



Fourth Quarter 2024  
Earnings Presentation  
February 20, 2025  
5:00 PM Eastern / 2:00 PM Pacific

Registration link [4Q24 Registration Link](#)  
Webcast link [Webcast](#)





## EXECUTIVE TEAM ON THE CALL

**STEPHEN BERMAN**

Chairman & Chief Executive Officer

**JOHN KIMBLE**

Executive Vice President & Chief Financial Officer





## SAFE HARBOR STATEMENT

The Company would like to point out that any comments made about JAKKS Pacific's future performance, events or circumstances, including the estimates of sales and/or Adjusted EBITDA in 2025, as well as any other forward-looking statements concerning 2025 and beyond are subject to Safe Harbor protection under Federal securities laws. These statements reflect the Company's best judgment based on current market trends and conditions today, and are subject to certain risks and uncertainties, which could cause actual results to differ materially from those projected in forward-looking statements.

For details concerning these and other such risks and uncertainties, you should consult JAKKS' most recent 10-K and 10-Q filings with the SEC, as well as the Company's other reports, subsequently filed with the SEC from time to time. As a reminder, this conference is being recorded.

**Note:** The following presentation includes unaudited information





- Q4 Net sales were \$130.7 million, a year-over-year increase of 3%
- Q4 Gross margin of 27.2%, up 70 basis points vs. Q4 2023
- Gross profit of \$35.6 million, up \$1.9 million compared to \$33.7 million in Q4 2023
- Operating loss of \$14.7 million, compared to an operating loss of \$15.3 million in Q4 2023
- Adjusted net loss attributable to common stockholders (a non-GAAP measure) of \$7.4 million (or \$0.67 per diluted share), compared to an adjusted net loss attributable to common stockholders of \$10.5 million (or \$1.04 per diluted share) in Q4 2023
- Adjusted EBITDA (a non-GAAP measure) of (\$10.2) million vs. (\$10.9) million in Q4 2023





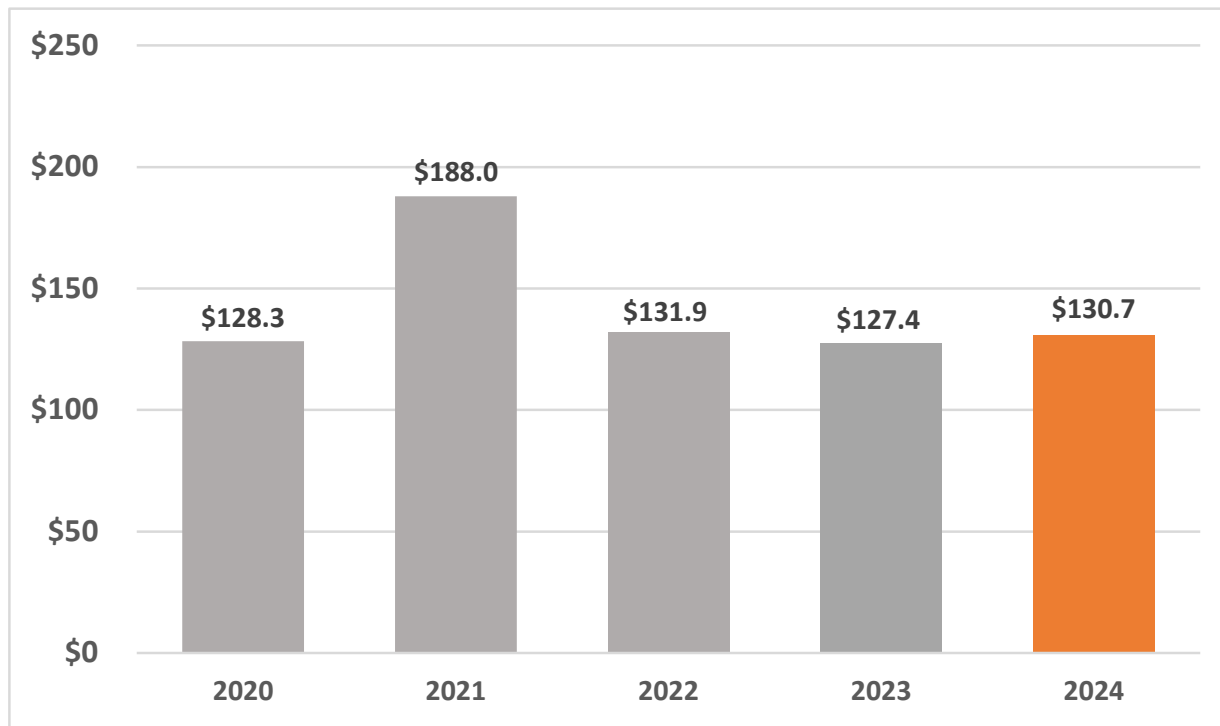
- FY Net sales were \$691.0 million, a year-over-year decrease of 3%
- FY Gross margin of 30.8%, down 60 basis points from 31.4% vs. FY 2023
- Gross profit of \$213.0 million, down 5% compared to \$223.4 million in FY 2023
- Operating income of \$39.7 million, compared to operating income of \$51.9 million in FY 2023
- Adjusted net income attributable to common stockholders (a non-GAAP measure) of \$42.6 million (or \$3.79 per diluted share), compared to adjusted net income attributable to common stockholders of \$48.9 million (or \$4.62 per diluted share) in FY 2023
- Adjusted EBITDA (a non-GAAP measure) of \$59.3 million vs. \$75.7 million in FY 2023





## 2024 Fourth Quarter Net Sales

\$ Millions



YoY % Change:

47%

(30)%

(3)%

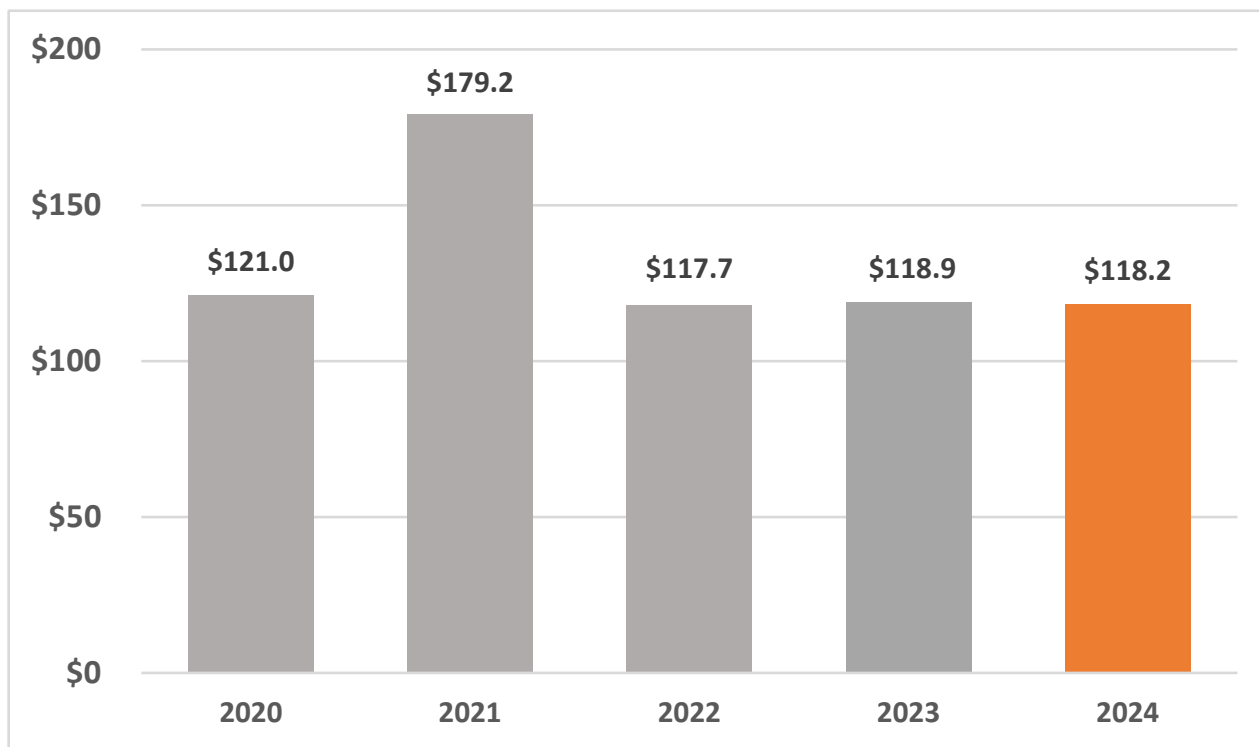
3%





# 2024 Fourth Quarter Toys/Consumer Products Net Sales

\$ Millions



YoY % Change:

48%

(34)%

1%

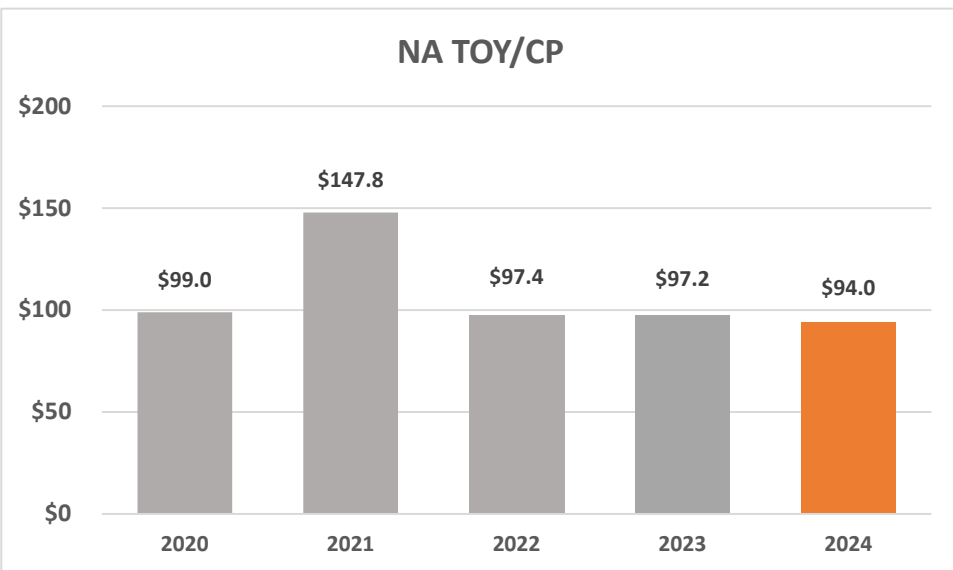
(1)%



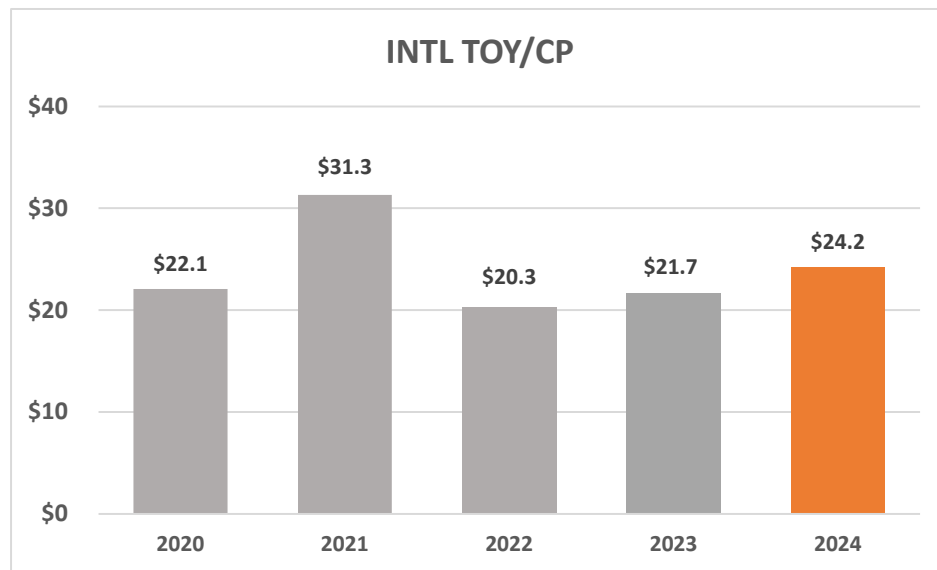


# 2024 Fourth Quarter Toys/Consumer Products Net Sales

\$ Millions



YoY % Change



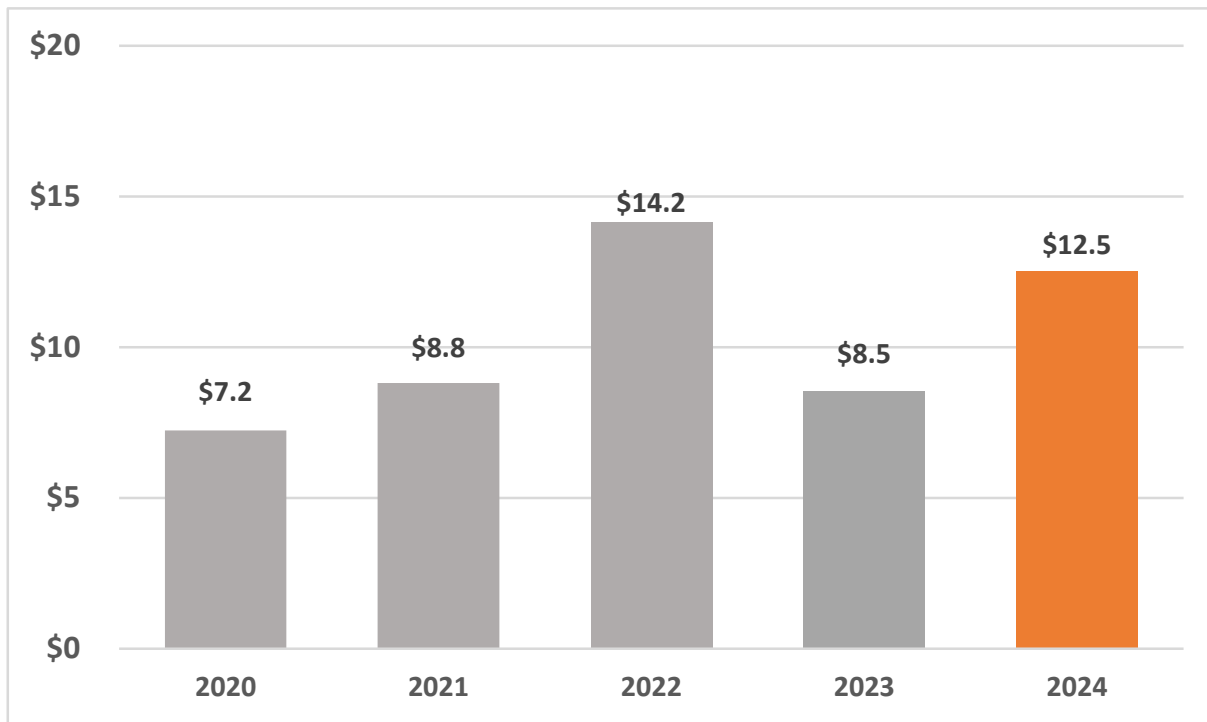
YoY % Change





# 2024 Fourth Quarter Costumes Net Sales

\$ Millions



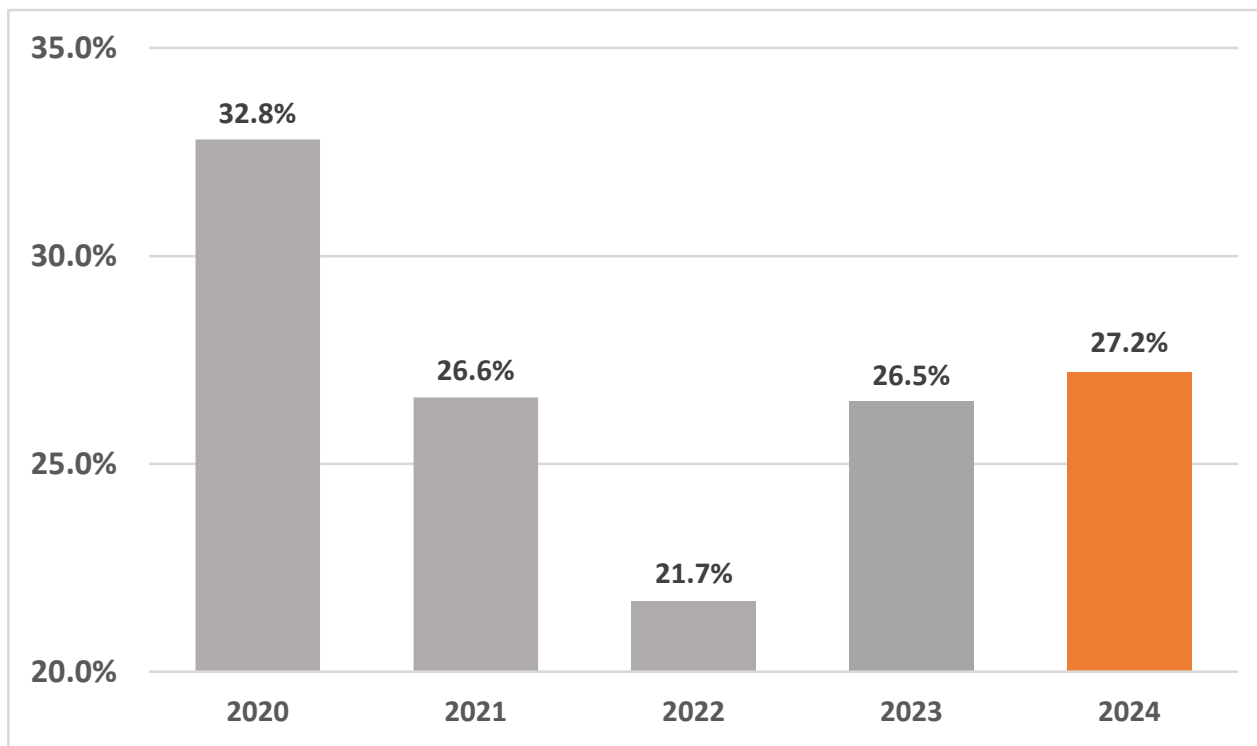
YoY % Change:

