equivalents:			
Cash and deposits with banks per consolidated statement of financial position	**132,739**	**1,035,364**	1,081,282
Less: time deposits with original maturity greater than 3 months	**–**	**–**	(112,070)
Less: treasury notes with original maturity greater than 3 months	**(39,033)**	**(304,454)**	(226,232)
Cash and cash equivalents per consolidated cash flow statement	**93,706**	**730,910**	742,980

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Unaudited										
	Attributable to owners of the Company										
	Share capital	Share premium	Capital redemption reserve	Share repurchase reserve	Exchange reserve	Share-based compensation reserve	Property revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
	HK$'000	*HK$'000*	*HK$'000*	*HK$'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

	Unaudited										
	Attributable to owners of the Company										
	Share capital *HK$'000*	**Share premium** *HK$'000*	**Capital redemption reserve** *HK$'000*	**Share repurchase reserve** *HK$'000*	**Exchange reserve** *HK$'000*	**Share-based compensation reserve** *HK$'000*	**Property revaluation reserve** *HK$'000*	**Retained profits** *HK$'000*	**Total** *HK$'000*	**Non-controlling interests** *HK$'000*	**Total equity** *HK$'000*
At 1 January 2026	20,680	102,104	9,174	–	(43,170)	2,842	130,028	4,341,937	4,563,595	542,133	5,105,728
Loss for the period	–	–	–	–	–	–	–	(90,955)	(90,955)	(8,435)	(99,390)
Other comprehensive income:											
– Exchange differences arising on translation of foreign subsidiaries	–	–	–	–	(3,788)	–	–	–	(3,788)	–	(3,788)
Total comprehensive income for the period	–	–	–	–	(3,788)	–	–	(90,955)	(94,743)	(8,435)	(103,178)
Repurchase of shares of a listed subsidiary	–	–	–	(3,064)	–	–	–	(7,848)	(10,912)	(9,974)	(20,886)
Share option scheme of a listed subsidiary											
– share options lapsed	–	–	–	–	–	(48)	–	48	–	–	–
2025 second interim dividend paid	–	–	–	–	–	–	–	(31,020)	(31,020)	–	(31,020)
2025 special interim dividend paid	–	–	–	–	–	–	–	(31,020)	(31,020)	–	(31,020)
Changes in ownership interests in subsidiaries without change of control	–	–	–	–	–	–	–	15,422	15,422	(15,422)	–
Transactions with owners	–	–	–	(3,064)	–	(48)	–	(54,418)	(57,530)	(25,396)	(82,926)
At 30 June 2026	20,680	102,104	9,174	(3,064)	(46,958)	2,794	130,028	4,196,564	4,411,322	508,302	4,919,624

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 2025 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 2025.

2. Changes in accounting policies

The HKICPA has issued a number of amendments to HKFRS Accounting Standards 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:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Revenue from contracts with customers:		
– Sale of toys	**186,115**	185,514
– Property management income	**10,052**	9,754
	196,167	195,268
Revenue from other sources:		
– Rental income from investment properties	**70,751**	65,046
– Dividend income	**206**	188
– Interest income	**176**	614
	71,133	65,848
Total revenue	**267,300**	261,116

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 2026 are as follows:

	Property investments and management businesses *HK$'000*	Investment business *HK$'000*	Toy business *HK$'000*	Total *HK$'000*
Gross revenue from contracts with customers by timing of revenue recognition				
– Point in time	–	–	186,115	186,115
– Over time	10,440	–	–	10,440
Gross revenue from other sources	73,299	382	–	73,681
Inter-segment revenue	(2,936)	–	–	(2,936)
Revenue from external customers	80,803	382	186,115	267,300
Segment (loss)/profit before depreciation	(63,738)	357	(24,860)	(88,241)
Depreciation	(3,532)	–	(2,138)	(5,670)
Segment operating (loss)/profit	(67,270)	357	(26,998)	(93,911)
Other net income/(loss)	7	(980)	12,124	11,151
Finance costs	(2,021)	(15)	(942)	(2,978)
	(2,014)	(995)	11,182	8,173
Segment loss before income tax	(69,284)	(638)	(15,816)	(85,738)
Unallocated corporate expenses				(754)
Loss before income tax				(86,492)

