



Q1 2024

SUPPLEMENTAL Information

Disclaimer

This presentation of Spin Master Corp. ("Spin Master" or "the Company") contains certain statements, other than statements of historical fact, which constitute "forward-looking information" within the meaning of applicable securities laws, including the Securities Act (Ontario). Such statements may concern the Company's objectives, plans, goals, aspirations, strategies, financial condition, results of operations, cash flows, performance, prospects and opportunities and specific forward-looking statements in this presentation include, without limitation, statements with respect to: the Company's outlook for 2024; future growth expectations in 2024 and beyond; content, digital game and product pipeline and launches; drivers and trends for such growth and financial performance; the successful execution of its strategies for growth; the integration of and benefits from acquisitions; financial position, cash flows, and financial performance; and CSR priorities and goals.

Forward-looking statements are necessarily based upon management's perceptions of historical trends, current conditions and expected future developments, as well as a number of specific factors and assumptions that, while considered reasonable by management as of the date on which the statements are made in this presentation, are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in the forward-looking statements ultimately being incorrect.

By its nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct, and that objectives, strategic goals and priorities will not be achieved. Known and unknown risk factors, many of which are beyond the control of the Company, could cause actual results to differ materially from the forward-looking information in this presentation.

Such risks and uncertainties and the material factors and assumptions used to develop the forward-looking information herein include, without limitation, those discussed in the Company's disclosure materials, including the Management's Discussion and Analysis dated May 7, 2024 for the three months and year ended March 31, 2024 (the "Company's Interim MD&A") or subsequent, most recent annual Management's Discussion and Analysis for the year ended December 31, 2023 (the "Company's Annual MD&A") and the Company's most recent Annual Information Form, filed with the securities regulatory authorities in Canada and available under the Company's profile on SEDAR+ (www.sedarplus.com), including those listed with any forward-looking statement safe harbour therein. The risk factors are not intended to represent a complete list of the factors that could affect the Company and investors are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided as of the date of this presentation and for the purpose of providing information about management's expectations and plans relating to the future. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

This presentation uses certain financial measures and ratios that do not have any standardized meaning prescribed by International Financial Reporting Standards ("non-GAAP") and therefore may not be comparable to similar measures presented by other issuers.

REIMAGINING EVERYDAY PLAY

Leading Global
Children's Entertainment
Company with a Diversified
Multi-Platform Portfolio



VISION

TOYS

Be a global leader in Toys by creating play experiences that spark creativity and imagination in kids and families globally.

ENTERTAINMENT

Be a leading global creator of children's entertainment, igniting imaginations and deep character connections.

DIGITAL GAMES

Create exceptional digital play experiences for kids of all ages around the world.

Three Creative Centres

Toys

With distribution in over 100 countries, Spin Master is best known for award-winning brands PAW Patrol®, Bakugan®, Kinetic Sand®, Air Hogs®, Melissa & Doug®, Hatchimals®, Rubik's Cube® and GUND®, and is the global toy licensee for other popular properties.

Preschool, Infant & Toddler and Plush



Activities, Games & Puzzles and Dolls & Interactive



Wheels & Action



Outdoor



Entertainment

Spin Master Entertainment creates and produces compelling multiplatform content, through its in-house studio and partnerships with outside creators, including the preschool franchise PAW Patrol® and numerous other original shows, short-form series and feature films.



Digital Games

Spin Master has an established presence in digital games, anchored by the Toca Boca® and Sago Mini® brands, offering open-ended and creative game and educational play in digital environments.





