

Spin Master Reports Q3 2026 Financial Results and Reiterates 2026 Full Year Outlook

TORONTO, Oct. 29, 2026 /CNW/ -- Spin Master Corp. ("Spin Master" or the "Company") (TSX: TOY) www.spinmaster.com, a leading global children's entertainment company, today announced its financial results for the three and nine months ended September 30, 2026. The Company's full Management's Discussion and Analysis ("MD&A") for the three and nine months ended September 30, 2026 is available under the Company's profile on SEDAR+ (www.sedarplus.com) and posted on the Company's web site at www.spinmaster.com. All financial information is presented in United States dollars ("\$", "dollars" and "US\$") and has been rounded to the nearest hundred thousand, except per share amounts and where otherwise indicated.



"Our third-quarter results demonstrated steady progress against our 2026 strategic priorities," said Christina Miller, CEO, Spin Master. "I am proud of the collaboration and flawless execution of PAW Patrol: The Dino Movie across our entire company. By fully aligning our creative centers, we expanded our global audience, driving increased viewership across the PAW Patrol content universe and a 25% increase in related toy sales in the quarter. We returned Melissa & Doug to growth through increased shelf space, continued global expansion, and new product innovation. And we took steps toward fully realizing Toca Boca World by successfully bridging digital acquisition and engagement with physical retail and brand partnerships, resulting in an increase in players and double-digit growth in revenue. Our focus remains on driving disciplined, long-term expansion, investing in innovation, entering new categories, and shaping the future of play with acquisitions like Hapiko."

"We have more than doubled operating cash flow in 2026 through disciplined operational execution and working capital management improvements," said Jonathan Roiter, CFO, Spin Master. "This has provided us with resources to reinvest in multiple organic and inorganic growth initiatives across the business, including advanced technology, innovation, and content, while repaying significant debt and returning capital to shareholders through our dividend and active share buyback program."

Consolidated Financial Highlights for Q3 2026 as compared to the same period in 2025

- **Revenue** was stable at \$732.7 million, decreasing 0.3%. Constant Currency Revenue¹ was \$732.0 million, declining 0.4%.
- **Operating Income** was \$112.5 million, a decrease of 25.5%.
- **Adjusted Operating Income¹** was \$148.4 million, a decrease of 8.6%.
- **Net Income** was \$79.0 million or \$0.77 per share (diluted) compared to \$106.8 million or \$1.03 per share (diluted).
- **Adjusted Net Income¹** was \$106.2 million or \$1.03 per share (diluted) compared to \$115.2 million or \$1.11 per share (diluted).
- **Adjusted EBITDA¹** was stable at \$194.7 million, decreasing by 0.4%.
- **Adjusted EBITDA Margin¹** was 26.6% in both periods.
- **Cash provided by operating activities** was \$102.2 million compared to \$62.6 million.
- **Free Cash Flow¹** was \$64.9 million compared to \$21.6 million.
- Repurchased and cancelled 605,757 subordinate voting shares for \$8.8 million (C\$12.4 million) in Q3 2026 through the Company's Normal Course Issuer Bid. Subsequent to September 30, 2026, the Company repurchased and cancelled 212,400 subordinate voting shares for \$3.1 million.
- On August 26, 2026, the Company completed the acquisition of 100% of the shares of Hapiko Inc., a Brooklyn-based children's technology-related company, for total consideration of \$36.2 million.
- Subsequent to September 30, 2026, the Company declared a quarterly dividend of C\$0.12 per outstanding subordinate voting share and multiple voting share, payable on January 8, 2027.

¹ Non-GAAP financial measure or ratio. See "Non-GAAP Financial Measures and Ratios".

Director Appointment

The Company announced that Kate Rouch has been appointed to Spin Master's Board of Directors. A seasoned marketing executive, Ms. Rouch has built global brands at some of the world's most influential technology companies. Most recently she served as OpenAI's first Chief Marketing Officer, building and leading its global marketing organization and has also held leadership positions at Meta and Coinbase. Ms. Rouch is a graduate of Harvard University and has been named one of the world's 10 Most Influential CMOs by Forbes.

2026 Outlook

For the full year 2026, the Company continues to expect:

- Revenue: stable to low single digit percentage growth compared to 2025.
- Adjusted EBITDA¹: mid to high single digit percentage growth compared to 2025.

Consolidated Financial Results as compared to the same period in 2025

(US\$ millions, except per share information)	Q3 2026	Q3 2025	\$ Change
Consolidated Results			
Revenue	732.7	734.7	(2.0)
Operating Income	112.5	151.0	(38.5)
Operating Margin ²	15.4 %	20.6 %	
Adjusted Operating Income ¹	148.4	162.4	(14.0)
Adjusted Operating Margin ¹	20.3 %	22.1 %	
Net Income	79.0	106.8	(27.8)
Adjusted Net Income ¹	106.2	115.2	(9.0)
Adjusted EBITDA ¹	194.7	195.5	(0.8)
Adjusted EBITDA Margin ¹	26.6 %	26.6 %	
Earnings Per Share ("EPS")			
Basic EPS	\$0.79	\$1.06	

Diluted EPS	\$0.77	\$1.03	
Adjusted Basic EPS ¹	\$1.06	\$1.14	
Adjusted Diluted EPS ¹	\$1.03	\$1.11	
Weighted average number of shares (in millions)			
Basic	99.9	100.7	
Diluted	102.9	103.7	
Selected Cash Flow Data			
Cash provided by operating activities	102.2	62.6	39.6
Cash used in investing activities	(70.6)	(42.7)	(27.9)
Cash used in financing activities	(32.9)	(19.2)	(13.7)
Free Cash Flow ¹	64.9	21.6	43.3

¹ Non-GAAP financial measure or ratio. See "Non-GAAP Financial Measures and Ratios".

² Operating Margin is calculated as Operating Income divided by Revenue.

