

Q4 2023

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; the Company's dividend policy; 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 the creation of long term shareholder value.

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.

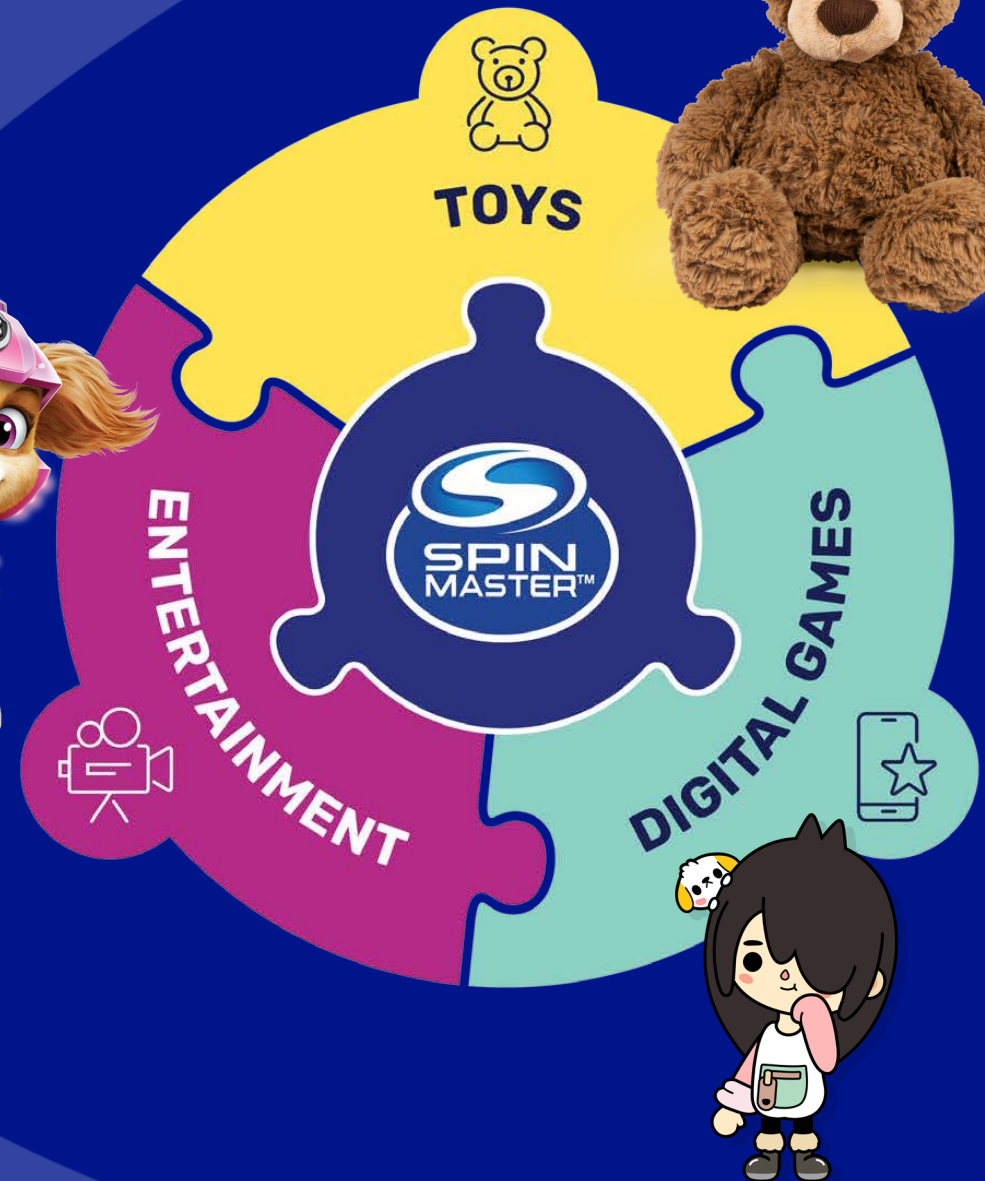
Such risks and uncertainties and the material factors and assumptions used to develop the forward-looking information herein include, without limitation, those discussed in the Company's disclosure materials, including the Management's Discussion and Analysis dated February 28, 2024 for the three months and year ended December 31, 2023 (the "Company's MD&A") or subsequent, most recent interim Management's Discussion and Analysis 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



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®, Hatchimals®, Rubik's Cube® and GUND®, and is the global toy licensee for other popular properties.

