



Second Quarter 2025
Earnings Presentation

July 24, 2025

5:00 PM Eastern / 2:00 PM Pacific

Registration: [2Q25 Registration link](#)

Webcast: [2Q25 Webcast link](#)





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





Second Quarter Results

- Q2 Net sales were \$119.1 million, a year-over-year decrease of 20%
- Q2 Gross margin of 32.8%, up from 32.0% vs. Q2 2024
- Gross profit of \$39.0 million, down \$8.6 million compared to \$47.6 million in Q2 2024
- Operating loss of \$2.8 million, compared to an operating income of \$7.6 million in Q2 2024
- Adjusted net income attributable to common stockholders (a non-GAAP measure) of \$0.4 million (or \$0.03 per share), compared to adjusted net income attributable to common stockholders of \$7.3 million (or \$0.65 per share) in Q2 2024
- Adjusted EBITDA (a non-GAAP measure) of \$2.3 million vs. \$12.3 million in Q2 2024

First-Half Results

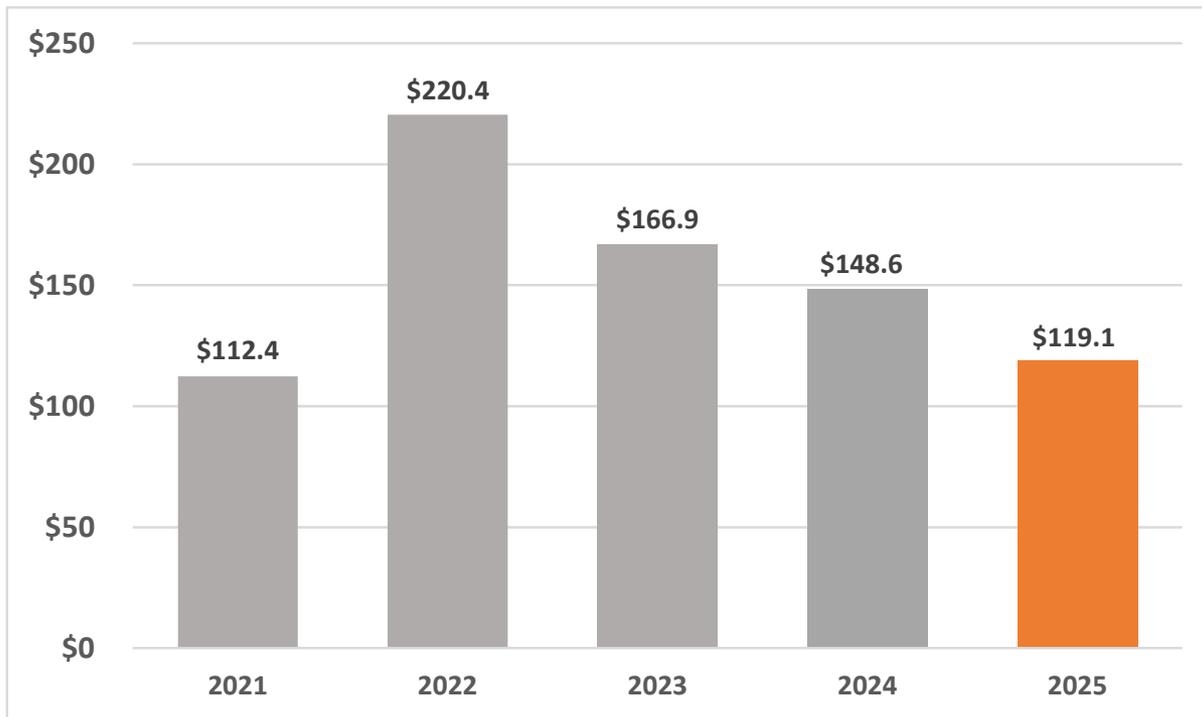
- 1H Net sales were \$232.3 million, a year-over-year decrease of 3%
- 1H Gross margin of 33.6%, up from 28.8% vs. 1H 2024
- Gross profit of \$78.0 million, up 14% compared to \$68.6 million in 1H 2024
- Operating loss of \$6.5 million, compared to an operating loss of \$13.7 million in 1H 2024
- Adjusted net income attributable to common stockholders of \$0.0 million (\$0.00 per share), up from adjusted net loss attributable to common stockholders of \$4.0 million (-\$0.38 per share) in 2024
- Adjusted EBITDA of \$2.7 million, up from a loss of \$4.9 million in 2024





2025 Second Quarter Net Sales

\$ Millions



YoY % Change:

96%

(24)%

(11)%

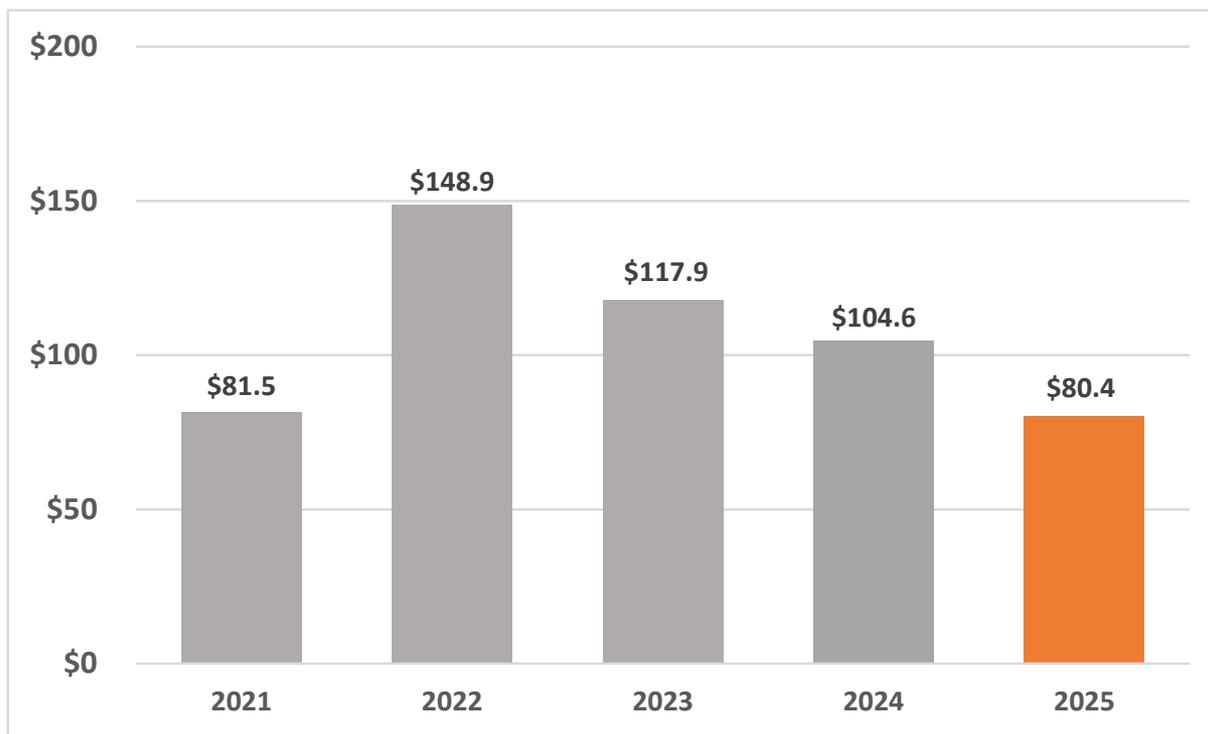
(20)%





2025 Second Quarter Toys/Consumer Products Net Sales

\$ Millions



YoY % Change:

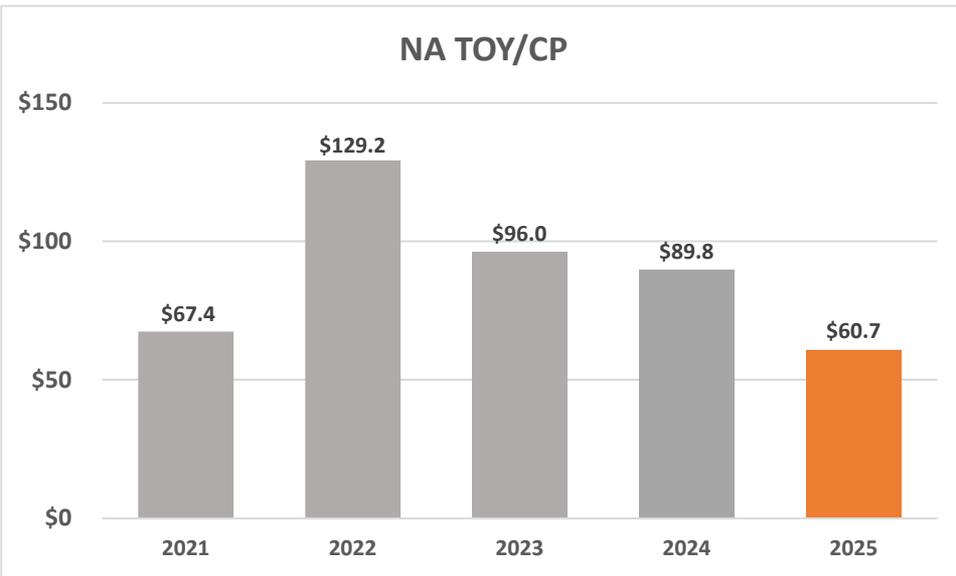
83%	(21)%	(11)%	(23)%
-----	-------	-------	-------



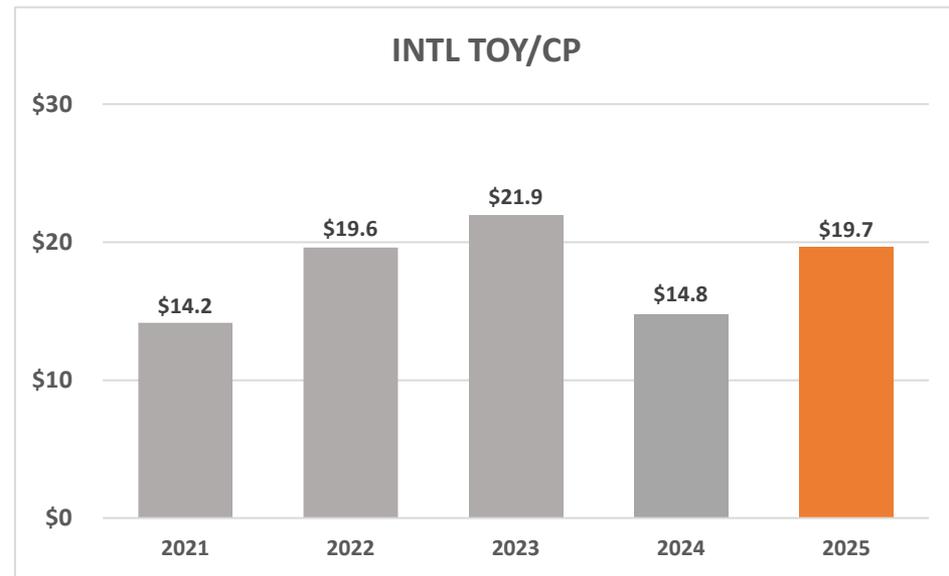


2025 Second Quarter Toys/Consumer Products Net Sales

\$ Millions



YoY % Change



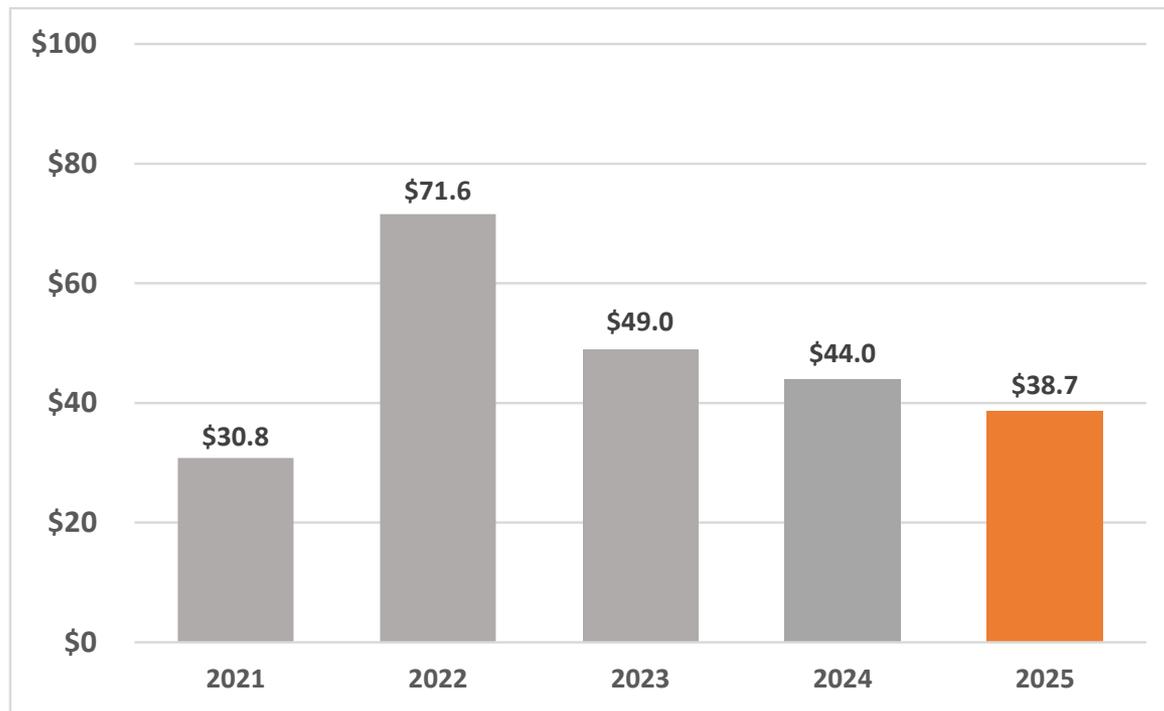
YoY % Change





2025 Second Quarter Costumes Net Sales

\$ Millions



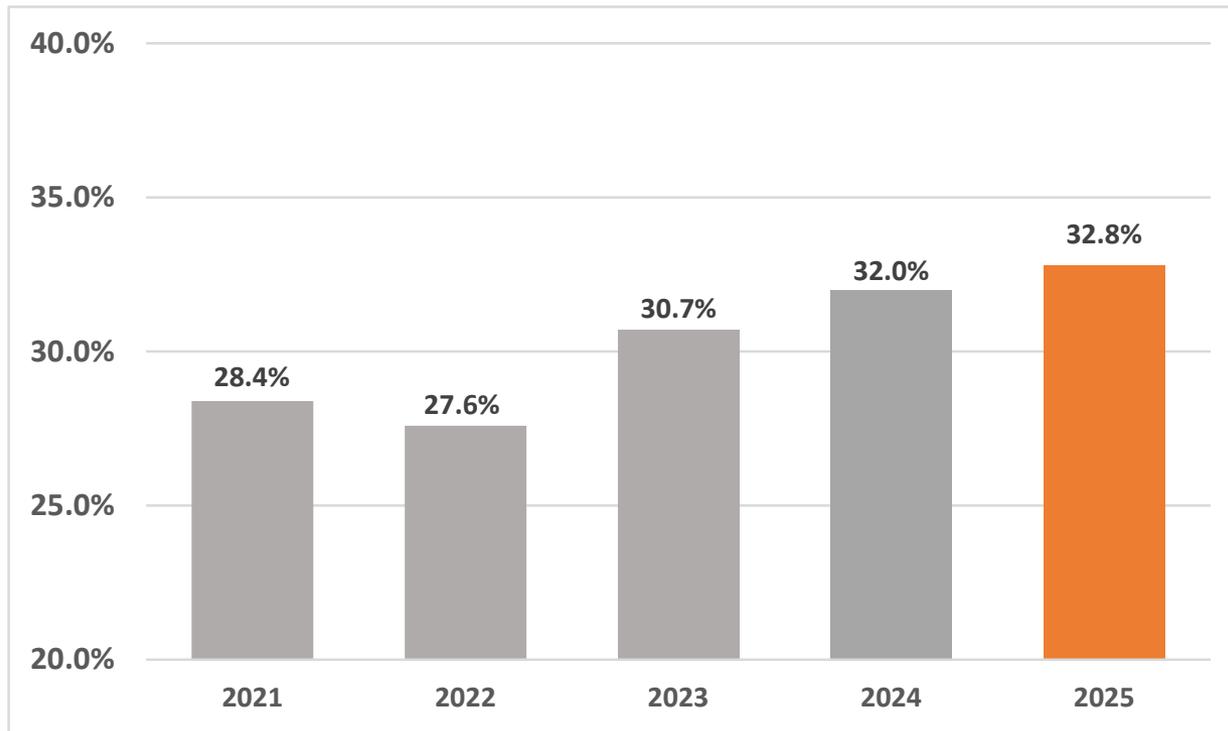
YoY % Change:

132%	(32)%	(10)%	(12)%
------	-------	-------	-------





2025 Second Quarter Gross Margin %



YoY % Change:

(80) bps

310 bps

130 bps

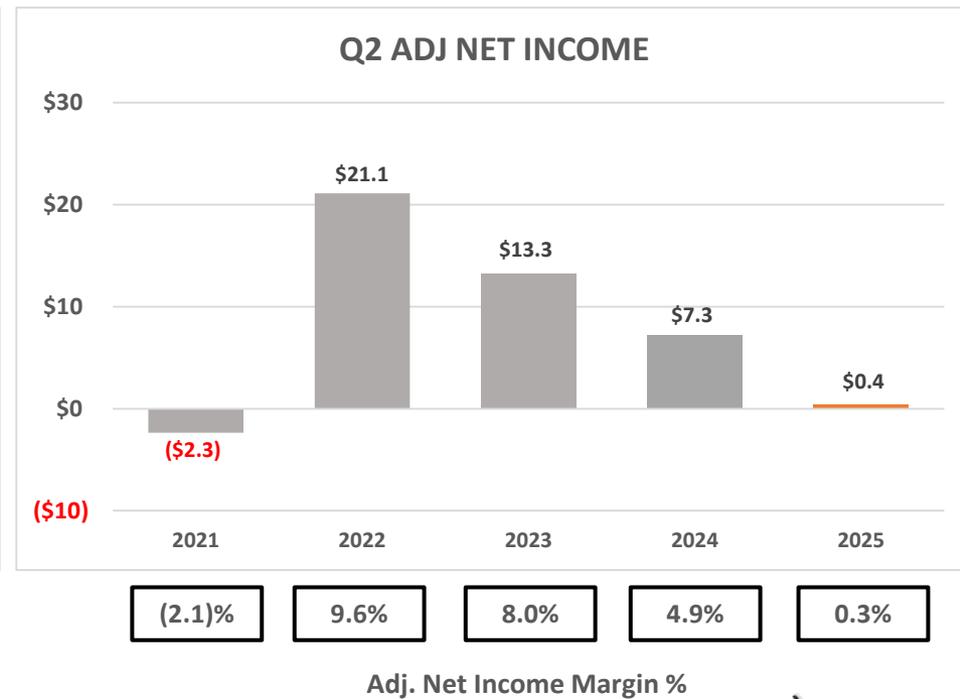
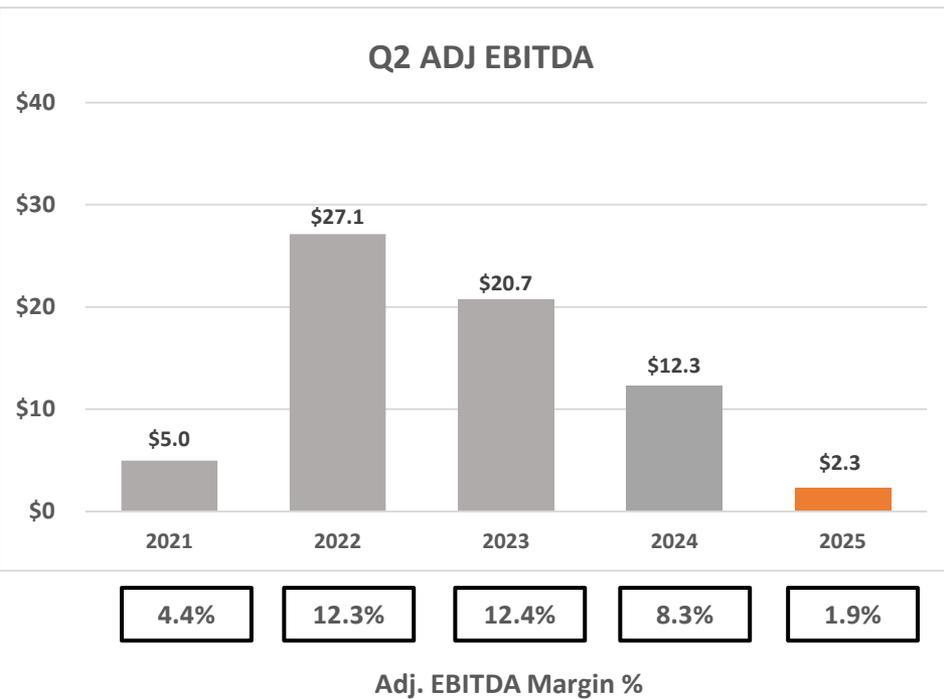
80 bps





2025 Second Quarter Adj. EBITDA and Adj. Net Income

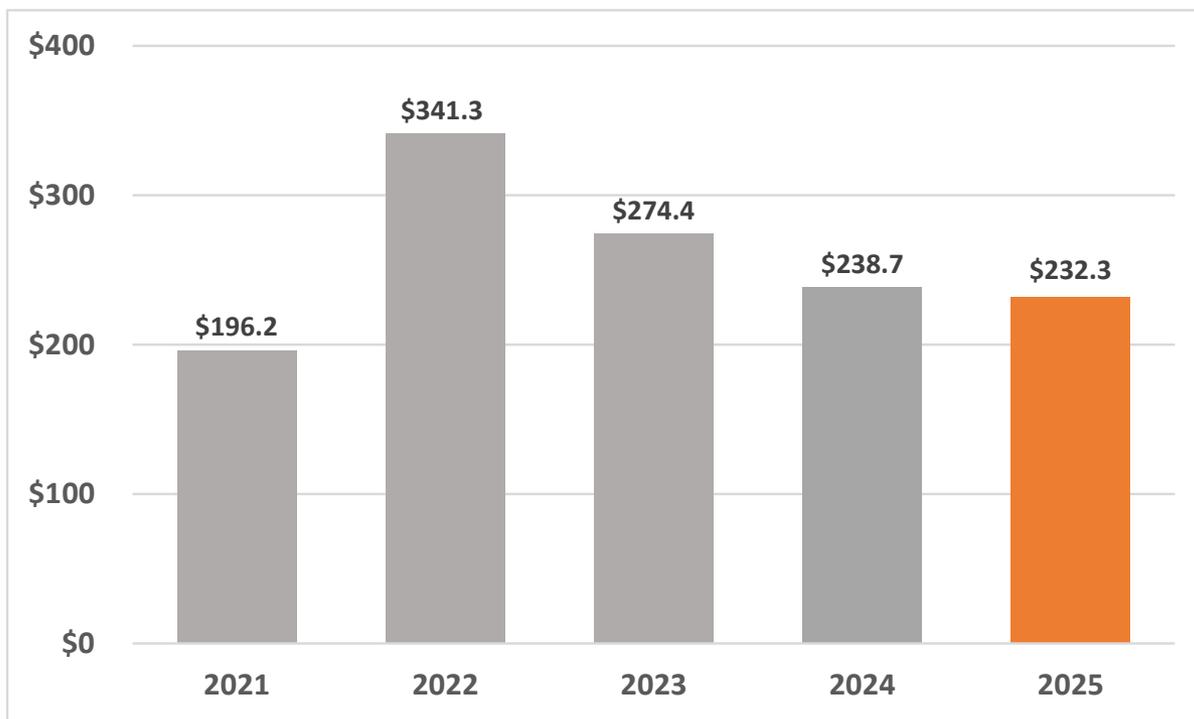
\$ Millions





2025 First Half Net Sales

\$ Millions



YoY % Change:

74%

(20)%

(13)%

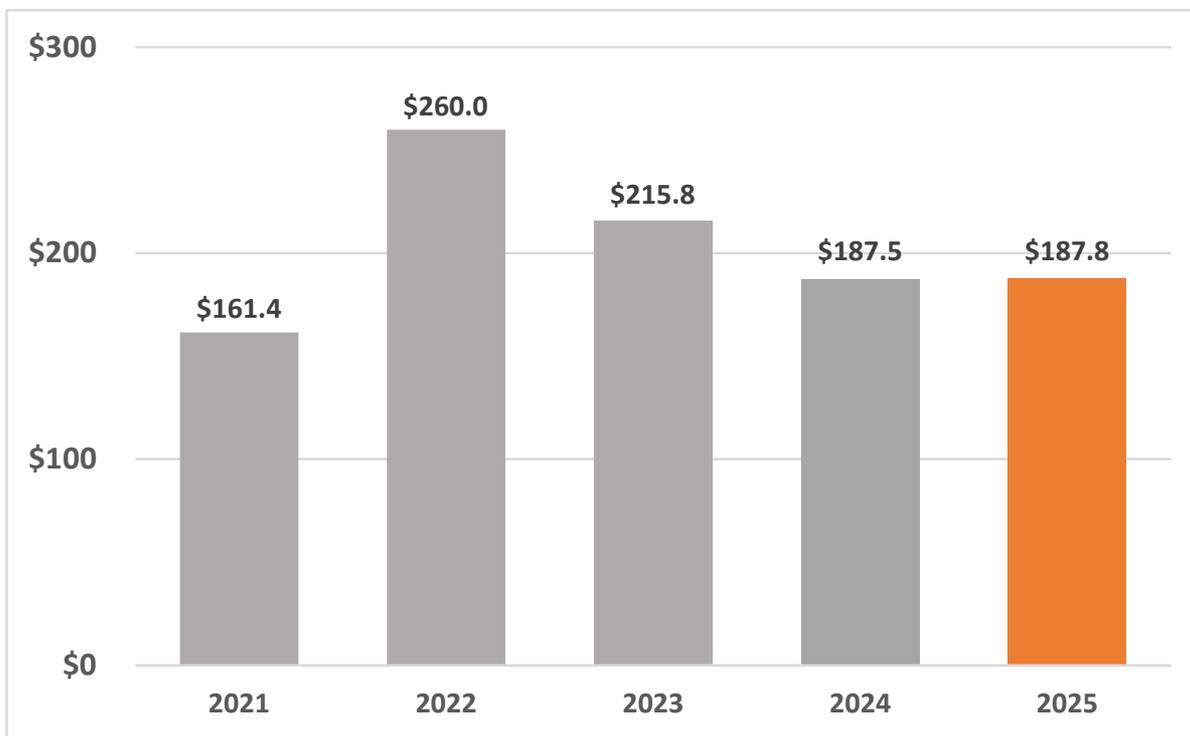
(3)%





2025 First Half Toys/Consumer Products Net Sales

\$ Millions



YoY % Change:

61%

(17)%

(13)%

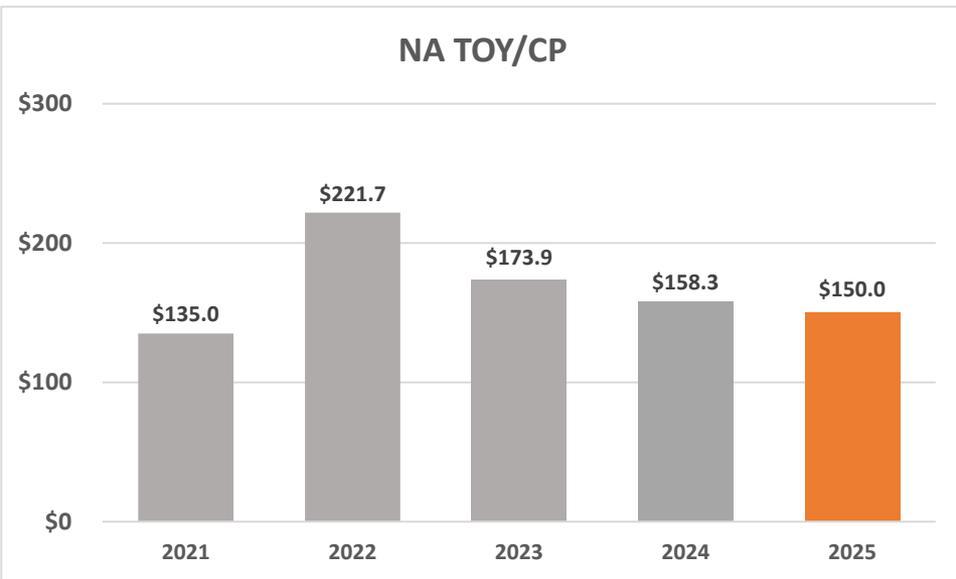
0%



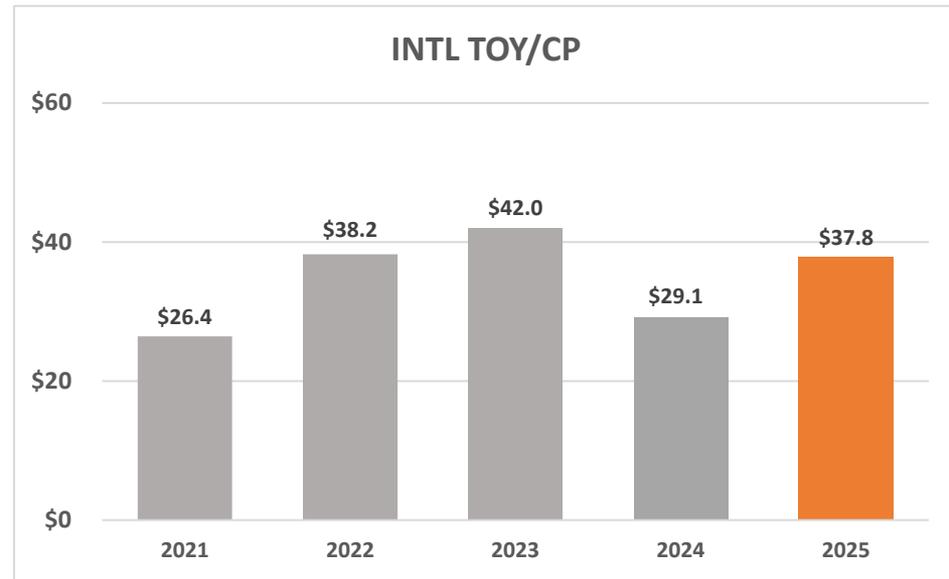


2025 First Half Toys/Consumer Products Net Sales

\$ Millions



YoY % Change



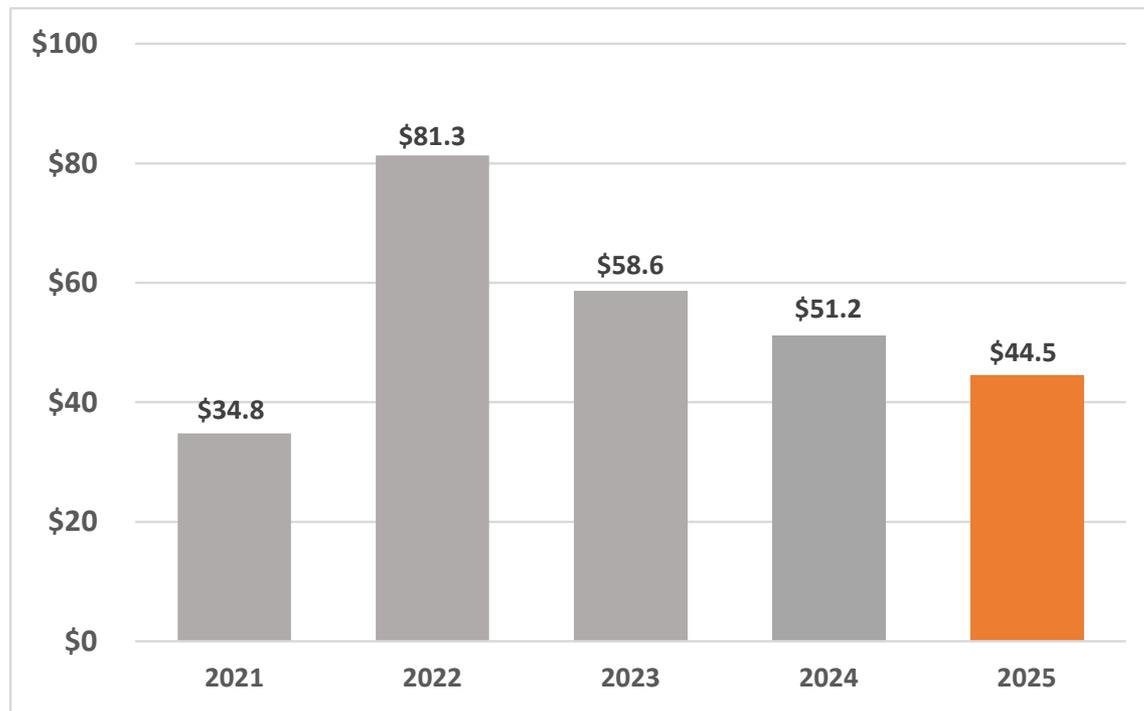
YoY % Change





2025 First Half Costumes Net Sales

\$ Millions



YoY % Change:

134%

(28)%

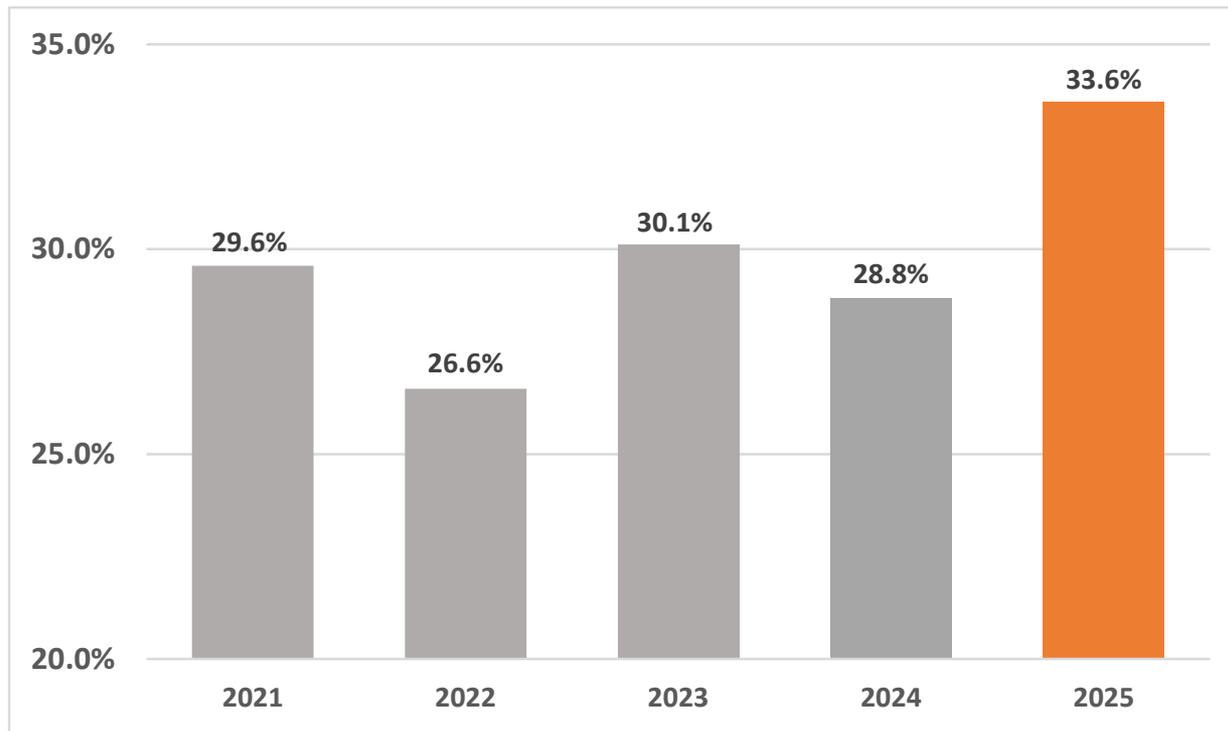
(13)%

(13)%





2025 First Half Gross Margin %



YoY % Change:

(300) bps

350 bps

(130) bps

480 bps

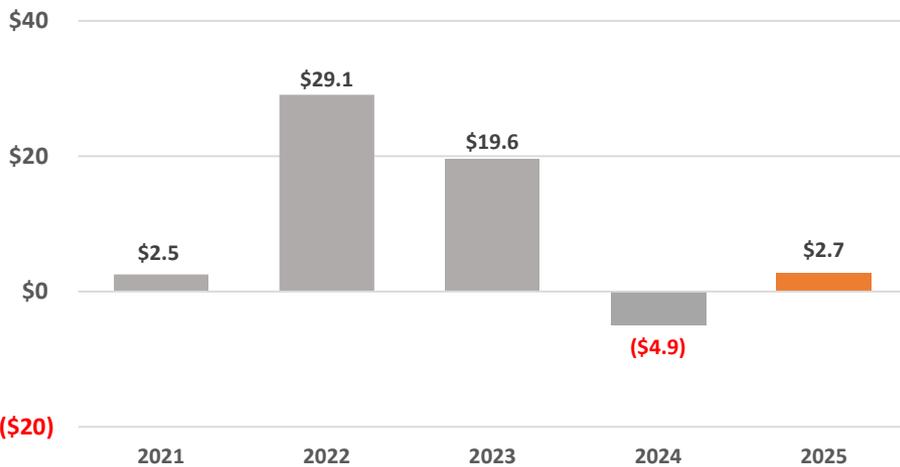




2025 First Half Adj. EBITDA and Adj. Net Income

\$ Millions

1H ADJ EBITDA



1.3%

8.5%

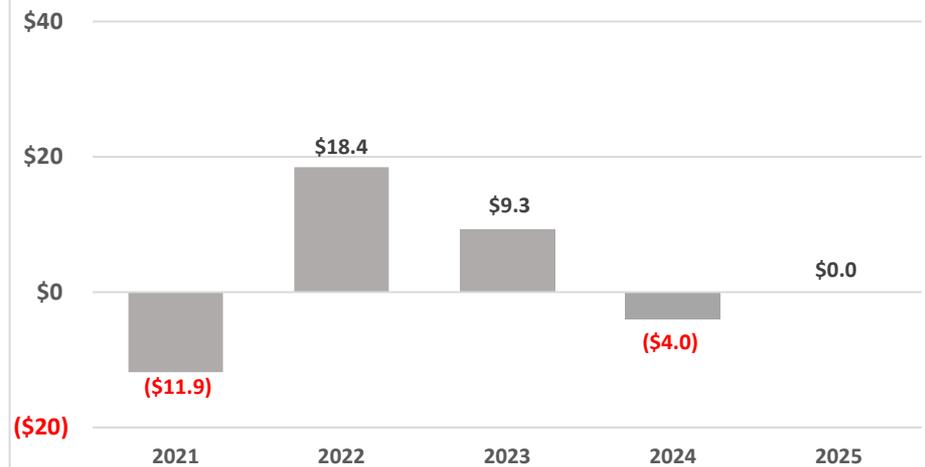
7.1%

(2.1)%

1.1%

Adj. EBITDA Margin %

1H ADJ NET INCOME



(6.0)%

5.4%

3.4%

(1.7)%

0.0%

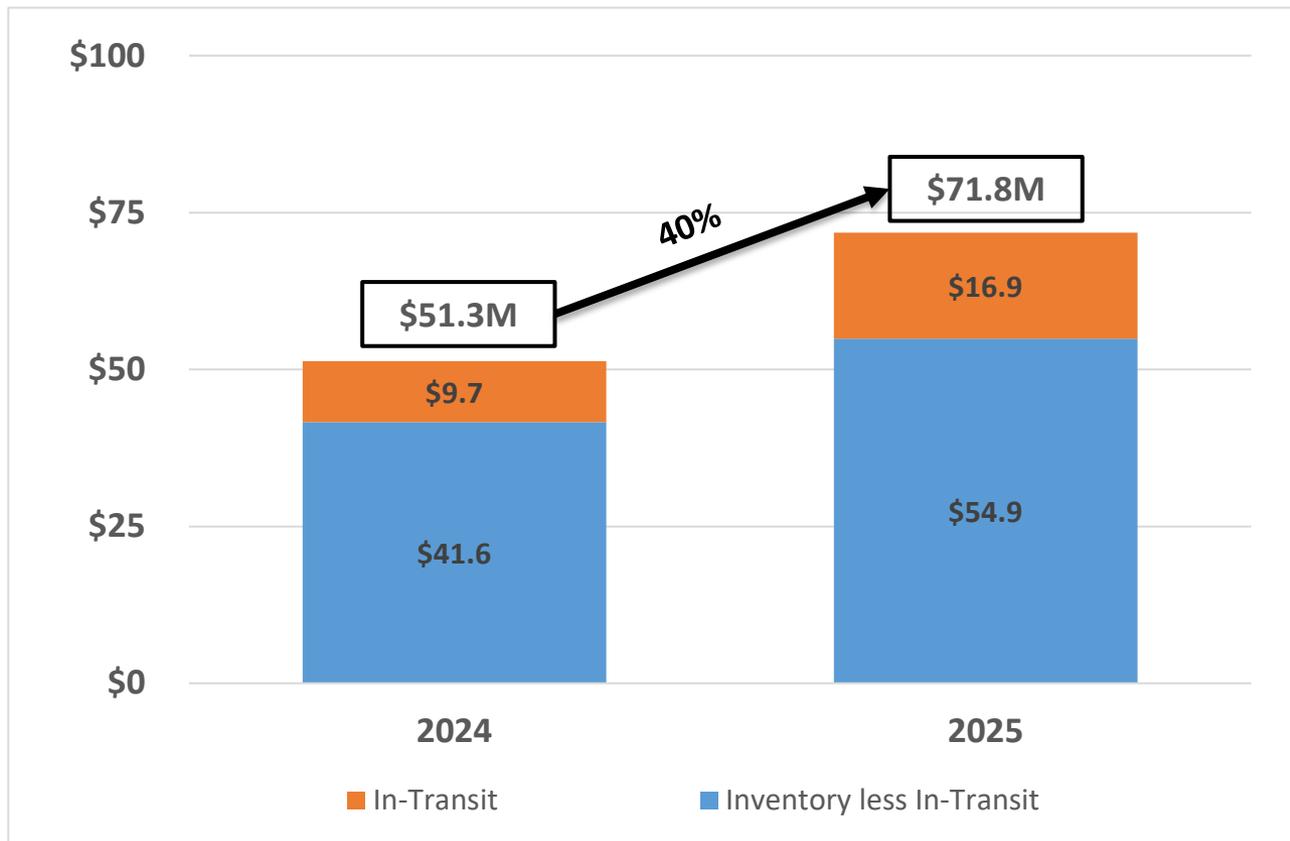
Adj. Net Income Margin %





Second Quarter Inventory - 2024 vs 2025 (Worldwide)

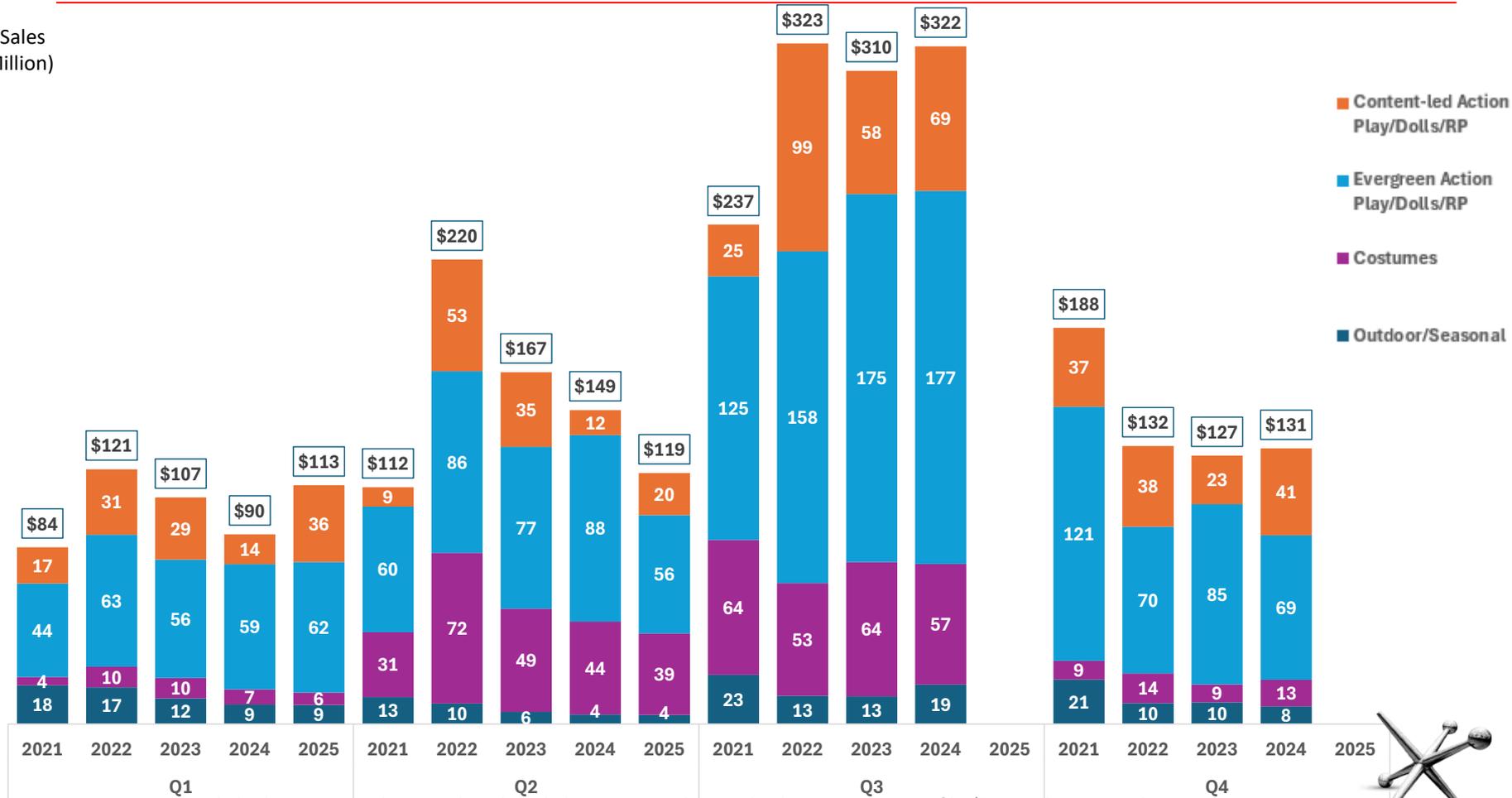
\$ Millions





Cost of importation to the US negatively impacting all Q2 results.

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.





Top Entertainment Properties

2021	2022	2023	2024	2025
Disney Frozen 2 (Fall 2019)	Disney Encanto (Fall 2021)	The Super Mario Bros. Movie (Spring 2023)	The Simpsons	The Simpsons
Disney Raya and the Last Dragon (Spring 2021)	Sonic the Hedgehog 2 (Spring 2022)	Disney The Little Mermaid (Live Action) (Spring 2023)	Disney Moana 2 (Fall 2024)	Disney Moana 2 (Fall 2024)
Disney Encanto (Fall 2021)		Disney Wish (Fall 2023)	Sonic the Hedgehog 3 (Fall 2024)	Sonic the Hedgehog 3 (Fall 2024)
				Dog Man (Spring 2025)

