



Q4 2020 & Full Year 2020 Supplemental Slides

Disclaimer

This presentation for Spin Master Corp. ("Spin Master" or "the Company") contains forward-looking statements about the Company's objectives, plans, goals, aspirations, strategies, financial condition, results of operations, cash flows, performance, prospects and opportunities. Specific forward-looking statements in this presentation include, but are not limited to, statements with respect to the Company's outlook for 2021; future growth expectations in 2021 and beyond; financial position, cash flows and financial performance; drivers for such growth; the resolution of logistics problems; the program to achieve operational efficiencies supports the growth of the Company's global platform; the successful execution of its strategies for growth; the creation of long term shareholder value; the impacts of the COVID-19 pandemic on the Company; and consumer demand and the seasonality of financial results and performance. The words "plans", "expects", "projected", "estimated", "forecasts", "anticipates", "indicative", "intend", "guidance", "outlook", "potential", "prospects", "seek", "strategy", "targets" or "believes", or variations of such words and phrases or statements that certain future conditions, actions, events or results "will", "may", "could", "would", "should", "might" or "can", or negative versions thereof, "be taken", "occur", "continue" or "be achieved", and other similar expressions, identify statements containing forward-looking information.

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, including the COVID-19 pandemic, which could result in the forward-looking statements ultimately being incorrect.

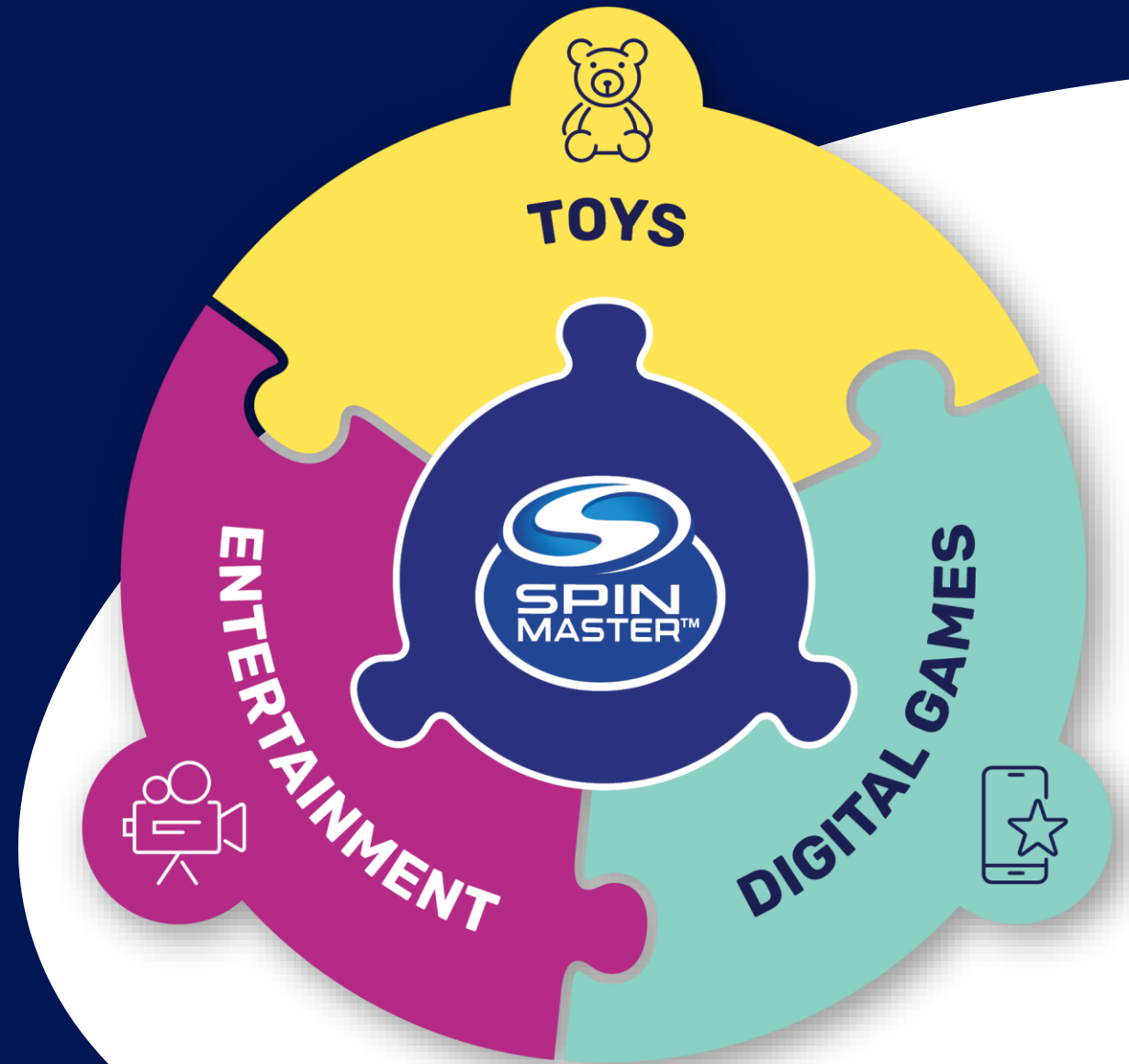
By its nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and 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 include, without limitation, the magnitude and length of economic disruption as a result of the COVID-19 pandemic, and the factors discussed in the Company's disclosure materials, including its most recent annual and any subsequent interim Management Discussion & Analysis and its most recent Annual Information Form, filed with the securities regulatory authorities in Canada and available under the Company's profile on SEDAR (www.sedar.com). These 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.