Preschool, Dolls & Interactive



Wheels & Action



Activities, Games & Puzzles and Plush



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.



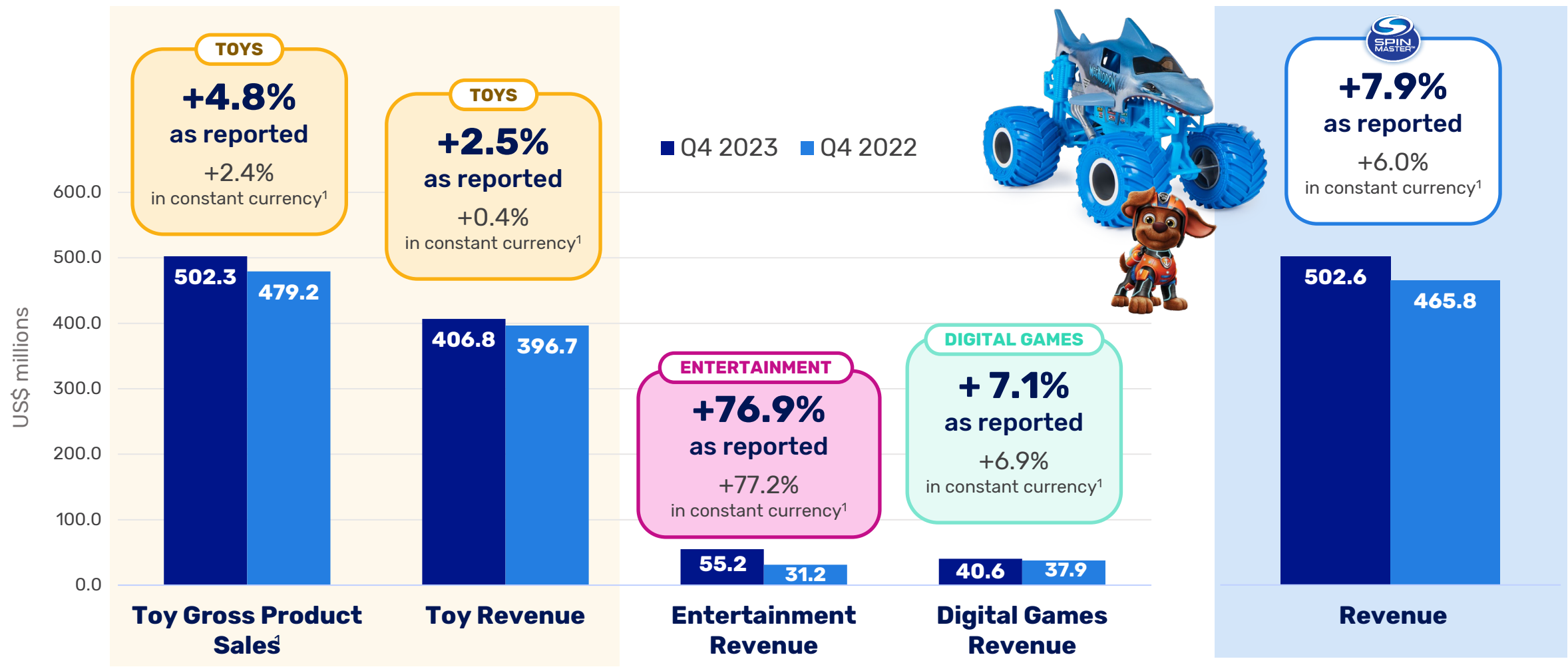


Q4 & 2023 HIGHLIGHTS

	Q4	2023
Revenue \$502.6M Q4 \$1,904.9M 2023	 7.9% YoY	 5.7% YoY
Net (Loss) Income	\$(30.1M)	\$151.4M
Adjusted Net Income¹	\$20.5M	\$225.2M
Adjusted EBITDA¹	\$64.9M	\$418.8M
Adjusted EBITDA Margin¹	12.9%	22.0%
Cash provided by Operating Activities	\$67.9M	\$227.0M
Free Cash Flow¹	\$44.3M	\$122.9M
Diluted EPS	\$(0.29)	\$1.43
Adjusted Diluted EPS¹	\$0.19	\$2.13