Q1 2024 HIGHLIGHTS

Revenue¹

\$316.2M  **16.5%
YOY**

Net Loss

\$(54.8M)

Adjusted Net Loss²

\$(19.5M)

Operating Loss

\$(61.8M)

Adjusted EBITDA²

\$18.6M

Adjusted EBITDA Margin²

5.9%

Cash provided by operating activities

\$24.3M

Free Cash Flow²

\$(0.6M)

Diluted EPS

\$(0.53)

Adjusted Diluted EPS²

\$(0.19)

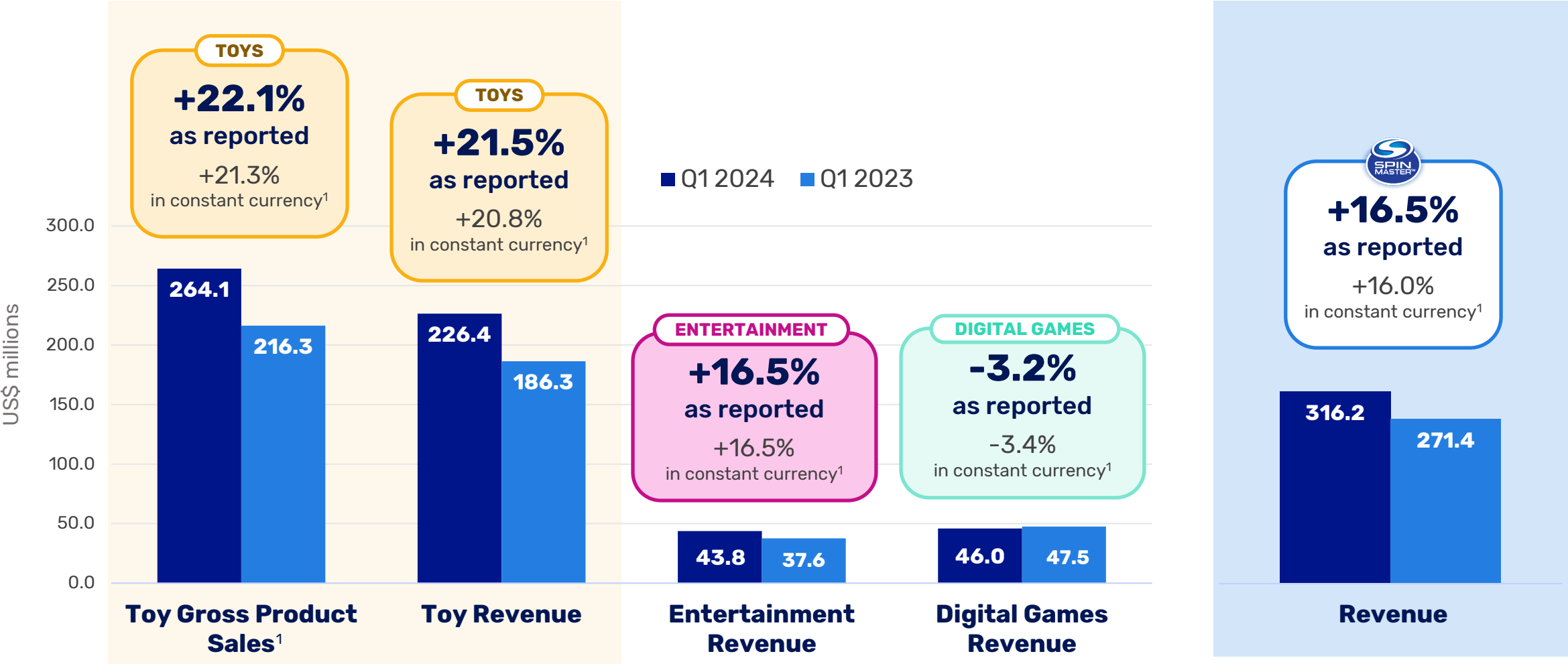
1. Melissa & Doug was acquired on Jan 2, 2024. M&D operating results for the three months ended March 31, 2024 are included in the Company's consolidated results.
2. Non-GAAP financial measure or ratio. The composition, usefulness and quantitative reconciliations for each such measure are incorporated by reference from the section "Non-GAAP Financial Measures and Ratios" in the Company's Interim MD&A available on SEDAR+ at www.sedarplus.com. The reconciliations of Adjusted Net Loss and Adjusted EBITDA are included on page 41, and Free Cash Flow is on page 44. See also slide 2 Disclaimer.



