



The information contained within this announcement is deemed by the Company to constitute inside information stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain

Thursday, 24 September 2020

The Character Group plc

(“Character”, “Group” or the “Company”)

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

Trading Update

The Board of The Character Group plc (AIM: CCT) (the “Board”) provides the following update to shareholders on the Group’s trading ahead of the publication of the Company’s results for the year ended 31 August 2020.

The outcome for the second half of the 2020 financial year has, as expected, been considerably affected by the UK lockdown. Notwithstanding this, we have worked in close collaboration with our customers and distributors to maintain trading at satisfactory levels throughout the period. As predicted at the time of the release of our interim results in May 2020, the second half of the financial year ended 31 August 2020 will produce a profit; the Board now expects this to be at least equivalent to that of the first half.

The agile working practices that the Group has developed over recent years have served it very well during the lockdowns and periods of changing government restrictions. We have also noted this week the updated guidance from the Prime Minister and we shall take appropriate steps as and when required.

Demand for the Group’s exciting and innovative products has remained resilient throughout the year, and the Board is confident that steady progress will continue to be made through to Christmas 2020 and into 2021. As always at this time of year, development of the Group’s ranges and products for the Christmas season 2021 is well advanced and early feedback from customers to our previews and presentations have been extremely gratifying.

We have developed the ability to read our markets and swiftly react to its changing environment and conditions. We are proud that this has enabled us to maintain good working relations with our customers, distributors, and suppliers. Indeed, the change in our approach to customer engagement during lockdown has led to even closer collaboration and a highly effective strengthening of the bond between our teams and our customers.

Character continues to have a strong balance sheet with a sizeable cash balance and substantial unutilised working capital facilities.

The Board believes that, with the current strength of Character’s product catalogue matched by the commitment and motivation to succeed of our people at all levels, the Group’s prospects for weathering the challenging environment remain good.

The Company expects to release its preliminary results for the year ended 31 August 2020 in the first week of December 2020.

ENQUIRIES

The Character Group plc

Jon Diver, Joint Managing Director

Kiran Shah, Joint Managing Director

Office: +44 (0) 208 329 3377

Mobile: +44 (0) 7831 802219 (JD)

Mobile: +44 (0) 7956 278522 (KS)

Email: info@charactergroup.plc.uk

Panmure Gordon *(Nominated Adviser and Joint Broker)*

Atholl Tweedie, Investment Banking

Charles Leigh-Pemberton, Corporate Broking

Tel: +44 (0) 20 7886 2500

Allenby Capital Limited *(Joint Broker)*

Nick Athanas, Corporate Finance

Amrit Nahal, Sales & Corporate Broking

Tel: +44 (0) 20 3328 5656

TooleyStreet Communications Limited *(investor and media relations)*

Fiona Tooley

Tel: +44 (0) 7785 703523

Email: fiona@tooleystreet.com