



This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law pursuant to the Market Abuse (Amendment) (EU Exit) regulations (SI 2019/310) ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR. Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.

**LONDON: Friday, 21 January 2022**

## **THE CHARACTER GROUP PLC**

Designers, developers and international distributor of toys, games and giftware  
(the "Group" or the "Company")

### **Trading Update**

The Character Group (AIM: CCT) will be holding its Annual General Meeting today at 11am. Ahead of this, the Group provides the following update:

The Group maintained a steady performance in the lead up to and through the Christmas 2021 period, notwithstanding global logistical challenges which continue to impact the export of product from the Far East to UK and our global markets. Whilst the consequent escalation in freight rates from the Far East has significantly increased costs, the Group has endeavoured, where possible, to raise its prices in the UK and Scandinavia to mitigate the impact on margins. Turnover increased by c. 23% in the four-month period ended 31 December 2021 compared to the previous year (in part benefiting from delayed shipments in August 2021). The bulk of this growth was attributable to sales to the USA and Scandinavia, whilst turnover in the UK and the rest of the world remained largely flat.

Our sales levels are a reflection of the strong portfolio of brands and products that we have at this time. In the UK, retailers have reported good sell through of our products and this bodes well for the rest of the financial year. Our teams are excited to be presenting to our customers at the London Toy Fair at Olympia next week (25 – 27 January) and showcasing the 2022 range and introducing new products, brands and refreshed items.

Assuming no further worsening of the trading conditions, including adverse COVID developments impacting normal commercial activity, the Board believes that the Group will achieve current market expectations\* for the year ending 31 August 2022.

Subject to the share buyback authority being renewed at the Annual General Meeting later today, the Company will be proceeding with the tender offer proposed last year and full details of the size, pricing and exact timing of the offer are expected to be announced next week.

#### **Note:**

\*Current market consensus compiled by the Company for the year ending 31 August 2022, prior to the release of this announcement, is an underlying profit before tax averaging c. £11.275m

#### **The Character Group plc**

**FTSE sector:** leisure goods:

**FTSE AIM All-share: symbol:** CCT

**Market cap:** £133m

Email: [info@charactergroup.plc.uk](mailto:info@charactergroup.plc.uk)

Group website: [www.thecharacter.com](http://www.thecharacter.com)

Product ranges can also be viewed at [www.character-online.co.uk](http://www.character-online.co.uk)

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