Toy Gross Product Sales¹ and Revenue by Creative Centre

Q4 2023 vs. Q4 2022

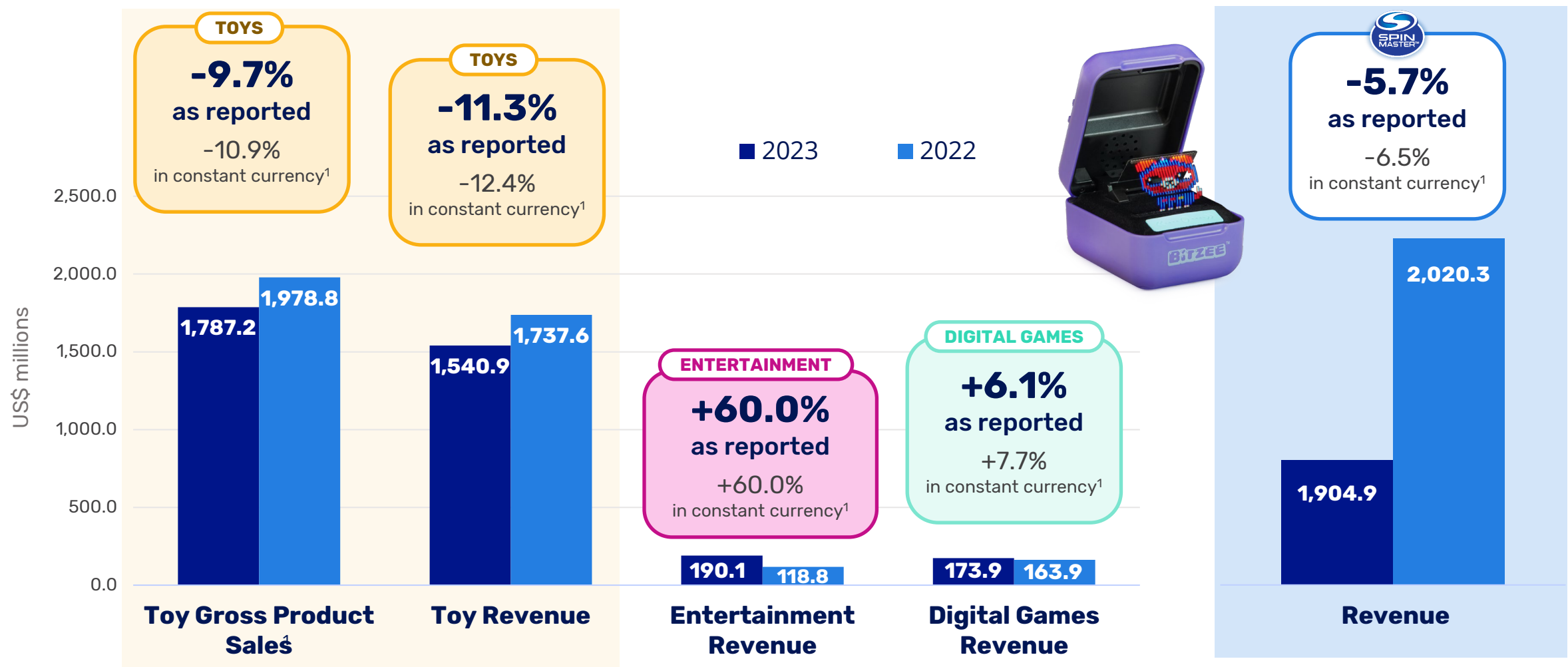


1. Non-GAAP financial measure or ratio. The composition, usefulness and quantitative reconciliations for each such measure are incorporated by reference from the section "Non-GAAP Financial Measures and Ratios" in the Company's MD&A available on SEDAR+ at www.sedarplus.com. The reconciliation of Toy Gross Product Sales is included on page 75 and Constant Currency on page 76. See also slide 2 Disclaimer.