Toy Gross Product Sales¹ and Revenue by Creative Centre

Q1 2024 vs. Q1 2023

Melissa & Doug was acquired on Jan 2, 2024. M&D operating results for the three months ended March 31, 2024 are included in the Company's consolidated results



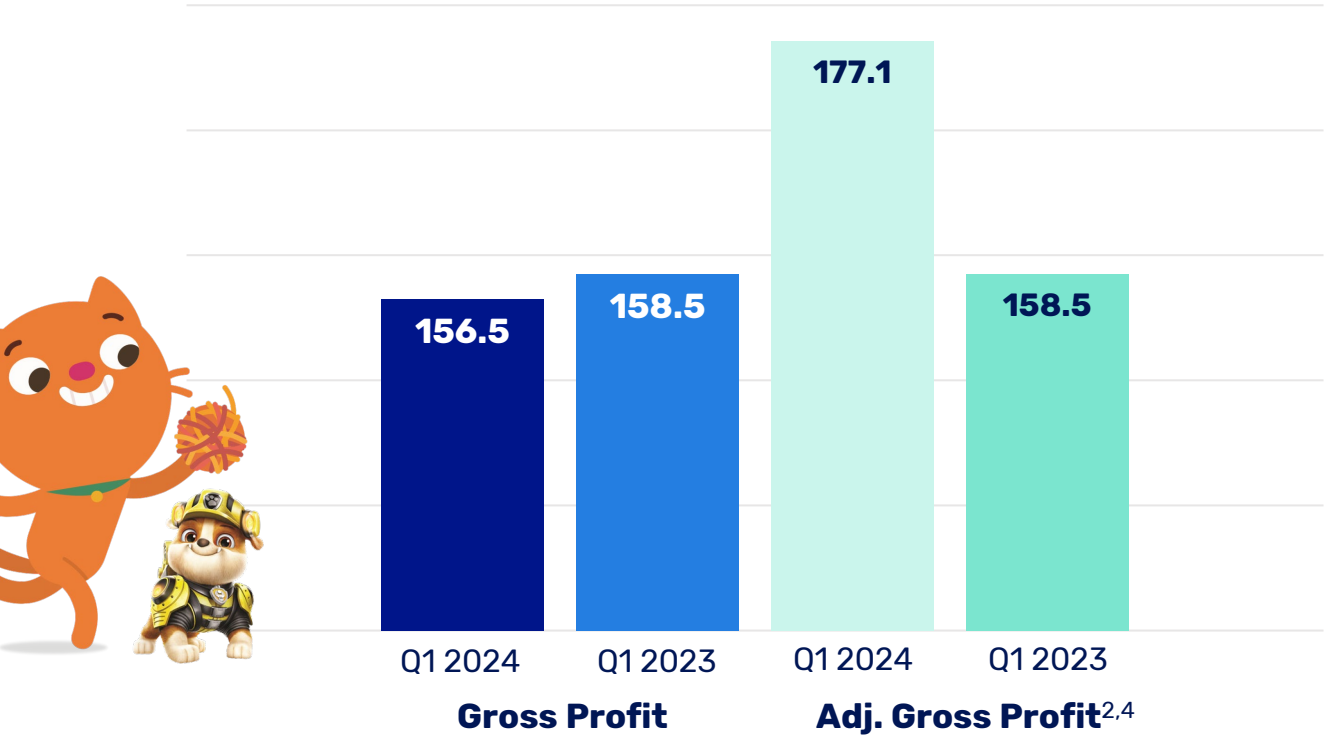
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Gross Profit and Gross Margin



Gross Profit³ (\$)



Gross Margin¹ (%)



1. Gross margin is calculated as Gross profit divided by Revenue
2. Non-GAAP financial measure or ratio. The composition, usefulness and quantitative reconciliations for each such measure are incorporated by reference from the section “Non-GAAP Financial Measures and Ratios” in the Company’s Interim MD&A available on SEDAR+ at www.sedarplus.com. The reconciliation of Adjusted Gross Profit is included on page 10. See also slide 2 Disclaimer.
3. Melissa & Doug was acquired on Jan 2, 2024. M&D operating results for the three months ended March 31, 2024 are included in the Company’s consolidated results
4. Adj. Gross Profit and Adj. Gross Margin excludes the impact of the fair value adjustment to Melissa & Doug’s inventory recorded as part of the acquisition on January 2, 2024.