Segmented Financial Results as compared to the same period in 2025

(US\$ millions)	Q3 2026					Q3 2025				
	Toys	Entertain-ment	Digital Games	Corporate & Other ¹	Total	Toys	Entertain-ment	Digital Games	Corporate & Other ¹	Total
Revenue	631.0	52.8	48.9	--	732.7	650.4	32.8	51.5	--	734.7
Operating Income (Loss)	120.1	11.3	(8.1)	(10.8)	112.5	128.8	11.9	15.9	(5.6)	151.0
Adjusted Operating Income (Loss) ²	127.1	23.3	5.3	(7.3)	148.4	136.0	12.2	17.2	(3.1)	162.4
Adjusted EBITDA ²	146.0	45.9	10.1	(7.3)	194.7	156.4	21.9	20.3	(3.1)	195.5

¹ Corporate & Other includes certain corporate costs (such as certain employee compensation, corporate social responsibility and professional services expenses), foreign exchange, acquisition related transaction costs, as well as investment income and loss.

² Non-GAAP financial measure or ratio. See "Non-GAAP Financial Measures and Ratios".

Toys Segment Results

The following table provides a summary of the Toys segment operating results, for the three months ended September 30, 2026 and 2025:

(US\$ millions)	Q3 2026	Q3 2025	\$ Change	% Change
Preschool, Infant & Toddler and Plush	353.3	360.7	(7.4)	(2.1) %
Activities, Games & Puzzles and Dolls & Interactive ¹	190.3	198.4	(8.1)	(4.1) %
Wheels & Action ¹	178.4	180.6	(2.2)	(1.2) %
Outdoor	5.2	3.0	2.2	73.3 %
Toy Gross Product Sales²	727.2	742.7	(15.5)	(2.1) %
Sales Allowances ³	(97.5)	(94.0)	(3.5)	3.7 %
<i>Sales Allowances % of Toy Gross Product Sales²</i>	<i>13.4 %</i>	<i>12.7 %</i>		0.7 %
Toy Net Sales	629.7	648.7	(19.0)	(2.9) %
Toy - Other Revenue	1.3	1.7	(0.4)	(23.5) %
Toy Revenue	631.0	650.4	(19.4)	(3.0) %
Toys Operating Income	120.1	128.8	(8.7)	(6.8) %
Toys Operating Margin ⁴	19.0 %	19.8 %		(0.8) %
Toys Adjusted EBITDA ²	146.0	156.4	(10.4)	(6.6) %
Toys Adjusted EBITDA Margin ²	23.1 %	24.0 %		(0.9) %

¹ Includes a reclassification between Activities, Games & Puzzles, Dolls & Interactive and Wheels & Action in the prior year comparatives for \$12.4 million for the three months ended September 30, 2025.

² Non-GAAP financial measure or ratio. See "Non-GAAP Financial Measures and Ratios".

³ The Company enters arrangements to provide Sales Allowances requested by customers relating to cooperative advertising, contractual and negotiated promotional discounts, volume rebates, markdowns, and costs incurred by customers to sell the Company's products.

⁴ Operating Margin is calculated as segment Operating Income (Loss) divided by segment Revenue.

- Toy Revenue declined by \$19.4 million, or 3.0%, to \$631.0 million primarily due to lower Toy Gross Product Sales¹ and higher sales allowances. Constant Currency Toy Revenue¹ was \$630.1 million, a decrease of 3.1%.
- Toy Gross Product Sales¹ declined by \$15.5 million, or 2.1%, to \$727.2 million, primarily driven by lower shipment volumes related to partner licensed brands, partially offset by shipments for the theatrical release of *PAW Patrol: The Dino Movie* and higher sales of *Melissa & Doug*. Constant Currency Toy Gross Product Sales¹ was \$726.3 million, a decrease of 2.2%.
- Sales Allowances increased by \$3.5 million to \$97.5 million. As a percentage of Toy Gross Product Sales¹, Sales Allowances increased to 13.4% from 12.7%, primarily driven by changes in geographic and customer mix.
- Toys Operating Income decreased by \$8.7 million to \$120.1 million, primarily driven by lower Toy Revenue and higher marketing expense due to a shift in timing of marketing spend in the Toys segment into the second half of the year, partially offset by lower administrative and selling expenses. Toys Operating Margin was 19.0% compared to 19.8%.
- Toys Adjusted EBITDA¹ decreased by \$10.4 million, primarily driven by lower Toy Revenue and higher marketing expenses, partially offset by lower administrative and selling expenses.
- Toys Adjusted EBITDA Margin¹ was 23.1% compared to 24.0%, primarily driven by lower Toy Revenue resulting in lower operating leverage.

¹ Non-GAAP financial measure or ratio. See "Non-GAAP Financial Measures and Ratios".

Entertainment Segment Results

The following table provides a summary of Entertainment segment operating results, for the three months ended September 30, 2026 and 2025:

(US\$ millions)	Q3 2026	Q3 2025	\$ Change	% Change
Entertainment Revenue	52.8	32.8	20.0	61.0 %
Entertainment Operating Income	11.3	11.9	(0.6)	(5.0) %
Entertainment Operating Margin	21.4 %	36.3 %		(14.9) %

Entertainment Adjusted Operating Income ¹	23.3	12.2	11.1	91.0 %
Entertainment Adjusted Operating Margin ¹	44.1 %	37.2 %		6.9 %

¹ Non-GAAP financial measure or ratio. See "Non-GAAP Financial Measures and Ratios".

- Entertainment Revenue increased by \$20.0 million to \$52.8 million, primarily driven by distribution revenue from the delivery of the *PAW Patrol: The Dino Movie* and higher ongoing distribution revenue from the *PAW Patrol* series.
- Entertainment Operating Income declined by \$0.6 million to \$11.3 million, primarily driven by \$11.7 million of impairment for entertainment content development assets, reflecting changes in strategies, partially offset by the delivery of the *PAW Patrol: The Dino Movie* (distribution revenue less amortization of production costs) and higher ongoing distribution revenue from the *PAW Patrol* series. Entertainment Operating Margin decreased from 36.3% to 21.4%.
- Entertainment Adjusted Operating Income¹ increased by \$11.1 million to \$23.3 million, primarily due to the delivery of *PAW Patrol: The Dino Movie* in the current year (distribution revenue less amortization of production costs), higher ongoing distribution revenue from the *PAW Patrol* series, and lower marketing expenses.
- Entertainment Adjusted Operating Margin¹ increased from 37.2% to 44.1%, primarily due to lower operating expenses, partially offset by the dilutive effect of the delivery of *PAW Patrol: The Dino Movie* in the current year.