Toy Gross Product Sales¹ and Revenue by Creative Centre

2023 vs. 2022



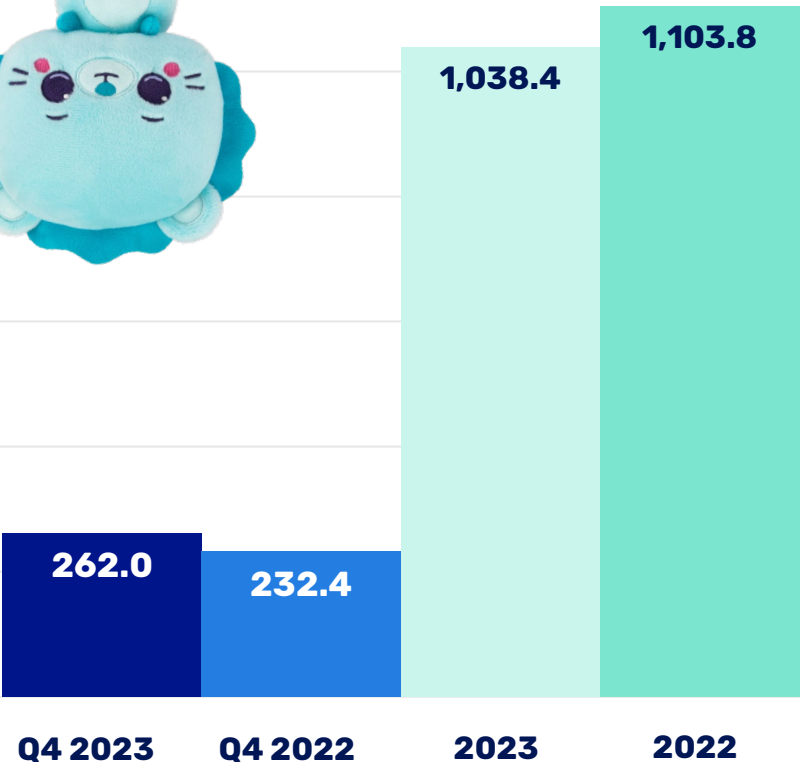
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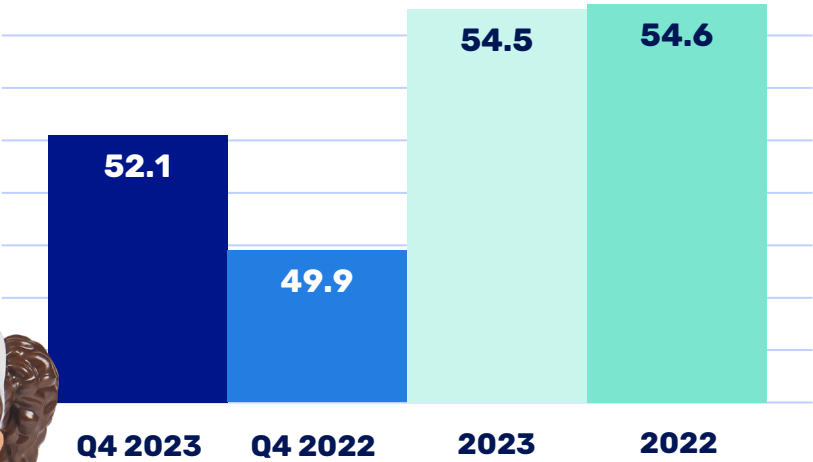
Gross Profit and Gross Margin



Gross Profit (\$)



Gross Margin¹ (%)



1. Gross margin is calculated as Gross profit divided by Revenue.



Key P&L Financial Metrics



Selling, General and Administrative Expenses ("SG&A")

Adjusted SG&A¹

Depreciation and amortization (Cost of sales)

Depreciation and amortization (Expenses)

Operating (Loss) Income

Operating Margin²

Adjusted EBITDA¹

Adjusted EBITDA Margin¹

	Q4 2023	Q4 2022	% Change as reported	2023	2022	% Change as reported
Selling, General and Administrative Expenses ("SG&A")	244.8	237.8	2.9%	775.7	782.1	-0.8%
Adjusted SG&A ¹	232.4	233.1	-0.3%	726.4	758.6	-4.2%
Depreciation and amortization (Cost of sales)	34.6	10.7	223.4%	104.7	39.2	167.1%
Depreciation and amortization (Expenses)	7.1	7.2	-1.4%	25.4	29.0	-12.4%
Operating (Loss) Income	(36.6)	(24.0)	-52.5%	188.9	343.3	-45.0%
Operating Margin ²	(7.3)%	(5.2)%	-210bps	9.9%	17.0%	-710bps
Adjusted EBITDA ¹	64.9	12.4	423.4%	418.8	389.4	7.6%
Adjusted EBITDA Margin ¹	12.9%	2.7%	1020bps	22.0%	19.3%	270bps