22%	61%	(40)%	46%
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## 2024 Fourth Quarter Gross Margin %



YoY % Change:

(620) bps

(490) bps

480 bps

(70) bps

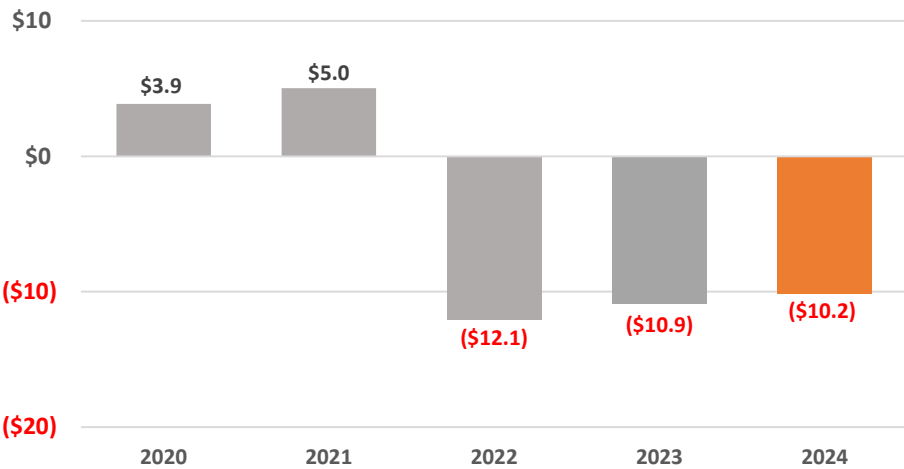




# 2024 Fourth Quarter Adj. EBITDA and Adj. Net Income

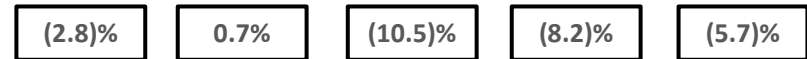
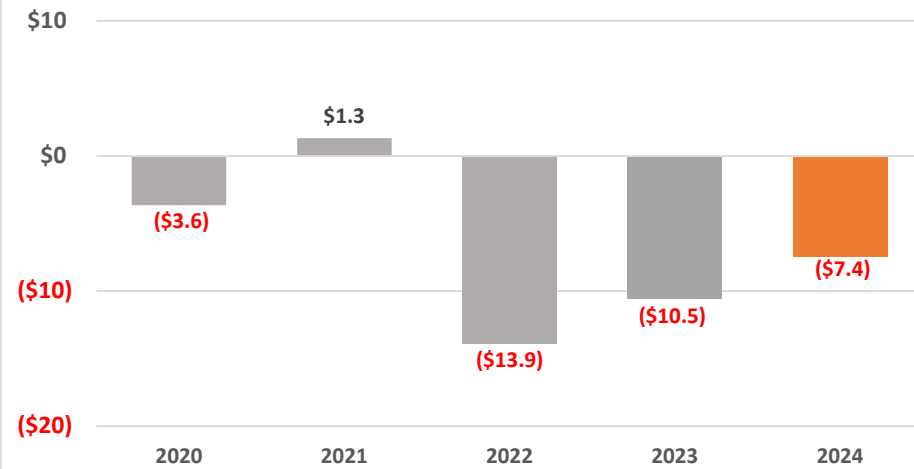
\$ Millions

Q4 ADJ EBITDA



Adj. EBITDA Margin %

Q4 ADJ NET INCOME



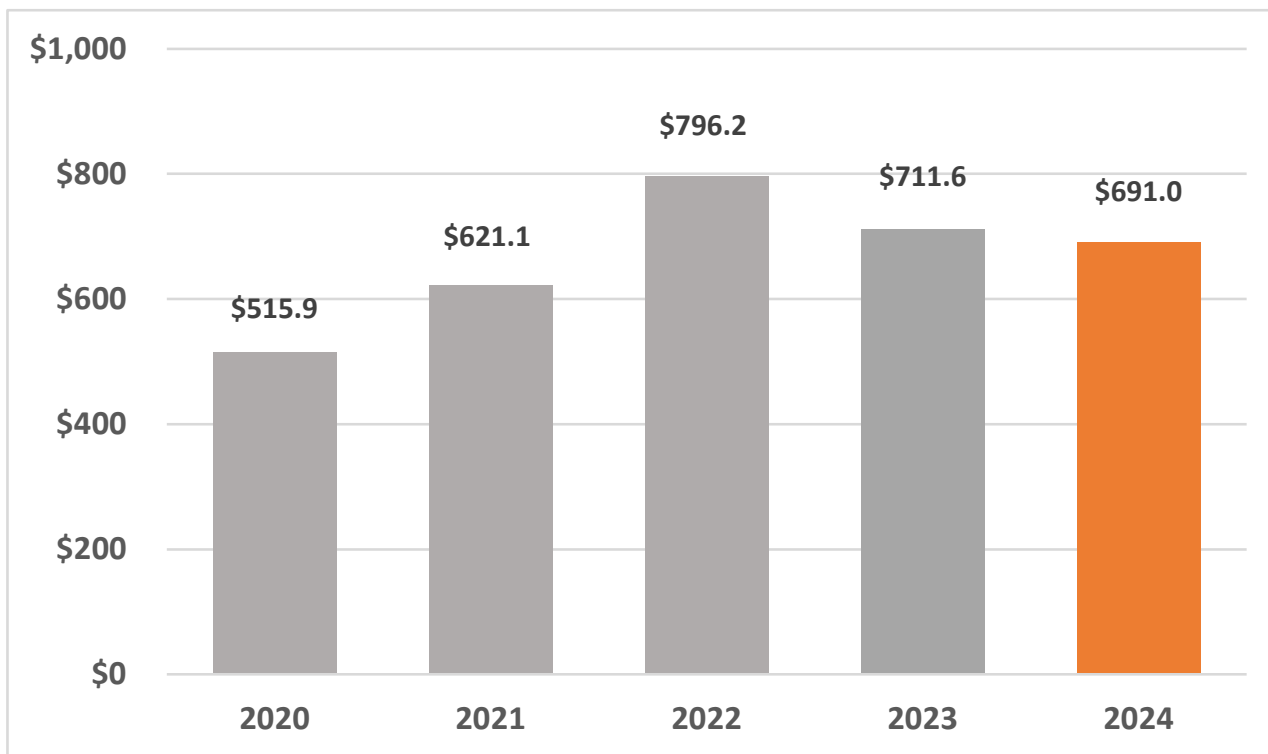
Adj. Net Income Margin %





# 2024 Full Year Net Sales

\$ Millions



YoY % Change:

20%

28%

(11)%

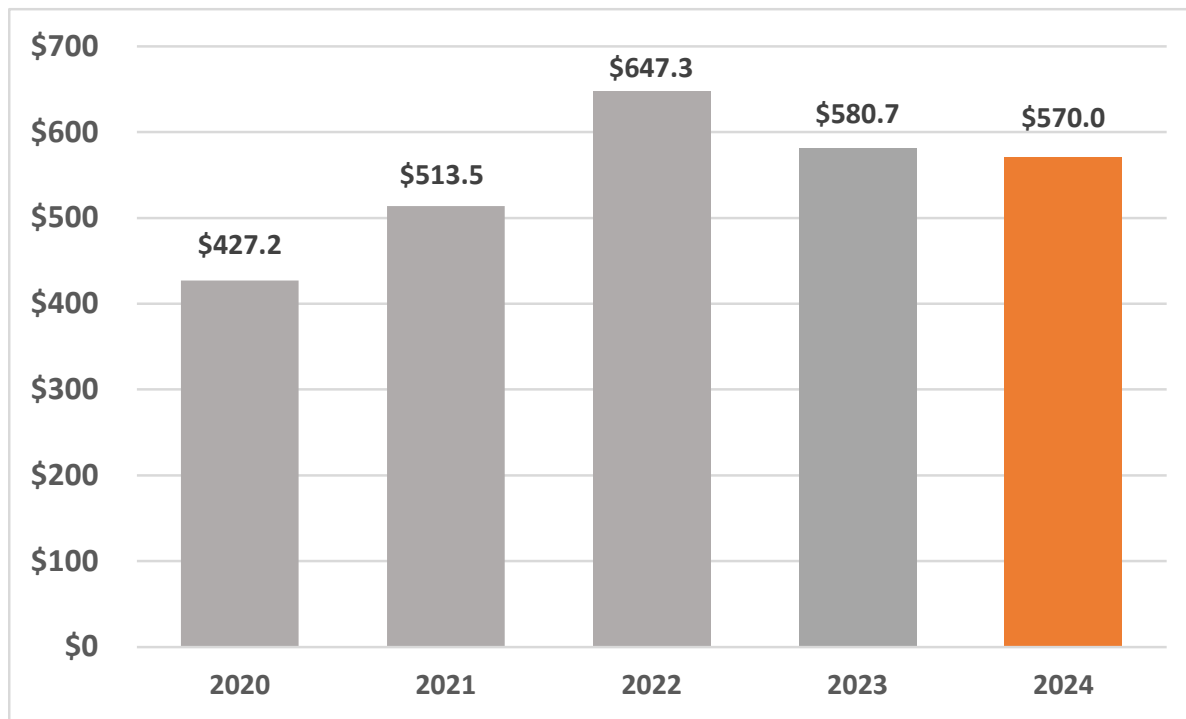
(3)%





# 2024 Full Year Toys/Consumer Products Net Sales

\$ Millions



YoY % Change:

20%

26%

(10)%

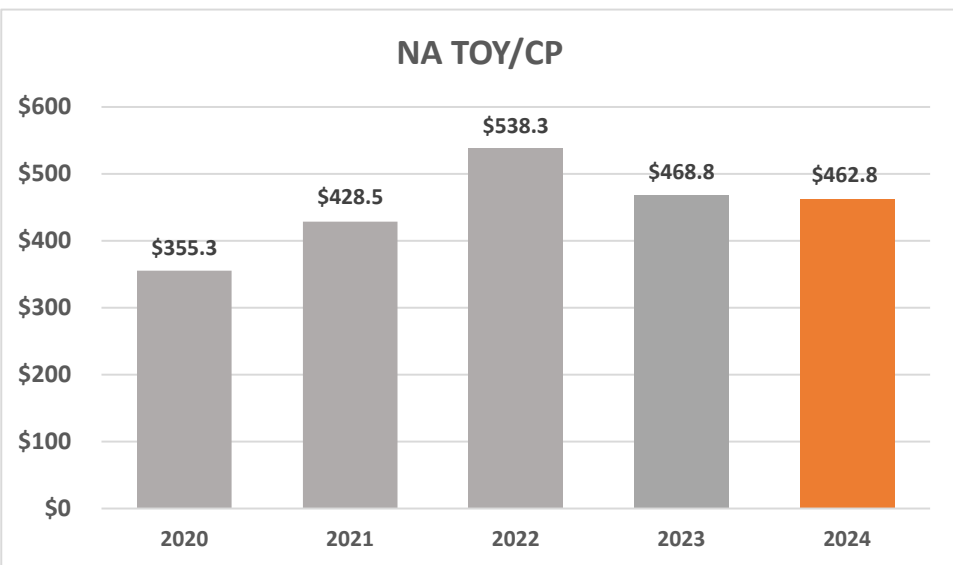
(2)%



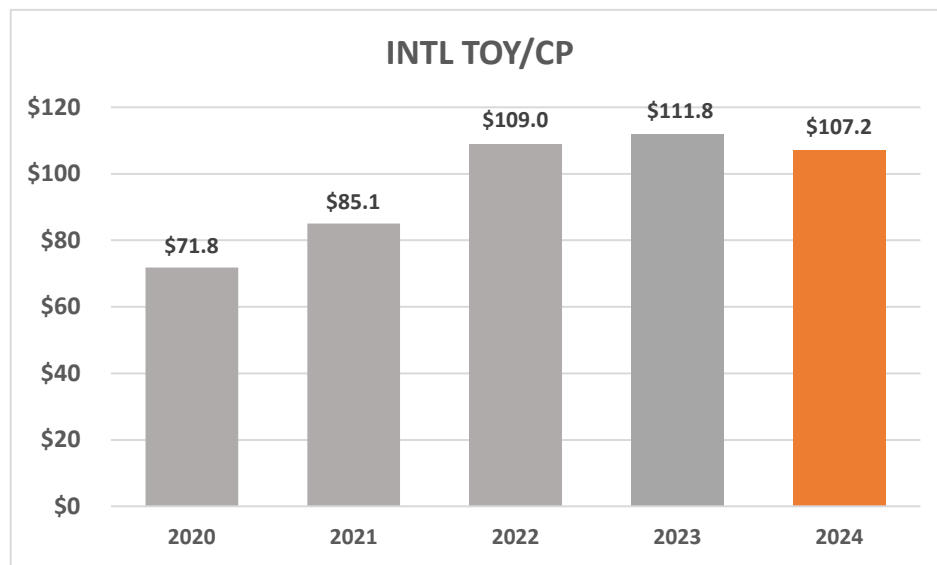


# 2024 Full Year Toys/Consumer Products Net Sales

\$ Millions



YoY % Change



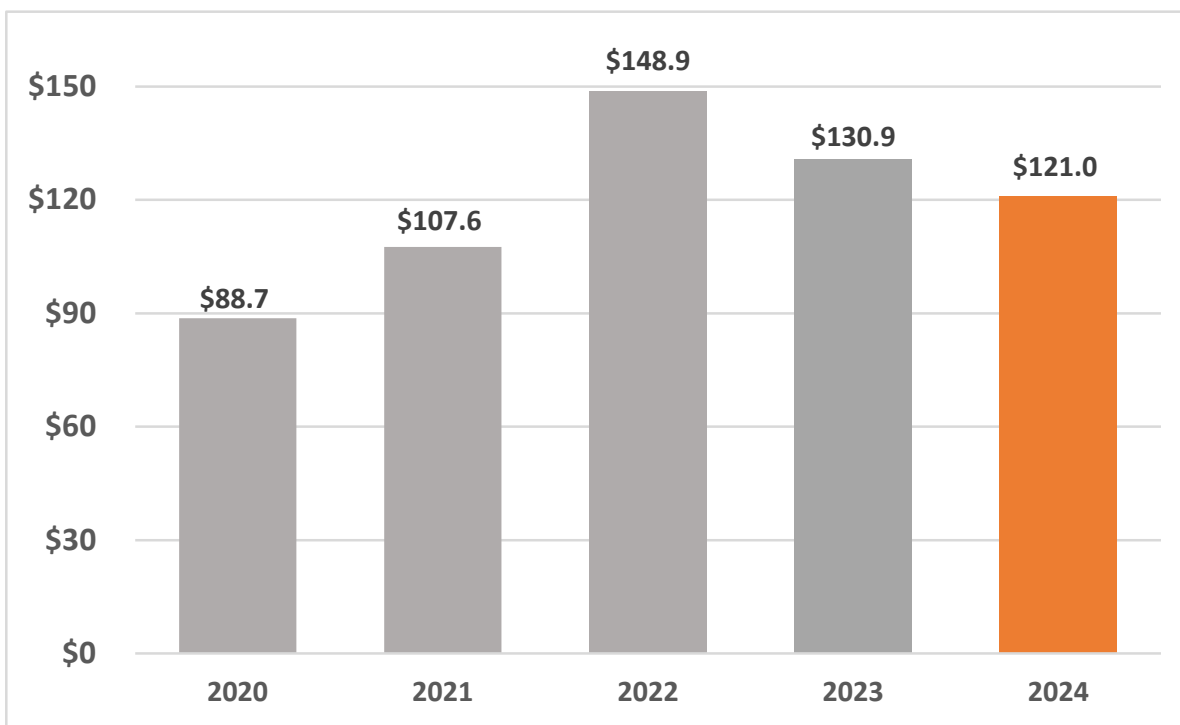
YoY % Change





# 2024 Full Year Costumes Net Sales

\$ Millions



YoY % Change:

21%

38%

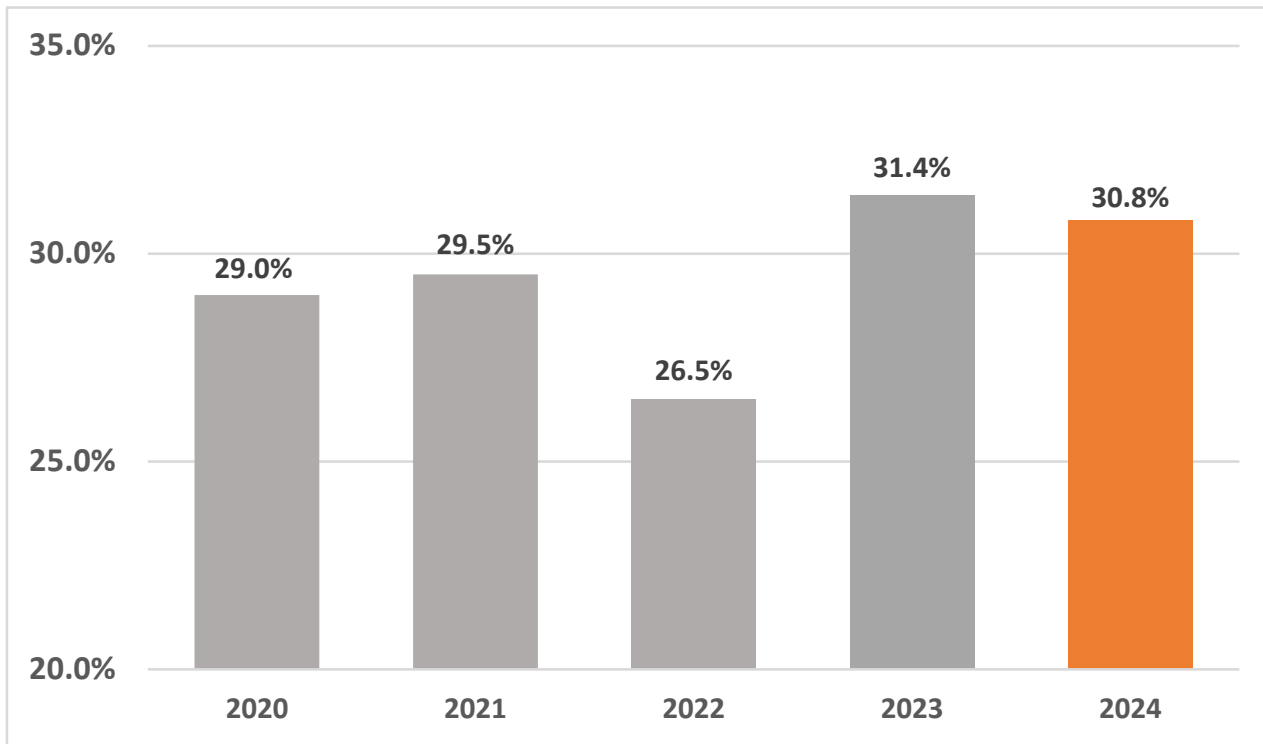
(12)%

(8)%





## 2024 Full Year Gross Margin %



YoY % Change:

50 bps

(300) bps

490 bps

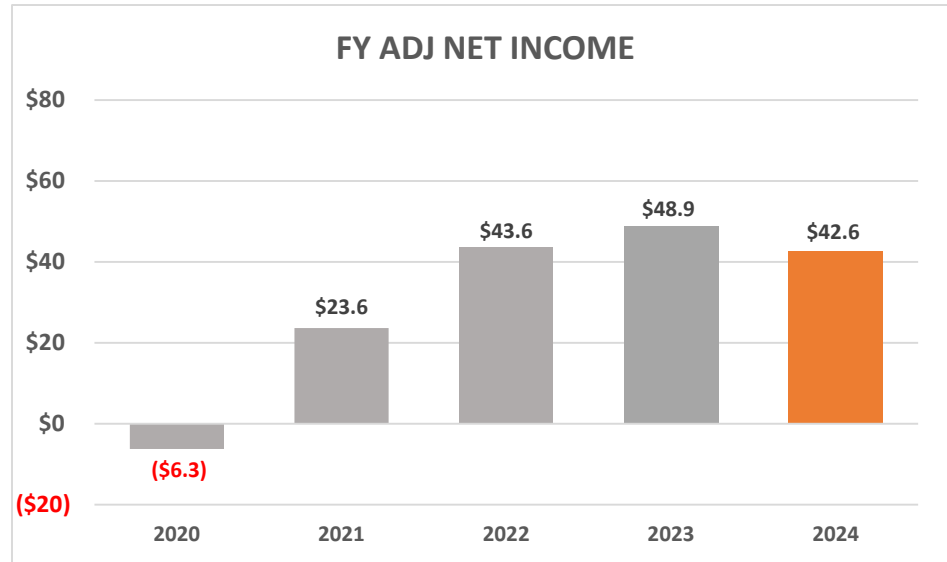
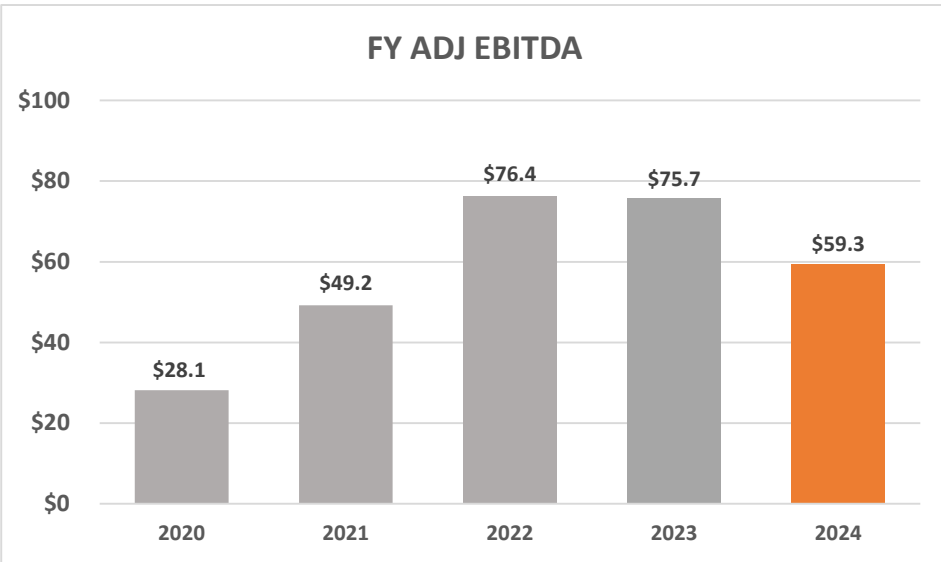
(60) bps