Digital Games Segment Results

The following table provides a summary of Digital Games segment operating results, for the three months ended September 30, 2026 and 2025:

(US\$ millions)	Q3 2026	Q3 2025	\$ Change	% Change
Digital Games Revenue	48.9	51.5	(2.6)	(5.0) %
Digital Games Operating (Loss) Income	(8.1)	15.9	(24.0)	(150.9) %
Digital Games Operating Margin	(16.6) %	30.9 %		(47.5) %
Digital Games Adjusted Operating Income ¹	5.3	17.3	(12.0)	(69.4) %
Digital Games Adjusted Operating Margin ¹	10.8 %	33.6 %		(22.8) %

¹ Non-GAAP financial measure or ratio. See "Non-GAAP Financial Measures and Ratios".

- Digital Games Revenue declined by \$2.6 million to \$48.9 million, driven by lower strategic distribution partnership revenue, partially offset by higher in-game purchases in *Toca Boca World*, reflecting higher user engagement and growth in subscriptions across *Piknik*.
- Digital Games Operating Loss was \$8.1 million, compared to Digital Games Operating Income of \$15.9 million. The change was primarily due to \$12.1 million of impairment for digital game and app development assets, lower strategic distribution partnership revenue in the current year and higher marketing expenses. The impairment reflects the strategic decision to continue to streamline the Digital Games business and concentrate investments in core areas with long-term growth potential. Digital Games Operating Margin decreased from 30.9% to (16.6)%.
- Digital Games Adjusted Operating Income¹ declined by \$12.0 million to \$5.3 million, primarily driven by lower strategic distribution partnership revenue and higher marketing expenses.
- Digital Games Adjusted Operating Margin¹ decreased from 33.6% to 10.8%, primarily driven by lower strategic distribution partnership revenue.

¹ Non-GAAP financial measure or ratio. See "Non-GAAP Financial Measures and Ratios".

Liquidity

The Company has a committed unsecured revolving credit facility (the "Facility") with a borrowing capacity of \$510.0 million and contains certain financial covenants. On May 26, 2026, the Company entered into an agreement to amend its existing Facility, which now matures on May 26, 2031. The amendment also introduced an additional three-year revolver tranche with a borrowing capacity of \$225.0 million that matures on May 26, 2029. This new tranche was used to settle the \$225.0 million non-revolving credit facility ("Acquisition Facility") that was originally entered into on November 20, 2023 to fund the acquisition of Melissa & Doug, which was cancelled on May 26, 2026.

As at September 30, 2026, there was \$163.0 million outstanding (December 31, 2025 - \$42.0 million) under the Facility. For the nine months ended September 30, 2026, the Company drew \$137.0 million (2025 - \$25.0 million) on the Facility, and repaid \$241.0 million (2025 - \$30.0 million) against the Facility. For the nine months ended September 30, 2026, the weighted average interest rates on the Facility was 5.1% (2025 - 5.7%).

As at September 30, 2026, the Company had available liquidity of \$635.0 million, comprised of \$47.5 million in cash and \$587.5 million under the Company's committed credit facilities.

Cash Flows for Q3 2026 as compared to the same period in 2025

Cash flows provided by operating activities were \$102.2 million compared to \$62.6 million driven by change in changes in non-cash working capital. Changes in non-cash working capital decreased by \$81.3 million as compared to a decrease of \$119.9 million.

Cash used in investing activities was \$70.6 million for the three months ended September 30, 2026 compared to \$42.7 million primarily as a result of the acquisition of Hapiko and higher investments in computer software, partially offset by lower investments in leasehold improvements, equipment, intellectual property and Entertainment content development.

Cash flows used in financing activities were \$32.9 million for the three months ended September 30, 2026 compared to \$19.2 million, driven by repayment of \$94.6 million towards loans and borrowings (2025 - \$nil), lease payments of \$8.1 million (2025-\$2.5 million), partially offset by \$87.0 million drawn from loans and borrowings (2025 - \$nil).

Free Cash Flow¹ was \$64.9 million compared to \$21.6 million, primarily due to changes in non-cash working capital.

¹ Non-GAAP financial measure or ratio. See "Non-GAAP Financial Measures and Ratios".

Dividends

The Company's Board of Directors declared a dividend of C\$0.12 per outstanding subordinate voting share and multiple voting share, payable on January 8, 2027 to shareholders of record at the close of business on December 24, 2026. The dividend is designated to be an eligible dividend for purposes of section 89(1) of the Income Tax Act (Canada).

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: future financial performance and growth expectations, as well as the drivers and trends in respect thereof; the Company's priorities, plans and strategies; content, digital game and product pipeline and launches, as well as their impacts; deployment of cash; dividend policy and future dividends; and financial position, cash flows, liquidity and financial performance.

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 not have any unusual adjustments resulting from unexpected disruptions including regulatory actions impacting global trade, other macro-economic risks and uncertainties, and/or unforeseeable legal matters or non-recurring items; the Company will be able to successfully expand its portfolio across new channels and formats, and internationally; the Company's ability to achieve other expected benefits through acquisitions; management's estimates and expectations in relation to future economic and business conditions and other factors in relation to the Company's financial performance; the absence of significant undisclosed costs or liabilities associated with the transactions; Melissa & Doug's business will perform in line with the industry; there are no material changes to Melissa & Doug's core customer base; the Company's dividend payments being subject to the discretion of the Board of Directors and dependent on a variety of factors and conditions existing from time to time; alternate uses for the Company's cash resources; 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 steps taken will create long term shareholder value; 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 successfully secure, maintain and renew broader licenses from third parties for premiere children's properties consistent with past practices, and the success of the licenses; 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 successfully identify and integrate strategic acquisition and minority investment opportunities; 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; the Company will be able to expand its portfolio of owned branded IP and successfully license it to third parties; use of advanced technology and robotics in the Company's products will expand; the Company will be able to continue to develop and distribute entertainment content in the form of movies, TV shows and short form content; the Company will be able to continue to design, develop and launch mobile digital games to be distributed globally via app stores; access of entertainment content 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; the Company's key personnel will continue to be involved in the Company products, mobile digital games and entertainment properties will be launched as scheduled; and the availability of cash for dividends 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, risks outlined in the "Global Tariffs Uncertainty" section of the Company's MD&A for the three months and year ended December 31, 2025 (the "Annual MD&A"); concentration of manufacturing and geopolitical risks; uncertainty and adverse changes in general economic conditions and consumer spending habits and the factors discussed in the Company's disclosure materials, including the Annual 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.sedarplus.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 forward-looking statements contained herein are made as of October 28, 2026 and 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.

