

Spin Master Announces Closing of Approximately C\$180 Million Secondary Offering of Subordinate Voting Shares and Concurrent Block Trade

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TORONTO, Aug. 15, 2018 /CNW/ - Spin Master Corp. ("Spin Master" or the "Company") (TSX: TOY; www.spinmaster.com), a leading global children's entertainment company, today announced the completion of the previously announced secondary offering of an aggregate of 2,794,800 subordinate voting shares of the Company held by the founders of the Company, through certain companies that they control, and 1-R32 Foundation, a not-for-profit charitable corporation controlled by one of the founders (collectively, the "Selling Shareholders"), at a price of C\$53.40 per subordinate voting share (the "Offering Price"), for aggregate gross proceeds to the Selling Shareholders of approximately C\$150 million (the "Offering").

The Offering was made through a syndicate of underwriters including RBC Capital Markets and TD Securities Inc. as co-lead underwriters and joint bookrunners, as well as CIBC Capital Markets, BMO Capital Markets, National Bank Financial Inc., Cormark Securities Inc., Barclays Capital Canada Inc., Canaccord Genuity Corp., Goldman Sachs Canada Inc. and Raymond James Ltd. (collectively, the "Underwriters").

In a separate transaction that was completed concurrently with the Offering, a group of employees of Spin Master, other than the founders of the Company, sold to the Underwriters for resale, an aggregate of 562,909 subordinate voting shares, on a block trade, prospectus-exempt basis, at the Offering Price for total gross proceeds of approximately C\$30 million (the "Concurrent Block Trade"). This group of employees continues to own an aggregate of approximately 1.74 million subordinate voting shares.

The Company did not receive any proceeds from the sale of subordinate voting shares associated with the Offering or the Concurrent Block Trade.

The Selling Shareholders (other than 1-R32 Foundation) have granted the Underwriters an over-allotment option to purchase up to 419,220 additional subordinate voting shares, representing an additional 15% of the Offering, on the same terms and conditions, exercisable in whole or in part at any one time for a period of 30 days from the closing of the Offering. If exercised in full, this would increase the total size of the Offering to approximately C\$171.6 million. One of the Selling Shareholders will be responsible for 1-R32 Foundation's portion of the over-allotment option.

No securities regulatory authority has either approved or disapproved of the contents of this news release. The subordinate voting shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws. Accordingly, the subordinate voting shares may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or except pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities of Spin Master in any jurisdiction in which such offer, solicitation or sale would be unlawful.

All amounts expressed herein are in Canadian dollars.

About Spin Master Corp.

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 2000, Spin Master has received 96 TIA Toy of the Year (TOTY) nominations with 28 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.

Forward-Looking Information

Certain statements, other than statements of historical fact, contained in this press release constitute "forward-looking information" within the meaning of certain securities laws, including the *Securities Act* (Ontario), and are based on expectations, estimates and projections as of the date on which the statements are made in this press release. The words "will" or "expected", or variations of such words and phrases or statements that certain future conditions, actions, events or results, 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 press release, 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 press release. 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.

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 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.

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