



## Investor Presentation

February 9, 2022

# Cautionary Statement

*This presentation contains forward-looking information and should be read subject to the following cautionary language:*

*To the extent any statements made in this presentation contain information that is not historical, these statements are forward-looking statements and may be forward-looking information within the meaning of applicable securities laws (collectively, “forward-looking information”). This forward-looking information relates to, among other things, Corus Entertainment Inc.’s (“Corus”, the “Company”, “we” or “our”) objectives, goals, targets, strategies, intentions, plans, estimates and outlook, including the adoption and anticipated impact of our strategic plan, advertising and our expectations of advertising trends for fiscal 2022, distribution, merchandise and television subscriber revenue, operating costs and tariffs, taxes and fees, and can generally be identified by the use of words such as “believe”, “anticipate”, “expect”, “intend”, “potential”, “estimate”, “plan”, including the adoption and anticipated impact of our strategic plan, “will”, “may” or the negatives of these terms or other similar expressions including, among others, the continued growth of the Company’s studio business; the Company’s dividend policy and the payment of future dividends; the Company’s continued reduction of leverage ratios; the Company’s proposed share purchases, including the number of Class B non-voting shares to be repurchased under its normal course issuer bid, if any, and timing thereof; and expectations regarding financial performance, including capital allocation strategy. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances may be considered forward-looking information. Although Corus believes that the expectations reflected in such forward-looking information are reasonable, such information involves assumptions, risks and uncertainties and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied with respect to the forward-looking information, including, without limitation, factors and assumptions regarding the general market conditions and general outlook for the industry including the potential impact of new competition and industry mergers and acquisitions, interest rates, stability of the advertising, distribution, merchandise and subscription markets, operating and capital costs and tariffs, taxes and fees, our ability to source desirable content and our capital and operating results being consistent with our expectations. Actual results may differ materially from those expressed or implied in such information. Important factors that could cause actual results to differ materially from these expectations include, among other things: our ability to attract and retain revenue, including advertising revenue and television subscriber revenue; audience acceptance of our television programs and cable networks; our ability to recoup production costs; the availability of tax credits and the existence of co-production treaties; our ability to compete in any of the industries in which we do business; our ability to continue to secure distribution for STACKTV; our ability to develop and deploy new advertising revenue opportunities; our ability to leverage content; the opportunities (or lack thereof) that may be presented to and pursued by us; conditions in the entertainment, information and communications industries and technological developments therein; changes in laws or regulations or the interpretation or application of those laws and regulations; our ability to integrate and realize anticipated benefits from our acquisitions and to effectively manage our growth; our ability to maintaining and evolve partnerships, both new and existing; our ability to successfully defend ourselves against litigation matters arising out of the ordinary course of business; our ability to advance our capital allocation strategy; failure to meet covenants under our senior credit facility or senior unsecured notes; epidemics, pandemics or other public health crises, including the current outbreak of COVID-19 and changes in accounting standards. Additional information about these factors and about the material assumptions underlying any forward-looking information may be found under the heading “Risks and Uncertainties” in the Management’s Discussion and Analysis for the year ended August 31, 2021 and under the heading “Risk Factors” in our Annual Information Form for the year ended August 31, 2021. Corus cautions that the foregoing list of important assumptions and factors that may affect future results is not exhaustive. When relying on our forward-looking information to make decisions with respect to Corus, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Unless otherwise specified, all forward-looking information in this document speaks as of the date of this document. 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**Note to User:**

*In addition to disclosing results in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), the Company also provides supplementary non-IFRS measures as a method of evaluating the Company’s performance and to provide a better understanding of how management views the Company’s performance. These non IFRS or non GAAP measures include: segment profit (loss), segment profit margin, adjusted net income attributable to shareholders, adjusted basic earnings per share, free cash flow, net debt to segment, optimized advertising revenue and new platform revenue. These are not measurements in accordance with IFRS and should not be considered as an alternative to any other measure of performance under IFRS. Please see additional discussion and reconciliations under the Key Performance Indicators section of the Company’s First Quarter 2022 Report to Shareholders.*

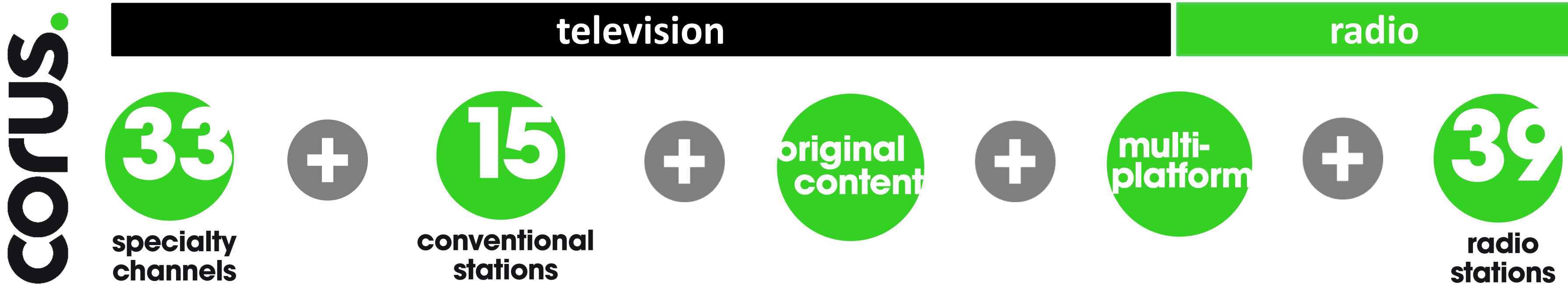
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# Corus Overview

**Headquarters:** Toronto, Ontario | **TSX Ticker:** CJR.B | **Market Cap:** ~\$1.0 Bn

- Founded in 1999, Corus is a diversified Canadian-based integrated media and content company that creates and delivers high quality brands and content across platforms for audiences in Canada and around the world
- Corus operates through two reporting segments: Television and Radio, generating revenue through subscription fees, advertising revenue, content licensing and merchandising sales

<b>&gt;\$250 million</b> Average annual free cash flow since F2017 <sup>1</sup>	<b>&lt;2.5x</b> Target net debt to segment profit <sup>1</sup>
<b>725,000+</b> Paying digital streaming subscribers	<b>\$0.24</b> Annual dividend per Class B Share, paid quarterly <sup>2</sup>



1. This is a non-GAAP financial measure and does not have a standardized meaning prescribed by IFRS. Refer to the “Note to User” section on slide 2 for more information.  
2. Subject to approval of Board of Directors

# Investment **Highlights**

**1**

**Significant Diversity, Scope and Scale Across a Leading Portfolio of Television, Radio and Digital Assets with Considerable Strength in Local Markets**

**2**

**Deep Relationships with International Media Companies Enables Access to Great Content**

**corus.**

**3**

**Executing Multiple Growth Initiatives to Connect with Audiences on New Platforms and Deliver Advertising Innovations**

**4**

**Extensive Content Creation and Brand Building Across Broad Range of Genres through the "Corus Advantage"**

**5**

**Attractive Free Cash Flow<sup>1</sup> Supported by Strong Underlying Business Profile and Disciplined Operating Model**

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Refer to the "Note to User" section on slide 2 for more information.