Conference call

Christina Miller, Chief Executive Officer and Jonathan Roiter, Chief Financial Officer, will host a conference call to discuss the financial results on Thursday, October 29, 2026 at 9:30 a.m. (ET).

WEBCAST: <https://app.webinar.net/LB9R28x2XzZ>

A link to the webcast will also be available on the Events & Presentations page of the Investors section of Spin Master's website at <http://www.spinmaster.com/events.php>. Please connect at least 15 minutes prior to the conference call to ensure adequate time for any software download that may be required to join the webcast. An archived replay of the webcast will be available for 90 days.

DIAL-IN: To join the conference call without operator assistance, you may register and enter your phone number at <https://emportal.ink/4glxxCm> to receive an instant automated call back. You can also dial direct to be entered to the call by an Operator: 1-416-945-7677 or 1-888-699-1199.

About Spin Master

Spin Master Corp. (TSX:TOY) is a leading global children's entertainment company, creating exceptional play experiences across its three creative centres: Toys, Entertainment and Digital Games. With worldwide toy distribution, Spin Master is best known for award-winning brands including PAW Patrol®, Melissa & Doug®, Bakugan® and Rubik's® Cube, and is the global toy licensee for other iconic properties. Through its in-house entertainment studio, the company creates and produces captivating multiplatform content including powerhouse preschool franchise PAW Patrol, along with other original shows, short-form series and feature films. With an established presence in digital games anchored by Toca Boca® and Piknik™, Spin Master engages close to 60 million active users monthly in open-ended, creative and safe play. With 29 offices spanning nearly 20 countries, Spin Master employs close to 2,500 team members globally.

Condensed consolidated interim statements of financial position

(In US\$ millions)	Sep 30, 2026	Sep 30, 2025	Dec 31, 2025
Assets			
Current assets			
Cash and cash equivalents	47.5	127.9	104.6
Trade receivables, net	497.9	574.0	508.1
Other receivables	52.7	63.9	71.5
Inventories, net	210.8	244.4	149.7
Income tax receivable	20.5	17.6	19.3
Prepaid expenses and other assets	55.3	58.2	44.3
	884.7	1,086.0	897.5
Non-current assets			
Intangible assets	869.1	869.9	865.8
Goodwill	181.6	368.4	164.0
Right-of-use assets	160.5	173.3	174.3
Property, plant and equipment	84.3	66.4	92.0
Deferred income tax assets	173.4	168.9	175.7
Other assets	31.8	29.6	34.0
	1,500.7	1,676.5	1,505.8
Total assets	2,385.4	2,762.5	2,403.3
Liabilities			
Current liabilities			
Trade payables and accrued liabilities	513.8	501.6	436.0
Loans and borrowings	160.5	382.0	264.1
Provisions	23.9	21.0	22.9
Lease liabilities	37.6	25.9	33.6

Deferred revenue	18.8	31.3	31.5
	754.6	961.8	788.1
Non-current liabilities			
Deferred income tax liabilities	223.6	209.2	215.8
Lease liabilities	151.7	157.2	161.1
Provisions	7.5	13.0	14.7
	382.8	379.5	391.6
Total liabilities	1,137.4	1,341.3	1,179.7
Shareholders' equity			
Share capital	751.9	757.8	753.6
Retained earnings	491.9	641.1	442.2
Contributed surplus	32.4	37.7	35.2
Accumulated other comprehensive loss	(28.2)	(15.4)	(7.4)
Total shareholders' equity	1,248.0	1,421.2	1,223.6
Total liabilities and shareholders' equity	2,385.4	2,762.5	2,403.3

Condensed consolidated interim statements of earnings and comprehensive earnings

(In US\$ millions, except earnings per share)	Nine Months Ended Sep 30,			
	Q3 2026	Q3 2025	2026	2025
Revenue	732.7	734.7	1,497.6	1,494.7
Cost of sales	336.9	323.6	660.1	678.7
Gross Profit	395.8	411.1	837.5	816.0
Expenses				
Selling, general and administrative	239.9	240.1	641.1	656.4
Depreciation and amortization	15.6	17.6	48.5	51.6
Other expense, net	26.8	2.0	29.6	21.2
Foreign exchange loss (gain), net	1.0	0.4	(5.6)	10.3
Operating Income	112.5	151.0	123.9	76.5
Interest expense	8.5	11.1	25.1	31.3
Interest income	(0.4)	(0.4)	(2.6)	(1.9)
Income before income tax expense	104.4	140.3	101.4	47.1
Income tax expense	25.4	33.5	24.7	11.3
Net Income	79.0	106.8	76.7	35.8
Earnings per share				
Basic	0.79	1.06	0.77	0.35
Diluted	0.77	1.03	0.75	0.34
Weighted average number of shares (in millions)				
Basic	99.9	100.7	100.2	101.7
Diluted	102.9	103.7	102.8	104.3

(In US\$ millions)	Nine Months Ended Sep 30,			
	Q3 2026	Q3 2025	2026	2025
Net Income	79.0	106.8	76.7	35.8
Items that may be subsequently reclassified to Net Income				
Foreign currency translation (loss) gain	(3.6)	(7.0)	(20.8)	33.4
Other comprehensive (loss) income	(3.6)	(7.0)	(20.8)	33.4
Total comprehensive income	75.4	99.8	55.9	69.2