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

	Property investments and management businesses *HK$'000*	Investment business *HK$'000*	Toy business *HK$'000*	Total *HK$'000*
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)
Revenue from external customers	74,800	802	185,514	261,116
Segment (loss)/profit before depreciation	(179,175)	777	(43,283)	(221,681)
Depreciation	(3,910)	–	(2,112)	(6,022)
Segment operating (loss)/profit	(183,085)	777	(45,395)	(227,703)
Other net income	30	2,472	30,718	33,220
Finance costs	(3,665)	(19)	(840)	(4,524)
	(3,635)	2,453	29,878	28,696
Segment (loss)/profit before income tax	(186,720)	3,230	(15,517)	(199,007)
Unallocated corporate income				67
Loss before income tax				(198,940)

The segment assets and liabilities as at 30 June 2026 are as follows:

	Property investments and management businesses *HK$'000*	Investment business *HK$'000*	Toy business *HK$'000*	Total *HK$'000*
Reportable segment assets (including cash and deposits with banks)	**4,011,751**	**43,536**	**1,261,193**	**5,316,480**
Inter-segment elimination	**(43)**	**–**	**(13,298)**	**(13,341)**
Deferred tax assets				**32,262**
Taxation recoverable				**186**
Unallocated assets				**3,192**
Total assets				**5,338,779**
Reportable segment liabilities	**160,838**	**–**	**213,730**	**374,568**
Inter-segment elimination	**(1,473)**	**–**	**(11,868)**	**(13,341)**
Deferred tax liabilities				**36,317**
Taxation payable				**20,786**
Unallocated liabilities				**825**
Total liabilities				**419,155**

The segment assets and liabilities as at 31 December 2025 are as follows:

	Property investments and management businesses *HK$'000*	Investment business *HK$'000*	Toy business *HK$'000*	Total *HK$'000*
Reportable segment assets (including cash and deposits with banks)	4,136,612	44,415	1,269,674	5,450,701
Inter-segment elimination	(47)	–	(15,713)	(15,760)
Deferred tax assets				27,643
Taxation recoverable				23,041
Unallocated assets				4,066
Total assets				5,489,691
Reportable segment liabilities	150,703	–	200,231	350,934
Inter-segment elimination	(1,523)	–	(14,237)	(15,760)
Deferred tax liabilities				35,886
Taxation payable				12,092
Unallocated liabilities				811
Total liabilities				383,963

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
	2026	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong (place of domicile)	**81,239**	75,602	**3,561,455**	3,686,634
Americas				
– U.S.A.	**142,024**	131,459	**182,219**	177,871
– Others	**8,625**	20,217	**–**	–
Europe	**29,291**	31,351	**193,960**	196,000
Asia Pacific other than Hong Kong	**5,816**	2,487	**76,852**	75,657
Others	**305**	–	**–**	–
	186,061	185,514	**453,031**	449,528
	267,300	261,116	**4,014,486**	4,136,162

3.3 Major customers

The Group's customer base includes three (2025: three) 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$76,348,000, HK$51,439,000 and HK$42,572,000 (2025: HK$56,572,000, HK$51,054,000 and HK$50,122,000) respectively.

4. Other net income

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Net gain/(loss) on financial assets at fair value through profit or loss *(Note)*:		
– unrealised	**(4,191)**	12,325
– realised	**85**	(845)
From Playmates Toys' treasury:		
– Interest income	**14,951**	21,149
– Dividend income	**300**	237
Others	**21**	376
	11,166	33,242

Note:

In the net gain/(loss) on financial assets at fair value through profit or loss, unrealised loss of HK$3,212,000 (2025: unrealised gain of HK$10,148,000) and realised gain of HK$85,000 (2025: realised loss of HK$1,139,000) was attributable to Playmates Toys' treasury investment.