**corus.**



# Media and Content Powerhouse



specialty  
channels



radio  
stations



conventional  
stations



B.C.  
Okanagan  
Lethbridge

Calgary  
Edmonton  
Saskatoon

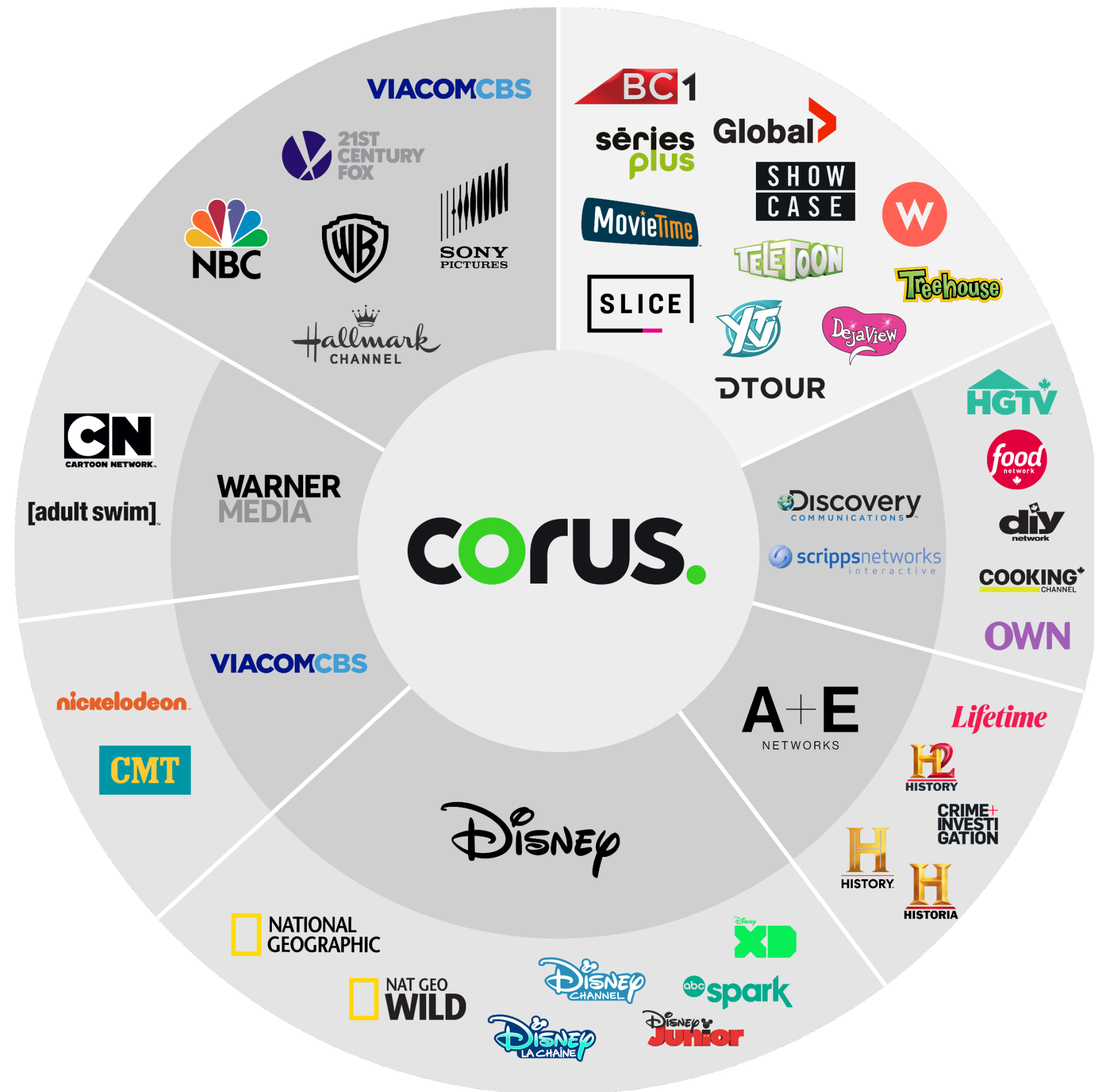
Regina  
Winnipeg  
Toronto

Durham  
Peterborough  
Kingston

Montreal  
New Brunswick  
Halifax



# Deep Relationships with World-Class Partners



# Ongoing Strategic Discipline

## Strategic Priorities



### **create** a great place to work

Create a diverse, equitable  
and inclusive culture

Build the capability and  
career flexibility of our  
people

Foster employee  
engagement and well-being



### **build** a content powerhouse

Secure great content to  
deploy across our portfolio  
of leading brands

Extend our leadership role  
in creating original  
Canadian content

Grow our slate of owned  
content for international  
sales



### **connect** with audiences

Create engaging content and  
brand experiences

Reach and interact  
with consumers on new  
platforms

Develop a unified view  
of audiences

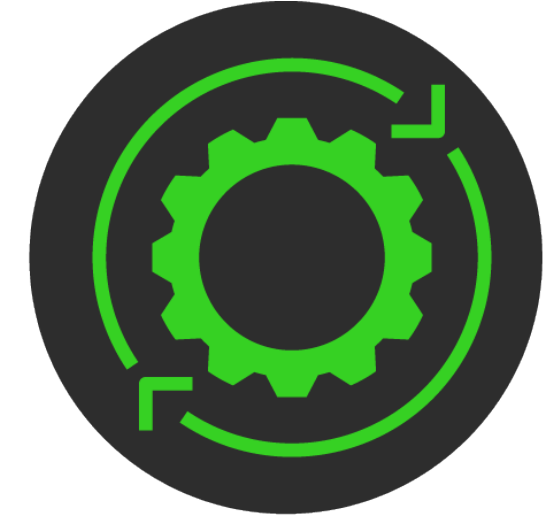


### **help** brands grow

Take a client-  
centric approach to  
everything we do

Build and deliver  
innovative advertising  
solutions

Become a trusted  
authority in marketing  
effectiveness



### **operate** with discipline

Embrace technology to  
support revenue growth  
and improve productivity

Bring rigor and financial  
discipline to decision  
making

Increase financial  
flexibility

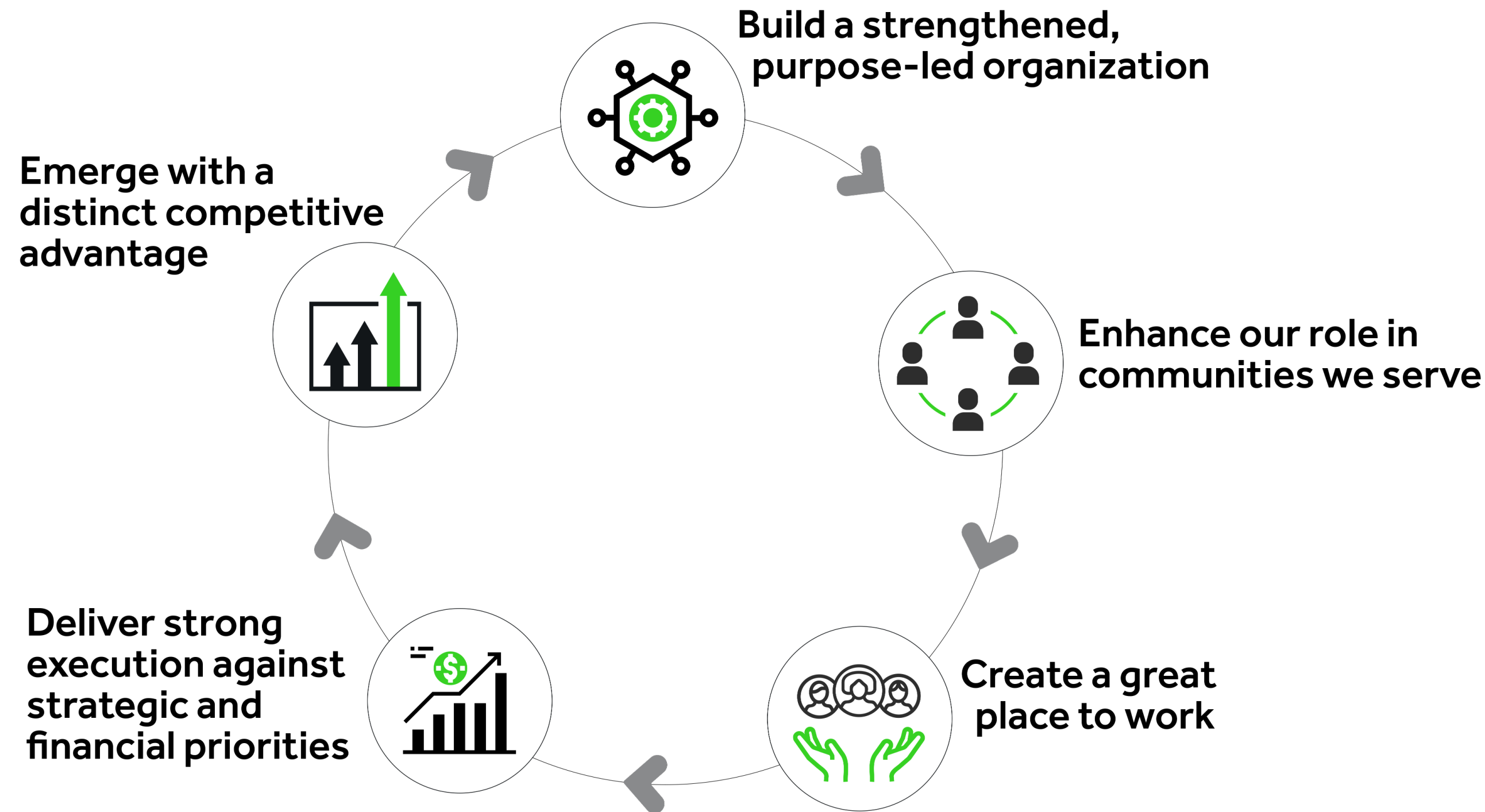
# Integration of ESG Principles Into Strategy



Create a  
Great Place  
to Work



Operate  
with  
discipline



In November 2021, Corus Entertainment Inc. received a rating of A (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment. THE USE BY CORUS ENTERTAINMENT INC. OF ANY MSCI ESG RESEARCH LLC OR ITS AFFILIATES (“MSCI”) DATA, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT, RECOMMENDATION, OR PROMOTION OF CORUS ENTERTAINMENT INC. BY MSCI. MSCI SERVICES AND DATA ARE THE PROPERTY OF MSCI OR ITS INFORMATION PROVIDERS AND ARE PROVIDED ‘AS-IS’ AND WITHOUT WARRANTY. MSCI NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI.

