



Third Quarter 2026
Earnings Presentation

October 22, 2026
5:00 PM Eastern / 2:00 PM Pacific

[3Q26 Registration link](#)
[3Q26 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 2026, as well as any other forward-looking statements concerning 2026 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





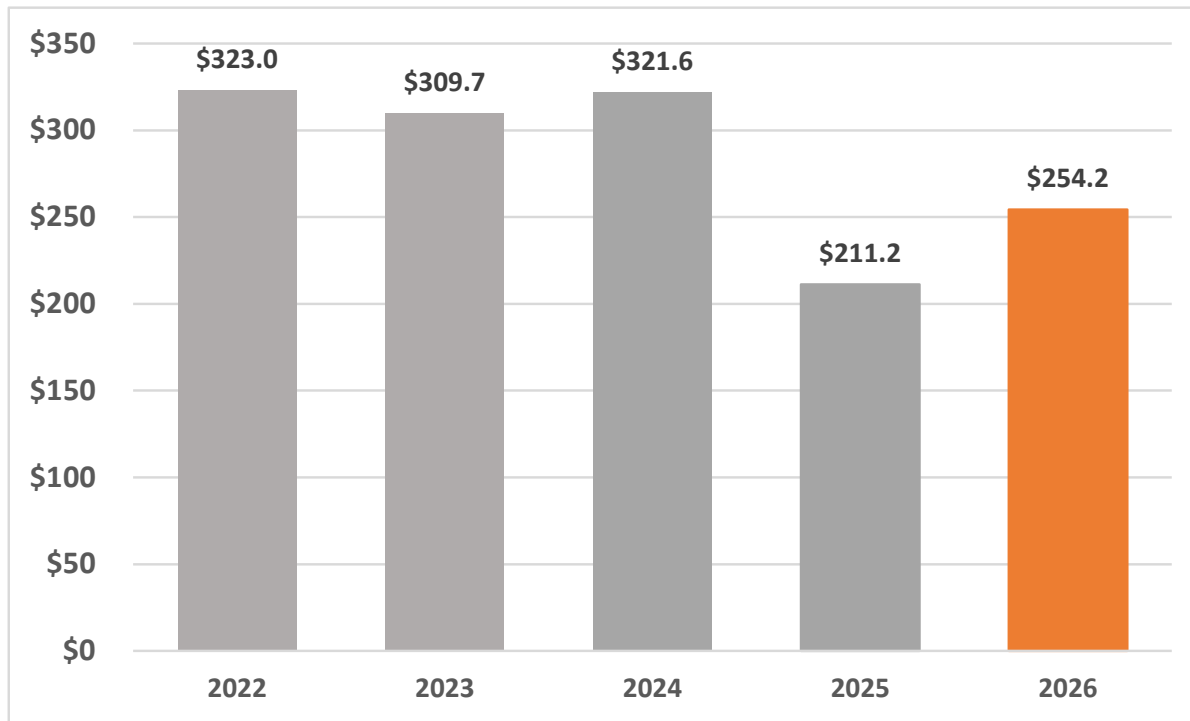
- Q3 Net sales were \$254.2 million, a year-over-year increase of 20%
- Gross margin of 32.1%, up 10 basis points vs. Q3 2025
- Gross profit of \$81.5 million, up 20% compared to \$67.6 million in Q3 2025
- Operating income of \$37.4 million in Q3 2026, compared to \$29.4 million in Q3 2025
- Adjusted net income attributable to common stockholders (a non-GAAP measure) of \$32.3 million or \$2.68 per diluted share, compared to adjusted net income attributable to common stockholders of \$20.6 million or \$1.80 per diluted share in Q3 2025
- Adjusted EBITDA (a non-GAAP measure) of \$44.4 million vs. \$36.5 million in Q3 2025
- Trailing-twelve-month Adjusted EBITDA of \$45.7 million, up from 37.8 million as of Q2 2026





2026 Third Quarter Net Sales

\$ Millions



YoY % Change:

(4)%

4%

(34)%

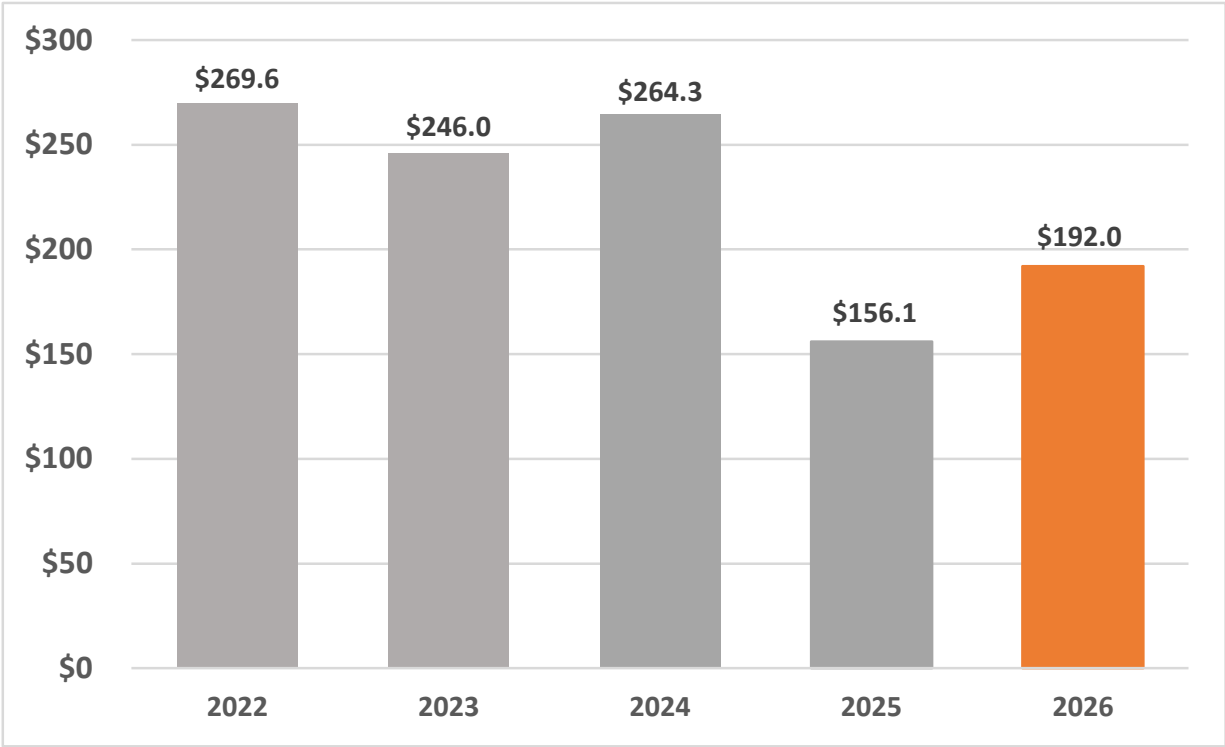
20%





2026 Third Quarter Toys/Consumer Products Net Sales

\$ Millions



YoY % Change:

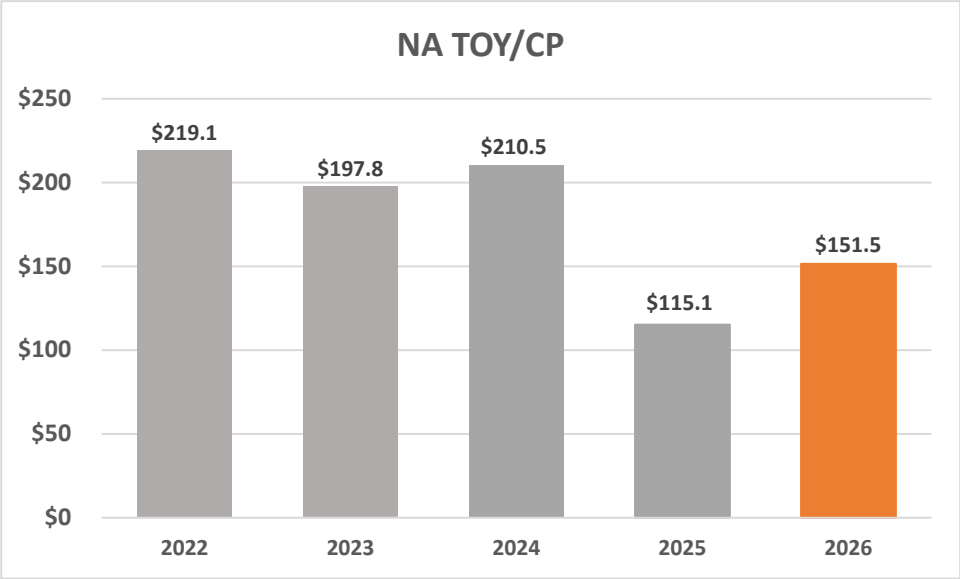
(9)%	7%	(41)%	23%
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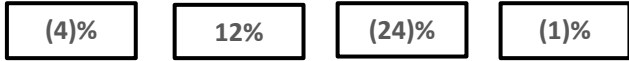
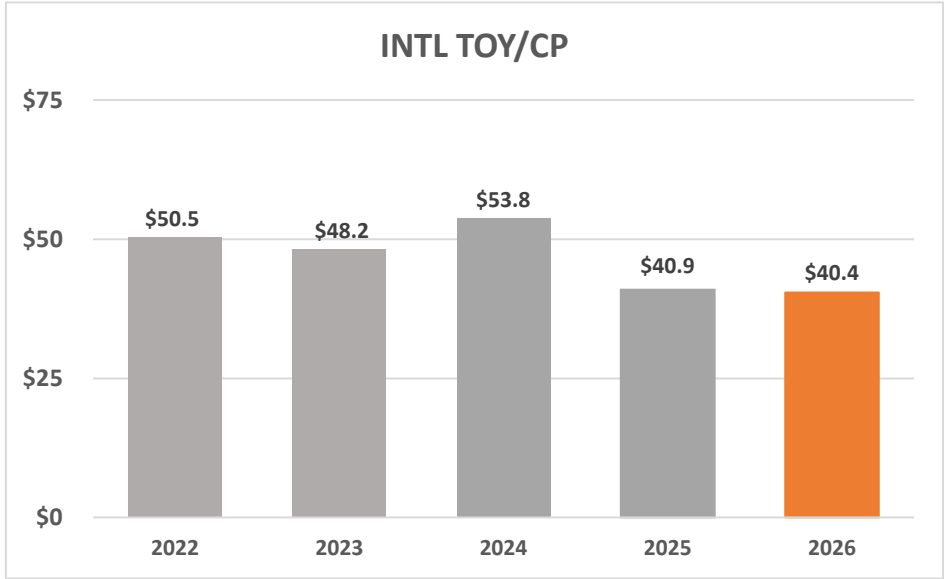


2026 Third Quarter Toys/Consumer Products Net Sales

\$ Millions



YoY % Change



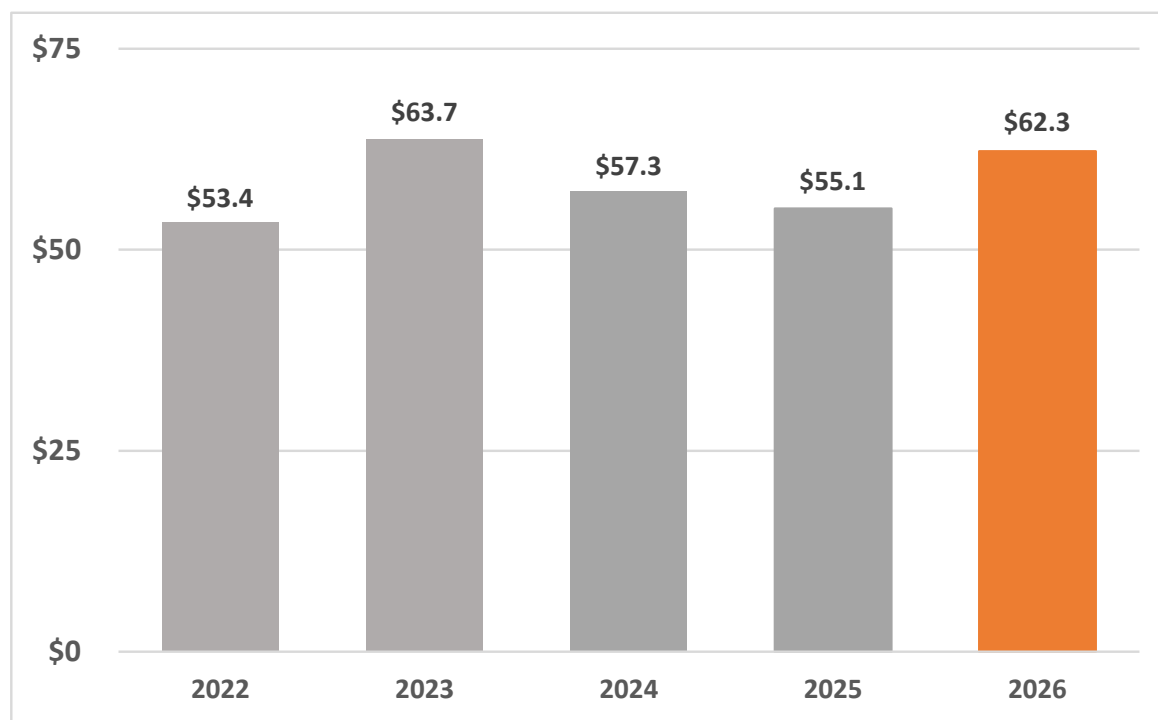
YoY % Change





2026 Third Quarter Costumes Net Sales

\$ Millions



YoY % Change:

19%

(10)%

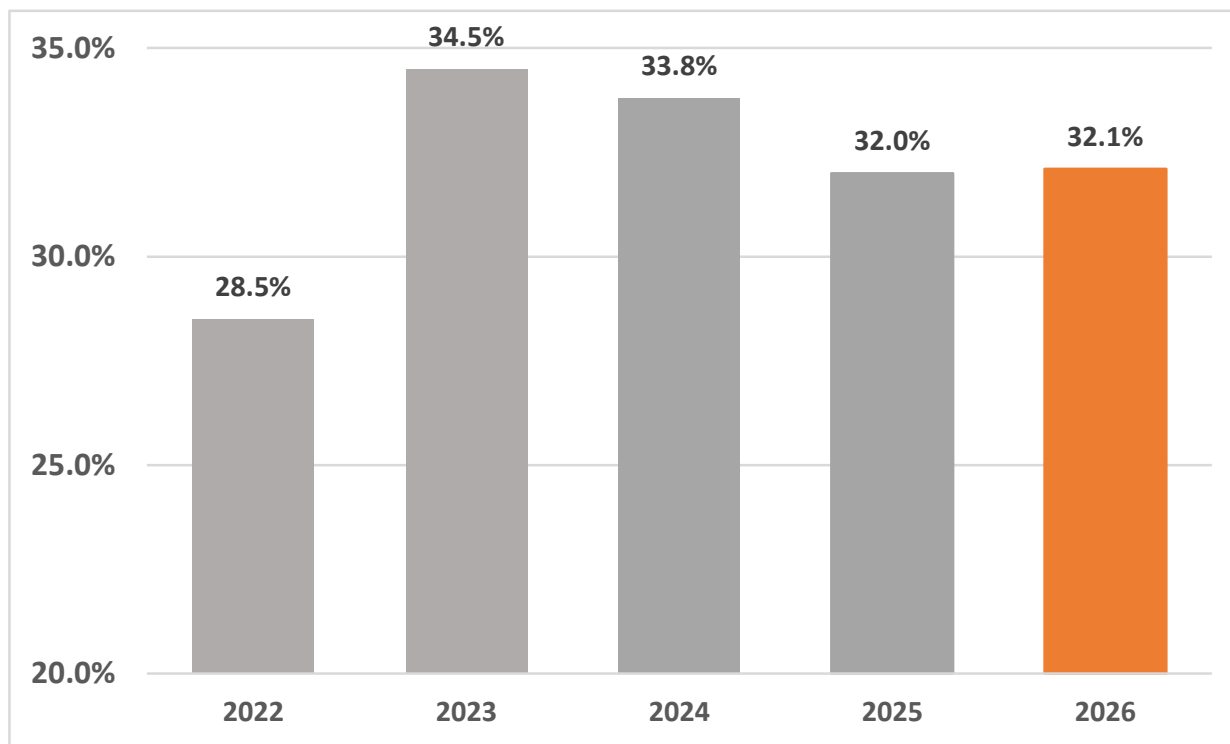
(4)%

13%





2026 Third Quarter Gross Margin %



YoY % Change:

600 bps

(70) bps

(180) bps

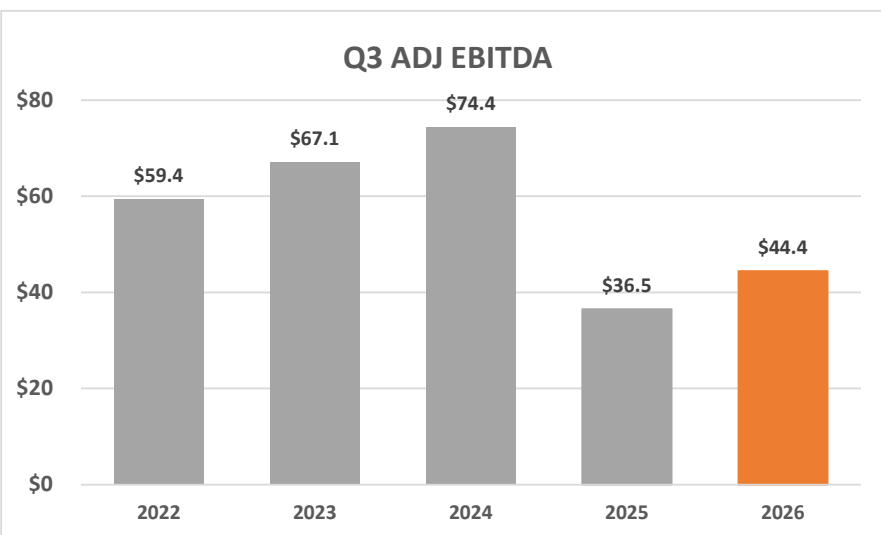
10 bps





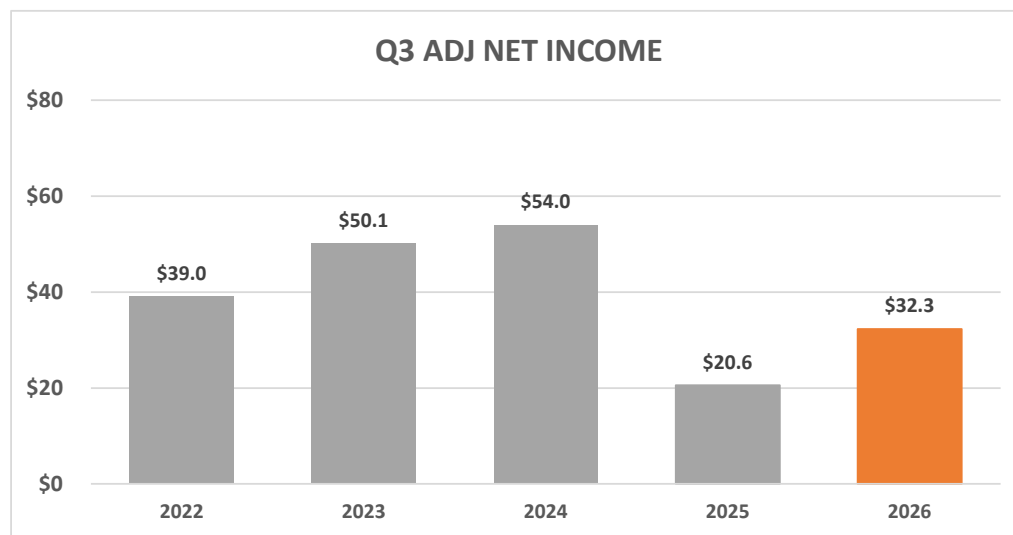
2026 Third Quarter Adj. EBITDA and Adj. Net Income

\$ Millions



18.4%	21.7%	23.1%	17.3%	17.5%
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Adj. EBITDA Margin %



12.1%	16.2%	16.8%	9.7%	12.7%
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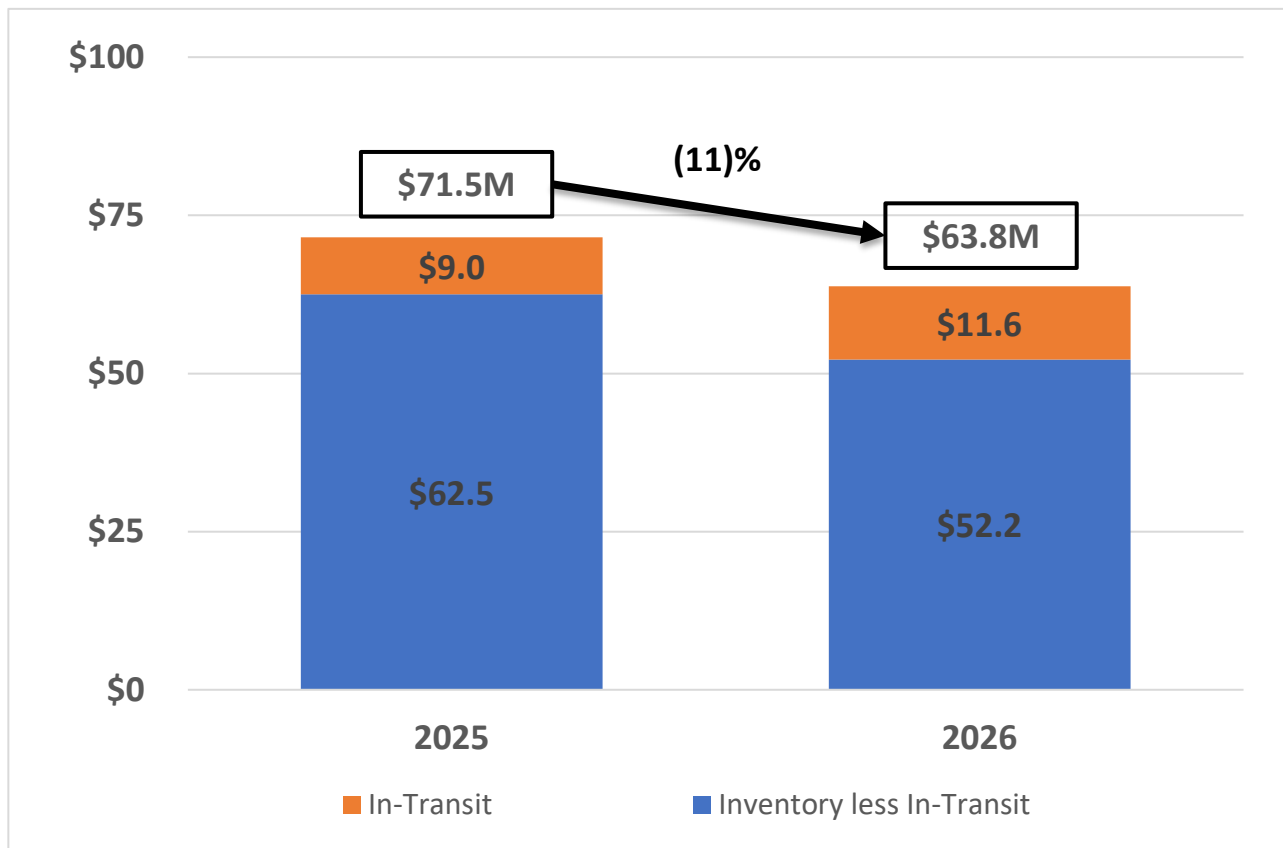
Adj. Net Income Margin %