Condensed consolidated interim statements of cash flows

(Unaudited, in US\$ millions)	Nine Months Ended Sep 30,	
	2026	2025
Operating activities		
Net Income	76.7	35.8
Adjustments to reconcile net income to cash provided by operating activities		
Income tax expense	24.7	11.3
Interest expense	16.3	22.1
Interest income	(2.6)	(1.9)
Depreciation and amortization	125.0	95.5
Loss (gain) on disposal of non-current assets	0.6	(1.5)
Accretion expense	9.5	8.5
Amortization of facility fee costs	0.6	0.4
Investment loss, net	0.4	0.2
Impairment of non-current assets	23.8	20.3
Loss on minority interest investments	1.0	1.0
Unrealized foreign exchange (gain) loss, net	(12.7)	0.8
Share-based compensation expense	17.5	12.6
Net changes in non-cash working capital	27.3	(49.2)
Net changes in non-cash provisions and other assets	(17.2)	2.7
Income taxes paid	(33.7)	(32.1)
Income taxes received	12.7	0.6
Interest paid	(9.6)	(15.5)
Interest received	2.6	1.9
Cash provided by operating activities	262.9	113.5
Investing activities		
Investment in property, plant and equipment	(23.0)	(36.1)
Investment in intangible assets	(84.7)	(81.8)
Business acquisitions, net of cash acquired	(33.0)	--
Portfolio investments	(0.9)	(2.7)
Minority interest investments	--	(1.8)
Cash used in investing activities	(141.6)	(122.4)

Financing activities		
Proceeds from loans and borrowings	157.6	25.0
Repayment of loans and borrowings	(261.6)	(30.0)
Payment of lease liabilities, net of lease incentives received	(24.2)	(22.9)
Dividends paid	(25.7)	(25.9)
Repurchase of subordinate voting shares	(23.7)	(39.9)
Payment of financing costs related to the Facility	(0.8)	--
Cash used in financing activities	(178.4)	(93.7)
Effect of foreign currency exchange rate changes on cash	--	(3.0)
Net decrease in cash during the period	(57.1)	(105.6)
Cash, beginning of period	104.6	233.5
Cash, end of period	47.5	127.9

Non-GAAP Financial Measures and Ratios

In addition to using financial measures prescribed under International Financial Reporting Standards ("IFRS"), references are made in this Press Release to the following terms, each of which is a non-GAAP financial measure:

- Toy Gross Product Sales
- Adjusted EBITDA
- Toys Adjusted EBITDA
- Entertainment Adjusted EBITDA
- Digital Games Adjusted EBITDA
- Adjusted Operating Income (Loss)
- Toys Adjusted Operating Income (Loss)
- Entertainment Adjusted Operating Income (Loss)
- Digital Games Adjusted Operating Income (Loss)
- Adjusted Net Income (Loss)
- Free Cash Flow
- Constant Currency Toy Gross Product Sales
- Constant Currency Sales Allowances
- Constant Currency Toy - Other Revenue
- Constant Currency Toy Revenue
- Constant Currency Digital Games Revenue
- Constant Currency Entertainment Revenue
- Constant Currency Revenue

Non-GAAP financial measures do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers.

Additionally, references are made in this Press Release to the following terms, each of which is a non-GAAP financial ratio:

- Adjusted EBITDA Margin
- Toys Adjusted EBITDA Margin
- Toys Adjusted Operating Margin
- Entertainment Adjusted Operating Margin
- Digital Games Adjusted Operating Margin
- Adjusted Operating Margin
- Adjusted Basic EPS
- Adjusted Diluted EPS
- Sales Allowances as a percentage of Toy Gross Product Sales
- Percentage change in Constant Currency Toy Gross Product Sales
- Percentage change in Constant Currency Toy - Other Revenue
- Percentage change in Constant Currency Toy Revenue
- Percentage change in Constant Currency Digital Games Revenue
- Percentage change in Constant Currency Revenue
- Percentage change in Constant Currency Entertainment Revenue

Non-GAAP financial ratios are ratios or percentages that are calculated using a Non-GAAP financial measure. Non-GAAP financial ratios do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers.

Management believes the Non-GAAP financial measures and Non-GAAP financial ratios defined above are important supplemental measures of operating performance and highlight trends in the business. Management believes that these measures allow for assessment of the Company's operating performance and financial condition on a basis that is consistent and comparable between reporting periods. The Company believes that investors, lenders, securities analysts and other interested parties frequently use these Non-GAAP financial measures and Non-GAAP financial ratios in the evaluation of issuers.

Non-GAAP Financial Measures

Toy Gross Product Sales represent Toy Revenue, excluding the impact of Sales Allowances. As Sales Allowances are generally not associated with individual products, the Company uses Toy Gross Product Sales to provide meaningful comparisons across product categories and geographical results to highlight trends in Spin Master's business. For a reconciliation of Toy Gross Product Sales to Revenue, the closest IFRS measure, refer to the revenue tables for the three months and nine months ended September 30, 2026, as compared to the same period in 2025 in this Press Release.

Adjusted EBITDA is calculated as Operating Income before interest income and interest expense and depreciation and amortization (EBITDA) excluding adjustments that do not necessarily reflect the Company's underlying financial performance. These adjustments include restructuring and other related costs, foreign exchange gains or losses, share based compensation expenses, acquisition related contingent consideration, impairment of intangible assets, impairment of goodwill, investment income (loss), net, acquisition related deferred incentive compensation, impairment of property, plant and equipment, legal settlement, transaction and integration cost, gain on disposal of asset, Tariff Refund, and product recall related costs. The impact of the Tariff Refund was excluded in Q2 2026 as it is a non-recurring recovery. Adjusted EBITDA is used by management as a measure of the Company's profitability. Refer to the "Reconciliation of Non-GAAP Financial Measures" section below for a reconciliation of this metric to Operating Income (Loss), the closest IFRS measure.

Toys Adjusted EBITDA is calculated as Toy EBITDA excluding adjustments that do not necessarily reflect the Company's underlying financial performance. These adjustments include restructuring and other related costs, foreign exchange gains or losses, share based compensation expenses, acquisition related contingent consideration, impairment of intangible assets, impairment of goodwill, investment income (loss), acquisition related deferred incentive compensation, impairment of property, plant and equipment, legal settlement, transaction cost, Tariff Refund, product recall related costs and gain on disposal of asset. Toys Adjusted EBITDA is used by management as a measure of the Company's profitability. Refer to the "Reconciliation of Non-GAAP Financial Measures" section below for a reconciliation of this metric to Toys Operating Income (Loss), the closest IFRS measure.