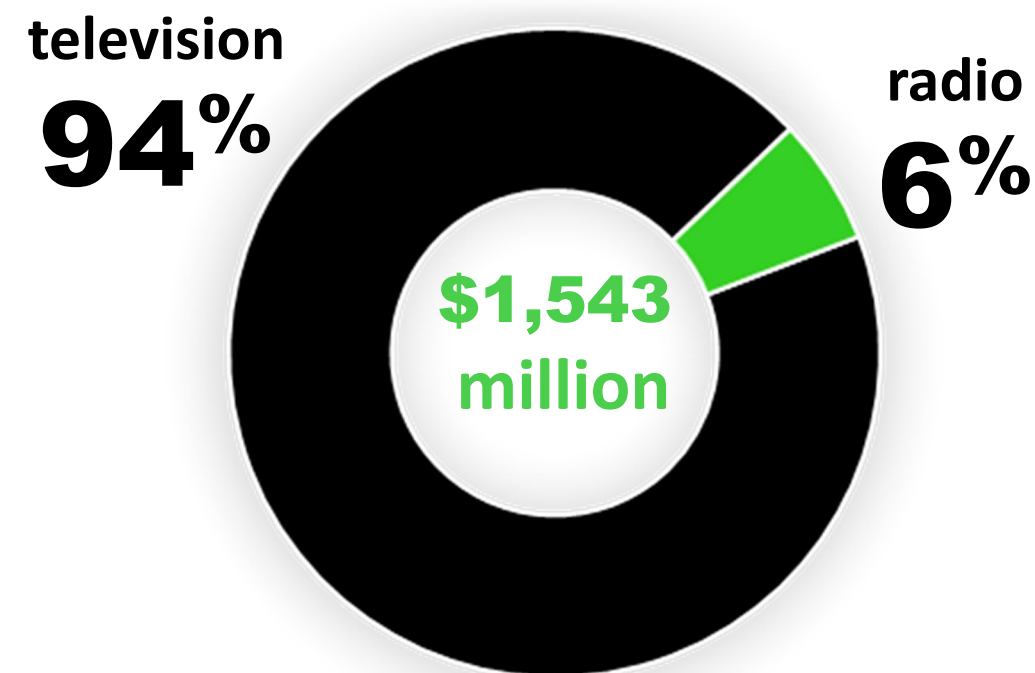


# Financial Overview

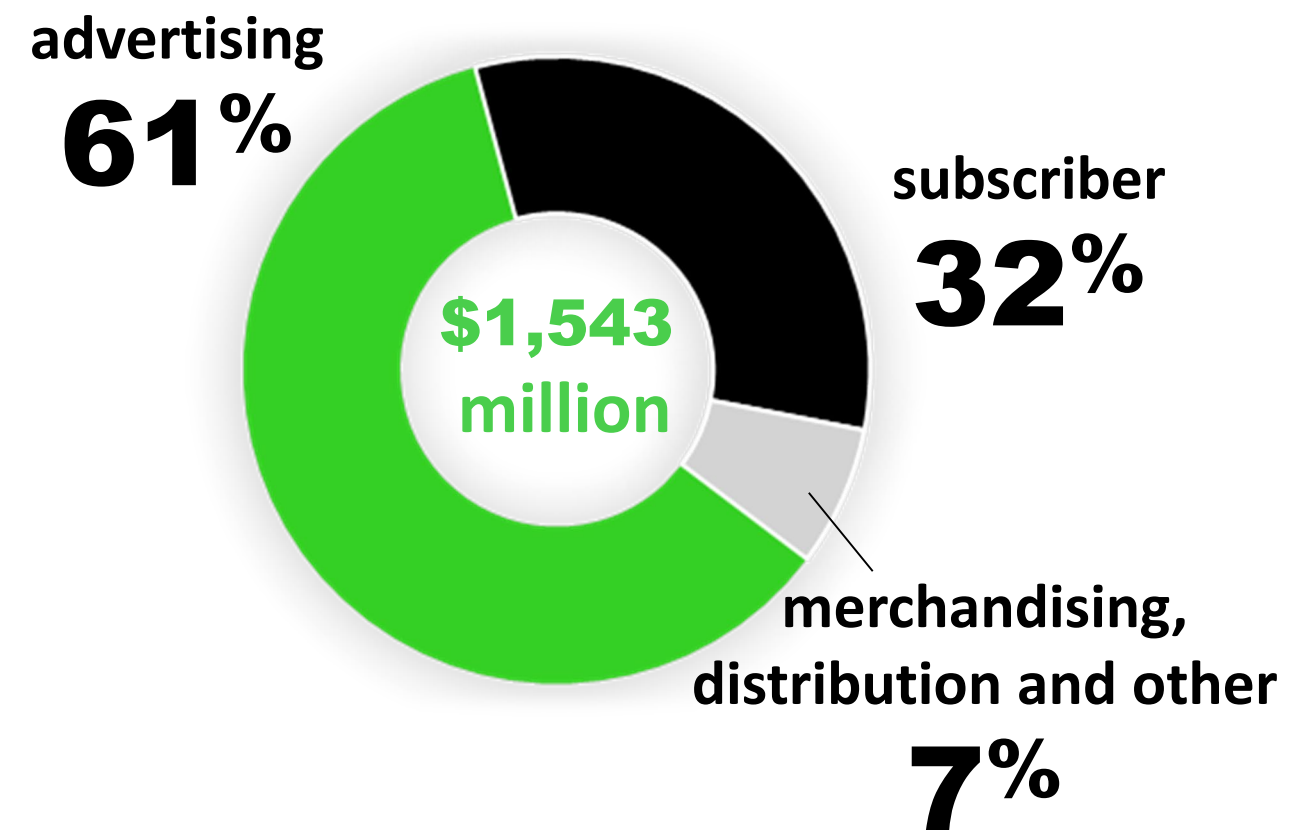


Operate  
with  
discipline

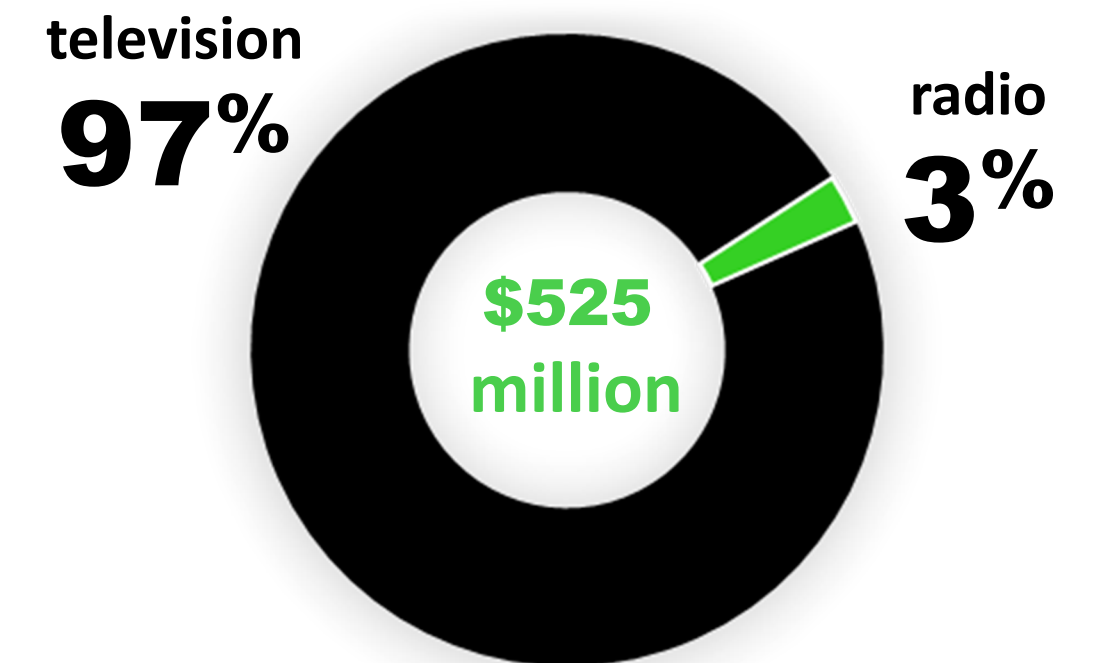
## Segment Revenue<sup>1</sup>



## Sources of Revenue<sup>1</sup>



## Segment Profit<sup>1,2,3</sup>



## Balanced Capital Allocation Policy

### 1 Invest in the Future

- Investment to advance strategic priorities and diversify revenues
  - Ad Tech + Data Analytics