5. Loss before income tax

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

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Cost of inventories sold	**60,332**	90,999
Product development and tooling costs	**15,563**	14,946
Royalties expenses	**27,851**	25,849
Directors' and staff remunerations	**45,410**	41,926
Depreciation		
– other property, plant and equipment	**4,085**	4,384
– right-of-use assets	**1,766**	1,818
Interest expenses		
– on bank loans	**2,008**	3,632
– on lease liabilities	**50**	134
Net foreign exchange gain	**(173)**	(1,075)

6. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits for the period. Overseas taxation of overseas subsidiaries is provided in accordance with the applicable tax laws.

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Current taxation		
Hong Kong profits tax	**10,875**	11,273
Overseas taxation	**6,097**	7,578
	16,972	18,851
Deferred taxation		
Origination and reversal of temporary differences	**(4,074)**	367
Income tax expense	**12,898**	19,218

The Group's cumulative unrecognised tax losses as of 30 June 2026 amounted to HK$124,169,000 (31 December 2025: HK$98,256,000). These tax losses do not expire under respective tax legislation.

7. Dividends

7.1 Dividends attributable to the interim period

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Interim dividend of HK cents 1.5 per share (2025: HK cents 1.5 per share)	**31,020**	31,020

At a meeting held on 21 August 2026, the board of directors has resolved to pay an interim dividend of HK cents 1.5 per share to be paid on 25 September 2026 to shareholders whose names appear on the Company's Register of Members on 9 September 2026.

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 2026.

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	
	2026	2025
	HK$'000	*HK$'000*
Dividends in respect of the previous financial year and paid during the interim period:		
Second interim dividend of HK cents 1.5 per share (2025: HK cents 1.5 per share)	**31,020**	31,020
Special interim dividend of HK cents 1.5 per share (2025: HK cents 1.5 per share)	**31,020**	31,020
	62,040	62,040

8. Loss per share

The calculation of basic loss per share is based on the loss attributable to owners of the Company of HK$90,955,000 (2025: HK$205,570,000) and the weighted average number of ordinary shares of 2,068,000,000 shares (2025: 2,068,000,000 shares) in issue during the period.

Diluted loss per share for the six months ended 30 June 2026 and 2025 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 anti-dilutive for the six months ended 30 June 2026 and 2025.

9. Investment properties and other property, plant and equipment

	Investment properties *HK$'000*	Other property, plant and equipment *HK$'000*
Opening net book amount as at 1 January 2026	**3,996,028**	**132,035**
Exchange fluctuation	**(3,513)**	**(269)**
Additions	**–**	**167**
Disposals	**–**	**(36)**
Capitalised subsequent expenditure	**7,151**	**–**
Net revaluation deficit	**(125,722)**	**–**
Depreciation	**–**	**(4,085)**
Closing net book amount as at 30 June 2026	**3,873,944**	**127,812**
Opening net book amount as at 1 January 2025	4,416,969	133,551
Exchange fluctuation	23,689	3,079
Additions	–	3,947
Capitalised subsequent expenditure	2,320	–
Net revaluation deficit	(234,926)	–
Depreciation	–	(4,384)
Closing net book amount as at 30 June 2025	4,208,052	136,193
Exchange fluctuation	(12,028)	(958)
Additions	–	833
Capitalised subsequent expenditure	4,409	–
Net revaluation deficit	(204,405)	–
Depreciation	–	(4,033)
Closing net book amount as at 31 December 2025	3,996,028	132,035

10. Trade receivables

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
Trade receivables	**80,971**	141,632
Less: Allowance for customer concession	**(36,342)**	(32,437)
	44,629	109,195

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 (2025: 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:

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
0 – 60 days	**38,063**	74,162
61 – 90 days	**5,738**	33,543
91 – 180 days	**649**	1,089
Over 180 days	**179**	401
	44,629	109,195

11. Deposits paid, other receivables and prepayments

	30 June 2026 *HK$'000*	31 December 2025 *HK$'000*
Non-current portion		
Prepayments for fixed assets	**749**	608
Current portion		
Advanced royalties *(Note(i))*	**38,664**	37,880
Prepaid mold and line tooling expenses	**6,514**	3,531
Prepaid marketing expenses	**801**	5,134
Deferred rental income *(Note(ii))*	**280**	11
Miscellaneous prepaid expenses, deposits paid and receivables	**5,275**	4,597
	51,534	51,153

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

	30 June 2026 *HK$'000*	31 December 2025 *HK$'000*
Secured bank loans repayable		
Within one year	**120,000**	113,200

As at 30 June 2026 and 31 December 2025, 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 3.90% p.a. (31 December 2025: 4.27% p.a.).

