



Second Quarter 2022  
Earnings Conference Call Presentation  
July 27, 2022, 5:00 PM Eastern Time

Participant Dial in (Registration required): [Registration link](#)

Webcast: <https://www.jakks.com/investors/>





## 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 2022, as well as any other forward-looking statements concerning 2022 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





## EXECUTIVE SUMMARY

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### Highest Q2 and 1H Net Sales ever

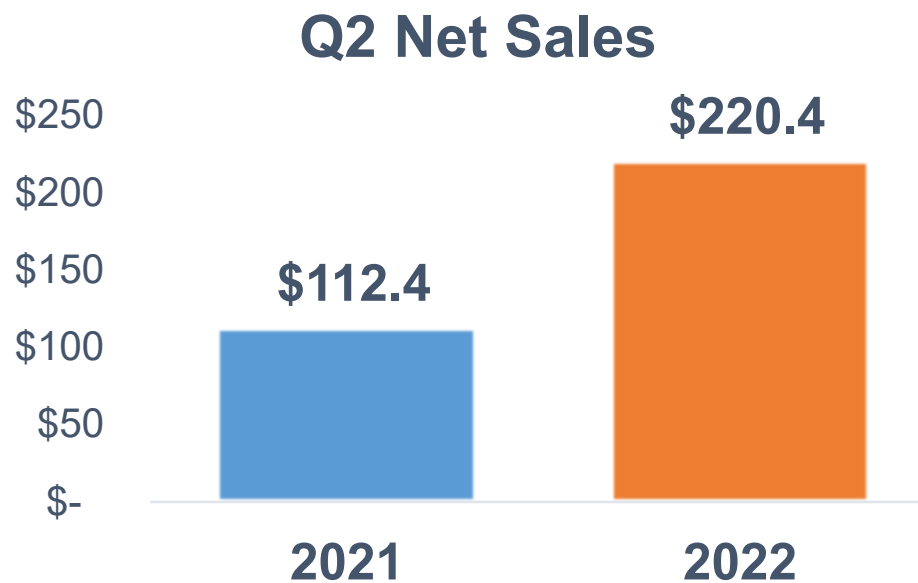
- Q2 Net Sales were \$220.4 million, 96% increase over prior year, highest Q2 level in history of JAKKS
- Q2 Toy/Consumer Products (CP) business up 83% while Costumes business increased 132% versus Q2 2021
- Q2 gross margins were negatively impacted by higher freight costs
- Retail Toy/CP POS at Top 3 US customers was up over 20% in Q2
- Q2 Adjusted EBITDA of \$27.1 million, compared to \$5.0 million in the second quarter of 2021





## 2022 Q2 Net Sales

\$ Millions



YoY % Change:

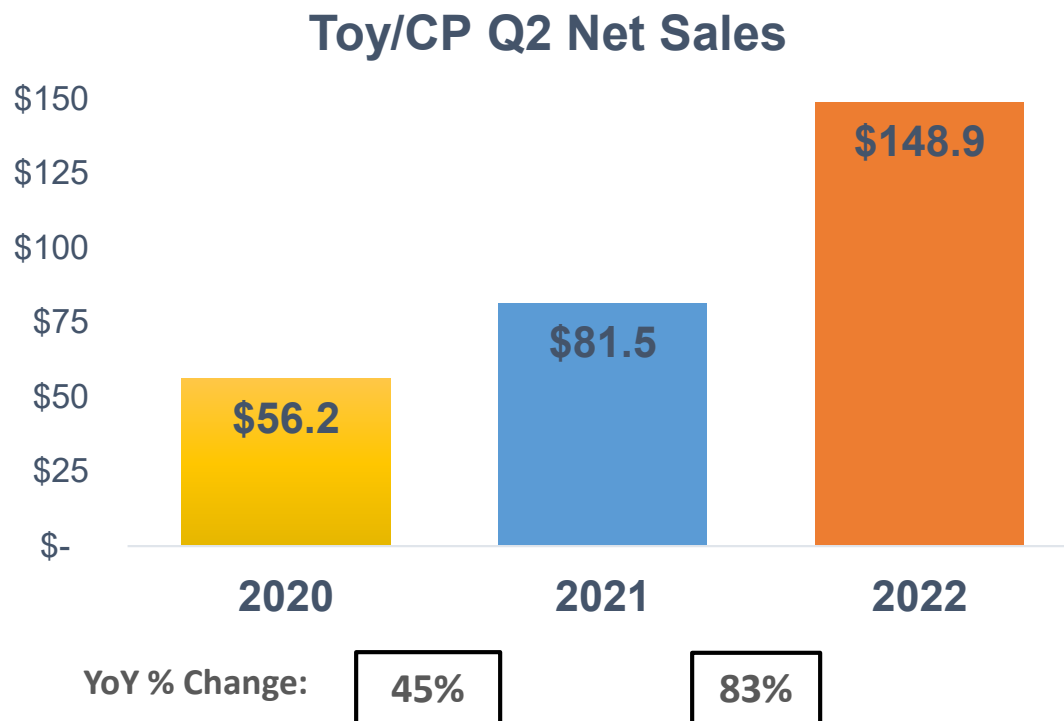
96%





## 2022 Q2 Toy/CP Net Sales

\$ Millions

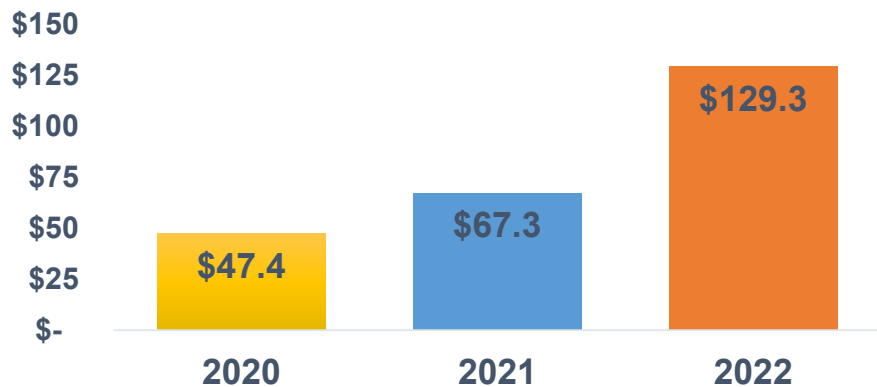




## 2022 Q2 Toy/CP Net Sales

\$ Millions

### North America Q2 Net Sales

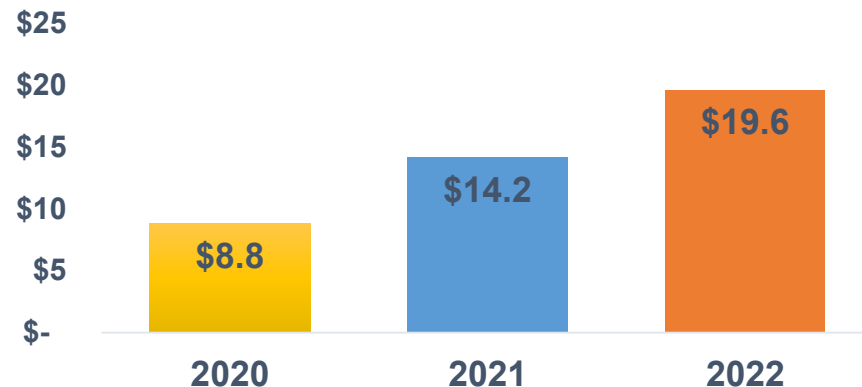


YoY % Change:

42%

92%

### International Q2 Net Sales



61%

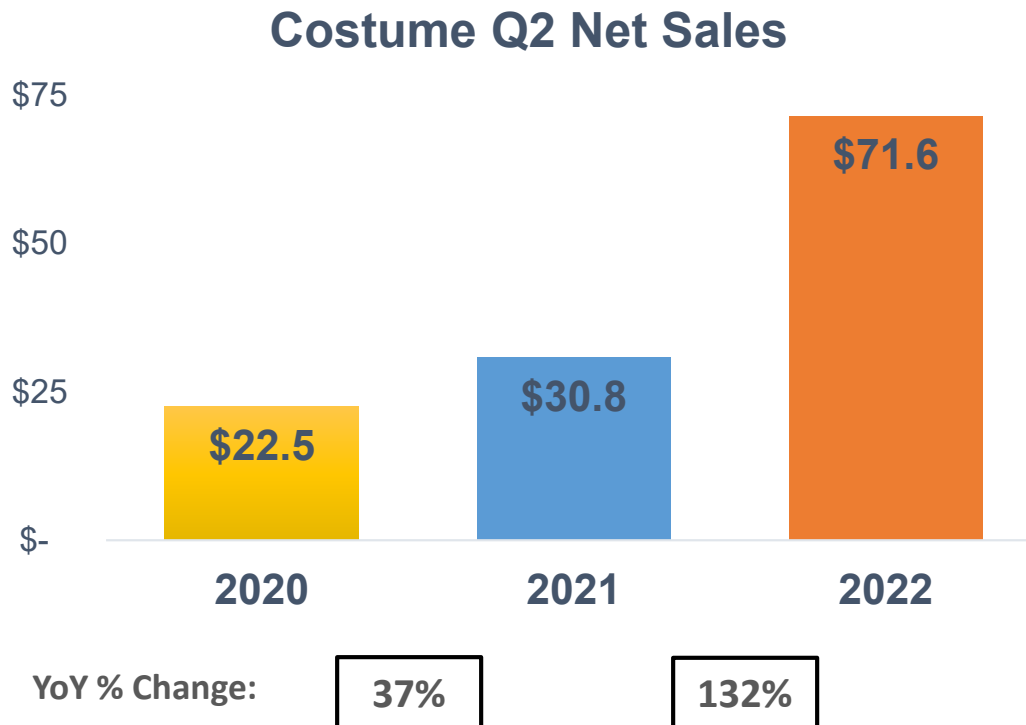
38%





## 2022 Q2 Costume Net Sales

\$ Millions

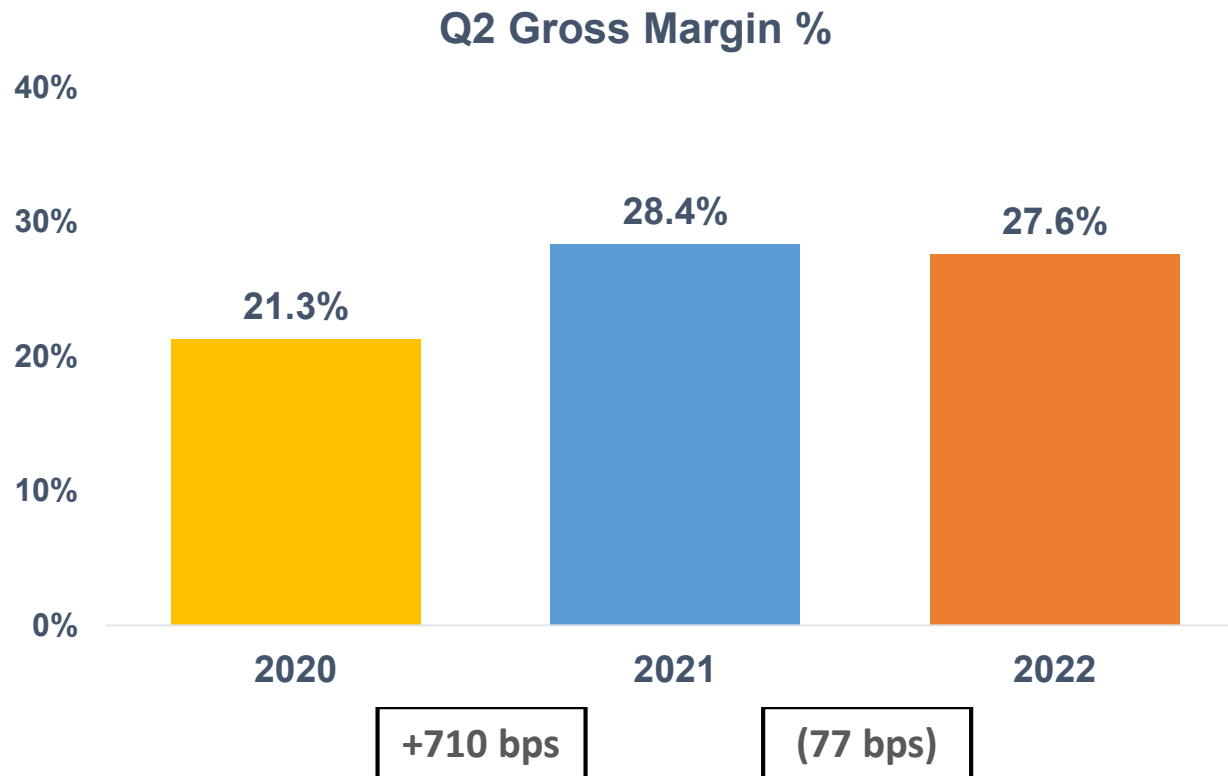