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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)

	December 31, 2023	December 31, 2022
Cash and cash equivalents	705.7	644.3
Trade receivables, net	414.4	311.0
Other receivables ⁴	60.0	49.5
Inventories, net	98.0	105.1
Net working capital ¹	184.8	106.3
Capital Expenditures ²	107.4	99.4

Capital Allocation



Business Acquisitions:

4D ³	\$14.6M
HEXBUG ³	\$12.9M
Other	\$5.8M

Subsequent Event

The acquisition of **Melissa & Doug** was completed on January 2, 2024.



During 2023, **repurchased \$10.5M (397,700) subordinate voting shares**



During 2023, **dividends paid were \$18.4M**



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2. Capital Expenditures are defined as the sum of "Investment in property, plant and equipment" and "Investment in intangible assets" in the Consolidated statements of cash flows for the year ended December 31, 2023.

3. Advance of \$0.5M paid for both acquisitions in 2022.

4. Other receivables include investment tax credits receivables, sales tax receivables and other balances

TOYS

Q4 & 2023 HIGHLIGHTS

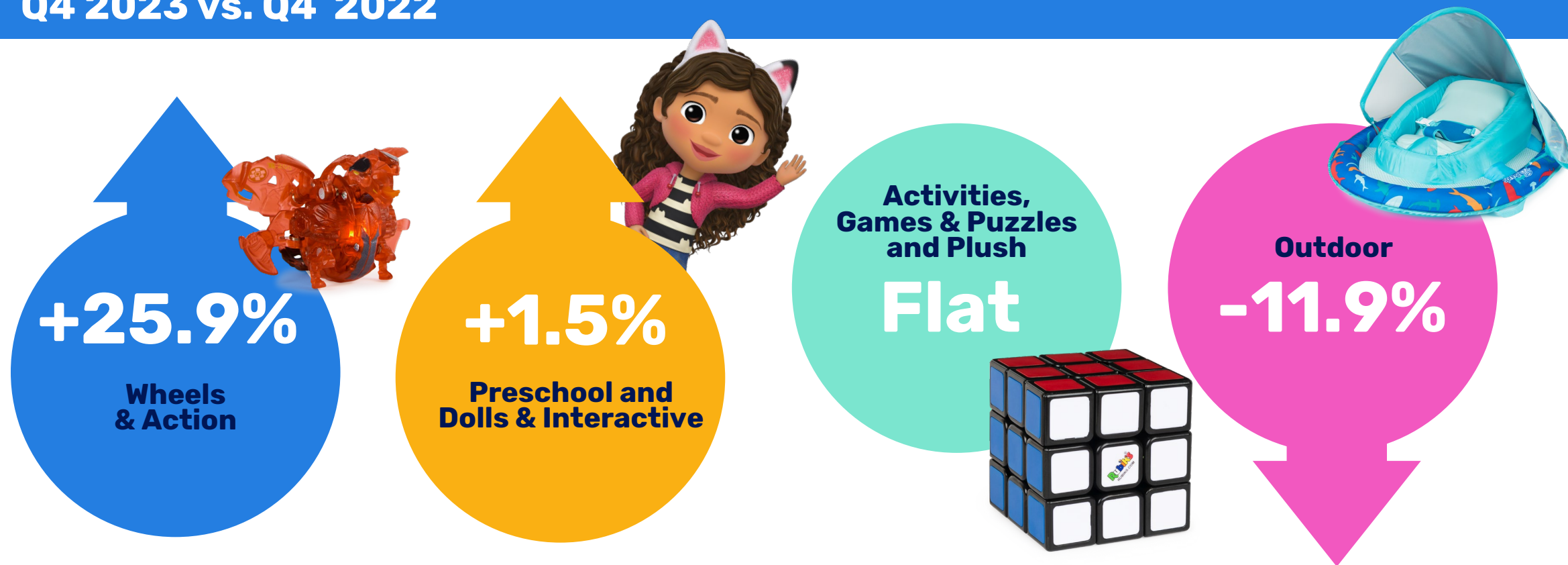


		Q4	2023
Toy Gross Product Sales ¹	\$502.3M Q4 \$1,787.2M 2023	4.8% YoY	9.7% YoY
Toy Revenue	\$406.8M Q4 \$1,540.9M 2023	2.5% YoY	11.3% YoY
Operating (Loss) Income		\$(30.0M)	\$101.0M
Operating Margin		(7.4)%	6.6%
Adjusted EBITDA ¹		\$19.3M	\$212.4M
Adjusted EBITDA Margin ¹		4.7%	13.8%