As at 30 June 2026, the Group has banking facilities amounting to HK$750,800,000 (31 December 2025: HK$754,000,000), of which HK$120,000,000 (31 December 2025: HK$113,200,000) 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$3,299,100,000 and HK$73,172,000 respectively at 30 June 2026 (31 December 2025: HK$3,429,700,000 and HK$76,147,000).

13. Trade payables

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

	30 June 2026 *HK$'000*	31 December 2025 *HK$'000*
0 – 30 days	**59,765**	34,594
31 – 60 days	**223**	1,363
Over 60 days	**86**	402
	60,074	36,359

14. Deposits received, other payables and accrued charges

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
Contract liabilities		
– Purchase commitment guarantee deposits from toy distributors	**5,805**	6,069
– Sales deposits received in advance	**11,199**	7,513
Security deposits and advance receipts from tenants	**27,074**	24,385
Accrued product development, sales, marketing, licensing and distribution expenses	**12,753**	20,436
Accrued royalties	**57,325**	58,591
Accrued directors' and staff remunerations	**6,199**	7,387
Withholding tax payable	**3,474**	4,687
Accrued administrative expenses and professional fees	**13,075**	13,682
	136,904	142,750

15. Share capital

	Authorised Ordinary shares of HK$0.01 each	
	No. of shares	***HK$'000***
At 31 December 2025 and 30 June 2026	**30,000,000,000**	**300,000**

	Issued and fully paid Ordinary shares of HK$0.01 each	
	No. of shares	*HK$'000*
At 1 January 2025, 1 January 2026 and 30 June 2026	**2,068,000,000**	**20,680**

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 2026			
	Level 1 ***HK$'000***	**Level 2** ***HK$'000***	**Level 3** ***HK$'000***	**Total** ***HK$'000***
Recurring fair value measurement				
Financial assets at fair value through profit or loss:				
Equity investments listed in Hong Kong	**22,539**	**–**	**–**	**22,539**
Equity investments listed outside Hong Kong	**88,074**	**–**	**–**	**88,074**
	110,613	**–**	**–**	**110,613**

	At 31 December 2025			
	Level 1	Level 2	Level 3	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Recurring fair value measurement				
Financial assets at fair value through profit or loss:				
Equity investments listed in Hong Kong	26,677	–	–	26,677
Equity investments listed outside Hong Kong	83,657	–	–	83,657
	110,334	–	–	110,334

During the six months ended 30 June 2026 and 2025, 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 2026 and 31 December 2025.

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 2026 were payable as follows:

	30 June 2026 ***HK$'000***	31 December 2025 *HK$'000*
Within one year	**61,152**	61,893
In the second to fifth years	**35,841**	67,431
	96,993	129,324

17.2 Lease commitments

The Group acts as lessee and lessor under leases.

17.2.1 As lessee

As at 30 June 2026 and 31 December 2025, 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 2026, the future aggregate minimum lease payments under non-cancellable leases for commercial, industrial and residential premises receivable by the Group were as follows:

	30 June 2026 ***HK$'000***	31 December 2025 *HK$'000*
Within 1 year	**125,386**	128,161
After 1 year but within 2 years	**55,962**	101,334
After 2 years but within 3 years	**3,492**	460
	184,840	229,955

17.3 Capital commitments

Capital commitments outstanding at 30 June 2026 not provided for at the end of the reporting period were as follows:

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
Contracted for	**3,023**	572

18. Related party transactions

During the six months ended 30 June 2026 and 2025, 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 2026.

20. Possible impact of amendments, new standards and interpretations issued but not yet effective for the six months ended 30 June 2026

The HKICPA has issued a number of amendments and new standards which are not yet mandatory for annual periods beginning on 1 January 2026. Earlier application is permitted. However, the Group has not early adopted any new or amended standards in preparing this interim financial report.

The following updates the information provided in the last annual consolidated financial statements about the possible impacts of HKFRS 18 on the Group's consolidated financial statements when adopted.