# 2024 Full Year Adj. EBITDA and Adj. Net Income

\$ Millions



Adj. EBITDA Margin %



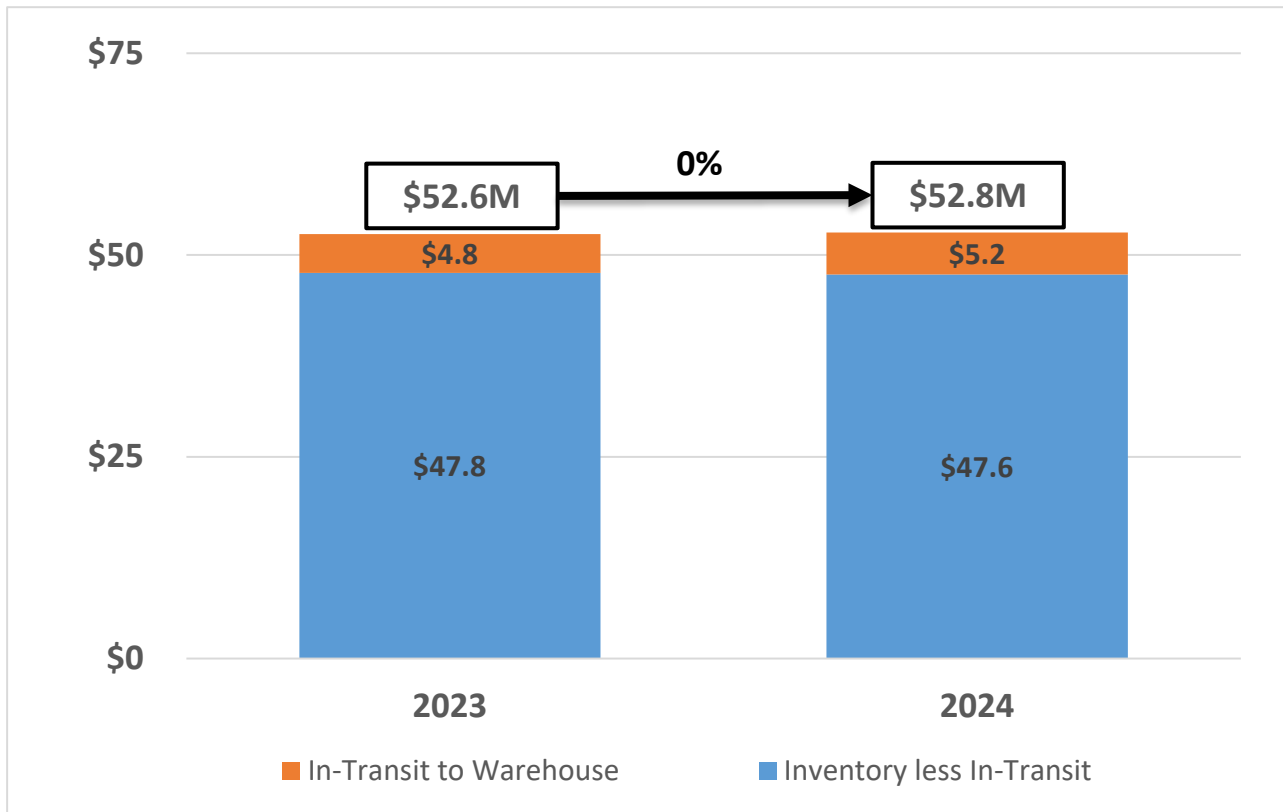
Adj. Net Income Margin %





# Fourth Quarter Inventory - 2023 vs 2024 (Worldwide)

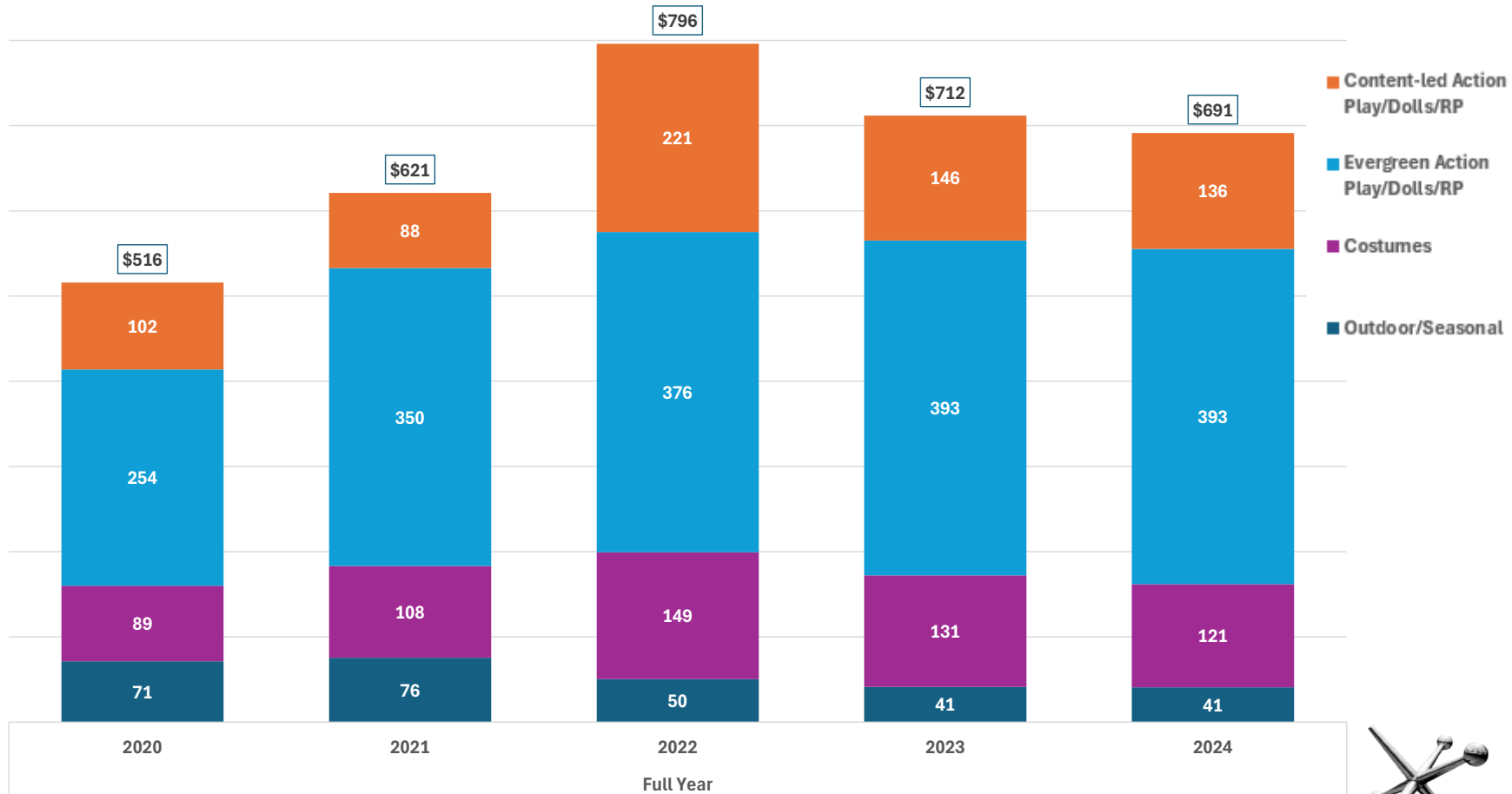
\$ Millions





## Evergreen businesses provide consistent results over time

Net Sales  
(\$ Million)



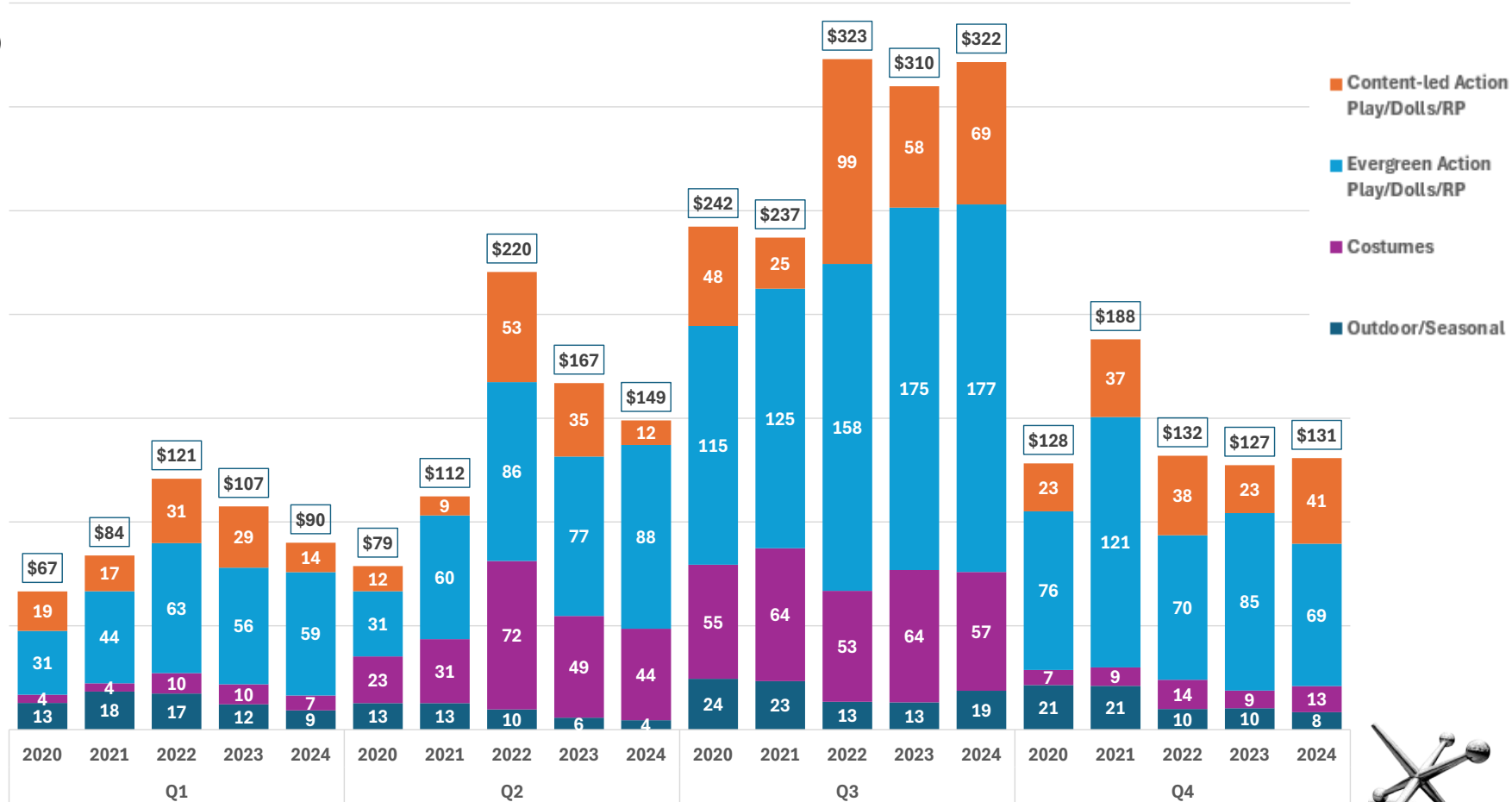
Note: Content-led sales represent those products branded to support a theatrical, television, streaming film/TV or video game release and reported in either the company's Action Play or Dolls, Dress-up, Role Play divisions.