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This presentation uses certain non-IFRS financial measures, such as Gross Product Sales, Adjusted EBITDA, Adjusted EBITDA Margin and Free Cash Flow which the Company believes provide useful information to both management and investors in measuring the financial performance of the Company. These measures do not have a standardized meaning prescribed by IFRS, and therefore, they may not be comparable to similarly titled measures presented by other publicly traded companies and should not be construed as an alternative to other financial measures determined in accordance with IFRS.



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



Growth Strategies



Toy

Continue to innovate using our global internal and external R&D network

- Leverage competitive strengths and global networks to build a robust pipeline
- Continue to focus on strategic brand building
- Continue to invest in advanced technology and licenses

Increase Sales In International Developing and Emerging Markets

- Increase proportion of sales outside of North America to 45% in the medium term



Entertainment

Develop Evergreen Global Entertainment Properties

- Leverage current properties
- Launch at least one new property per year
- Strategically relaunch properties to capitalize on value of owned content library
- Develop an optimal franchise marketing model
- Generate new licensing and merchandising revenue streams
- Build out movie making capability



Digital Games

Establish leading position in digital games

- Maintain and build evergreen digital games properties
- Drive organic growth through Toca Life World; Toca Days; Sago Mini and Sago subscription services
- Expand studio capability and leverage current content and owned IP to develop, nurture and broaden offerings.
- Focus on organic growth through internal design and development capitalizing on current and future trends.

Leverage global platform through strategic acquisitions

Three Creative Centers



Toys



Remote Control and Interactive Characters



Boys Action and Construction



Activities, Games and Puzzles, and Plush



Pre-school and Girls



Outdoor



Digital Games

SAGO mini

SAGO mini
box

TOCA
LIFE

TOCA BOCA



Entertainment



Sales Metrics

Product Category Review



-43.6%

**Remote control &
interactive characters**



+5.4%

Outdoor



+1.0%

**Pre-school
& girls**



+1.9%

**Activities, games &
puzzles and plush**



+1.8%

**Boys action
& construction**

(\$ in millions)

Q4 2020 **60.1**
Q4 2019 **106.5**

Q4 2020 **15.7**
Q4 2019 **14.9**

Q4 2020 **154.0**
Q4 2019 **152.4**

Q4 2020 **165.1**
Q4 2019 **162.1**

Q4 2020 **116.9**
Q4 2019 **114.8**

POS Metrics

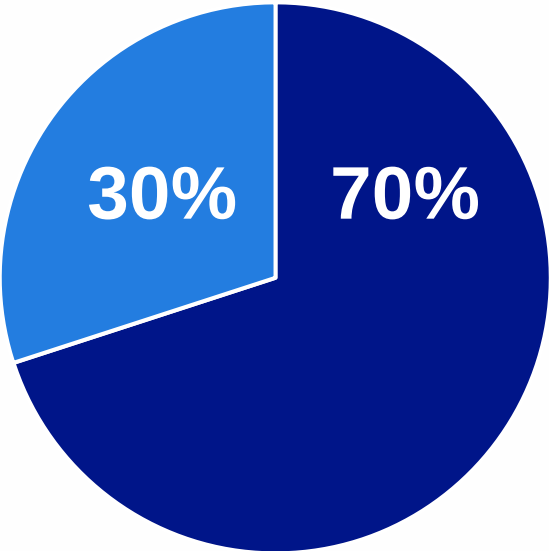
Spin Master POS	Q4 2020		FY 2020	
Global	+5%	↑	+9%	↑
US POS	flat	↑	+8%	↑
International (ex.US)	+8%	↑	+9%	↑
ECOM	+11%	↑	+28%	↑