## 2022 Q2 Gross Margin %

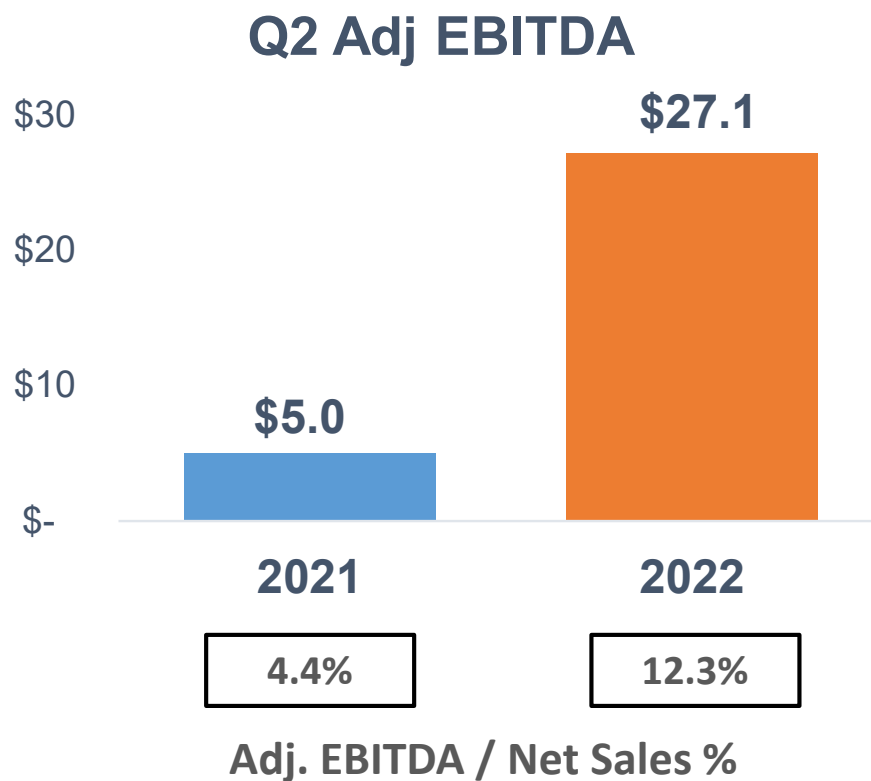
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## 2022 Q2 Adjusted EBITDA