Third Quarter Inventory - 2026 vs 2025 *(Worldwide)*

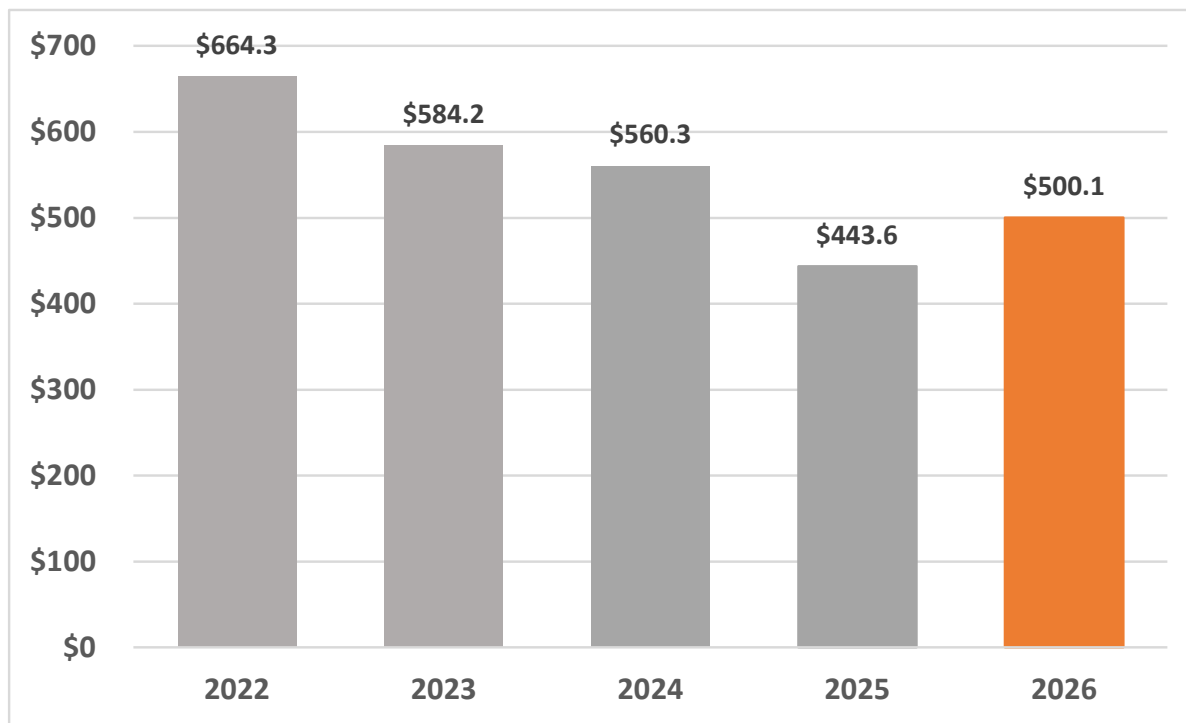
\$ Millions





2026 First Nine Months Net Sales

\$ Millions



YoY % Change:

(12)%

(4)%

(21)%

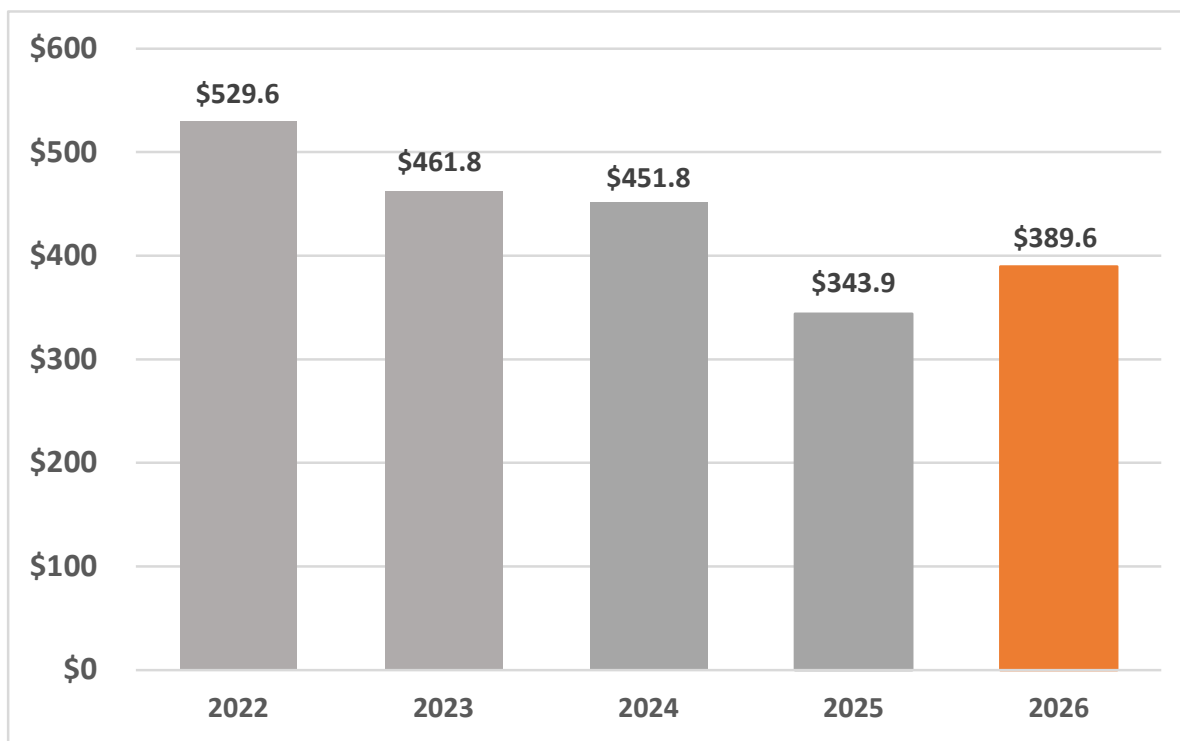
13%





2026 First Nine Months Toys/Consumer Products Net Sales

\$ Millions



YoY % Change:

(13)%

(2)%

(24)%

13%

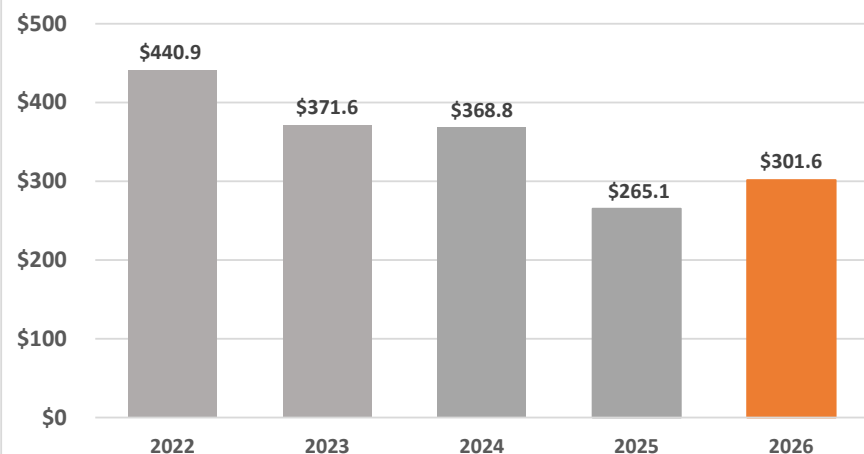




2026 First Nine Months Toys/Consumer Products Net Sales

\$ Millions

NA TOY/CP



(16)%

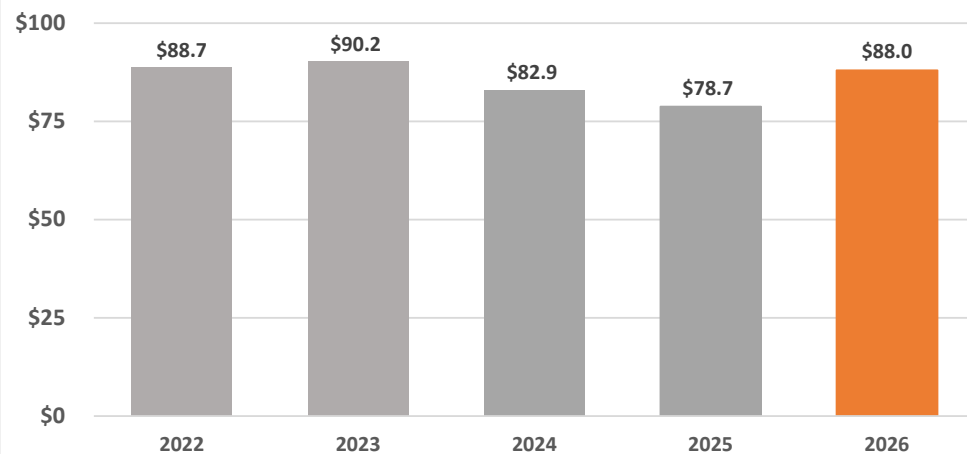
(1)%

(28)%

14%

YoY % Change

INTL TOY/CP



2%

(8)%

(5)%

12%

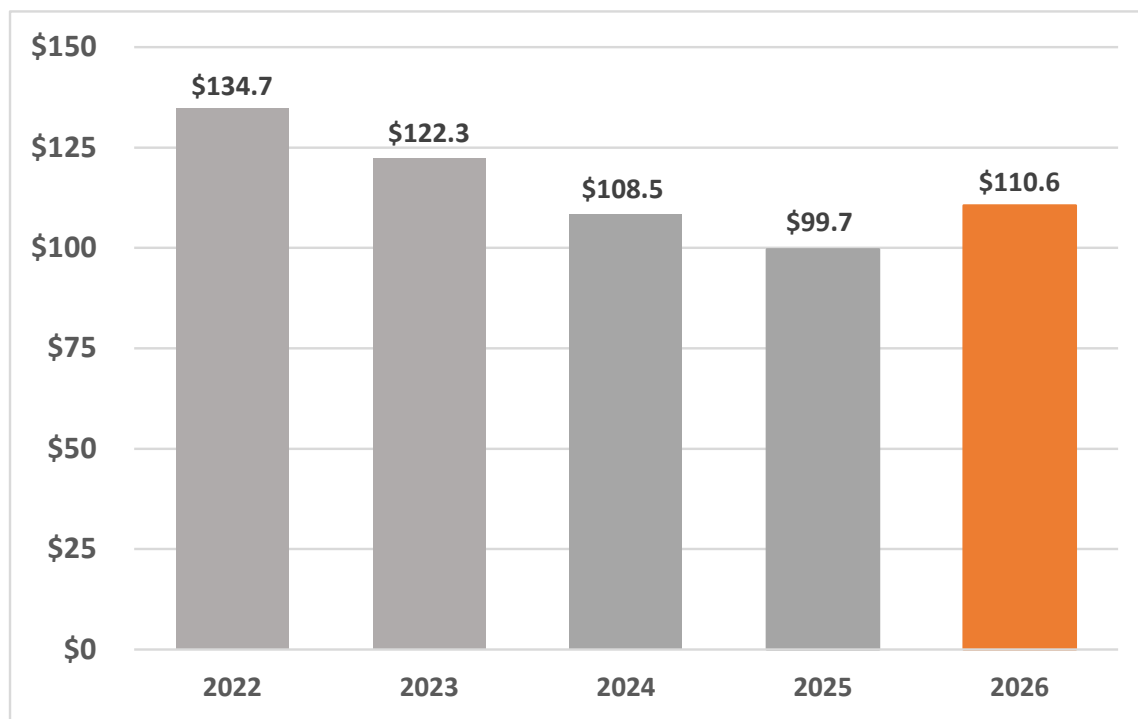
YoY % Change





2026 First Nine Months Costumes Net Sales

\$ Millions



YoY % Change:

(9)%

(11)%

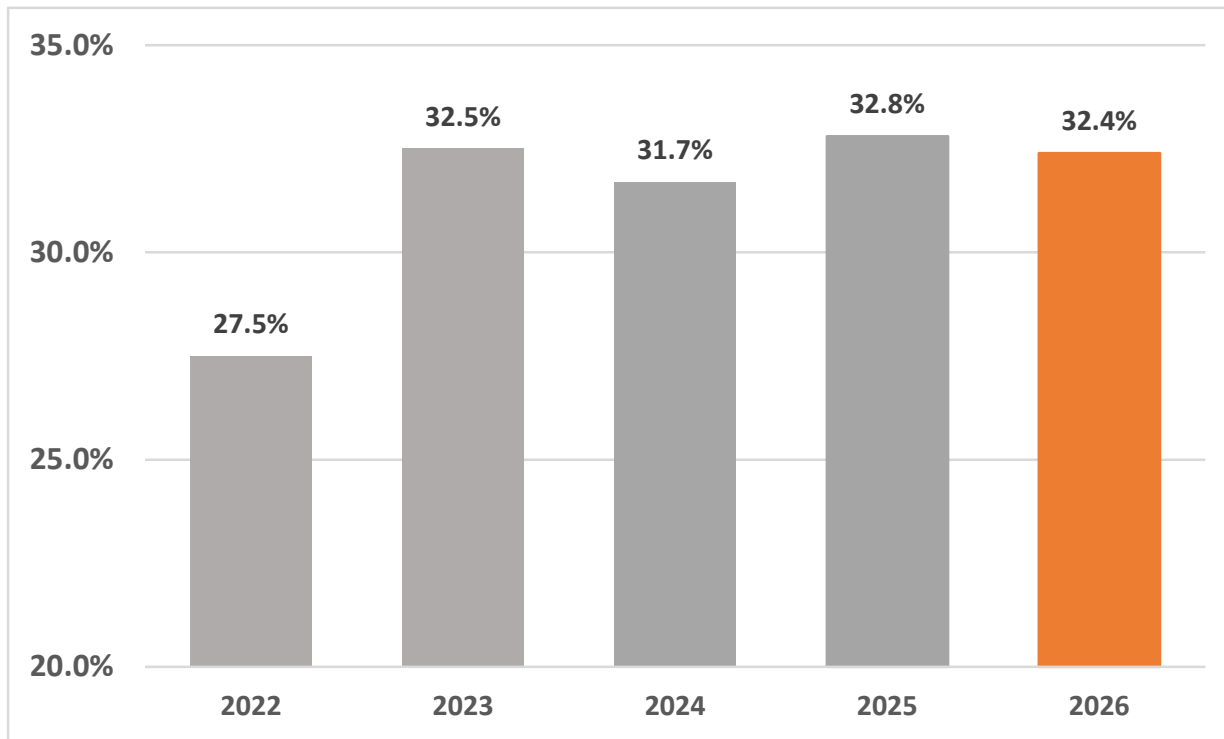
(8)%

11%





2026 First Nine Months Gross Margin %



YoY % Change:

500 bps

(80) bps

110 bps

(40) bps

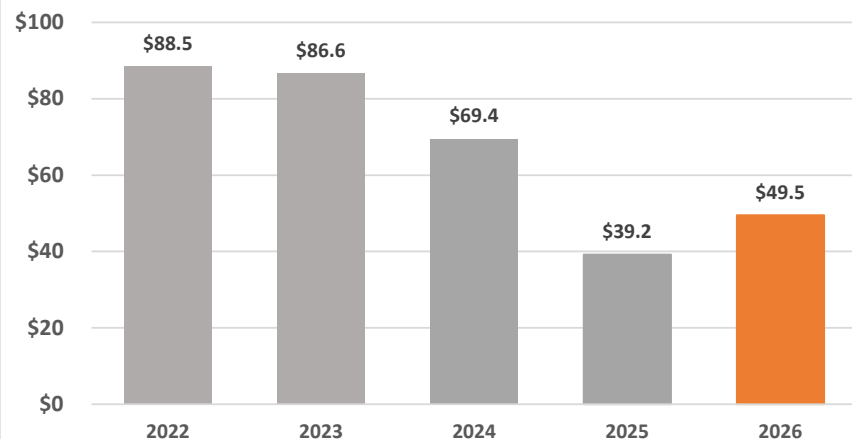




2026 First Nine Months Adj. EBITDA and Adj. Net Income

\$ Millions

9MO ADJ EBITDA



13.3%

14.8%

12.4%

8.8%

9.9%

Adj. EBITDA Margin %

9MO ADJ NET INCOME



8.7%

10.2%

8.9%

4.6%

6.7%

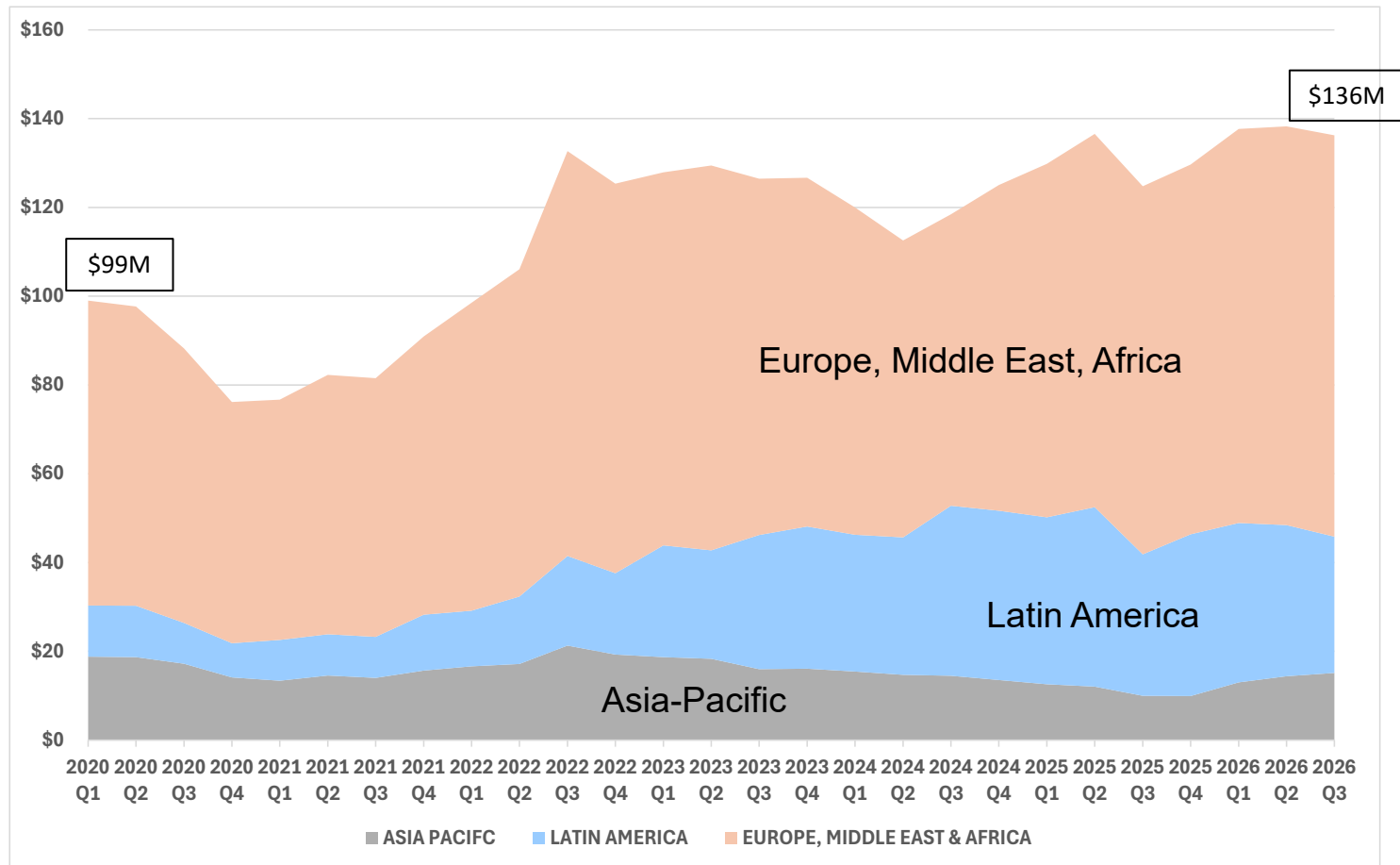
Adj. Net Income Margin %





International Net Sales Evolution (Trailing Twelve Month)

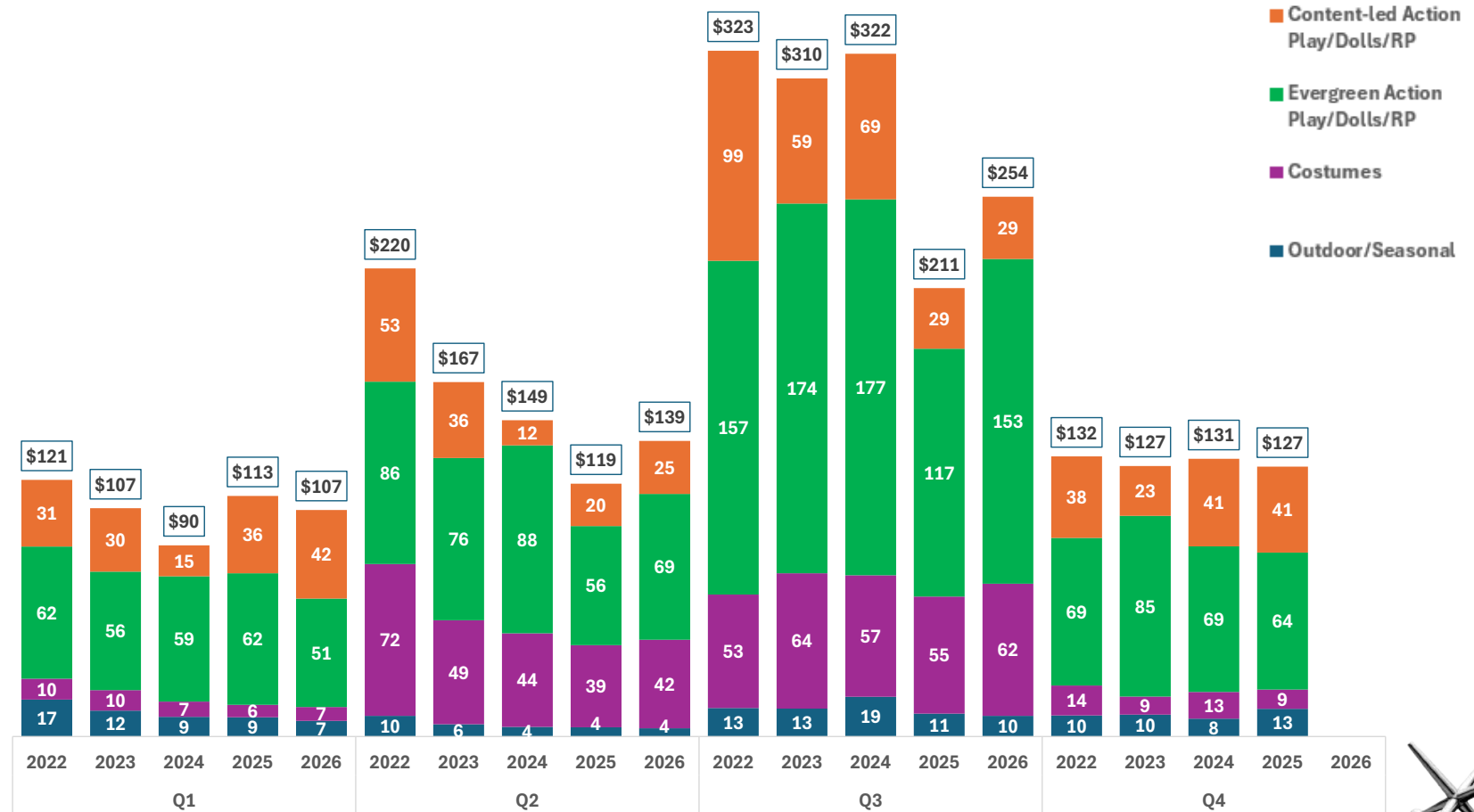
Net Sales
(\$ Million)





Q3 evergreen rebounding

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 Shipping Impact and (Release Date)

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

2022	2023	2024	2025	2026
Disney Encanto (Fall 2021)	The Super Mario Bros. Movie (Spring 2023)	The Simpsons	The Simpsons	DC x Sonic the Hedgehog (Comic Series) (Spring 2025)
Sonic the Hedgehog 2 (Spring 2022)	Disney The Little Mermaid (Live Action) (Spring 2023)	Disney Moana 2 (Fall 2024)	Disney Moana 2 (Fall 2024)	The Super Mario Galaxy Movie (Spring 2026)
	Disney Wish (Fall 2023)	Sonic the Hedgehog 3 (Fall 2024)	Sonic the Hedgehog 3 (Fall 2024)	Sonic the Hedgehog 4 (Spring 2027)
			Dog Man (Spring 2025)	
			DC x Sonic the Hedgehog (Comic Series) (Spring 2025)	
			The Super Mario Galaxy Movie (Spring 2026)	