## Q4 sales in line with recent years performance

Net Sales  
(\$ Million)



Note: Content-led sales represent those products branded to support a theatrical, television, streaming film/ IV or video game release and reported in either the company's Action Play or Dolls, Dress-up, Role Play divisions.





## Top Entertainment Properties

2020	2021	2022	2023	2024
<b>Disney Frozen 2</b> (Fall 2019)	<b>Disney Frozen 2</b> (Fall 2019)	<b>Disney Encanto</b> (Fall 2021)	<b>The Super Mario Bros. Movie</b> (Spring 2023)	<b>The Simpsons</b>
	<b>Disney Raya and the Last Dragon</b> (Spring 2021)	<b>Sonic the Hedgehog 2</b> (Spring 2022)	<b>Disney The Little Mermaid</b> (Live Action) (Spring 2023)	<b>Disney Moana 2</b> (Fall 2024)
	<b>Disney Encanto</b> (Fall 2021)		<b>Disney Wish</b> (Fall 2023)	<b>Sonic the Hedgehog 3</b> (Fall 2024)

Note: Properties are listed in order of chronological product release.







DREAMWORKS

# DOG MAN





# Disney MOANA 2





tote  
teenies  
ily







# The SIMPSONS™





**JAKKS Pacific, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Operations (Unaudited)**

	<u>Three Months Ended December 31,</u>			<u>Twelve Months Ended December 31,</u>		
	<u>2024</u>	<u>2023</u>	<u>Δ (%)</u>	<u>2024</u>	<u>2023</u>	<u>Δ (%)</u>
	<u>(In thousands, except per share data)</u>			<u>(In thousands, except per share data)</u>		
Net sales	\$ 130,741	\$ 127,396	3 %	\$ 691,042	\$ 711,557	(3) %
Less: Cost of sales						
Cost of goods	72,373	68,866	5	361,563	362,378	(0)
Royalty expense	20,623	22,533	(8)	106,804	117,607	(9)
Amortization of tools and molds	2,192	2,264	(3)	9,654	8,219	17
Cost of sales	<u>95,188</u>	<u>93,663</u>	<u>2</u>	<u>478,021</u>	<u>488,204</u>	<u>(2)</u>
Gross profit	35,553	33,733	5	213,021	223,353	(5)
Direct selling expenses	18,201	14,582	25	40,105	36,987	8
General and administrative expenses	31,953	34,401	(7)	132,840	126,893	5
Depreciation and amortization	117	90	30	392	366	7
Selling, general and administrative expenses	<u>50,271</u>	<u>49,073</u>	<u>2</u>	<u>173,337</u>	<u>164,246</u>	<u>6</u>
Income (loss) from operations	(14,718)	(15,340)	(4)	39,684	59,107	(33)
Other income (expense):						
Loss from joint ventures	-	-	-	-	(565)	nm
Other income (expense), net	8	139	(94)	302	563	(46)
Change in fair value of preferred stock derivative liability	-	(1,361)	nm	-	(8,029)	nm
Loss on debt extinguishment	-	-	-	-	(1,023)	nm
Interest income	308	757	(59)	841	1,344	(37)
Interest expense	(157)	(710)	(78)	(1,095)	(6,451)	(83)
Income (loss) before provision for (benefit from) income taxes	(14,559)	(16,515)	(12)	39,732	44,946	(12)
Provision for (benefit from) income taxes	(5,446)	(5,643)	(3)	5,532	6,833	(19)
Net income (loss)	(9,113)	(10,872)	(16)	34,200	38,113	(10)
Net income (loss) attributable to non-controlling interests	-	(4)	nm	280	(293)	nm
Net income (loss) attributable to JAKKS Pacific, Inc.	<u>\$ (9,113)</u>	<u>\$ (10,868)</u>	<u>(16) %</u>	<u>\$ 33,920</u>	<u>\$ 38,406</u>	<u>(12) %</u>
Net income (loss) attributable to common stockholders	<u>\$ (9,113)</u>	<u>\$ (11,252)</u>	<u>(19) %</u>	<u>\$ 35,250</u>	<u>\$ 36,904</u>	<u>(4) %</u>
Earnings (loss) per share - basic	<u>\$ (0.83)</u>	<u>\$ (1.12)</u>		<u>\$ 3.27</u>	<u>\$ 3.70</u>	
Shares used in earnings (loss) per share - basic	<u>11,008</u>	<u>10,084</u>		<u>10,781</u>	<u>9,962</u>	
Earnings (loss) per share - diluted	<u>\$ (0.83)</u>	<u>\$ (1.12)</u>		<u>\$ 3.14</u>	<u>\$ 3.48</u>	
Shares used in earnings (loss) per share - diluted	<u>11,008</u>	<u>10,084</u>		<u>11,226</u>	<u>10,590</u>	





**JAKKS Pacific, Inc. and Subsidiaries**  
**Condensed Consolidated Balance Sheets (Unaudited)**

	December 31,	
	2024	2023
	(In thousands)	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 69,936	\$ 72,350
Restricted cash	201	204
Accounts receivable, net	131,629	123,797
Inventory	52,780	52,647
Prepaid expenses and other assets	14,141	6,374
Total current assets	268,687	255,372
Property and equipment	142,623	135,956
Less accumulated depreciation and amortization	126,981	121,357
Property and equipment, net	15,642	14,599
Operating lease right-of-use assets, net	53,254	23,592
Deferred income tax assets, net	70,394	68,143
Goodwill	35,111	35,083
Other long-term assets	1,781	2,162
Total assets	\$ 444,869	\$ 398,951





**JAKKS Pacific, Inc. and Subsidiaries**  
**Condensed Consolidated Balance Sheets (Unaudited)**

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>(In thousands)</b>	
<b>Liabilities, Preferred Stock and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 42,560	\$ 42,177
Accounts payable - Meisheng (related party)	13,461	12,259
Accrued expenses	48,456	45,102
Reserve for sales returns and allowances	35,817	38,531
Income taxes payable	1,035	3,785
Short-term operating lease liabilities	8,091	7,380
Total current liabilities	149,420	149,234
Long-term operating lease liabilities	48,433	16,666
Accrued expenses - long-term	2,563	3,746
Preferred stock derivative liability	-	29,947
Income taxes payable	3,620	3,245
Total liabilities	204,036	202,838
Preferred stock accrued dividends	-	5,992
Stockholders' equity:		
Common stock, \$.001 par value	11	10
Additional paid-in capital	297,198	278,642
Accumulated deficit	(39,692)	(73,612)
Accumulated other comprehensive loss	(17,184)	(15,627)
Total JAKKS Pacific, Inc. stockholders' equity	240,333	189,413
Non-controlling interests	500	708
Total stockholders' equity	240,833	190,121
Total liabilities, preferred stock and stockholders' equity	\$ 444,869	\$ 398,951





**JAKKS Pacific, Inc. and Subsidiaries**  
**Supplemental Balance Sheet and Cash Flow Data (Unaudited)**

**Key Balance Sheet Data:**

Accounts receivable days sales outstanding (DSO)  
 Inventory turnover (DSI)

	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
	93	89
	51	52

**Condensed Cash Flow Data:**

Cash flows provided by operating activities  
 Cash flows used in investing activities  
 Cash flows used in financing activities and other  
 Decrease in cash, cash equivalents and restricted cash

	<b>Twelve Months Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	\$ 38,947	\$ 66,404
	(12,889)	(8,907)
	(28,475)	(70,433)
	\$ (2,417)	\$ (12,936)
Capital expenditures	\$ (11,246)	\$ (8,906)





**JAKKS Pacific, Inc. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Information (Unaudited)**

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2024	2023	Δ (\$)	2024	2023	Δ (\$)
	(In thousands)			(In thousands)		
<b>EBITDA and Adjusted EBITDA</b>						
Net income (loss)	\$ (9,113)	\$ (10,872)	\$ 1,759	\$ 34,200	\$ 38,113	\$ (3,913)
Interest expense	157	710	(553)	1,095	6,451	(5,356)
Interest income	(308)	(757)	449	(841)	(1,344)	503
Provision for (benefit from) income taxes	(5,446)	(5,643)	197	5,532	6,833	(1,301)
Depreciation and amortization	2,309	2,354	(45)	10,046	10,336	(290)
EBITDA	(12,401)	(14,208)	1,807	50,032	60,389	(10,357)
<b>Adjustments:</b>						
Loss from joint ventures (JAKKS Pacific, Inc. - 51%)	-	-	-	-	276	(276)
Loss from joint ventures (Meisheng - 49%)	-	-	-	-	289	(289)
Other (income) expense, net	(8)	(139)	131	(302)	(563)	261
Restricted stock compensation expense	2,255	2,057	198	9,535	8,027	1,508
Change in fair value of preferred stock derivative liability	-	1,361	(1,361)	-	8,029	(8,029)
Molds and tooling capitalization	-	-	-	-	(1,751)	1,751
Loss on debt extinguishment	-	-	-	-	1,023	(1,023)
Adjusted EBITDA	\$ (10,154)	\$ (10,929)	\$ 775	\$ 59,265	\$ 75,719	\$ (16,454)
Adjusted EBITDA/Net sales %	(7.8) %	(8.6) %	80 bps	8.6 %	10.6 %	-200 bps