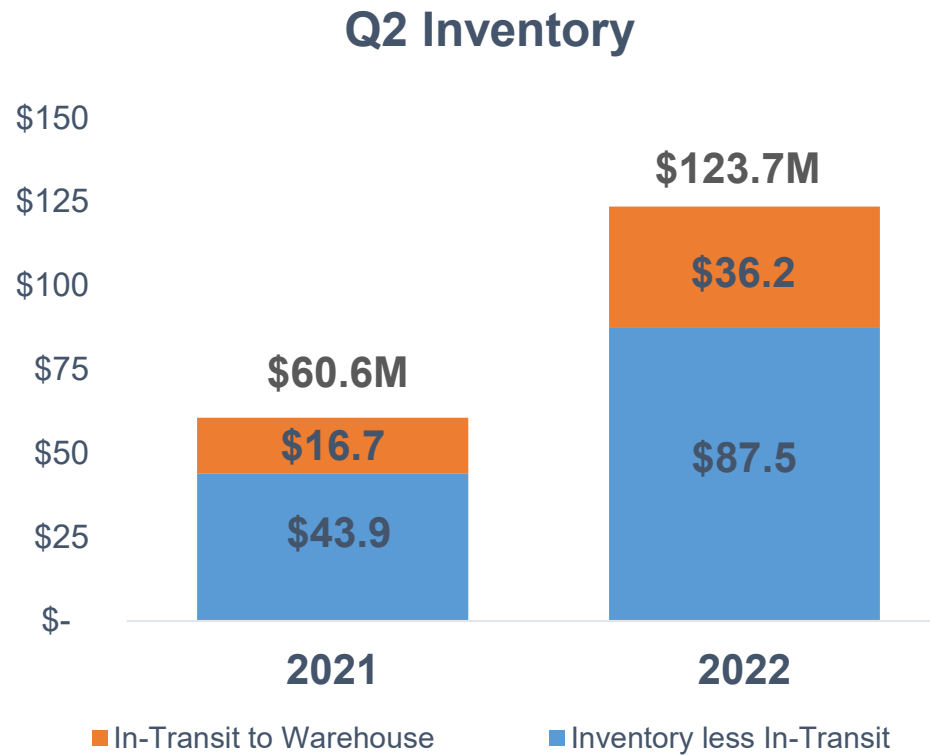
\$ Millions





## Q2 '22 vs '21 Inventory

\$ Millions

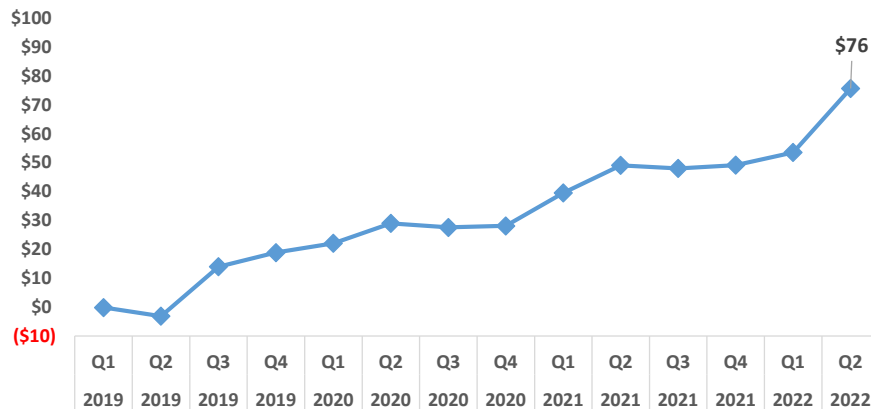




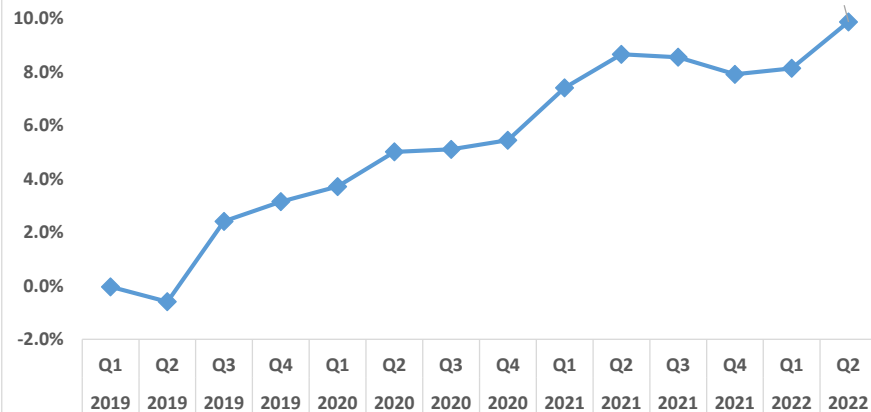
# TTM Adjusted EBITDA

\$ Millions

TTM ADJ EBITDA



TTM ADJ EBITDA %





# Disguise®





Disney  
PRINCESS







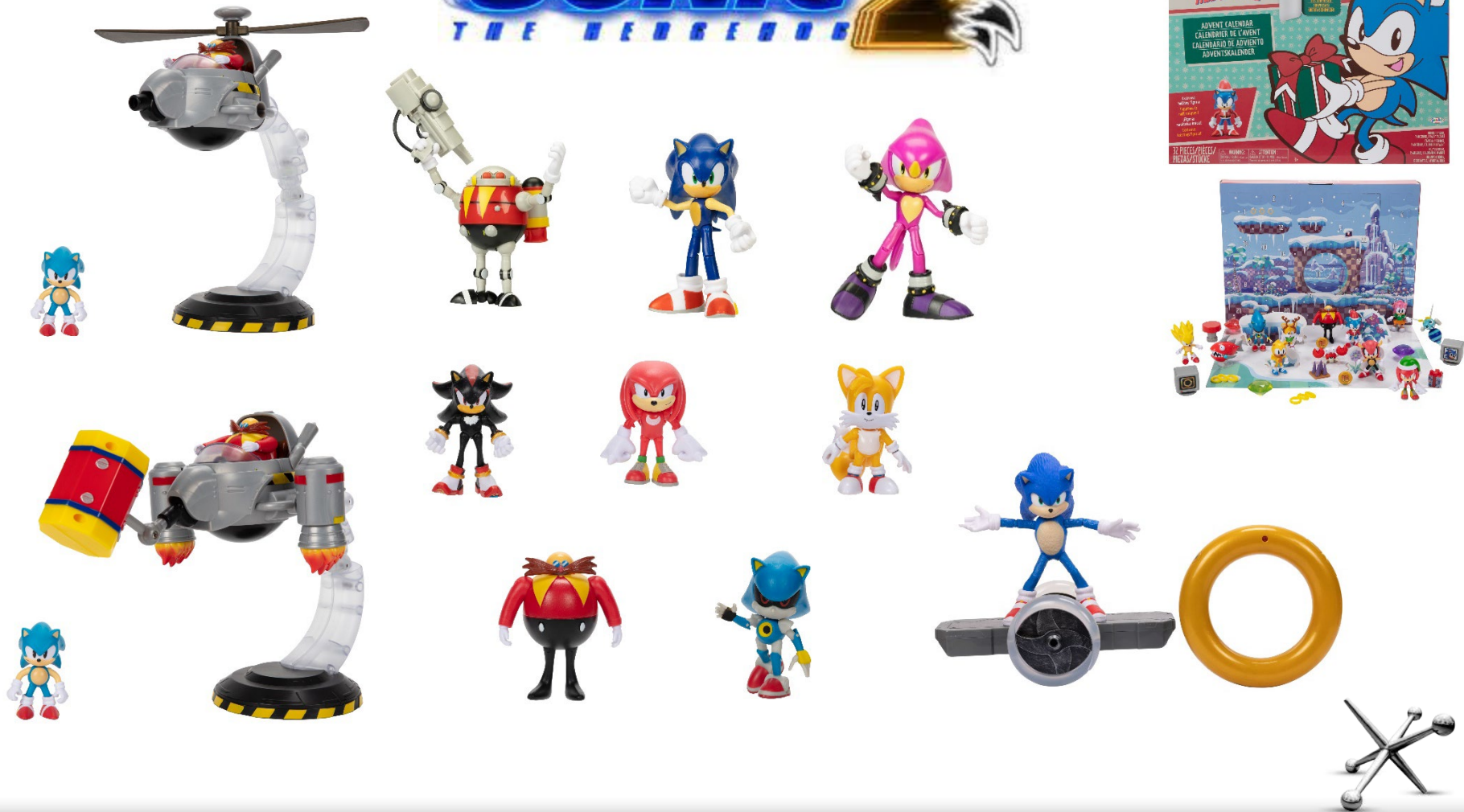
# Disney ENCANTO





# SONIC 2

THE HEDGEHOG







# SUPER MARIO™





## Conclusions

- Four defining elements of our business:
  - Innovation within categories to maintain freshness and relevance
  - Addition of relevant brands -- new and existing IP -- and licensor relationships
  - Geographic expansion to reach the rapidly expanding global market
  - Migration into adjacent categories to fulfill the needs of consumers and our retail buyers
- Focused on continuing to improve margins and bottom-line profitability
- Continued thoughtful overhead cost management
- Steadily improve the balance sheet





THANK YOU

