

Spin Master Wins Landmark IP Protection Victories in China

TORONTO, March 15, 2022 /CNW/ - **Spin Master Corp.** (TSX: TOY) (www.spinmaster.com), a leading global children's entertainment today announced several landmark IP protection case wins. The victories are a positive sign of China's commitment to tackle counterfeiting and IP infringement in the toy industry.

The cases include financial compensation following a win for Spin Master in a patent lawsuit against a Chinese company, as well as the first criminal judgment obtained for its popular PAW Patrol® cartoon series. The outcomes send a clear message that malicious infringement of IP rights will cost counterfeiters.

The cases further represent a crackdown on counterfeit toy products, which don't meet safety certification standards and could endanger children. The strong stances taken will have a lasting effect on the enforcement of IP rights in the region.

Spin Master also successfully protected its patent for the award-winning Bakugan® toys in a patent infringement lawsuit against a major local imitator. The infringer's 'Monster Hunter' toys closely mirrored the *Bakugan* series and, despite the infringer's attempts to delay the process of litigation over a number of years, Spin Master obtained a favourable final civil judgment. The patent related to *Bakugan* toys was also sustained.

Spin Master was awarded CNY 15.5 million (approx. 2.4 million USD) in damages, in a decision that demonstrated the Chinese Supreme People's Court is willing to take strong action. It serves as a warning for local IP infringers that the rights of multinationals, whether toy producers or manufacturers of other products, will be upheld in China.

Spin Master also successfully sought criminal action against counterfeiters across China, who had produced fake, unsafe toy merchandise for children in the region, selling them under the guise of being part of Spin Master's *PAW Patrol* line.

Several local counterfeiters were raided by police, resulting in product seizures and detention of suspects. Two individuals were sentenced to imprisonment and received monetary penalties. Prosecutions against other infringers are still undergoing.

"These wins strengthen our confidence in China's IP protection environment and judicial regime," said Chris Harrs, Spin Master's General Counsel and Corporate Secretary. "Spin Master will continue exploring routes, including legal action, to protect our IP rights as well as consumers' interests."

Consumers may purchase the *PAW Patrol* series and other toys developed by Spin Master through authorized distribution channels in China, including Toys "R" Us and Spin Master official online flagship stores in Tmall and other platforms.

About Spin Master

Spin Master Corp. (TSX:TOY) is a leading global children's entertainment company, creating exceptional play experiences through its three creative centres: Toys, Entertainment and Digital Games. 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. 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. The Company 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. Through Spin Master Ventures, the Company makes minority investments globally in emerging companies and start-ups. With over 30 offices in close to 20 countries, Spin Master employs more than 2,000 team members globally. For more information visit spinmaster.com or follow on Instagram, Facebook and Twitter @spinmaster.

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