Key P&L Financial Metrics

Melissa & Doug was acquired on Jan 2, 2024. M&D operating results for the three months ended March 31, 2024 are included in the Company's consolidated results

	Q1 2024	Q1 2023	% Change as reported
Selling, General and Administrative Expenses ("SG&A")	197.7	149.3	32.4%
Adjusted SG&A ¹	173.6	139.5	24.4%
Depreciation and amortization (Cost of sales)	15.0	11.3	32.7%
Depreciation and amortization (Expenses)	19.8	6.6	200.0%
Operating Loss	(61.8)	(6.1)	913.1%
Operating Margin ²	(19.5)%	(2.2)%	-1730bps
Adjusted EBITDA ¹	18.6	30.6	-39.2%
Adjusted EBITDA Margin ¹	5.9%	11.3%	-540bps

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2. Operating margin is calculated as Operating income divided by Revenue.



Key Balance Sheet and Cash Flow Metrics

(in US\$ millions)



	March 31, 2024	March 31, 2023	December 31, 2023
Cash	205.5	569.3	705.7
Trade receivables, net	285.9	177.5	414.4
Other receivables ³	62.4	56.2	60.0
Inventories, net ⁴	252.1	109.6	98.0
Net working capital ¹	334.2	92.7	184.8
Capital Expenditures ²	24.9	30.1	107.4
Loans and Borrowings	473.2	nil	nil

Capital Allocation

Business Acquisitions:

Melissa & Doug \$955.5M
(net of cash acquired)

During Q1 2024, **repurchased subordinate voting shares:**
\$8.4M (333,300 shares)

During Q1 2024,
dividends paid: \$4.6M

Dividend increase announced
on May 7 from **CA\$0.06**
to **CA\$0.12**/share per quarter.



TOYS

Q1 2024

HIGHLIGHTS



**Toy Gross
Product Sales^{1,2}**

\$264.1M



**22.1%
YoY**

Toy Revenue¹

\$226.4M



**21.5%
YoY**

Toys Operating Loss

\$(90.8M)

Toys Operating Margin

(40.1)%

Toys Adjusted EBITDA²

\$(32.5M)

Toys Adjusted EBITDA Margin²

(14.4)%

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² Non-GAAP financial measure or ratio. The composition, usefulness and quantitative reconciliations for each such measure are incorporated by reference from the section "Non-GAAP Financial Measures and Ratios" in the Company's Interim MD&A available on SEDAR+ at www.sedarplus.com. The reconciliation of Toy Gross Product Sales is included on page 45, and Toys Adjusted EBITDA is on page 15. See also slide 2 Disclaimer.

