

## Spin Master Expands Digital Games Ecosystem with Acquisition of Nørdlight

*Acquisition marks Spin Master's entrance into casual gaming with digital game for world-famous Rubik's Cube in development*

TORONTO, Aug. 10, 2022 /CNW/ - Spin Master Corp. ("Spin Master" or the "Company") (TSX: TOY) ([www.spinmaster.com](http://www.spinmaster.com)), a leading global children's entertainment company, announced today the acquisition of Nørdlight, a digital game studio based in Stockholm, Sweden. The acquisition supports Spin Master's plans to grow revenue and penetration within digital gaming as well as leverage its proprietary intellectual property across all three creative centres: Toys, Entertainment and Digital Games.



Spin Master initially made a minority investment in Nørdlight in August 2021 through Spin Master Ventures, an initiative focused on investing in cutting-edge, early-stage start-ups, designed to accelerate growth in each of the Company's three creative centres. Twelve months later, this transaction marks the first minority investment to transition into an acquisition.

"The pace of innovation within the children's entertainment space is rapidly changing, and this acquisition is strategically aligned with our long-term target to grow our Digital Games creative centre to up to 20% of Spin Master's total revenue," said Max Rangel, Spin Master's Global President and CEO. "Leveraging our expanding capabilities and roster of valuable intellectual property, we are well positioned to build engaging, evergreen digital games properties as gaming continues to permeate entertainment time for children."

The Nørdlight team comes with over 50 years of combined experience in the mobile games industry, delivering some of the largest grossing mobile digital games in history including running the prototype team at King.com and leading the technology and art for digital games titles including Candy Crush Saga. During the past year, Nørdlight has been working on developing and evolving the world-famous Rubik's brand into the digital space by introducing a casual mobile puzzle game, a project that is now entrusted to this renowned team of "puzzle game kings".

"We are dedicated to developing great games that captivate audiences from all around the world with playful, inclusive content," said Fredrik Loving, Spin Master's President, Digital Games. "With the Nørdlight team now a part of our ecosystem, we can't wait to show the world how we can evolve one of the best-selling physical toys into the next mobile puzzle game phenomenon."

"For us, the indie feeling in studio construction is crucial, which is why we have chosen to do this with Spin Master who shares so many of our values and really sees the possibility of building a modern studio with the employees' creativity in focus," says Olle Bäck, CEO of Nørdlight. "In addition, the access to IPs we can now work with is incredible and that together we make a digital version of one of the world's best-selling puzzle is, in short, a dream come true."

Spin Master's Digital Games creative centre operates a network of studios encompassing the award-winning Toca Boca and Noid, based in Stockholm, Sweden; Originator located in San Francisco, California; and Sago Mini, located in Toronto, Canada. Spin Master is focused on accelerating the growth of the Digital Games creative centre by increasing engagement and reach within current games, creating new intellectual property, leveraging existing brands and franchises in the digital realm and through acquisition.

### Forward-Looking Statements

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 "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. Statements of forward-looking information in this Press Release include, without limitation, statements with respect to: the Company's future growth expectations; drivers and trends for such growth and financial performance; and the successful execution of its strategies for growth.

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. In addition to any factors and assumptions set forth above in this Press Release, the material factors and assumptions used to develop the forward-looking information include, but are not limited to: the Company will be able to expand and grow its portfolio of owned intellectual property, leverage and monetize its owned intellectual property across its three creative centres and successfully license it to third parties; the Company will be able to successfully identify and integrate strategic acquisition and minority investment opportunities; seasonality; ability of factories to manufacture products, including labour size and allocation, tooling, raw material and component availability, ability to shift between product mix, and customer acceptance of delayed delivery dates; the expanded use of advanced technology, robotics and innovation the Company applies to its products will have a level of success consistent with its past experiences; the Company will continue to develop entertainment content and digital games content that will have a level of success consistent with its past experiences; the Company will continue to successfully secure broader licenses from third parties for major entertainment properties consistent with past practices; the expansion of sales and marketing offices in new markets will increase the sales of products in that territory; the Company will be able to maintain its distribution capabilities; the Company will be able to leverage its global platform to grow sales from acquired brands; the Company will be able to recognize and capitalize on opportunities earlier than its competitors; the Company will be able to continue to build and maintain strong, collaborative relationships; the Company will maintain its status as a preferred collaborator; the culture and business structure of the Company will support its growth; the current business strategies of the Company will continue to be desirable on an international platform; access of entertainment content and digital games on mobile platforms will expand; fragmentation of the market will continue to create acquisition opportunities; the Company will be able to maintain its relationships with its employees, suppliers, retailers and license partners; the Company will continue to attract qualified personnel to support its development requirements; and the Company's key personnel will continue to be involved in the Company products and entertainment properties will be launched as scheduled and that the risk factors noted in this Press Release, collectively, do not have a material impact on the Company.

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. Such risks and uncertainties include, without limitation, the factors discussed in the Company's disclosure materials, including the Annual or subsequent, most recent interim MD&A 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.sedar.com](http://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.

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.

## 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](https://spinmaster.com) or follow-on Instagram, Facebook and Twitter @spinmaster.

SOURCE Spin Master Corp.

For further information: Media Contact: Tammy Smitham, VP Communications, [mediarelations@spinmaster.com](mailto:mediarelations@spinmaster.com) ; Investor Relations Contact: Sophia Bisoukis, VP Investor Relations, [sophiab@spinmaster.com](mailto:sophiab@spinmaster.com)

---

<https://spinmaster.mediaroom.com/2022-08-10-Spin-Master-Expands-Digital-Games-Ecosystem-with-Acquisition-of-Nrdlight>