

Spin Master Announces Acquisition of Innovative Brand Perplexus

Spin Master Bolsters Game Division with Strategic Acquisition and World-Class Talent

TORONTO, Dec. 1, 2017 /CNW/ - Spin Master Corp. (TSX:TOY;www.spinmaster.com), a leading global children's entertainment company announces the acquisition of one of the world's most innovative toys – Perplexus. Co-invented in 2001 by teacher and artist Michael McGinnis and Klitsner Industrial Design Group of San Francisco (KID Group), and manufactured by Busy Life LCC, Perplexus has become famously popular for its ingenious sculptural designs, wide appeal and various levels of challenge. Spin Master has distributed Perplexus since 2013 and with this recent transaction, Spin Master will now own the global rights to the Perplexus brand.



"We continue to see growth within our Games and Puzzles business segment and this strategic acquisition further emphasizes our position as a leader" said Ben Gadbois, Spin Master's Global President and COO. "Perplexus is already inherently innovative and it will further benefit from our world-class team of experts as we continue to place an emphasis on disruptive ways to enhance our games portfolio."

Spin Master recently announced the expansion of its games and puzzle related inventor relations team, welcoming world-class talent Ben Rathbone and Scott Brown. The expansion of this team builds upon Spin Master's increased presence in the Games and Puzzles super-category, the No. 1 growth category globally in 2016 as measured by the NPD Group, to match the strategy that has allowed Spin Master to develop a leadership position with inventors in the toy industry.

"We recognize that games and puzzles are a specialty area distinct from toys, and that's why having a dedicated team is vital to our continued growth," said Anton Rabie, Spin Master's Co-Chief Executive Officer and Co-Founder. "Spin Master is renowned for our inventor partnerships. We are focused on growing our games inventor community with innovative ideas from around the world that help drive growth for this important evergreen category."

Spin Master closed the acquisition of Perplexus on November 30, 2017 at a purchase price of just over US\$9 million plus annual performance-based payouts over the next five years. This announcement continues Spin Master's efforts to build its games offering. In recent years, Spin Master has grown its Games and Puzzles business segment through the acquisitions of Cardinal Games, EG Games and Marbles. Amongst Spin Master's impressive games portfolio is its recent launch, *Soggy Doggy*. According to the NPD Group, *Soggy Doggy* is the #2 item in the Games & Puzzles super-category.

*Source: The NPD Group/U.S. Retail Tracking Service/Dollar sales

About Spin Master

Spin Master (TSX:TOY; www.spinmaster.com) is a leading global children's entertainment company that creates, designs, manufactures, licenses and markets a diversified portfolio of innovative toys, games, products and entertainment properties. Spin Master is best known for award-winning brands including Zoomer®, Bakugan®, Meccano®, and 2017 Toys of the Year, Hatchimals®, Air Hogs® and PAW Patrol®. Since 2005, Spin Master has received 92 TIA Toy of The Year (TOTY) nominations with 21 wins across a variety of product categories, including 13 TOTY nominations for Innovative Toy of the Year, more than any of its competitors. To date, Spin Master has produced six television series, including 2007 success Bakugan Battle Brawlers and current hit PAW Patrol, which is broadcast in over 160 countries and territories globally. Spin Master employs over 1,500

people globally with offices in Canada, United States, Mexico, France, Italy, United Kingdom, Slovakia, Poland, Germany, Sweden, the Netherlands, China, Hong Kong, Japan, Vietnam and Australia.

SOURCE Spin Master

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