



The Character Group plc

("Character" or the "Group")

Designers, developers and international distributors of toys, games and giftware

Character renews Licence for *Teletubbies*

Three-year renewal follows success of toy range since launch

LONDON: FRIDAY 14 JULY 2017: The Board of the Character Group is pleased to announce that DHX Brands (the dedicated brand management and consumer products arm of DHX Media (TSX: DHX.A, DHX.B; NASDAQ: DHXM)), has extended Character Options Limited's (the Group's principal trading subsidiary) master toy license for *Teletubbies* for a further three years, following the current toys' retail success. The deal, which runs until 2020, is for worldwide manufacturing rights with U.K. distribution and will see Character Options adding further plush and plastic toys to the range. New lines (such as Tiddlytubbies) will be inspired by exciting new elements from season two, which launched earlier in 2017.

The Group's partnership with DHX began in September 2014 and since then the two companies have worked closely together to re-create the iconic well-known characters and bring a refreshed, contemporary look to one of the world's most well-known pre-school properties. The *Teletubbies* product range was first re-launched in January 2016 and was the number one best-selling new toy property in the UK that year.

Jon Diver, Joint MD at Character Group, commented:

"This unique property has helped reinforce our position as market leader in the licensed, pre-school category in the UK as well as building on our growth internationally in this key product area. The DHX partnership is a good example of how we work to seek out and develop exciting products which meet domestic and international market demand. We are delighted with the license extension and look forward to adding and enhancing the product range further."

Tom Roe, Commercial Director at DHX Brands, added:

*"As we continue to grow the overall licensing programme for *Teletubbies*, it is imperative that we build on strong sales and marketing in core categories. Character Options has done a sterling job with the toy lines and we are excited about the new product to come that will complement the current broadcast season. We are confident that our continued relationship will see *Teletubbies* toys go from strength to strength at retail."*

ENQUIRIES

The Character Group plc

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BACKGROUND NOTES

FTSE sector: leisure: **FTSE AIM All-share: symbol:** CCT.L: **Market cap:** £101m
Copies of this statement can be viewed at www.thecharacter.com
Product ranges can be viewed at www.character-online.co.uk

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Teletubbies changed the landscape of children's television and remains a much-loved pre-school series. It was first launched in March 1997 and became one of the most successful children's pre-school global brands. Teletubbies is a worldwide phenomenon and has been screened in over 120 countries and 45 languages. It has retained a global, iconic profile and is instantly recognised and keenly followed by many.

Historically, the **Teletubbies** brand has enjoyed unprecedented success as both a television series and a consumer products phenomenon. It became one of the most successful global children's brands of all time and has reached more than 1 billion children to date. It was the first Western pre-school property to air on China's CCTV, reaching an audience of 300 million children. Its enduring resonance with children is further underscored by the brand's postings on YouTube, which garner almost 50 million views per month. **For more information please visit:** (TSX: DHX) www.dhxmedia.com