Toy Gross Product Sales^{1,2}



1. Melissa & Doug was acquired on Jan 2, 2024. M&D operating results for the three months ended March 31, 2024 are included in the Company's consolidated results
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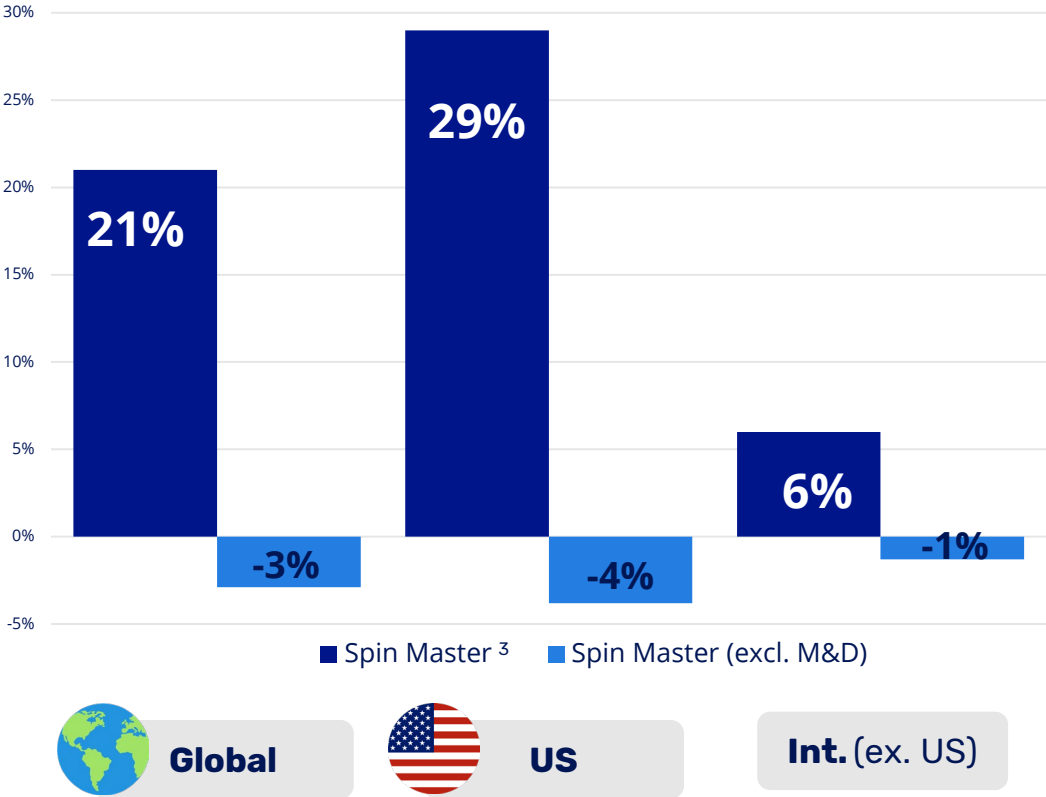
Point-of-Sale¹ ("POS") Metrics

Q1 2024



Geographic Spin Master POS

YoY Q1 2024²



1. Point-of-Sale represents the value of retail sales, as measured at the point where the customer is purchasing and sales tax is applied.
2. Source: Circana/Retail Tracking Service/G11, EXCL BR/Jan-Mar2023/Projected USD Adjusted. Dollar sales adjusted for 53rd week in January 2024.
3. All numbers include Melissa & Doug in 2024 only