  - Connect with audiences in new ways
  - Build a content powerhouse

### 2 Pay Down Debt

- Disciplined focus on reducing leverage
  - Leverage target of below 2.5x net debt to segment profit<sup>3</sup>** introduced with Q2 F2021 earnings

### 3 Return Cash to Shareholders

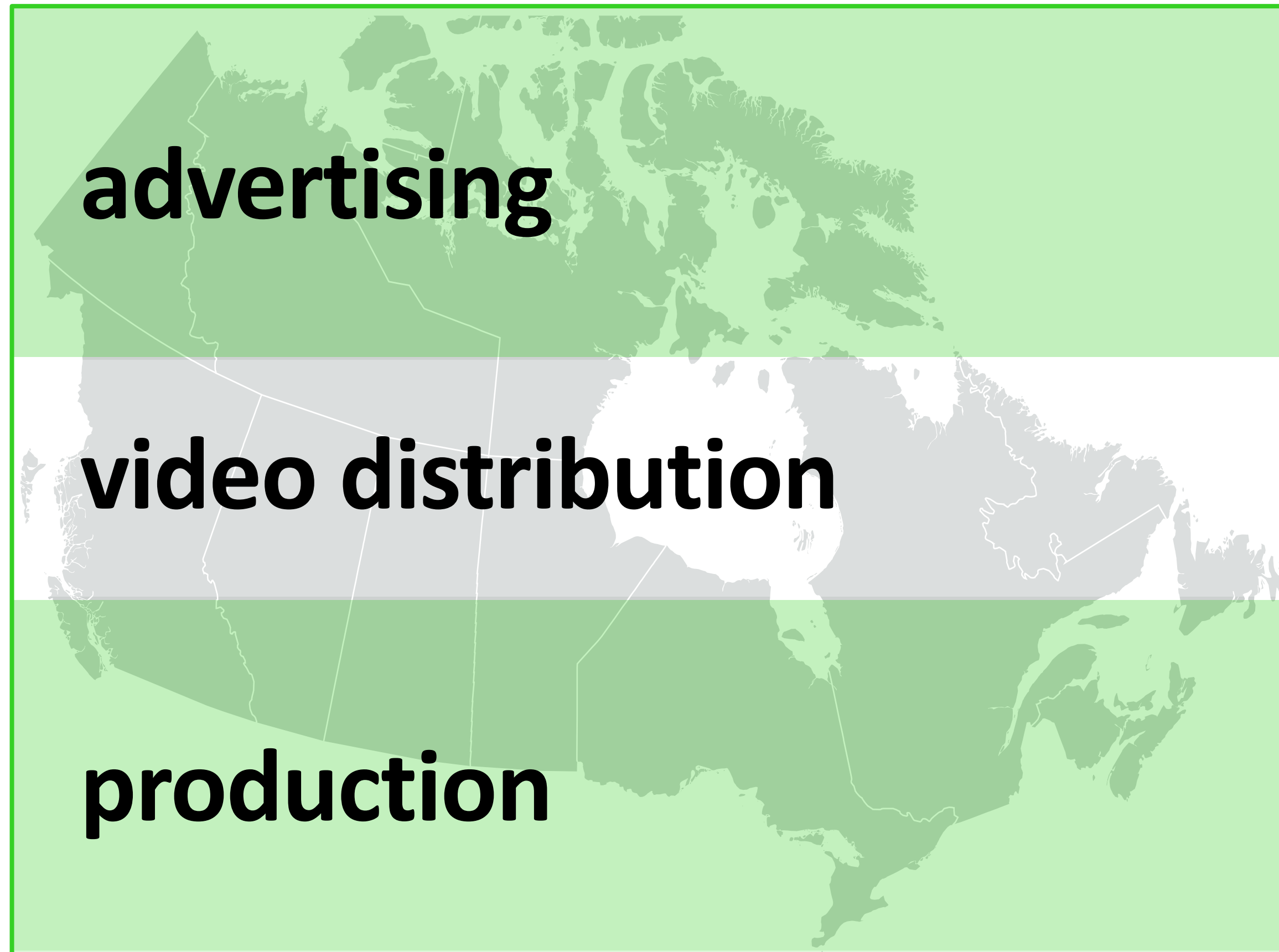
- Annual dividend rate of \$0.24 / Class B Share
  - Dividend subject to Board approval
- Normal Course Issuer Bid