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



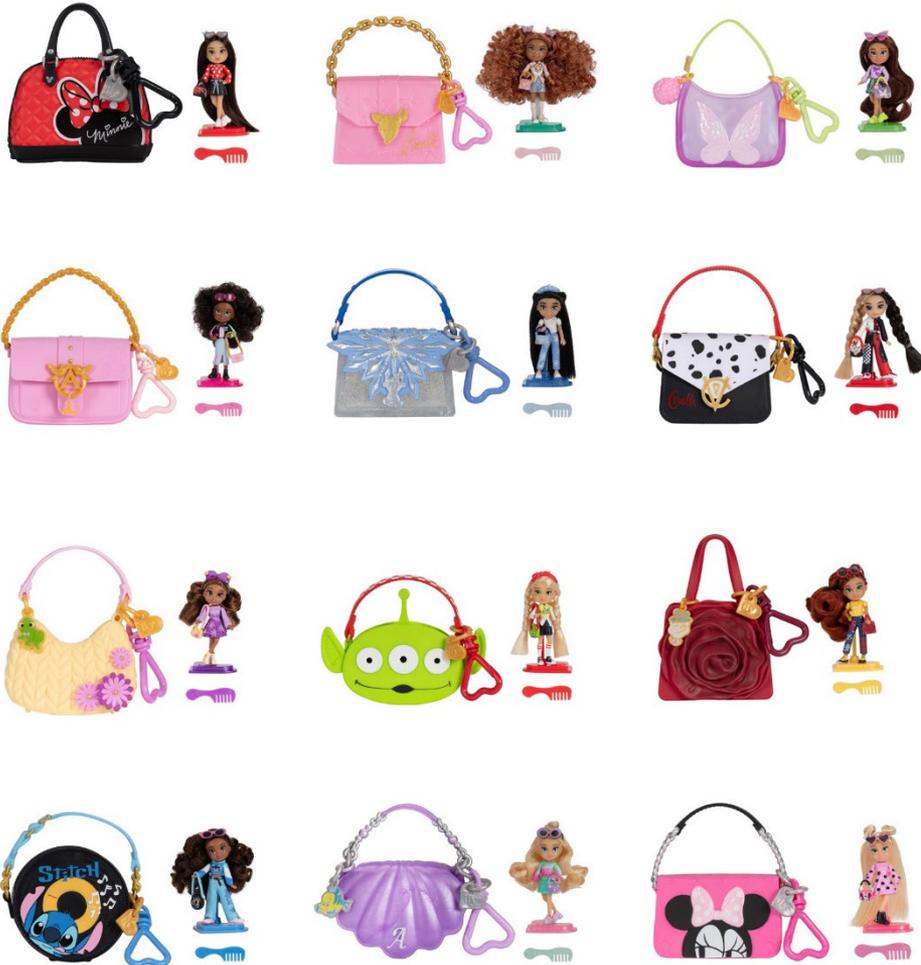


Disney Darlings





tote teenies ily





SONIC™
THE HEDGEHOG





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

	<u>Three Months Ended June 30,</u>			<u>Six Months Ended June 30,</u>		
	<u>2025</u>	<u>2024</u>	<u>Δ (%)</u>	<u>2025</u>	<u>2024</u>	<u>Δ (%)</u>
	<u>(In thousands, except per share data)</u>			<u>(In thousands, except per share data)</u>		
Net sales	\$ 119,094	\$ 148,619	(20) %	\$ 232,347	\$ 238,695	(3) %
Less: Cost of sales						
Cost of goods	58,784	76,599	(23)	113,410	130,420	(13)
Royalty expense	19,509	22,394	(13)	37,677	36,170	4
Amortization of tools and molds	1,778	2,041	(13)	3,224	3,468	(7)
Cost of sales	<u>80,071</u>	<u>101,034</u>	<u>(21)</u>	<u>154,311</u>	<u>170,058</u>	<u>(9)</u>
Gross profit	39,023	47,585	(18)	78,036	68,637	14
Direct selling expenses	6,710	6,255	7	15,406	14,352	7
General and administrative expenses	34,974	33,594	4	68,935	67,786	2
Depreciation and amortization	122	93	31	235	180	31
Selling, general and administrative expenses	<u>41,806</u>	<u>39,942</u>	<u>5</u>	<u>84,576</u>	<u>82,318</u>	<u>3</u>
Income (loss) from operations	(2,783)	7,643	nm	(6,540)	(13,681)	(52)
Other income (expense):						
Loss from joint ventures	-	-	-	-	-	-
Other income (expense), net	25	72	(65)	30	210	(86)
Change in fair value of preferred stock derivative liability	-	-	-	-	-	-
Loss on debt extinguishment	(417)	-	nm	(417)	-	nm
Interest income	395	88	349	757	464	63
Interest expense	<u>(145)</u>	<u>(256)</u>	<u>(43)</u>	<u>(300)</u>	<u>(399)</u>	<u>(25)</u>
Income (loss) before benefit from income taxes	(2,925)	7,547	nm	(6,470)	(13,406)	(52)
Provision for (benefit from) income taxes	<u>(606)</u>	<u>2,281</u>	<u>nm</u>	<u>(1,769)</u>	<u>(4,447)</u>	<u>(60)</u>
Net income (loss)	(2,319)	5,266	nm	(4,701)	(8,959)	(48)
Net income attributable to non-controlling interests	-	-	-	-	280	nm
Net income (loss) attributable to JAKKS Pacific, Inc.	<u>\$ (2,319)</u>	<u>\$ 5,266</u>	<u>nm %</u>	<u>\$ (4,701)</u>	<u>\$ (9,239)</u>	<u>(49) %</u>
Net income (loss) attributable to common stockholders	<u>\$ (2,319)</u>	<u>\$ 5,266</u>	<u>nm %</u>	<u>\$ (4,701)</u>	<u>\$ (7,909)</u>	<u>(41) %</u>
Earnings (loss) per share - basic	<u>\$ (0.21)</u>	<u>\$ 0.49</u>		<u>\$ (0.42)</u>	<u>\$ (0.75)</u>	
Shares used in earnings (loss) per share - basic	<u>11,146</u>	<u>10,801</u>		<u>11,146</u>	<u>10,577</u>	
Earnings (loss) per share - diluted	<u>\$ (0.21)</u>	<u>\$ 0.47</u>		<u>\$ (0.42)</u>	<u>\$ (0.75)</u>	
Shares used in earnings (loss) per share - diluted	<u>11,146</u>	<u>11,245</u>		<u>11,146</u>	<u>10,577</u>	





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

	June 30,		December 31,
	2025	2024	2024
	(In thousands)		
Assets			
Current assets:			
Cash and cash equivalents	\$ 38,195	\$ 17,700	\$ 69,936
Restricted cash	4,861	202	201
Accounts receivable, net	124,489	140,006	131,629
Inventory	71,811	51,327	52,780
Prepaid expenses and other assets	22,575	26,457	14,141
Total current assets	261,931	235,692	268,687
Property and equipment	146,661	141,326	142,623
Less accumulated depreciation and amortization	126,890	124,580	126,981
Property and equipment, net	19,771	16,746	15,642
Operating lease right-of-use assets, net	49,931	20,667	53,254
Deferred income tax assets, net	70,401	68,141	70,394
Goodwill	34,950	35,029	35,111
Other long-term assets	1,734	1,976	1,781
Total assets	\$ 438,718	\$ 378,251	\$ 444,869





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

	June 30, 2025	June 30, 2024	December 31, 2024
	(In thousands)		
Liabilities and Stockholders' Equity			
Current liabilities:			
Accounts payable	\$ 65,422	\$ 55,368	\$ 42,560
Accounts payable - Meisheng (related party)	-	19,130	13,461
Accrued expenses	45,890	45,026	48,456
Reserve for sales returns and allowances	29,116	29,456	35,817
Income taxes payable	-	-	1,035
Short term operating lease liabilities	12,405	7,777	8,091
Total current liabilities	152,833	161,757	149,420
Long term operating lease liabilities	43,881	14,859	48,433
Accrued expenses - long term	3,222	2,299	2,563
Income taxes payable	2,045	3,441	3,620
Total liabilities	201,981	182,356	204,036
Stockholders' equity:			
Common stock, \$.001 par value	11	11	11
Additional paid-in capital	299,110	294,543	297,198
Accumulated deficit	(49,965)	(82,851)	(39,692)
Accumulated other comprehensive loss	(12,919)	(16,308)	(17,184)
Total JAKKS Pacific, Inc. stockholders' equity	236,237	195,395	240,333
Non-controlling interests	500	500	500
Total stockholders' equity	236,737	195,895	240,833
Total liabilities and stockholders' equity	\$ 438,718	\$ 378,251	\$ 444,869





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

Supplemental Balance Sheet and Cash Flow Data (Unaudited)