Entertainment Adjusted EBITDA is calculated as Entertainment EBITDA excluding adjustments that do not necessarily reflect the Company's underlying financial performance. These adjustments include restructuring and other related costs, foreign exchange gains or losses, share based compensation expenses, acquisition related contingent consideration, impairment of intangible assets, impairment of goodwill, investment income (loss), acquisition related deferred incentive compensation, impairment of property, plant and equipment, legal settlement, transaction cost and gain on disposal of asset. Entertainment Adjusted EBITDA is used by management as a measure of the Company's profitability. Refer to the "Reconciliation of Non-GAAP Financial Measures" section below for a reconciliation of this metric to Digital Games Operating Income (Loss), the closest IFRS measure.

Digital Games Adjusted EBITDA is calculated as Digital Games EBITDA excluding adjustments that do not necessarily reflect the Company's underlying financial performance. These adjustments include restructuring and other related costs, foreign exchange gains or losses, share based compensation expenses, acquisition related contingent consideration, impairment of intangible assets, impairment of goodwill, investment income (loss), acquisition related deferred incentive compensation, impairment of property, plant and equipment, legal settlement, transaction cost and gain on disposal of asset. Digital Games Adjusted EBITDA is used by management as a measure of the Company's profitability. Refer to the "Reconciliation of Non-GAAP Financial Measures" section below for a reconciliation of this metric to Digital Games Operating Income (Loss), the closest IFRS measure.

Adjusted Operating Income (Loss) is calculated as Operating Income (Loss) excluding adjustments (as defined in Adjusted EBITDA). Adjusted Operating Income (Loss) is used by management as a measure of the Company's profitability. Refer to the "Reconciliation of Non-GAAP Financial Measures" section below for a reconciliation of this metric to Operating Income (Loss), the closest IFRS measure.

Toys Adjusted Operating Income (Loss) is calculated as Toys Operating Income (Loss) excluding adjustments (as defined in Adjusted EBITDA). Toys Adjusted Operating Income (Loss) is used by management as a measure of the Company's profitability. Refer to the "Reconciliation of Non-GAAP Financial Measures" section below for a reconciliation of this metric to Toys Operating Income (Loss), the closest IFRS measure.

Entertainment Adjusted Operating Income (Loss) is calculated as Entertainment Operating Income (Loss) excluding adjustments (as defined in Adjusted EBITDA). Entertainment Adjusted Operating Income (Loss) is used by management as a measure of the Company's profitability. Refer to the "Reconciliation of Non-GAAP Financial Measures" section below for a reconciliation of this metric to Entertainment Operating Income (Loss), the closest IFRS measure.

Digital Games Adjusted Operating Income (Loss) is calculated as Digital Games Operating Income (Loss) excluding adjustments (as defined in Adjusted EBITDA). Digital Games Adjusted Operating Income (Loss) is used by management as a measure of the Company's profitability. Refer to the "Reconciliation of Non-GAAP Financial Measures" section below for a reconciliation of this metric to Digital Games Operating Income (Loss), the closest IFRS measure.

Adjusted Net Income (Loss) is calculated as Net Income (Loss) excluding adjustments (as defined in Adjusted EBITDA), the corresponding impact these items have on income tax expense. Management uses Adjusted Net Income (Loss) to measure the underlying financial performance of the business on a consistent basis over time. Refer to the "Reconciliation of Non-GAAP Financial Measures" section below for a reconciliation of this metric to Operating Income (Loss), the closest IFRS measure.

Free Cash Flow is calculated as cash flows provided by/used in operating activities reduced by cash flows used in investing activities and adding back cash used for business acquisitions, advance paid for business acquisitions, asset acquisitions, portfolio investments, minority interest investments, proceeds from sale of manufacturing operations and net of investment distribution income. Management uses the Free Cash Flow metric to analyze the cash flows being generated by the Company's business after accounting for operational and capital expenditures. It measures the Company's ability to generate discretionary cash, which can be used to pay dividends, repurchase shares, repay loans and borrowings, and fund business acquisitions. Refer to the "Reconciliation of Non-GAAP Financial Measures" section for a reconciliation of this metric to Cash provided by operating activities, the closest IFRS measure.

Constant Currency Toy Gross Product Sales, Constant Currency Sales Allowances, Constant Currency Toy - Other Revenue, Constant Currency Toy Revenue, Constant Currency Entertainment Revenue, Constant Currency Digital Games Revenue, and Constant Currency Revenue represent Toy Gross Product Sales, Sales Allowances, Toy - Other Revenue, Toy Revenue, Entertainment Revenue, Digital Games Revenue, and Revenue presented excluding the impact from changes in foreign currency exchange rates, respectively. The current period and prior period results for entities reporting in currencies other than the US\$ are translated using consistent exchange rates, rather than using the actual exchange rate in effect during the respective periods. The difference between the current period and prior period results using the consistent exchange rates reflects the changes in the underlying performance results, excluding the impact from fluctuations in foreign currency exchange rates. Management uses Constant Currency Toy Gross Product Sales, Constant Currency Sales Allowances, Constant Currency Toy - Other Revenue, Constant Currency Toy Revenue, Constant Currency Entertainment Revenue, Constant Currency Digital Games Revenue, and Constant Currency Revenue to measure the underlying financial performance of the business on a consistent basis over time. Refer to the "Reconciliation of Non-GAAP Financial Measures" section for a reconciliation of these metrics to Revenue, the closest IFRS measure.

Non-GAAP Financial Ratios

Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by Revenue. Management uses Adjusted EBITDA Margin to evaluate the Company's performance compared to internal targets and to benchmark its performance against key competitors.

Toys Adjusted EBITDA Margin is calculated as Toys Adjusted EBITDA divided by Toy Revenue. Management uses Toys Adjusted EBITDA Margin to evaluate the Company's performance compared to internal targets and to benchmark its performance against key competitors.

Adjusted Operating Margin is calculated as Adjusted Operating Income (Loss) divided by Revenue. Management uses Adjusted Operating Margin to evaluate the Company's performance compared to internal targets and to benchmark its performance against key competitors.

Toys Adjusted Operating Margin is calculated as Toys Adjusted Operating Income (Loss) divided by Toy Revenue. Management uses Toys Adjusted Operating Margin to evaluate the Company's performance compared to internal targets and to benchmark its performance against key competitors.