THE SUPER
MARIO
GALAXY
MOVIE

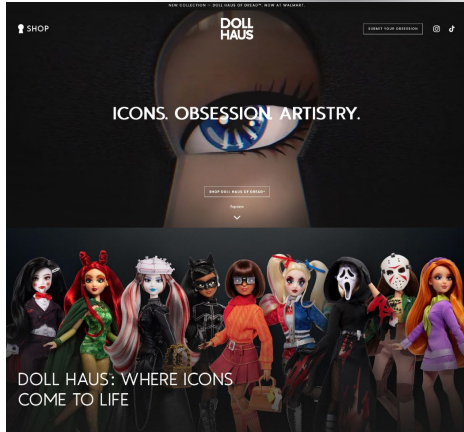




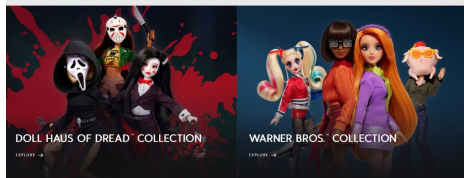
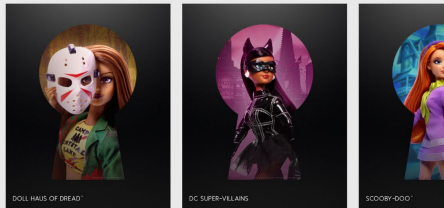
SONIC™

THE HEDGEHOG





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

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Δ (%)	2026	2025	Δ (%)
	(In thousands, except per share data)			(In thousands, except per share data)		
Net sales	\$ 254,222	\$ 211,210	20 %	\$ 500,136	\$ 443,557	13 %
Less: Cost of sales						
Cost of goods	127,611	104,846	22	248,571	218,256	14
Royalty expense	41,287	34,099	21	81,272	71,776	13
Amortization of tools and molds	3,824	4,622	(17)	8,226	7,846	5
Cost of sales	172,722	143,567	20	338,069	297,878	13
Gross profit	81,500	67,643	20	162,067	145,679	11
Direct selling expenses	7,561	5,933	27	24,225	21,339	14
General and administrative expenses	36,388	32,200	13	105,694	101,135	5
Depreciation and amortization	178	147	21	491	382	29
Selling, general and administrative exp	44,127	38,280	15	130,410	122,856	6
Income from operations	37,373	29,363	27	31,657	22,823	39
Other income (expense):						
Other income (expense), net	48	388	(88)	7,049	418	nm
Loss on debt extinguishment	-	(1)	nm	-	(418)	nm
Interest income	261	75	248	1,529	832	84
Interest expense	(60)	(102)	(41)	(175)	(402)	(56)
Income before provision for income taxes	37,622	29,723	27	40,060	23,253	72
Provision for income taxes	7,723	9,831	(21)	8,578	8,062	6
Net income	29,899	19,892	50	31,482	15,191	107
Earnings per share - basic	\$ 2.61	\$ 1.78		\$ 2.75	\$ 1.36	
Shares used in earnings per share - basic	11,450	11,185		11,446	11,159	
Earnings per share - diluted	\$ 2.48	\$ 1.74		\$ 2.65	\$ 1.32	
Shares used in earnings per share - diluted	12,051	11,423		11,869	11,487	

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Δ bps Fav/(Unfav)	2026	2025	Δ bps Fav/(Unfav)
Net sales	100.0 %	100.0 %	-	100.0 %	100.0 %	-
Less: Cost of sales						
Cost of goods	50.2	49.6	(60)	49.7	49.2	(50)
Royalty expense	16.2	16.2	0	16.3	16.2	(10)
Amortization of tools and molds	1.5	2.2	70.0	1.6	1.8	20
Cost of sales	67.9	68.0	10	67.6	67.2	(40)
Gross profit	32.1	32.0	10	32.4	32.8	(40)
Direct selling expenses	3.0	2.8	(20)	4.9	4.8	(10)
General and administrative expenses	14.3	15.2	90	21.1	22.8	170
Depreciation and amortization	0.1	0.1	-	0.1	0.1	-
Selling, general and administrative exp	17.4	18.1	70	26.1	27.7	160
Income from operations	14.7	13.9	80	6.3	5.1	120
Other income (expense):						
Other income (expense), net	-	0.2		1.4	0.1	
Loss on debt extinguishment	-	-		-	(0.1)	
Interest income	0.1	-		0.3	0.2	
Interest expense	-	-		-	(0.1)	
Income before provision for income taxes	14.8	14.1		8.0	5.2	
Provision for income taxes	3.0	4.7		1.7	1.8	
Net income	11.8 %	9.4 %		6.3 %	3.4 %	





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

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Δ (\$)	2026	2025	Δ (\$)
	(In thousands)			(In thousands)		
<u>EBITDA and Adjusted EBITDA</u>						
Net income	\$ 29,899	\$ 19,892	\$ 10,007	\$ 31,482	\$ 15,191	\$ 16,291
Interest expense	60	102	(42)	175	402	(227)
Interest income	(261)	(75)	(186)	(1,529)	(832)	(697)
Provision for income taxes	7,723	9,831	(2,108)	8,578	8,062	516
Depreciation and amortization	4,002	4,769	(767)	8,717	8,228	489
EBITDA	41,423	34,519	6,904	47,423	31,051	16,372
Adjustments:						
Loss from joint ventures (JAKKS Pacific, Inc. - 51%)	-	-	-	-	-	-
Loss from joint ventures (Meisheng - 49%)	-	-	-	-	-	-
Other (income) expense, net	(48)	(388)	340	(7,049)	(418)	(6,631)
Restricted stock compensation expense	3,043	2,392	651	9,122	8,132	990
Change in fair value of preferred stock derivative liability	-	-	-	-	-	-
Employee Retention Credit/gov't employment support	-	-	-	-	-	-
Molds and tooling capitalization	-	-	-	-	-	-
Loss on debt extinguishment	-	1	(1)	-	418	(418)
Adjusted EBITDA	\$ 44,418	\$ 36,524	\$ 7,894	\$ 49,496	\$ 39,183	\$ 10,313
Adjusted EBITDA/Net sales %	17.5 %	17.3 %	20 bps	9.9 %	8.8 %	110 bps

	Trailing Twelve Months Ended September 30,			
	2026	2025	Δ (\$)	
	(In thousands)			
<u>TTM EBITDA and TTM Adjusted EBITDA</u>				
TTM net income	\$ 26,162	\$ 6,078	\$ 20,084	
Interest expense	244	559	(315)	
Interest income	(1,692)	(1,140)	(552)	
Provision for income taxes	5,410	2,616	2,794	
Depreciation and amortization	10,722	10,537	185	
TTM EBITDA	40,846	18,650	22,196	
Adjustments:				
Other (income) expense, net	(7,081)	(426)	(6,655)	
Restricted stock compensation expense	11,903	10,387	1,516	
Loss on debt extinguishment	9	418	(409)	
TTM Adjusted EBITDA	\$ 45,677	\$ 29,029	\$ 16,648	57 %
TTM Adjusted EBITDA/TTM Net sales %	7.3 %	5.1 %	220 bps	





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

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Δ (\$)	2026	2025	Δ (\$)
	(In thousands, except per share data)			(In thousands, except per share data)		
<u>Adjusted net income</u>						
Net income	\$ 29,899	\$ 19,892	\$ 10,007	\$ 31,482	\$ 15,191	\$ 16,291
Restricted stock compensation expense	3,043	2,392	651	9,122	8,132	990
Loss on debt extinguishment	-	1	(1)	-	418	(418)
Refunded tariff expenditure	(29)	-	(29)	(6,801)	-	(6,801)
Tax impact of additional charges	(619)	(1,733)	1,114	(477)	(3,153)	2,676
Adjusted net income	<u>\$ 32,294</u>	<u>\$ 20,552</u>	<u>\$ 11,742</u>	<u>\$ 33,326</u>	<u>\$ 20,588</u>	<u>\$ 12,738</u>
Adjusted earnings per share - basic	<u>\$ 2.82</u>	<u>\$ 1.84</u>	<u>\$ 0.98</u>	<u>\$ 2.91</u>	<u>\$ 1.84</u>	<u>\$ 1.07</u>
Shares used in adjusted earnings per share - basic	<u>11,450</u>	<u>11,185</u>	<u>265</u>	<u>11,446</u>	<u>11,159</u>	<u>287</u>
Adjusted earnings per share - diluted	<u>\$ 2.68</u>	<u>\$ 1.80</u>	<u>\$ 0.88</u>	<u>\$ 2.81</u>	<u>\$ 1.79</u>	<u>\$ 1.02</u>
Shares used in adjusted earnings per share - diluted	<u>12,051</u>	<u>11,423</u>	<u>628</u>	<u>11,869</u>	<u>11,487</u>	<u>382</u>