HKFRS 18, *Presentation and disclosure in financial statements*

HKFRS 18 will replace HKAS 1, *Presentation of financial statements* and make consequential amendments to other standards, which is effective for annual periods beginning on or after 1 January 2027.

HKFRS 18 introduces new requirements for presentation and disclosure in financial statements, including new categories and defined subtotals in the consolidated income statement, enhanced requirements for aggregation and disaggregation of information, and specific disclosures about management-defined performance measures.

The Group expects that the adoption of HKFRS 18 will not change the Group's net assets and net profit or loss but expects it will affect the presentation of the Group's consolidated income statement and related notes to the consolidated financial statements. The Group's assessment on the expected impact of the initial application of HKFRS 18 is summarised below.

(a) Structure of the consolidated income statement

HKFRS 18 requires entities to classify income and expenses into specified categories in the consolidated income statement, including the operating, investing, financing, income taxes and discontinued operations categories. It also requires entities to present two newly defined subtotals "operating profit or loss" and "profit or loss before financing and income tax". The Group expects the following changes to the consolidated income statement:

- The operating category will continue to capture the results of the Group's main businesses – toy business and property investments and management businesses, in which the Group currently assesses that its property investments businesses is qualified as the specified main business activity of investing in assets. Accordingly, income and expenses from the toy business and the property investments and management businesses, together with revaluation surplus/deficit on investment properties, will be presented within the operating category;

- Dividend income, interest income and net gains or losses from investments in listed equity securities, which are currently presented in the Group's revenue and other net income are expected to be classified in the investing category;

- The Group's finance costs will be classified in the financing category and continue to include interest on bank loans and interest on lease liabilities. On the other hand, bank charges incurred in the ordinary course of business are expected to be classified in the operating category;

- The Group currently presents operating expenses by function. The Group is assessing whether its current presentation will provide the most useful structured summary of its operating expenses under HKFRS 18. If the Group continues to present operating expenses by function, information about several specific expenses by nature will be provided in a single note to the consolidated financial statements.

(b) Management-defined performance measures ("MPM")

MPMs are subtotals of income and expenses used in public communications outside the financial statements that communicate management's view of the financial performance to users. Based on the Group's assessment, "Operating profit before net revaluation surplus/deficit on investment properties" is identified as a MPM since it is currently being reported by the Group in its management discussion and analysis and press release.

The Group will be required to disclose specific information about MPMs in a single note in the consolidated financial statements.

(c) Principles of aggregation and disaggregation

HKFRS 18 provides enhanced principles on how to group information in the financial statements, including the primary financial statements and the notes. It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

The Group has consistently applied the principles of aggregating and disaggregating the items on the basis of similar and dissimilar characteristics. The Group is also assessing line items currently labelled as "other" across the primary financial statements and the notes and expects to use more informative labels where material information would otherwise be obscured.

HKFRS 18 also introduces consequential amendments to HKAS 7, *Statement of cash flows*. The Group is assessing the impact of those amendments, including the requirement to use the newly defined subtotal "operating profit or loss" as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method and removing the optionality around classification of interest and dividend cash flows.

The actual impact of applying HKFRS 18 may change as the Group continues to assess the new requirements and finalises any changes to its reporting processes, controls and accounting policies before the date of initial application.

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 71.7% as at 30 June 2026 (31 December 2025: 61.8%).

Financial assets at fair value through profit or loss include investment in listed equities. As at 30 June 2026, the Group's financial assets at fair value through profit or loss amounted to HK$110,613,000 (31 December 2025: HK$110,334,000).

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 2026, trade receivables related to toy business were HK$43,115,000 (31 December 2025: HK$108,405,000) and inventories were HK$49,705,000 (31 December 2025: HK$27,419,000).

The Group's gearing ratio, defined as total bank borrowings expressed as a percentage of total tangible assets, at 30 June 2026 was 2.3% compared to 2.1% at 31 December 2025. The current ratio, calculated as the ratio of current assets to current liabilities, was 3.4 at 30 June 2026 (31 December 2025: 3.8).