1. Year Ended August 31, 2021.

2. Excludes unallocated corporate costs.

3. This is a non-GAAP financial measure and does not have a standardized meaning prescribed by IFRS. Refer to the "Note to User" section on slide 2 for more information.

# Canadian Market Opportunity



## Unique Market Structure

- 1 Concentrated
- 2 Regulated
- 3 Vertically Integrated



# Alignment and Collaboration in Canadian Ecosystem



## Future Video Platforms



Alignment on next-generation video platforms for PayTV, X1 and MediaFirst

xfinity x1

MediaKind



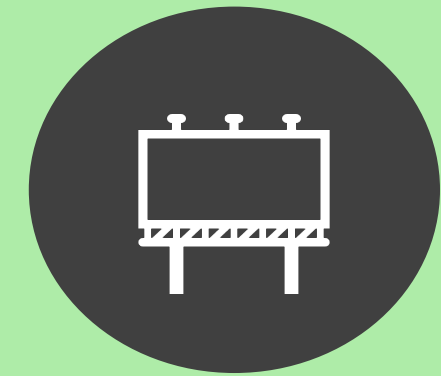
## Industry Measurement



Alignment on enhanced set-top box measurement and cross-platform video audiences

NUMERIS

ENVIRONICS  
ANALYTICS



## Advanced Advertising



Alignment on common industry segments, Dynamic Ad Insertion, and ad-buying platforms

think<sup>tv</sup>

cynch<sup>®</sup>  
audience buying made easy



High Degree of Alignment and Collaboration among Key Players

# Transforming the Way Television is Sold



Help brands  
grow

## Common Audience Segments

### NEW



APPetizing



FIRST IN  
LINE



GOOD  
SPORTS



HEALTH AND  
BEAUTY SAMPLERS



I ♥  
PLANET EARTH



TECHNOPHILES



TRUCKIN'



GROCERY BIG  
SPENDER



FASHIONISTAS



DEEP  
POCKETS



SMALL  
CARS



SUVers



GREAT  
GETAWAYS



MY NEW  
RIDES



LOOKING  
BEAUTIFUL



HOME  
IMPROVERS



KEEPIN'  
IT CLEAN



CUSTOM



JAVA JOINTS



QUICK SERVICE  
RESTAURANT



FAMILY  
SIT DOWN



FLEDGLING  
FAMILIES



YOUNG DIVERSE  
FAMILIES



BURGEONING  
FAMILIES



MIDDLE AGED  
ACHIEVERS



PROSPEROUS  
PARENTS



EMPTY  
NESTERS

Industry Solution reaches **>90%+** of English TV



Automated  
buying platform

**cynch**



dynamic  
advertising  
insertion (DAI) for  
video on demand

**STACKTV**

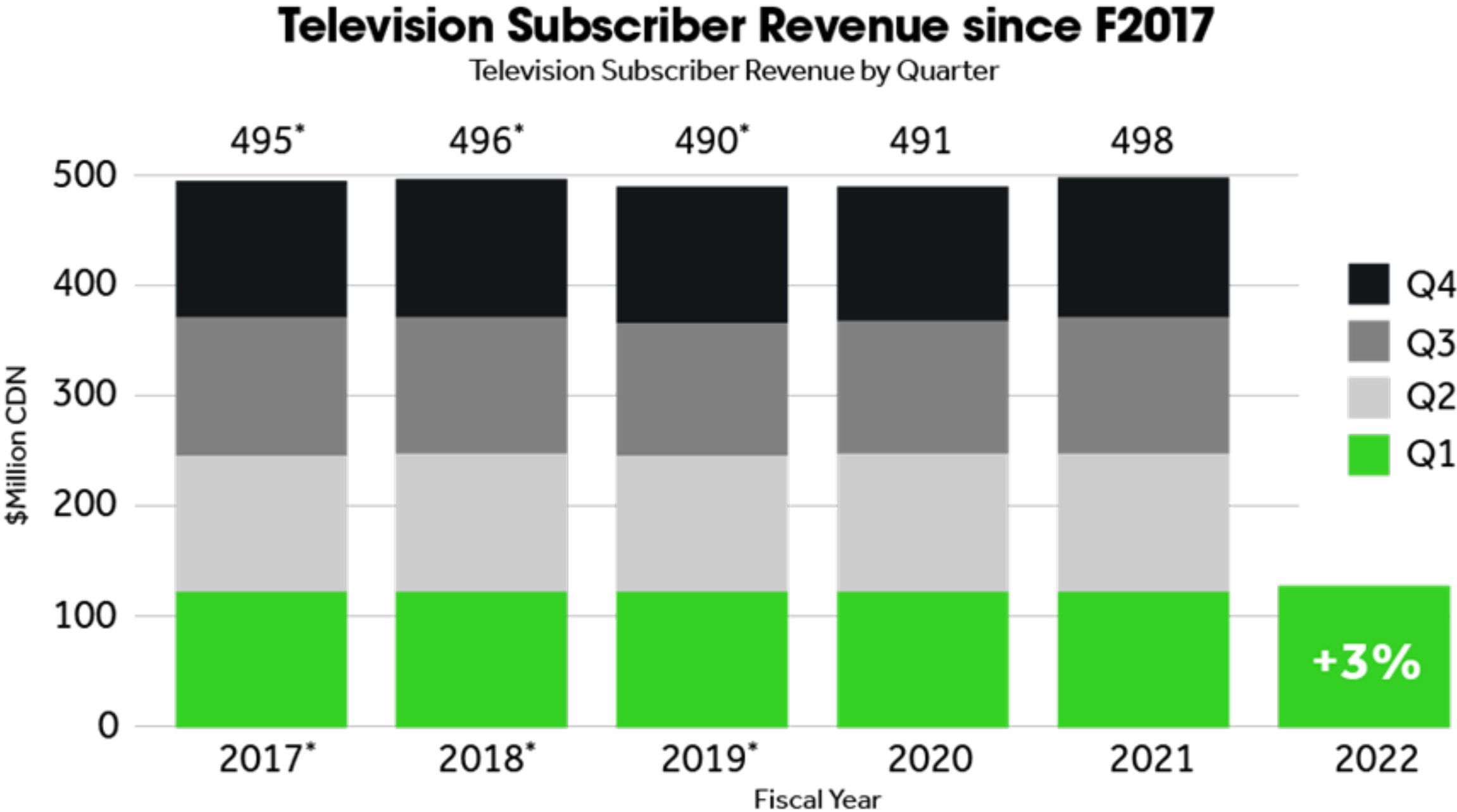
Industry Leading Portfolio of Advanced Advertising Solutions