ENTERTAINMENT

Q1 2024 HIGHLIGHTS



**Entertainment
Revenue**

\$43.8M  **16.5%
YoY**

Entertainment Operating Income

\$28.6M

Entertainment Adjusted Operating Income¹

\$29.1M

Entertainment Operating Margin

65.3%

Entertainment Adjusted Operating Margin¹

66.4%



DIGITAL GAMES

Q1 2024

HIGHLIGHTS



**Digital Games
Revenue**

\$46.0M  **3.2%
YoY**

Digital Games Operating Income

\$13.2M

Digital Games Adjusted Operating Income¹

\$15.2M

Digital Games Operating Margin

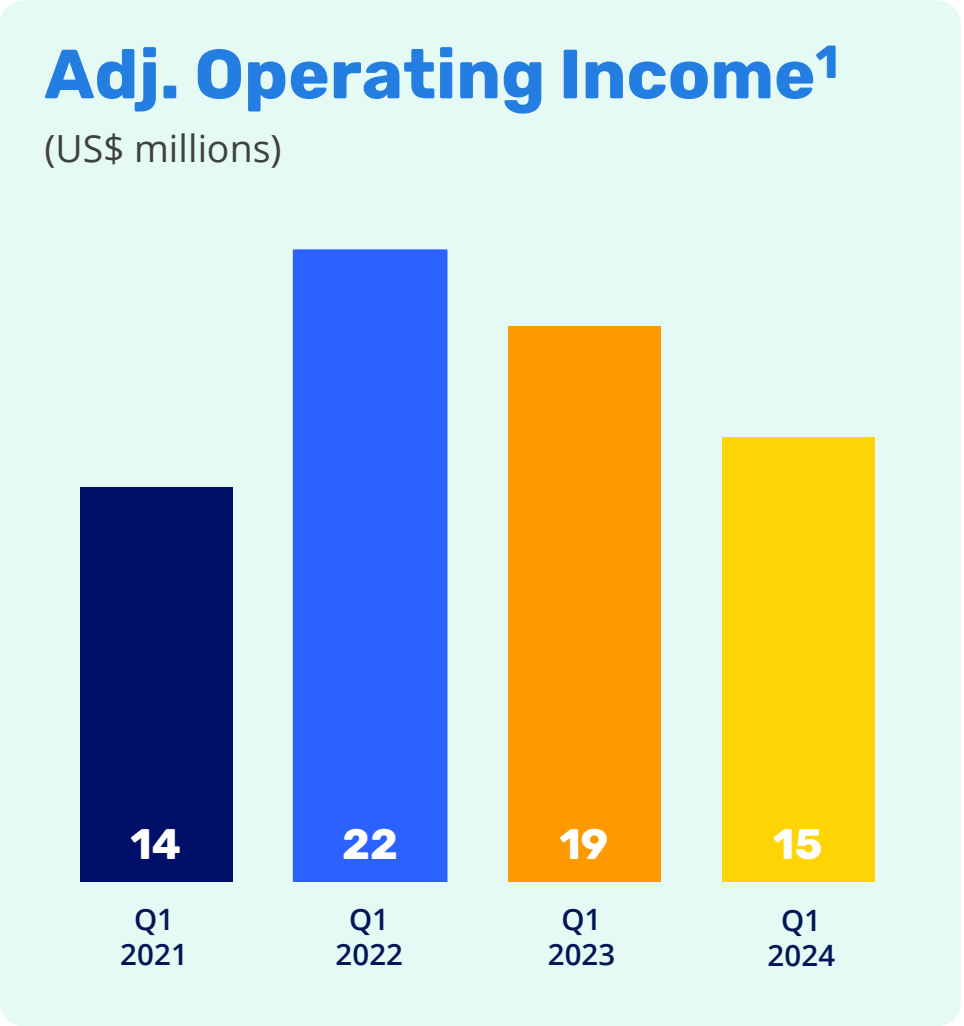
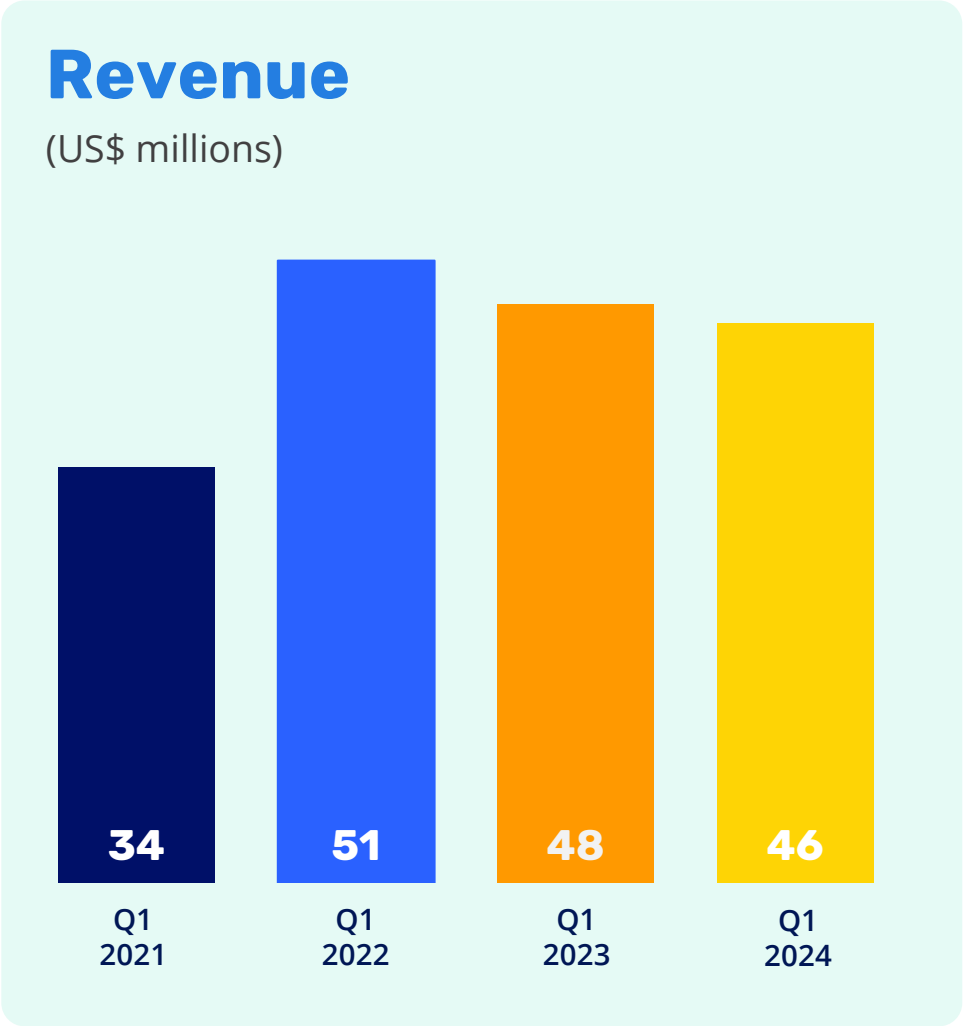
28.7%