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 2026, the Group's cash and deposits with banks were HK$1,035,364,000 (31 December 2025: HK$1,004,744,000), of which HK$966,725,000 (31 December 2025: HK$947,174,000) was denominated in United States dollar, HK$3,764,000 (31 December 2025: HK$12,493,000) in British pound, HK$4,774,000 (31 December 2025: HK$4,745,000) 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 2026, the Group had a total of 88 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 10.40% 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 5.20% 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 PTL 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 granted, vested, cancelled or lapsed under the Share Award Plan during the period. There was no unvested Share Award at the beginning and at the end of the period and no PTL Share was held in trust under the Share Award Plan. 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).

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:

			Number of share options					
Participant	**Date of grant**	**Exercise Price** *HK$*	**Balance at 1 January 2026**	**Granted during the period**	**Exercised during the period**	**Lapsed during the period**	**Balance at 30 June 2026**	**Vesting/ Exercise Period and Remarks** *(Note)*
2018 PTL Scheme								
CHAN Kwong Fai, Michael *Chairman and Director of the Company and PTL*	29 June 2018	0.826	2,000,000	–	–	–	2,000,000	(1)
CHAN, Helen *Director of the Company and PTL*	29 June 2018	0.826	1,000,000	–	–	–	1,000,000	(1)
CHAN Kong Keung, Stephen *Director of the Company and PTL*	29 June 2018	0.826	1,000,000	–	–	–	1,000,000	(1)
Director of PTL								
TRAN Vi-hang William	29 June 2018	0.826	1,000,000	–	–	–	1,000,000	(1)
Continuous Contract Employee Participants of PTL Group, excluding directors of PTL	29 June 2018	0.826	8,964,000	–	–	300,000	8,664,000	(1)
Other Participants including consultants of PTL	29 June 2018	0.826	4,780,000	–	–	–	4,780,000	(1)
Total			18,744,000	–	–	300,000	18,444,000	

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 2026 was 18,444,000. 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, the 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.

The total number of PTL Shares that may be issued in respect of options and awards granted under all share schemes of PTL (including the Share Award Plan and 2018 PTL Scheme) during the period was 18,444,000, representing approximately 1.61% of the weighted average number of issue shares of the relevant class in issue (excluding treasury shares) of PTL for the period, which was 1,148,420,000 PTL Shares.

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.

During the period, 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.

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

As at 30 June 2026, 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

Name of director	Nature of interest	Number of shares held	Percentage interest held
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

Name of director	Nature of interest	Number of shares held	Percentage interest held
CHAN Kwong Fai, Michael	Personal	3,274,000 ordinary shares	0.29%
LO Kai Yiu, Anthony	Personal	376,000 ordinary shares	0.03%

Long positions in underlying shares of PTL

Name of director	Nature of interest	Number of equity derivatives held	Number of underlying shares *(ordinary shares)*	Percentage interest held
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	0.09%
CHAN Kong Keung, Stephen	Personal	1,000,000 share options	1,000,000 shares	0.09%

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 2026.

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 2026, 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 2026, 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 *(Notes (i) and (ii))*	1,385,400,000 ordinary shares	66.99%
TGC Assets Limited	Beneficial Owner	1,113,400,000 ordinary shares	53.84%

Notes:

(i) Mr. Chan Chun Hoo, Thomas ("Mr. Chan") was interested in and deemed to be interested in 1,385,400,000 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 1,113,400,000 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 2026, 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 registered 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 during the period. 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 2026, 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 2026. 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 2026.

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 2026.

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

There has been no change in the directors' information which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Closure of Register of Members

The Register of Members of the Company will be closed from 8 September 2026 to 9 September 2026, 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 7 September 2026. The interim dividend will be paid on 25 September 2026 to the shareholders on the Register of Members of the Company on 9 September 2026.

Shareholder Information

This interim report is available on the website of the Company and the website of the Stock Exchange. 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, 21 August 2026

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
Richmond House
12 Par-la-Ville Road
Hamilton HM 08
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 Registrar
Conyers Corporate Services
(Bermuda) Limited
Richmond House
12 Par-la-Ville Road
Hamilton HM 08
Bermuda

Branch Share Registrar
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

Playmates Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock code 635)

www.playmates.net