# Resilient Recurring Subscriber Revenue



Connect with audiences



\*Subscriber revenues proforma for the disposal of TLN

**nick+**

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**STACKTV**

**725,000+** paying subscribers

**Global** added value for traditional subscribers

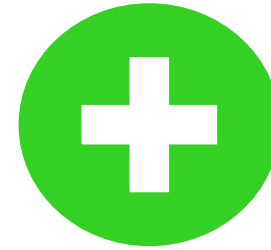
~\$500 million of recurring Television subscriber revenue

# Connecting with Audiences on New Platforms



Connect with  
audiences

More Content in **More Places**



Strong **Live TV** Viewership

## STACKTV

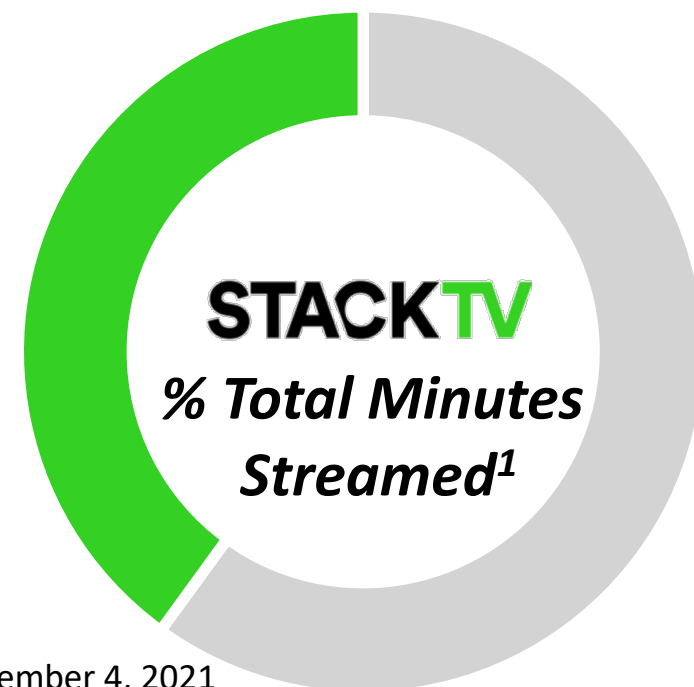


## nick+



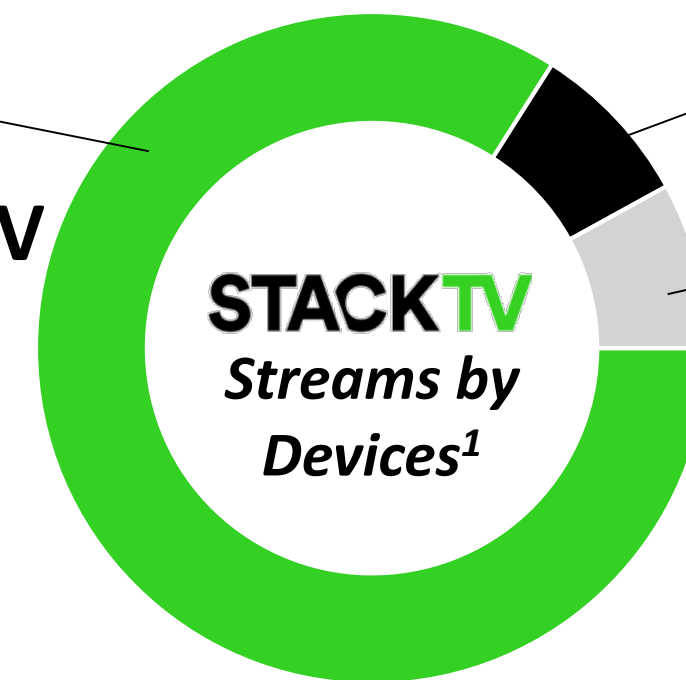
**725,000+**  
*paying subscribers*

43%  
Live



57%  
Video On  
Demand

85%  
Connected TV

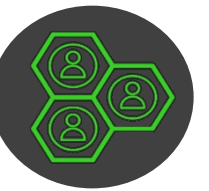


7%  
Web

8%  
Mobile / Tablet

1. Data for calendar 2021 year-to-date through December 4, 2021

# Global TV Delivers Premium Content **Everywhere**

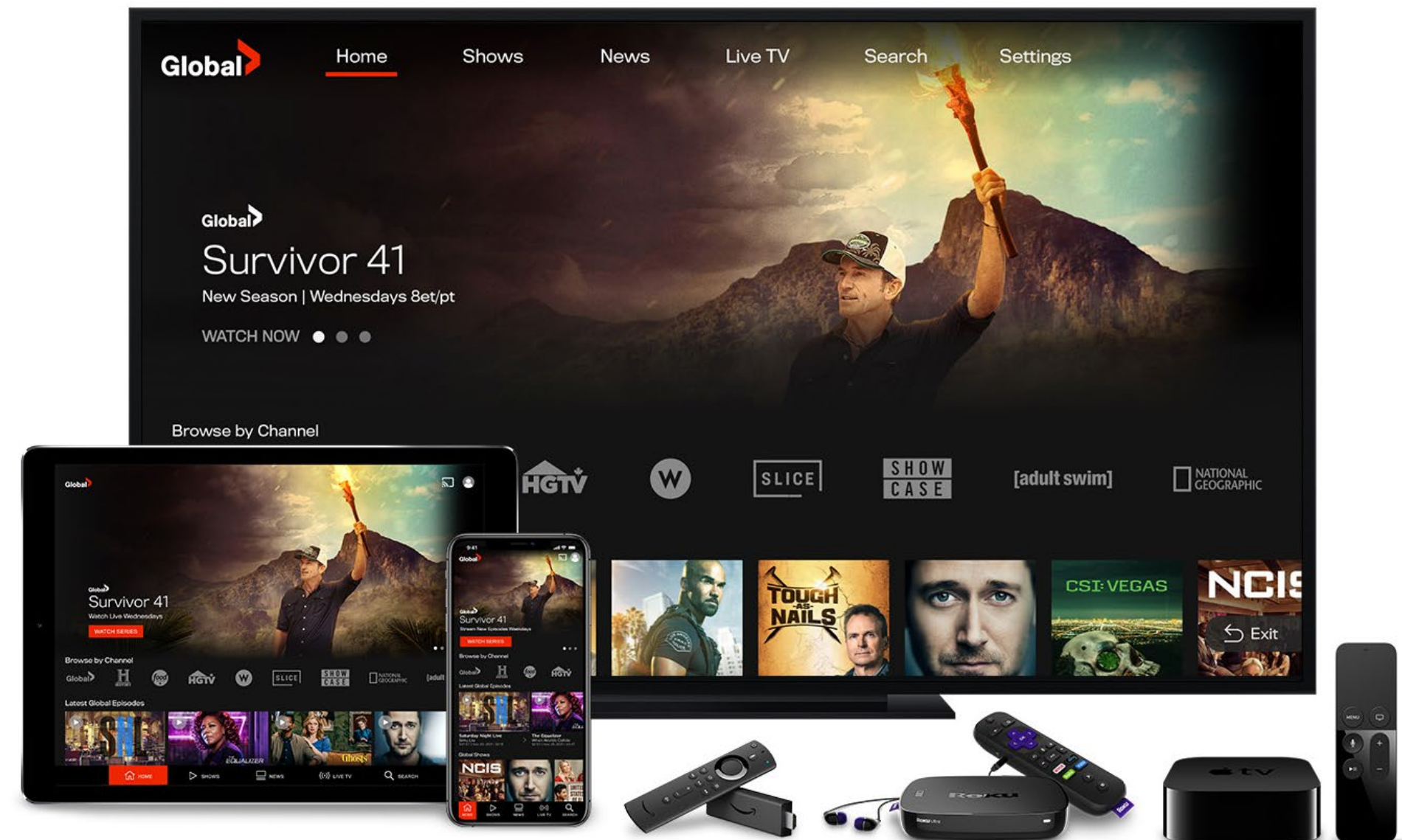


Connect with  
audiences

- Global TV is gaining traction with robust demand for advertising inventory

## ● ***Evolution of Global TV App***

- Authenticated AVOD product available on mobile apps, web and connected TV
- Includes Global TV plus up to eight specialty services and 14 free Global News 24/7 live streams
- Live and on demand