Entertainment Adjusted Operating Margin is calculated as Entertainment Adjusted Operating Income (Loss) divided by Entertainment Revenue. Management uses Entertainment Adjusted Operating Margin to evaluate the Company's performance compared to internal targets and to benchmark its performance against key competitors.

Digital Games Adjusted Operating Margin is calculated as Digital Games Adjusted Operating Income (Loss) divided by Digital Games Revenue. Management uses Digital Games Adjusted Operating Margin to evaluate the Company's performance compared to internal targets and to benchmark its performance against key competitors.

Adjusted Basic EPS is calculated by dividing Adjusted Net Income (Loss) by the weighted average number of shares outstanding during the period. Adjusted Diluted EPS is calculated by dividing Adjusted Net Income (Loss) by the weighted average number of shares outstanding, assuming the conversion of all dilutive securities were exercised during the period. Management uses Adjusted Basic EPS and Adjusted Diluted EPS to measure the underlying financial performance of the business on a consistent basis over time.

Sales Allowances as a percentage of Toy Gross Product Sales is calculated by dividing Sales Allowances by Toy Gross Product Sales. Management uses Sales Allowances as a percentage of Toy Gross Product Sales to identify and compare the cost of doing business with individual retailers, different geographic markets and amongst various distribution channels.

Percentage change in Constant Currency Toy Gross Product Sales is calculated by dividing the change in Toy Gross Product Sales excluding the impact from changes in foreign currency exchange rates by the Toy Gross Product Sales of the comparative period. Management uses Percentage change in Constant Currency Toy Gross Product Sales to measure the underlying financial performance of the business on a consistent basis over time excluding the impact from changes in foreign currency exchange rates.

Percentage change in Constant Currency Sales Allowances is calculated by dividing the change in Sales Allowances excluding the impact from changes in foreign currency exchange rates by the Sales Allowances of the comparative period. Management uses Percentage change in Constant Currency Sales Allowances to measure the underlying financial performance of the business on a consistent basis over time excluding the impact from changes in foreign currency exchange rates.

Percentage change in Constant Currency Toy - Other Revenue is calculated by dividing the change in Toy - Other Revenue excluding the impact from changes in foreign currency exchange rates by the Toy - Other Revenue of the comparative period. Management uses Percentage change in Constant Currency Toy - Other Revenue to measure the underlying financial performance of the business on a consistent basis over time excluding the impact from changes in foreign currency exchange rates.

Percentage change in Constant Currency Toy Revenue is calculated by dividing the change in Toy Revenue excluding the impact from changes in foreign currency exchange rates by the Toy Revenue of the comparative period. Management uses Percentage change in Constant Currency Toy Revenue to measure the underlying financial performance of the business on a consistent basis over time excluding the impact from changes in foreign currency exchange rates.

Percentage change in Constant Currency Entertainment Revenue is calculated by dividing the change in Entertainment Revenue excluding the impact from changes in foreign currency exchange rates by the Entertainment Revenue of the comparative period. Management uses Percentage change in Constant Currency Entertainment Revenue to measure the underlying financial performance of the business on a consistent basis over time excluding the impact from changes in foreign currency exchange rates.

Percentage change in Constant Currency Digital Games Revenue is calculated by dividing the change in Digital Games Revenue excluding the impact from changes in foreign currency exchange rates by the Digital Games Revenue of the comparative period. Management uses Percentage change in Constant Currency Digital Games Revenue to measure the underlying financial performance of the business on a consistent basis over time excluding the impact from changes in foreign currency exchange rates.

Percentage change in Constant Currency Revenue is calculated by dividing the change in Revenue excluding the impact from changes in foreign currency exchange rates by the Revenue of the comparative period. Management uses Percentage change in Constant Currency Revenue to measure the underlying financial performance of the business on a consistent basis over time excluding the impact from changes in foreign currency exchange rates.

Reconciliation of Non-GAAP Financial Measures

The following table presents a reconciliation of Operating Income to Adjusted Operating Income, Adjusted EBITDA, Adjusted Net Income, and cash provided by operating activities and used in investing activities to Free Cash Flow for the three months ended September 30, 2026 and 2025:

(in US\$ millions)	Q3 2026	Q3 2025	\$ Change	% Change
Operating Income	112.5	151.0	(38.5)	(25.5) %
Adjustments:				
Impairment of intangible assets ¹	23.8	(0.5)	24.3	n.m
Share based compensation ²	5.7	4.2	1.5	35.7 %
Restructuring and other related costs ³	1.9	1.0	0.9	90.0 %
Amortization of intangible assets acquired ⁴	1.8	1.7	0.1	5.9 %
Foreign exchange loss ⁵	1.0	0.4	0.6	150.0 %
Acquisition related deferred incentive compensation ⁶	0.8	0.7	0.1	14.3 %
Investment loss, net ⁷	0.9	1.1	(0.2)	(18.2) %
Product recall related costs ⁸	0.4	--	0.4	n.m
Impairment of property, plant and equipment ⁹	0.2	2.1	(1.9)	(90.5) %
Loss on sale of asset	0.1	--	0.1	n.m.
Acquisition related deferred consideration ¹⁰	(0.1)	(0.5)	0.4	(80.0) %
Transaction and integration costs ¹¹	(0.6)	1.2	(1.8)	(150.0) %
Adjusted Operating Income	148.4	162.4	(14.0)	(8.6) %
Depreciation and amortization ¹²	46.3	33.1	13.2	39.9 %
Adjusted EBITDA	194.7	195.5	(0.8)	(0.4) %
Income tax expense	(25.4)	(33.5)	8.1	(24.2) %
Interest expense	(8.1)	(10.7)	2.6	(24.3) %
Depreciation and amortization ¹¹	(46.3)	(33.1)	(13.2)	39.9 %
Tax effect of normalization adjustments ¹³	(8.7)	(3.0)	(5.7)	190.0 %
Adjusted Net Income	106.2	115.2	(9.0)	(7.8) %
Cash provided by operating activities	102.2	62.6	39.6	63.3 %
Cash used in investing activities	(70.6)	(42.7)	(27.9)	65.3 %
Add:				
Cash used in business acquisitions, asset acquisitions, portfolio investments, investment in associate and minority interest investments,				
net of investment distribution income	33.3	1.7	31.6	n.m
Free Cash Flow	64.9	21.6	43.3	200.5 %

¹ Impairment of intangible assets primarily related to Digital game and app development and Entertainment content development.