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Toy Gross Product Sales¹

Q4 2023 vs. Q4 2022



**Toy Gross Product Sales¹ increased by 4.8% to
\$502.3M**

Toy Gross Product Sales¹

2023 vs. 2022



Wheels
& Action

-9.2%



Preschool and
Dolls & Interactive

-5.7%



Activities,
Games & Puzzles
and Plush

-13.2%

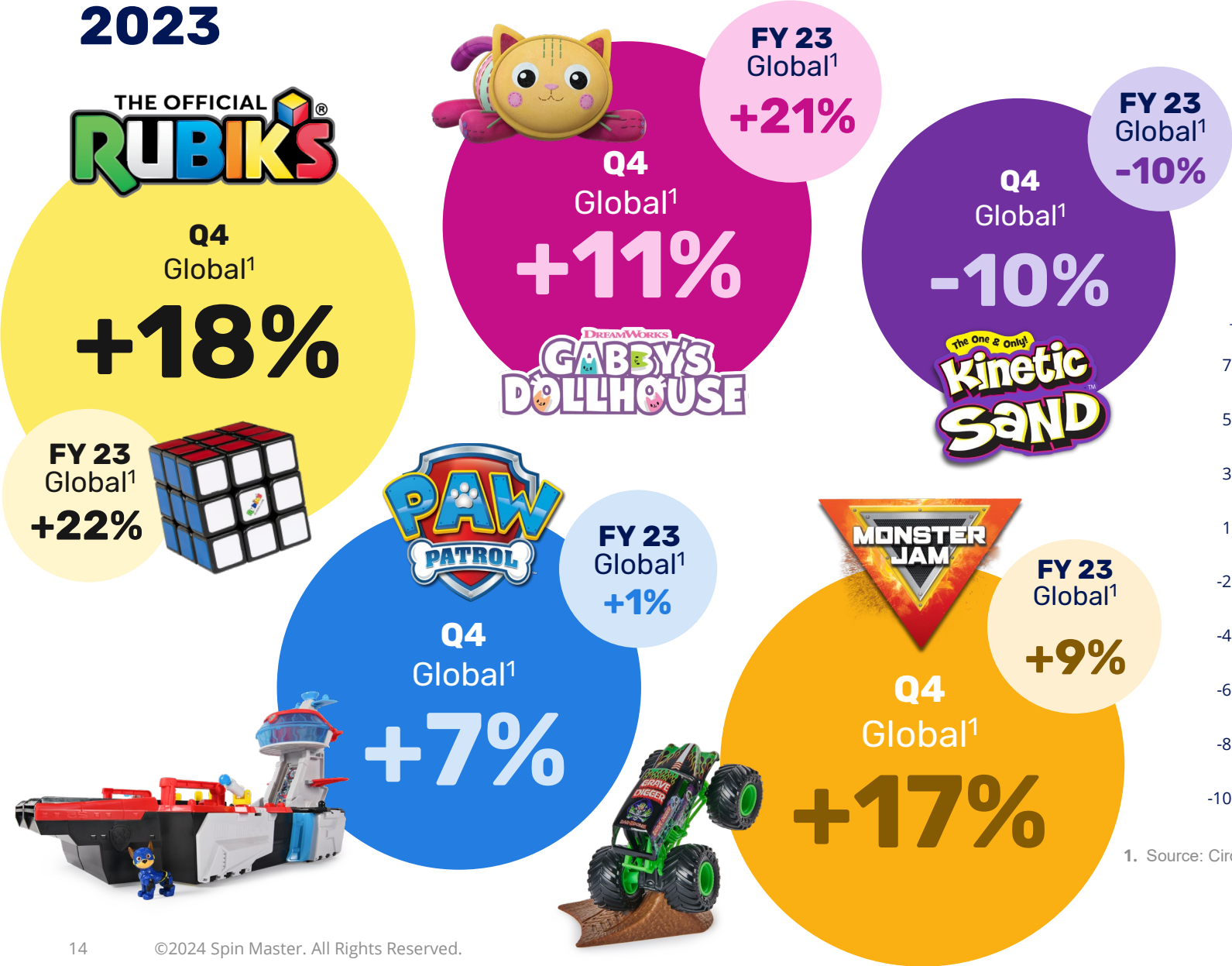


Outdoor

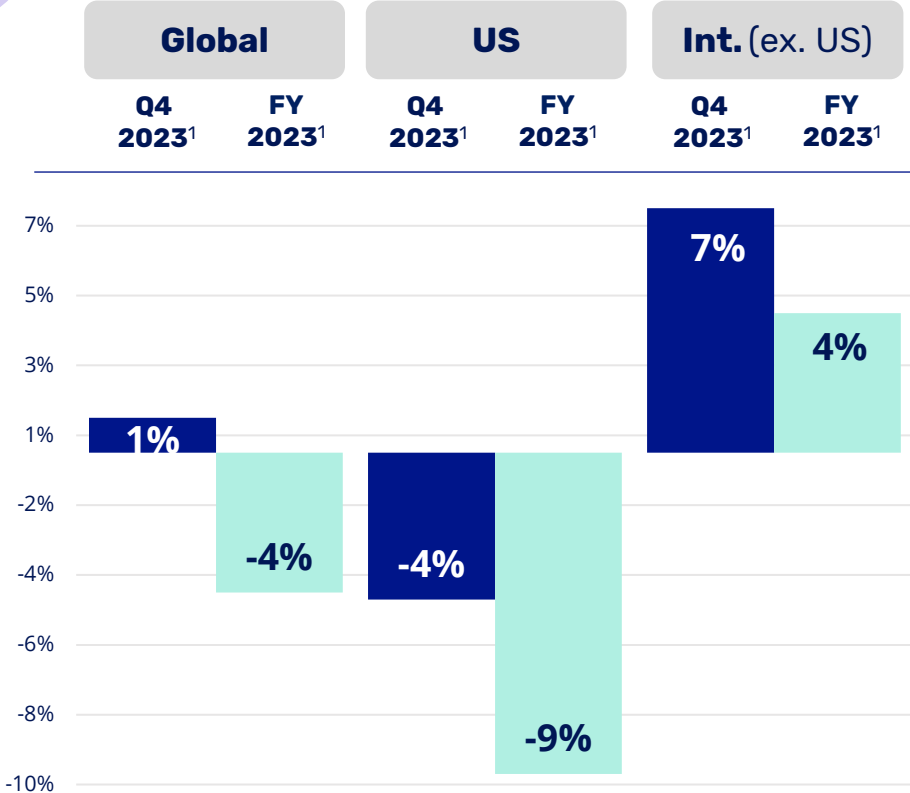
-26.8%

**Toy Gross Product Sales¹ decreased by 9.7% to
\$1,787.2M**

Point-of-Sale ("POS") Metrics 2023



Geographic Spin Master POS YoY Q4 and FY 2023



1. Source: Circana/Retail Tracking Service/G11, EXCL BR/3ME Dec'23, 12ME Dec'2023/Projected USD



ENTERTAINMENT

Q4 & 2023

HIGHLIGHTS



**Entertainment
Revenue**

\$55.2M Q4
\$190.1M 2023

Q4
↑ 76.9%
YoY

2023
↑ 60.0%
YoY

Operating Income

\$9.7M

\$78.0M

Adjusted Operating Income¹

\$10.5M

\$80.7M

Operating Margin

17.6%

41.0%

Adjusted Operating Margin¹

19.0%

42.5%

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DIGITAL GAMES

Q4 & 2023 HIGHLIGHTS



Digital Games Revenue

\$40.6M Q4
\$173.9M 2023

↑ **7.1%**
YoY

↑ **6.1%**
YoY

Operating Income

\$9.7M

\$49.1M

Adjusted Operating Income¹

\$10.8M

\$58.1M

Operating Margin

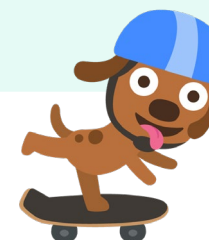
23.9%

28.2%

Adjusted Operating Margin¹

26.6%

33.4%



Monthly Active Users¹ ("MAU")