Actively pursuing **advertising-supported video on demand (AVOD)** opportunities





# New Revenue Performance Metrics



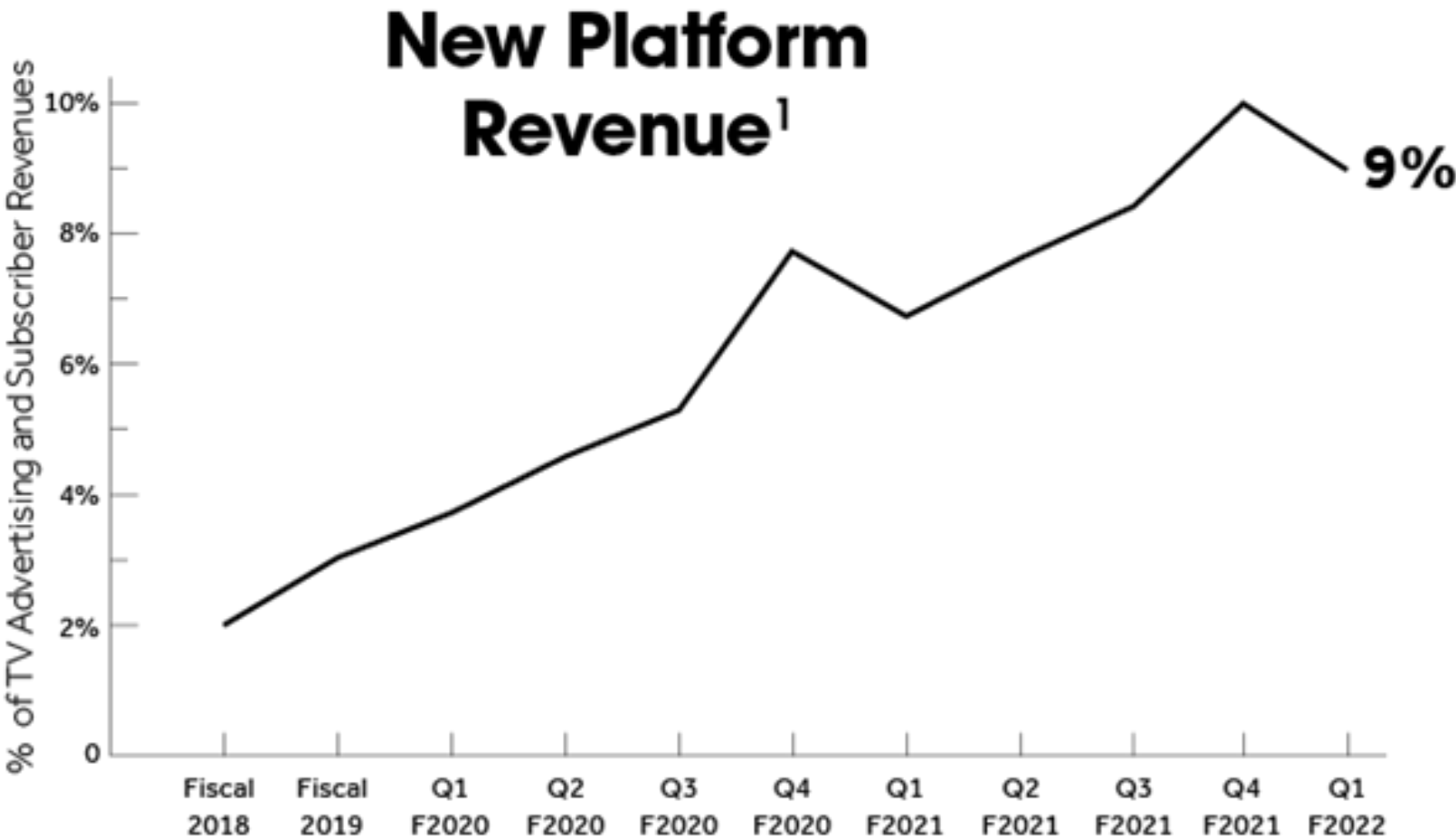
Connect with audiences



Help brands grow



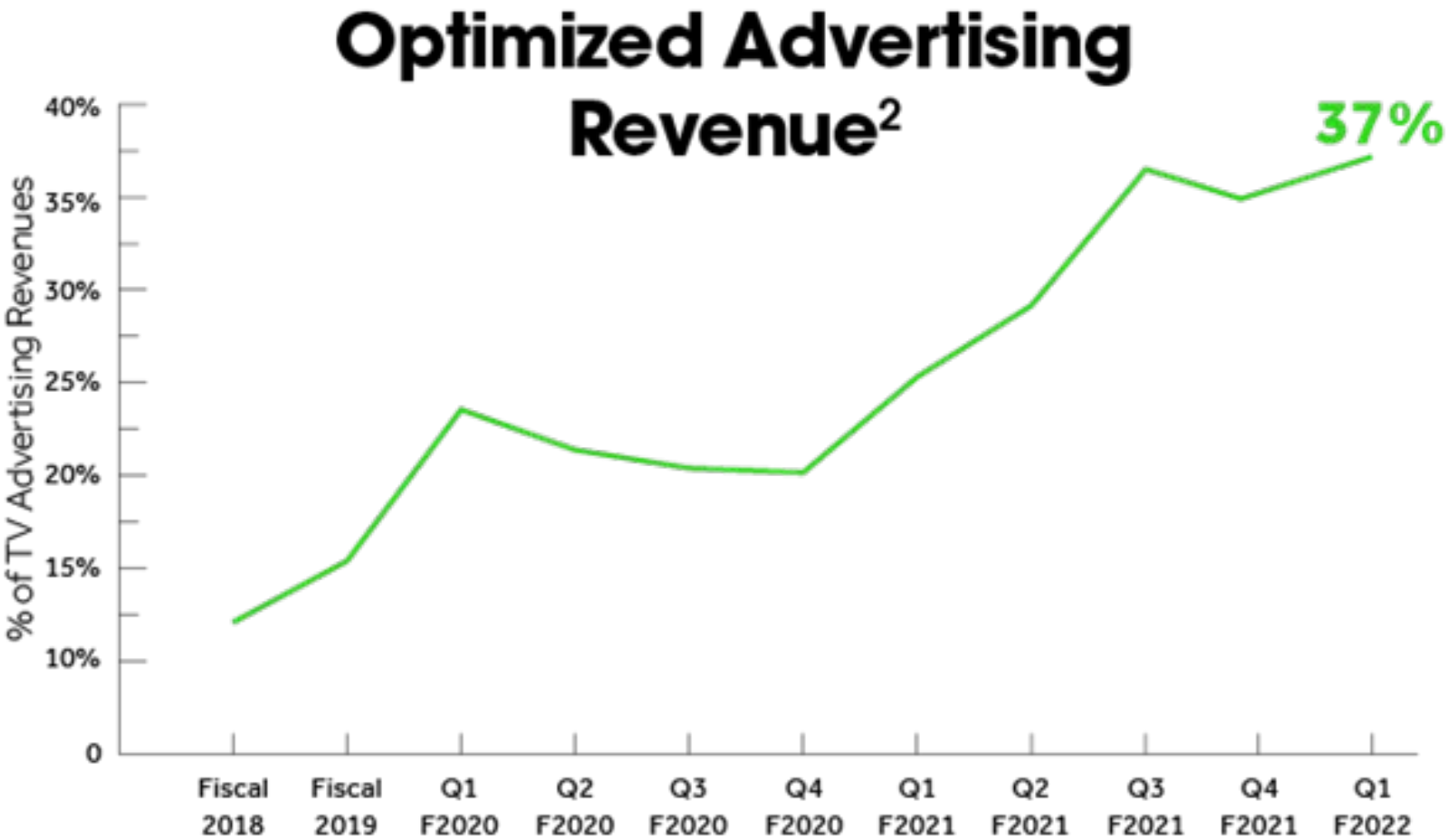
## New Platform Revenue



- Reflects Corus’ participation in rapidly growing streaming distribution platforms and digital advertising markets
- Includes incremental subscriber revenues from new streaming initiatives and advertising revenue from digital platforms



## Optimized Advertising Revenue

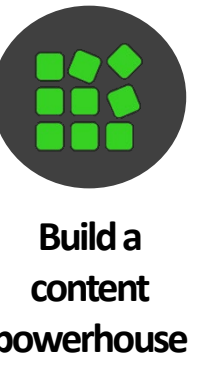