² Related to non-cash expenses associated with long-term incentive plan and includes mark to market loss deferred share units ("DSUs").

³ Restructuring and other related costs related to the reduction in the Company's global workforce.

⁴ Related to the amortization of intangible assets acquired with Melissa & Doug.

⁵ Includes foreign exchange losses (gains) generated by the translation and settlement of monetary assets/liabilities denominated in a currency other than the functional currency of the applicable entity and losses (gains) related to the Company's hedging programs.

⁶ Deferred incentive compensation associated with acquisitions.

⁷ Investment loss (income), net includes unrealized and realized (gain)/loss on portfolio investments and minority interest investments and share of (income)/loss from an investment in associate.

⁸ Costs related to a product recall.

⁹ Impairment of property, plant and equipment related to tooling.

¹⁰ Expense (recovery) associated with contingent consideration for acquisitions.

¹¹ Transaction and integration costs incurred relating to acquisitions.

¹² Depreciation and amortization for the calculation of Adjusted EBITDA excludes \$1.8 million of amortization of intangible assets acquired with Melissa & Doug.

¹³ Tax effect of adjustments (Footnotes 1-11). Adjustments are tax effected at the effective tax rate of the given period.

Segment Results

The Company's results from operations by reportable segment for the three months ended September 30, 2026 and 2025 are as follows:

(US\$ millions)	Q3 2026					Q3 2025				
	Toys	Entertain- ment	Digital Games	Corporate & Other ¹	Total	Toys	Entertain- ment	Digital Games	Corporate & Other ¹	Total
Revenue	631.0	52.8	48.9	--	732.7	650.4	32.8	51.5	--	734.7
Operating Income (Loss)	120.1	11.3	(8.1)	(10.8)	112.5	128.8	11.9	15.9	(5.6)	151.0
Adjusting items:										
Impairment of intangible assets	--	11.7	12.1	--	23.8	(0.5)	--	--	--	(0.5)
Share based compensation	3.9	0.3	0.4	1.1	5.7	3.7	0.4	0.6	(0.5)	4.2
Restructuring and other related costs	1.2	--	0.7	--	1.9	0.3	--	--	0.7	1.0
Amortization of intangible assets acquired	1.8	--	--	--	1.8	1.7	--	--	--	1.7
Foreign exchange loss	--	--	--	1.0	1.0	--	--	--	0.4	0.4
Investment loss, net	--	--	--	0.9	0.9	--	--	--	1.1	1.1
Acquisition related deferred incentive compensation	0.6	--	0.2	--	0.8	0.2	--	0.5	--	0.7
Product recall related costs	0.4	--	--	--	0.4	--	--	--	--	--
Impairment of property, plant and equipment	0.2	--	--	--	0.2	2.1	--	--	--	2.1
Loss on sale of asset	0.1	--	--	--	0.1	--	--	--	--	--

Acquisition related deferred consideration	(0.1)	--	--	--	(0.1)	(0.5)	--	--	--	(0.5)
Transaction and integration costs	(1.1)	--	--	0.5	(0.6)	0.2	--	0.2	0.8	1.2
Adjusted Operating Income (Loss)	127.1	23.3	5.3	(7.3)	148.4	136.0	12.2	17.3	(3.1)	162.4
Adjusted Operating Margin	20.1 %	44.1 %	10.8 %	n.m.	20.3 %	20.9 %	37.2 %	33.6 %	n.m.	22.1 %
Depreciation and amortization ²	18.9	22.6	4.8	--	46.3	20.4	9.6	3.1	--	33.1
Adjusted EBITDA	146.0	45.9	10.1	(7.3)	194.7	156.4	21.8	20.4	(3.1)	195.5
Adjusted EBITDA Margin	23.1 %	86.9 %	20.7 %	n.m.	26.6 %	24.0 %	66.5 %	39.6 %	n.m.	26.6 %

¹ Corporate & Other includes certain corporate costs (such as certain employee compensation, corporate social responsibility and professional services expenses), foreign exchange, acquisition related transaction costs, as well as investment income and loss.

² Depreciation and amortization for the calculation of Adjusted EBITDA excludes \$1.8 million (Q3 2025 \$1.7 million) of amortization of intangible assets acquired with Melissa & Doug.

The following tables present the composition of Percentage change in Constant Currency Toy Gross Product Sales, Percentage change in Constant Currency Sales Allowances, Percentage change in Constant Currency Entertainment Revenue, Percentage change in Constant Currency Digital Games Revenue, and Percentage change in Constant Currency Revenue for the three months ended September 30, 2026 and 2025:

	\$ Change					% Change	
				Impact of foreign exchange	In Constant Currency		In Constant Currency
(US\$ millions)	Q3 2026	Q3 2025	As reported			As reported	
Toy Gross Product Sales	727.2	742.7	(15.5)	(0.9)	(16.4)	(2.1) %	(2.2) %
Sales Allowances	(97.5)	(94.0)	(3.5)	--	(3.5)	3.7 %	3.7 %
Toy Net Sales	629.7	648.7	(19.0)	(0.9)	(19.9)	(2.9) %	(3.1) %
Toy - Other Revenue	1.3	1.7	(0.4)	--	(0.4)	n.m.	n.m.
Toy Revenue	631.0	650.4	(19.4)	(0.9)	(20.3)	(3.0) %	(3.1) %
Entertainment Revenue	52.8	32.8	20.0	--	20.0	61.0 %	61.0 %
Digital Games Revenue	48.9	51.5	(2.6)	0.2	(2.4)	(5.0) %	(4.7) %
Revenue	732.7	734.7	(2.0)	(0.7)	(2.7)	(0.3) %	(0.4) %

SOURCE Spin Master Corp.

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<https://spinmaster.mediaroom.com/2026-10-29-Spin-Master-Reports-Q3-2026-Financial-Results-and-Reiterates-2026-Full-Year-Outlook>