<u>Key Balance Sheet Data:</u>	June 30,	
	2025	2024
Accounts receivable days sales outstanding (DSO)	95	86
Inventory turnover (DSI)	82	46
<u>Condensed Cash Flow Data:</u>		
	Six Months Ended June 30,	
	2025	2024
Cash flows used in operating activities	\$ (15,585)	\$ (27,666)
Cash flows used in investing activities	(6,361)	(6,174)
Cash flows used in financing activities and other	(5,135)	(20,812)
Increase in cash, cash equivalents and restricted cash	\$ (27,081)	\$ (54,652)
Capital expenditures	\$ (4,816)	\$ (4,627)





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

	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	Δ (\$)	2025	2024	Δ (\$)
	(In thousands)			(In thousands)		
<u>EBITDA and Adjusted EBITDA</u>						
Net income (loss)	\$ (2,319)	\$ 5,266	\$ (7,585)	\$ (4,701)	\$ (8,959)	\$ 4,258
Interest expense	145	256	(111)	300	399	(99)
Interest income	(395)	(88)	(307)	(757)	(464)	(293)
Provision for (benefit from) income taxes	(606)	2,281	(2,887)	(1,769)	(4,447)	2,678
Depreciation and amortization	1,900	2,134	(234)	3,459	3,648	(189)
EBITDA	(1,275)	9,849	(11,124)	(3,468)	(9,823)	6,355
Adjustments:						
Other (income) expense, net	(25)	(72)	47	(30)	(210)	180
Restricted stock compensation expense	3,188	2,519	669	5,740	5,094	646
Loss on debt extinguishment	417	-	417	417	-	417
Adjusted EBITDA	\$ 2,305	\$ 12,296	\$ (9,991)	\$ 2,659	\$ (4,939)	\$ 7,598
Adjusted EBITDA/Net sales %	1.9 %	8.3 %	-640 bps	1.1 %	(2.1) %	320 bps

	Trailing Twelve Months Ended		
	June 30,		
	2025	2024	Δ (\$)
	(In thousands)		
<u>TTM EBITDA and TTM Adjusted EBITDA</u>			
TTM net income	\$ 38,458	\$ 28,290	\$ 10,168
Interest expense	996	2,545	(1,549)
Interest income	(1,134)	(1,605)	471
Provision for income taxes	8,210	2,291	5,919
Depreciation and amortization	9,857	10,400	(543)
TTM EBITDA	56,387	41,921	14,466
Adjustments:			
Loss from joint ventures (JAKKS Pacific, Inc. - 51%)	-	(11)	11
Loss from joint ventures (Meisheng - 49%)	-	11	(11)
Other (income) expense, net	(122)	(297)	175
Restricted stock compensation expense	10,181	9,176	1,005
Change in fair value of preferred stock derivative liability	-	2,154	(2,154)
Molds and tooling capitalization	-	(1,751)	1,751
Loss on debt extinguishment	417	-	417
TTM Adjusted EBITDA	\$ 66,863	\$ 51,203	\$ 15,660
TTM Adjusted EBITDA/TTM Net sales %	9.8 %	7.6 %	220 bps

31 %





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

	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	Δ (\$)	2025	2024	Δ (\$)
	(In thousands, except per share data)			(In thousands, except per share data)		
<u>Adjusted net income (loss) attributable to common stockholders</u>						
Net income (loss) attributable to common stockholders	\$ (2,319)	\$ 5,266	\$ (7,585)	\$ (4,701)	\$ (7,909)	\$ 3,208
Restricted stock compensation expense	3,188	2,519	669	5,740	5,094	646
Loss on debt extinguishment	417	-	417	417	-	417
Tax impact of additional charges	(896)	(530)	(366)	(1,420)	(1,187)	(233)
Adjusted net income (loss) attributable to common stockholders	<u>\$ 390</u>	<u>\$ 7,255</u>	<u>\$ (6,865)</u>	<u>\$ 36</u>	<u>\$ (4,002)</u>	<u>\$ 4,038</u>
Adjusted earnings (loss) per share - basic	<u>\$ 0.03</u>	<u>\$ 0.67</u>	<u>\$ (0.64)</u>	<u>\$ 0.00</u>	<u>\$ (0.38)</u>	<u>\$ 0.38</u>
Shares used in adjusted earnings (loss) per share - basic	<u>11,146</u>	<u>10,801</u>	<u>345</u>	<u>11,146</u>	<u>10,577</u>	<u>569</u>





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

(In thousands)

Divisions	QTD Q2				
	2025	2024	2023	% Change 2025 v 2024	% Change 2024 v 2023
	Toys/Consumer Products	\$80,379	\$104,570	\$117,934	-23.1%
Dolls, Role-Play/Dress Up	46,164	63,608	59,669	-27.4%	6.6%
Action Play & Collectibles	29,902	36,555	52,571	-18.2%	-30.5%
Outdoor/Seasonal Toys	4,313	4,407	5,694	-2.1%	-22.6%
Costumes	\$38,715	\$44,049	\$48,999	-12.1%	-10.1%
Total	\$119,094	\$148,619	\$166,933	-19.9%	-11.0%

(In thousands)

Divisions	YTD Q2				
	2025	2024	2023	% Change 2025 v 2024	% Change 2024 v 2023
	Toys/Consumer Products	\$187,817	\$187,480	\$215,827	0.2%
Dolls, Role-Play/Dress Up	101,627	104,182	107,512	-2.5%	-3.1%
Action Play & Collectibles	72,783	69,563	90,417	4.6%	-23.1%
Outdoor/Seasonal Toys	13,407	13,735	17,898	-2.4%	-23.3%
Costumes	\$44,530	\$51,215	\$58,590	-13.1%	-12.6%
Total	\$232,347	\$238,695	\$274,417	-2.7%	-13.0%

(In thousands)

Regions	QTD Q2				
	2025	2024	2023	% Change 2025 v 2024	% Change 2024 v 2023
	United States	\$86,990	\$125,837	\$136,187	-30.9%
Europe	14,657	10,264	16,638	42.8%	-38.3%
Latin America	6,047	3,239	3,067	86.7%	5.6%
Canada	8,826	6,288	6,799	40.4%	-7.5%
Asia	1,448	1,268	1,831	14.2%	-30.7%
Australia & New Zealand	886	1,607	1,756	-44.9%	-8.5%
Middle East & Africa	240	116	655	106.9%	-82.3%
TOTAL JAKKS	\$119,094	\$148,619	\$166,933	-19.9%	-11.0%

(In thousands)

Regions	YTD Q2				
	2025	2024	2023	% Change 2025 v 2024	% Change 2024 v 2023
	United States	\$175,934	\$196,267	\$216,630	-10.4%
Europe	26,467	15,999	26,800	65.4%	-40.3%
Latin America	13,506	11,235	12,271	20.2%	-8.4%
Canada	12,105	9,658	10,853	25.3%	-11.0%
Asia	2,199	2,233	3,211	-1.5%	-30.5%
Australia & New Zealand	1,499	2,953	3,364	-49.2%	-12.2%
Middle East & Africa	637	350	1,288	82.0%	-72.8%
Total	\$232,347	\$238,695	\$274,417	-2.7%	-13.0%

(In thousands)

Regions	QTD Q2				
	2025	2024	2023	% Change 2025 v 2024	% Change 2024 v 2023
	North America	\$95,816	\$132,125	\$142,986	-27.5%
International	23,278	16,494	23,947	41.1%	-31.1%
Total	\$119,094	\$148,619	\$166,933	-19.9%	-11.0%

(In thousands)

Regions	YTD Q2				
	2025	2024	2023	% Change 2025 v 2024	% Change 2024 v 2023
	North America	\$188,039	\$205,925	\$227,483	-8.7%
International	44,308	32,770	46,934	35.2%	-30.2%
Total	\$232,347	\$238,695	\$274,417	-2.7%	-13.0%

(In thousands)

Regions	QTD Q2				
	2025	2024	2023	% Change 2025 v 2024	% Change 2024 v 2023
	United States	\$86,990	\$125,837	\$136,187	-30.9%
Rest of World	32,104	22,782	30,746	40.9%	-25.9%
Total	\$119,094	\$148,619	\$166,933	-19.9%	-11.0%

(In thousands)

Regions	YTD Q2				
	2025	2024	2023	% Change 2025 v 2024	% Change 2024 v 2023
	United States	\$175,934	\$196,267	\$216,630	-10.4%
Rest of World	56,413	42,428	57,787	33.0%	-26.6%
Total	\$232,347	\$238,695	\$274,417	-2.7%	-13.0%