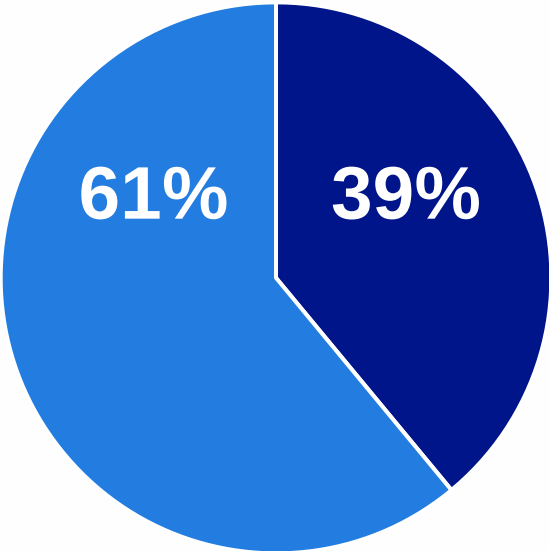
Spin Master POS	Q4 2020		FY 2020	
Paw Patrol –Global	+10%	↑	+9%	↑
Paw Patrol – USA	-8%	↓	-6%	↓
Kinetic Sand-USA	72%	↑	98%	↑
Games-USA	8%	↑	31%	↑
Monster Jam-USA	45%	↑	44%	↑
Bakugan-USA	10%	↑	14%	↑

Geographic Sales

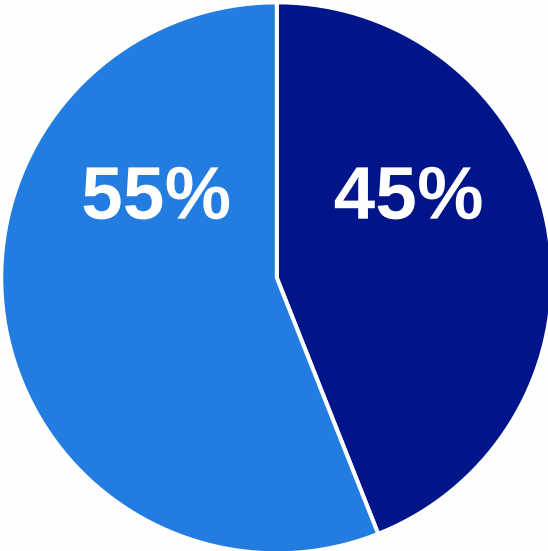
Global Toy Industry



Spin Master 2020



Goal



● International ● North America



Key P&L Financial Metrics



	Q4 2020	Q4 2019		% Change	FY 2020	FY 2019		% Change
Gross Product Sales ⁽¹⁾	511.8	550.7	↓	-7.1%	1623.7	1691.2	↓	-4.0%
Sales Allowances ⁽¹⁾	77.5	109.1	↓	-29.0%	208.1	227.5	↓	-8.5%
Net Sales ⁽¹⁾	434.3	441.6	↓	-1.7%	1415.6	1463.7	↓	-3.3%
Other Revenue	56.3	31.9	↑	76.5%	155.0	117.9	↑	31.5%
Entertainment and Licensing revenue	24.5	25.6	↓	-4.3%	78.2	91.7	↓	-14.7%
Digital Games revenue	31.8	6.3	↑	404.8%	76.8	26.2	↑	193.1%
Total Revenue	490.6	473.5	↑	3.6%	1570.6	1581.6	↓	-0.7%
Gross Profit	241.0	226.1	↑	6.6%	727.9	785.0	↓	-7.3%
Gross Margin	49.1%	47.8%	↑	1.3%	46.3%	49.6%	↓	-3.3%
Adjusted SG&A (ex. DA) ⁽¹⁾	207.0	228.1	↓	-9.3%	613.5	620.2	↓	-1.1%
Selling, marketing, distribution and product development	135.1	164.8	↓	-18.0%	367.8	395.4	↓	-7.0%
Adjusted administrative expenses ⁽¹⁾	71.9	63.3	↑	13.6%	245.7	224.8	↑	9.3%
Depreciation and amortization (COGS/SG&A)	27.6	16.2	↑	70.4%	103.0	84.6	↑	21.7%
Adjusted EBITDA ⁽¹⁾	51.5	6.7	↑	668.7%	180.6	219.0	↓	-17.5%
Adjusted EBITDA Margin ⁽¹⁾	10.5%	1.4%	↑	9.1%	11.5%	13.8%	↓	-2.3%

(1) See "Non-IFRS Financial Measures" in the Company's Management Discussion and Analysis for the year ended December 31, 2020