	Trailing Twelve Months Ended		
	December 31,		
	2024	2023	Δ (\$)
(In thousands)			
<b>TTM EBITDA and TTM Adjusted EBITDA</b>			
TTM net income	\$ 34,200	\$ 38,113	\$ (3,913)
Interest expense	1,095	6,451	(5,356)
Interest income	(841)	(1,344)	503
Provision for (benefit from) income taxes	5,532	6,833	(1,301)
Depreciation and amortization	10,046	10,336	(290)
TTM EBITDA	50,032	60,389	(10,357)
<b>Adjustments:</b>			
Loss from joint ventures (JAKKS Pacific, Inc. - 51%)	-	276	(276)
Loss from joint ventures (Meisheng - 49%)	-	289	(289)
Other (income) expense, net	(302)	(563)	261
Restricted stock compensation expense	9,535	8,027	1,508
Change in fair value of preferred stock derivative liability	-	8,029	(8,029)
Molds and tooling capitalization	-	(1,751)	1,751
Loss on debt extinguishment	-	1,023	(1,023)
TTM Adjusted EBITDA	\$ 59,265	\$ 75,719	\$ (16,454)
TTM Adjusted EBITDA/TTM Net sales %	8.6 %	10.6 %	(22) %





**JAKKS Pacific, Inc. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Information (Unaudited)**

	<u>Three Months Ended December 31,</u>			<u>Twelve Months Ended December 31,</u>		
	<u>2024</u>	<u>2023</u>	<u>Δ (\$)</u>	<u>2024</u>	<u>2023</u>	<u>Δ (\$)</u>
	<u>(In thousands, except per share data)</u>			<u>(In thousands, except per share data)</u>		
<b><u>Adjusted net income (loss) attributable to common stockholders</u></b>						
Net income (loss) attributable to common stockholders	\$ (9,113)	\$ (11,252)	\$ 2,139	\$ 35,250	\$ 36,904	\$ (1,654)
Restricted stock compensation expense	2,255	2,057	198	9,535	8,027	1,508
Change in fair value of preferred stock derivative liability	-	1,361	(1,361)	-	8,029	(8,029)
Loss on debt extinguishment	-	-	-	-	1,023	(1,023)
Loss from joint ventures (JAKKS Pacific, Inc. - 51%)	-	-	-	-	276	(276)
2021 BSP Term Loan prepayment penalty	-	-	-	-	150	(150)
Molds and Tooling capitalization	-	-	-	-	(1,751)	1,751
Valuation allowance release/adjustments	-	(2,577)	2,577	-	(2,577)	2,577
Tax impact of additional charges	(544)	(96)	(448)	(2,225)	(1,175)	(1,050)
Adjusted net income (loss) attributable to common stockholders	<u>\$ (7,402)</u>	<u>\$ (10,507)</u>	<u>\$ 3,105</u>	<u>\$ 42,560</u>	<u>\$ 48,906</u>	<u>\$ (6,346)</u>
Adjusted earnings (loss) per share - basic	<u>\$ (0.67)</u>	<u>\$ (1.04)</u>	<u>\$ 0.37</u>	<u>\$ 3.95</u>	<u>\$ 4.91</u>	<u>\$ (0.97)</u>
Shares used in adjusted earnings (loss) per share - basic	<u>11,008</u>	<u>10,084</u>	<u>924</u>	<u>10,781</u>	<u>9,962</u>	<u>819</u>
Adjusted earnings (loss) per share - diluted	<u>\$ (0.67)</u>	<u>\$ (1.04)</u>	<u>\$ 0.37</u>	<u>\$ 3.79</u>	<u>\$ 4.62</u>	<u>\$ (0.83)</u>
Shares used in adjusted earnings (loss) per share - diluted	<u>11,008</u>	<u>10,084</u>	<u>924</u>	<u>11,226</u>	<u>10,590</u>	<u>636</u>





**JAKKS Pacific, Inc. and Subsidiaries**  
**Net Sales by Division and Geographic Region**

(In thousands)	QTD Q4				
	2024	2023	2022	% Change 2024 v 2023	% Change 2023 v 2022
<b>DIVISIONS</b>					
Toys/Consumer Products	\$118,233	\$118,855	\$117,727	-0.5%	1.0%
Dolls, Role-Play/Dress-Up	62,603	73,272	68,937	-14.6%	6.3%
Action Play & Collectibles	47,209	35,312	38,909	33.7%	-9.2%
Outdoor/Seasonal Toys	8,421	10,272	9,881	-18.0%	4.0%
Costumes	\$12,508	\$8,541	\$14,159	46.4%	-39.7%
<b>TOTAL JAKKS</b>	<b>\$130,741</b>	<b>\$127,396</b>	<b>\$131,886</b>	<b>2.6%</b>	<b>-3.4%</b>

(In thousands)	YTD Q4				
	2024	2023	2022	% Change 2024 v 2023	% Change 2023 v 2022
<b>DIVISIONS</b>					
Toys/Consumer Products	\$570,018	\$580,686	\$647,317	-1.8%	-10.3%
Dolls, Role-Play/Dress-Up	313,679	319,962	423,581	-2.0%	-24.5%
Action Play & Collectibles	215,521	219,446	173,529	-1.8%	26.5%
Outdoor/Seasonal Toys	40,818	41,279	50,207	-1.1%	-17.8%
Costumes	\$121,024	\$130,870	\$148,870	-7.5%	-12.1%
<b>TOTAL JAKKS</b>	<b>\$691,042</b>	<b>\$711,557</b>	<b>\$796,187</b>	<b>-2.9%</b>	<b>-10.6%</b>

(In thousands)	QTD Q4				
	2024	2023	2022	% Change 2024 v 2023	% Change 2023 v 2022
<b>Regions</b>					
United States	\$93,468	\$96,304	\$100,907	-2.9%	-4.6%
Europe	25,359	17,988	19,437	41.0%	-7.5%
Latin America	4,292	4,434	2,626	-3.2%	68.8%
Canada	4,257	4,686	4,795	-9.2%	-2.3%
Asia	1,523	2,140	1,698	-28.8%	26.0%
Australia & New Zealand	1,116	1,486	1,822	-24.9%	-18.4%
Middle East & Africa	726	358	601	102.8%	-40.4%
<b>TOTAL JAKKS</b>	<b>\$130,741</b>	<b>\$127,396</b>	<b>\$131,886</b>	<b>2.6%</b>	<b>-3.4%</b>

(In thousands)	YTD Q4				
	2024	2023	2022	% Change 2024 v 2023	% Change 2023 v 2022
<b>Regions</b>					
United States	\$545,013	\$557,865	\$644,295	-2.3%	-13.4%
Europe	71,392	76,464	85,348	-6.6%	-10.4%
Latin America	38,159	32,024	18,338	19.2%	74.6%
Canada	20,983	26,992	26,515	-22.3%	1.8%
Asia	6,101	8,543	10,431	-28.6%	-18.1%
Australia & New Zealand	7,409	7,542	8,836	-1.8%	-14.6%
Middle East & Africa	1,985	2,127	2,424	-6.7%	-12.3%
<b>TOTAL JAKKS</b>	<b>\$691,042</b>	<b>\$711,557</b>	<b>\$796,187</b>	<b>-2.9%</b>	<b>-10.6%</b>

(In thousands)	QTD Q4				
	2024	2023	2022	% Change 2024 v 2023	% Change 2023 v 2022
<b>Regions</b>					
North America	\$97,725	\$100,990	\$105,702	-3.2%	-4.5%
International	33,016	26,406	26,184	25.0%	0.8%
<b>Total</b>	<b>\$130,741</b>	<b>\$127,396</b>	<b>\$131,886</b>	<b>2.6%</b>	<b>-3.4%</b>

(In thousands)	YTD Q4				
	2024	2023	2022	% Change 2024 v 2023	% Change 2023 v 2022
<b>Regions</b>					
North America	\$565,996	\$584,857	\$670,810	-3.2%	-12.8%
International	125,046	126,700	125,377	-1.3%	1.1%
<b>Total</b>	<b>\$691,042</b>	<b>\$711,557</b>	<b>\$796,187</b>	<b>-2.9%</b>	<b>-10.6%</b>