Digital Games Adjusted Operating Margin¹

33.0%

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Digital Games – Q1 Financial Results



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Monthly Active Users¹ ("MAU")



Ages:
6+

In App
Purchase



**Average
MAU**
Q1 2024

-0.5M

58.2M

-0.8% vs Q1 2023

**Ending
MAU**
Q1 2024

-2.4M

54.6M

-4.3% vs Q1 2023

Active Subscriptions²



Ages
2-5
Subscription

~ 374k¹
vs. 333k Q1 2023

↑ +12%



1. Includes Sago Mini, Piknik, and Originator (Math Tango and ELA) subscribers



Ages
2-5
Subscription

56k
NEW



**TOTAL
SUBSCRIPTIONS**

~ 430K
vs. 333k Q1 2023

↑ +29%

Digital Games Portfolio

IN APP PURCHASES

IN DEVELOPMENT

COMING SOON



Live in select markets:
Summer 2024



Live in select markets:
Summer 2025

SUBSCRIPTIONS

Unannounced
NEW CONTENT
coming to
piknik

LIVE IN SELECT MARKETS¹



LIVE GLOBALLY²



piknik



Maintains 2024 Outlook



	Toy Gross Product Sales ¹	Revenue	Adjusted EBITDA Margin ¹
2023	\$1,787.2M	\$1,904.9M	22.0%
 Excluding Melissa & Doug	In line with 2023, excluding Melissa & Doug. Seasonality excluding Melissa & Doug, to be approximately 28% - 32% in the first half. IN-LINE ➡	In line with 2023, excluding Melissa & Doug. IN-LINE ➡ 	In line with 2023, excluding Melissa & Doug and net cost synergies realized. IN-LINE ➡
 Melissa & Doug Stand-alone	\$420 million - \$430 million. Seasonality to be approximately 20% - 25% in the first half.	\$370 million - \$375 million. 	Approximately 19.5%.

Net Cost Synergies² Outlook

To achieve in addition approximately **\$6 million in Net Cost Synergies** towards the target of approximately \$25 million to \$30 million in run-rate net cost synergies by the end of 2026.