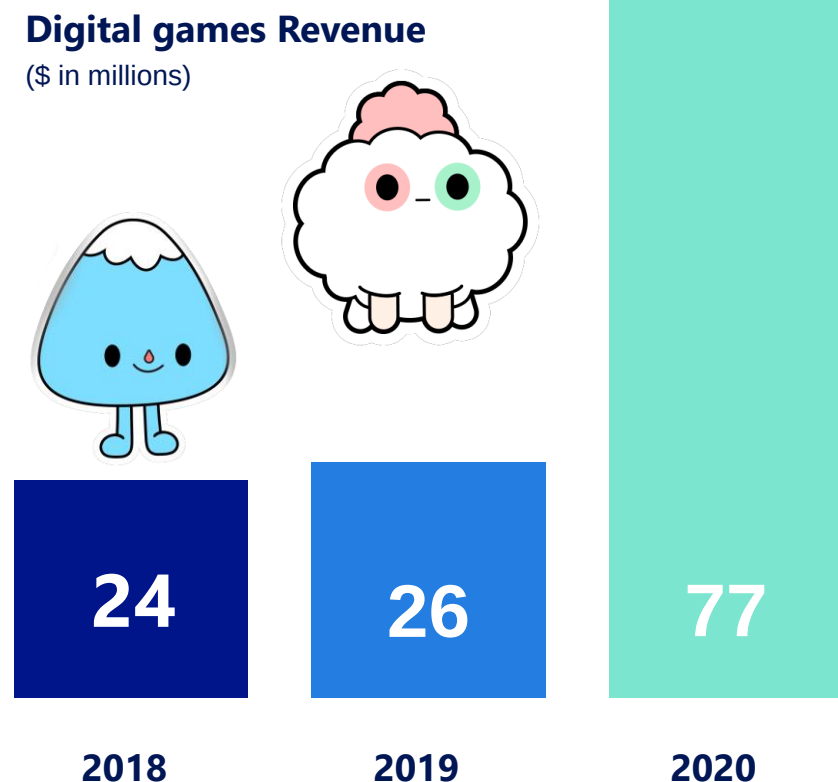
Key Balance Sheet and Free Cash Flow Metrics

- Continued to strengthen Balance Sheet
- Exited 2020 with the strongest net cash position in our history, \$321 million
- Net working capital was \$99.8M at the end of the year compared to \$266.0M
- Made meaningful progress reducing our inventory levels; \$102.0M vs \$185.3M end of 2019
- Free Cash Flow of \$232.1M vs. \$4.7M, +\$227.4M
- We are very solidly positioned regarding available liquidity



	31-Dec-20	31-Dec19	Notes
Cash	320.6	115.3	↑
Long-term Debt	-	-	
Depreciation COGS	65.3	52.0	↑
Depreciation – SG&A	37.7	32.6	↑
Amortization of Intangibles	54.0	40.1	↑
Capital Expenditures	78.7	94.2	↓
Operating Cash Flow	310.8	98.4	↑
Free Cash Flow ⁽¹⁾	232.1	4.7	↑
Accounts Receivable (Trade)	265.2	370.7	↓
Accounts Receivable (Other)	73.4	57.0	↑
Inventories	102.0	185.3	↓
Goodwill	138.0	138.8	±

Digital Games



TOCA BOCA
Ages 6+

~40M
Toca Monthly
Active Users



135%



SAGO mini
Ages 2-5

~242K
Sago Active
Subscribers



102%



Kids in

172+
countries play Sago games

ENTERTAINMENT FRANCHISES



CSR Vision

Spin Master brings kids and families together through the timeless magic of play. We seek to be an inclusive employer, enhance the communities we operate in and minimize our environmental impacts.



Our Products

As a leading children's entertainment company, we operate in a highly regulated industry and are committed to the highest product quality and safety.



Our People

Our people are our key differentiator. We are committed to their development and wellbeing and to fostering our unique and inclusive culture.



Our Communities

Giving back is an integral part of our culture. Through philanthropic giving, volunteering and toy donations, we help enrich the lives of children and families.



Our Environment

We recognize the need to act in support of the environment and to minimize the impact of our operations, for children and families today and generations to come.

2021 Outlook

(\$ in millions, except percentages)	2020 Reported	2021 Outlook
Gross Product Sales	\$1624 M	Increase low to mid single digits compared to 2020
Gross Product Sales Seasonality	32% in the first half of 2020 and 68% in the second half of 2020.	32-34% in the first half of 2021 and 66-68% in the second half of 2021.
Total Revenue (new)	\$1571 M	Increase mid to high single digits compared to 2020
Adjusted EBITDA Margin	11.5%	Mid to high teens