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

	September 30,		December 31,
	2026	2025	2025
	(In thousands)		
Assets			
Current assets:			
Cash and cash equivalents	\$ 43,999	\$ 25,887	\$ 52,197
Restricted cash	1,133	1,869	1,869
Accounts receivable, net	240,294	195,779	138,341
Inventory, net	63,770	71,497	59,805
Prepaid expenses and other assets	13,359	19,784	16,873
Total current assets	362,555	314,816	269,085
Property and equipment	163,246	147,745	152,224
Less accumulated depreciation and amortization	141,121	131,226	133,216
Property and equipment, net	22,125	16,519	19,008
Operating lease right-of-use assets, net	37,835	49,611	46,776
Deferred income tax assets, net	69,589	67,612	69,569
Goodwill	34,956	35,081	35,077
Other long-term assets	1,729	1,631	2,682
Total assets	\$ 528,789	\$ 485,270	\$ 442,197
Liabilities and Stockholders' Equity			
Current liabilities:			
Accounts payable	\$ 96,507	\$ 72,338	\$ 55,558
Accrued expenses	60,129	52,085	43,076
Reserve for sales returns and allowances	40,810	37,691	33,569
Income taxes payable	4,445	5,389	2,119
Short-term operating lease liabilities	14,707	13,504	13,784
Total current liabilities	216,598	181,007	148,106
Long-term operating lease liabilities	28,405	43,113	39,578
Accrued expenses, long term	5,486	3,503	4,463
Income taxes payable	992	1,732	945
Total liabilities	251,481	229,355	193,092
Stockholders' equity:			
Common stock, \$.001 par value	11	11	11
Additional paid-in capital	310,211	301,098	302,408
Accumulated deficit	(18,122)	(32,875)	(41,021)
Accumulated other comprehensive loss	(14,792)	(12,319)	(12,293)
Total stockholders' equity	277,308	255,915	249,105
Total liabilities and stockholders' equity	\$ 528,789	\$ 485,270	\$ 442,197





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

Supplemental Balance Sheet and Cash Flow Data (Unaudited)
September 30,

Key Balance Sheet Data:

	<u>2026</u>	<u>2025</u>
Accounts receivable days sales outstanding (DSO)	87	85
Inventory turnover (DSI)	34	46

Condensed Cash Flow Data:

	Nine Months Ended September 30,		Trailing Twelve Months (*) Ended September 30,	
	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
Cash flows from (used in) operating activities	\$ 17,430	\$ (24,753)	\$ 50,675	\$ 29,375
Cash flows used in investing activities	(13,817)	(9,670)	(16,491)	(13,570)
Cash flows used in financing activities and other	(12,547)	(7,958)	(16,808)	(10,333)
Net increase (decrease) in cash, cash equivalents and restric	<u>\$ (8,934)</u>	<u>\$ (42,381)</u>	<u>\$ 17,376</u>	<u>\$ 5,472</u>
Capital expenditures	<u>\$ (13,226)</u>	<u>\$ (7,850)</u>	<u>\$ (14,939)</u>	<u>\$ (14,469)</u>

(*) Trailing twelve months (TTM) amounts are calculated as the sum of the most recent four quarters, derived from reported GAAP results.





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

(In thousands)

Divisions	QTD Q3				
	2024	2025	2026	% Change 2025 v 2026	CAGR% 2024 - 2026
Toys/Consumer Products	\$264,306	\$156,080	\$191,957	23.0%	-14.8%
Dolls, Role-Play/Dress-Up	146,893	92,330	119,151	29.0%	-9.9%
Action Play & Collectibles	98,750	52,950	63,092	19.2%	-20.1%
Outdoor/Seasonal Toys	18,663	10,800	9,714	-10.1%	-27.9%
Costumes	\$57,300	\$55,130	\$62,265	12.9%	4.2%
Total	\$321,606	\$211,210	\$254,222	20.4%	-11.1%

(In thousands)

Divisions	YTD Q3				
	2024	2025	2026	% Change 2025 v 2026	CAGR% 2024 - 2026
Toys/Consumer Products	\$451,786	\$343,897	\$389,559	13.3%	-7.1%
Dolls, Role-Play/Dress-Up	251,075	193,957	208,277	7.4%	-8.9%
Action Play & Collectibles	168,313	125,733	160,424	27.6%	-2.4%
Outdoor/Seasonal Toys	32,398	24,207	20,858	-13.8%	-19.8%
Costumes	\$108,515	\$99,660	\$110,577	11.0%	0.9%
Total	\$560,301	\$443,557	\$500,136	12.8%	-5.5%

(In thousands)

Regions	QTD Q3				
	2024	2025	2026	% Change 2025 v 2026	CAGR% 2024 - 2026
United States	\$255,278	\$154,516	\$202,837	31.3%	-10.9%
Europe	30,034	29,408	29,686	0.9%	-0.6%
Latin America	22,632	14,066	10,771	-23.4%	-31.0%
Canada	7,068	9,237	5,960	-35.5%	-8.2%
Asia	2,345	1,526	2,745	79.9%	8.2%
Australia & New Zealand	3,339	2,095	1,616	-22.9%	-30.4%
Middle East & Africa	910	362	607	67.7%	-18.3%
Total	\$321,606	\$211,210	\$254,222	20.4%	-11.1%

(In thousands)

Regions	YTD Q3				
	2024	2025	2026	% Change 2025 v 2026	CAGR% 2024 - 2026
United States	\$451,545	\$330,450	\$385,724	16.7%	-7.6%
Europe	46,033	55,875	63,086	12.9%	17.1%
Latin America	33,867	27,572	21,870	-20.7%	-19.6%
Canada	16,726	21,342	16,032	-24.9%	-2.1%
Asia	4,578	3,725	6,896	85.1%	22.7%
Australia & New Zealand	6,292	3,594	5,618	56.3%	-5.5%
Middle East & Africa	1,260	999	910	-8.9%	-15.0%
Total	\$560,301	\$443,557	\$500,136	12.8%	-5.5%

(In thousands)

Regions	QTD Q3				
	2024	2025	2026	% Change 2025 v 2026	CAGR% 2024 - 2026
North America	\$262,346	\$163,753	\$208,797	27.5%	-10.8%
International	59,260	47,457	45,425	-4.3%	-12.4%
Total	\$321,606	\$211,210	\$254,222	20.4%	-11.1%

(In thousands)

Regions	YTD Q3				
	2024	2025	2026	% Change 2025 v 2026	CAGR% 2024 - 2026
North America	\$468,271	\$351,792	\$401,756	14.2%	-7.4%
International	92,030	91,765	98,380	7.2%	3.4%
Total	\$560,301	\$443,557	\$500,136	12.8%	-5.5%

(In thousands)

Regions	QTD Q3				
	2024	2025	2026	% Change 2025 v 2026	CAGR% 2024 - 2026
United States	\$255,278	\$154,516	\$202,837	31.3%	-10.9%
Rest of World	66,328	56,694	51,385	-9.4%	-12.0%
Total	\$321,606	\$211,210	\$254,222	20.4%	-11.1%

(In thousands)

Regions	YTD Q3				
	2024	2025	2026	% Change 2025 v 2026	CAGR% 2024 - 2026
United States	\$451,545	\$330,450	\$385,724	16.7%	-7.6%
Rest of World	108,756	113,107	114,412	1.2%	2.6%
Total	\$560,301	\$443,557	\$500,136	12.8%	-5.5%