Ages:
6+

In App
Purchase



**Average
MAU**
Q4 2023

+6.6M

59.4M

+12.6% vs Q4 2022

**Ending
MAU**

+4.3M

62.1M

+7.4% vs Q4 2022

Active Subscriptions²



Ages
2-5
Subscription

~ 330k¹
vs. 292k Q4 2022

↑ +13%



95.4k
NEW



1. Includes Piknik subscribers



Ages
2-5
Subscription

~ 35k²
vs. 39k Q4 2022

↓ -11%



34k
NEW



2. Includes ELA and Math Tango subscribers

**TOTAL
SUBSCRIPTIONS**

399K +68k **↑**
+20.5% vs Q4 2022

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 Synergies 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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CSR Vision

Reimagining Everyday Play for Future Generations

Spin Master creates magical play experiences for children and their families. We foster an inclusive culture, empowering 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.

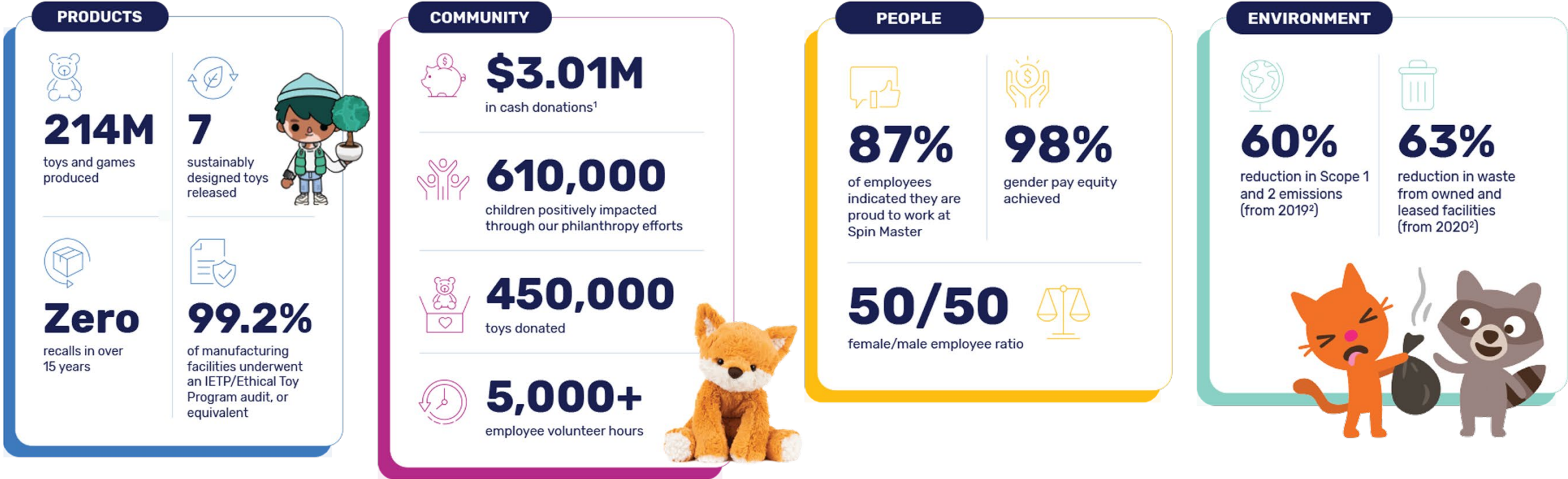


Our Communities

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.



2022 CSR Performance



1. Cash donations include monetary contributions to registered charities, cost of goods of donated products and direct operational costs associated with donations. 2. Subject to external verification.