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2. Net Cost Synergies represents cost savings, net of costs to achieve, attributable to the integration of Melissa & Doug.



CSR at Spin Master

CSR Vision

REIMAGINING EVERYDAY PLAY FOR FUTURE GENERATIONS

Spin Master creates magical play experiences for children and their families. We foster an inclusive culture and empower children to grow and learn through play while acting as responsible custodians of the world these children will one day inherit.



OUR ENVIRONMENT



We are committed to minimizing the impact of our operations on the planet to ensure we protect the world for children and families today and for generations to come.

OUR PRODUCTS



As a leading children’s entertainment company, we are committed to producing safe, high-quality and responsibly sourced products. We are striving to incorporate responsible product materials and packaging to provide consumers with more sustainable options.

OUR PEOPLE



Our talented team is the driving force behind our purpose of creating magical experiences for children and their families. We are committed to investing in our employees’ well-being and development and to fostering an inclusive workplace where everyone can thrive, grow and ultimately have fun.

OUR COMMUNITIES



We give children in communities around the world the opportunity to grow, explore and learn through the power of play. Through our in-kind donations, investments in educational programming, local community engagement and employee volunteerism, we are helping children harness their creativity and develop skills to achieve things they thought unimaginable.



CSR Priorities and Goals

DIVERSITY AND ENGAGEMENT

Fostering an inclusive culture where everyone can thrive and grow



CSR Priority	2023 Result
Set and meet employee engagement targets (2030)	77% overall employee engagement
Achieve and maintain close to 100% pay equity	99% pay equity
Approximate 50-50 gender split for all management levels (2025)	Female representation at 40% senior management and 48% middle management
Report representation survey results	Representation data reported 2022 onwards

PHILANTHROPY

Helping children grow, learn and explore through play



CSR Priority	2023 Result
Impact 1/2 million children (2022)	645,000 children impacted
Report volunteer hours (2022)	6,000+ volunteer hours globally
Award 8 Future of Play Scholarships	9 scholarships awarded in 2023 and 24 students supported since the program launched

PRODUCT AND PACKAGING

Producing the highest quality goods and developing sustainable production with our portfolio



CSR Priority	2023 Result
50% reduction of plastic in our packaging (2025)	22.4% reduction in plastic packaging
Utilize eco-friendly inks on 50% of packaging (2025)	23.7% of our inks were eco-friendly in 2022, on target to achieve goal
Develop 4 responsibly made SKUs (2022)	21 sustainably minded products launched since 2022

CLIMATE

Doing our part to mitigate our environmental impact and adapt to changing climate



CSR Priority	2023 Result
Develop a Climate Action Plan (2022)	Developed and launched Climate Action Plan in 2022
Achieve net-zero reduction in Scope 1 + 2 emissions (2050)	Net-zero pathway mapped with external consultants
70% reduction in Scope 1 + 2 emissions (2030)	On track , see CSR Report for 2023 emissions progress
In the interim, offset 100% of our self-generated carbon	100% of Scope 1 + 2 emissions covered by renewable energy certificates or offsets

RESPONSIBLE SOURCING

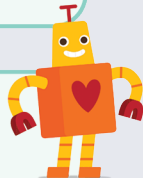
Sourcing production in a responsible manner from suppliers who share our values and commitment to integrity



CSR Priority	2023 Result
Audit 100% factories	99% of factories audited annually
Establish and enforce Supplier Code of Conduct (2020)	Supplier Code of Conduct developed and enforced

WASTE

Reducing waste through recycling, reusing and reducing



CSR Priority	2023 Result
Establish product takeback program (2021)	Established a partnership with TerraCycle® that allows U.S. customers to recycle toys free of charge
80% reduction in landfill waste in owned/leased facilities (2025) Zero landfill waste in owned/leased facilities (2035)	Achieved 2025 landfill waste reduction goal in 2023
Conduct waste audits in owned/leased facilities (2022)	Waste audit completed in 2022, with 55% waste diversion