- Reflects progress on the transformation of how Television is being sold
- Includes revenue from audience segment selling as well as Cynch automated buying platform

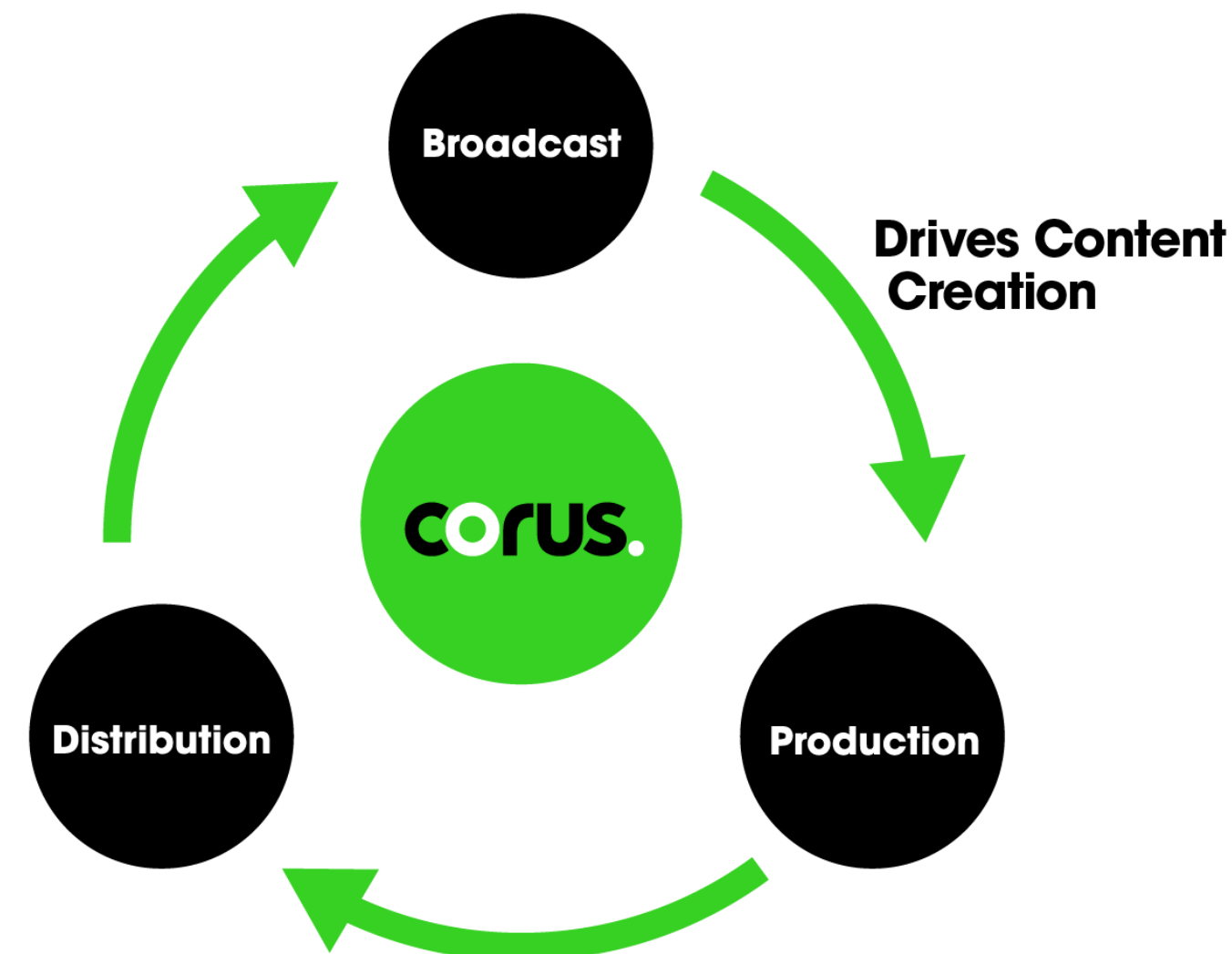
1. This is a non-GAAP financial measure and does not have a standardized meaning prescribed by IFRS. Refer to the “Note to User” section on slide 2 for more information.



# Corus Advantage Drives Content Creation



## corus. Advantage



## Content Creation

- Leveraging required Canadian content spending to grow international content sales

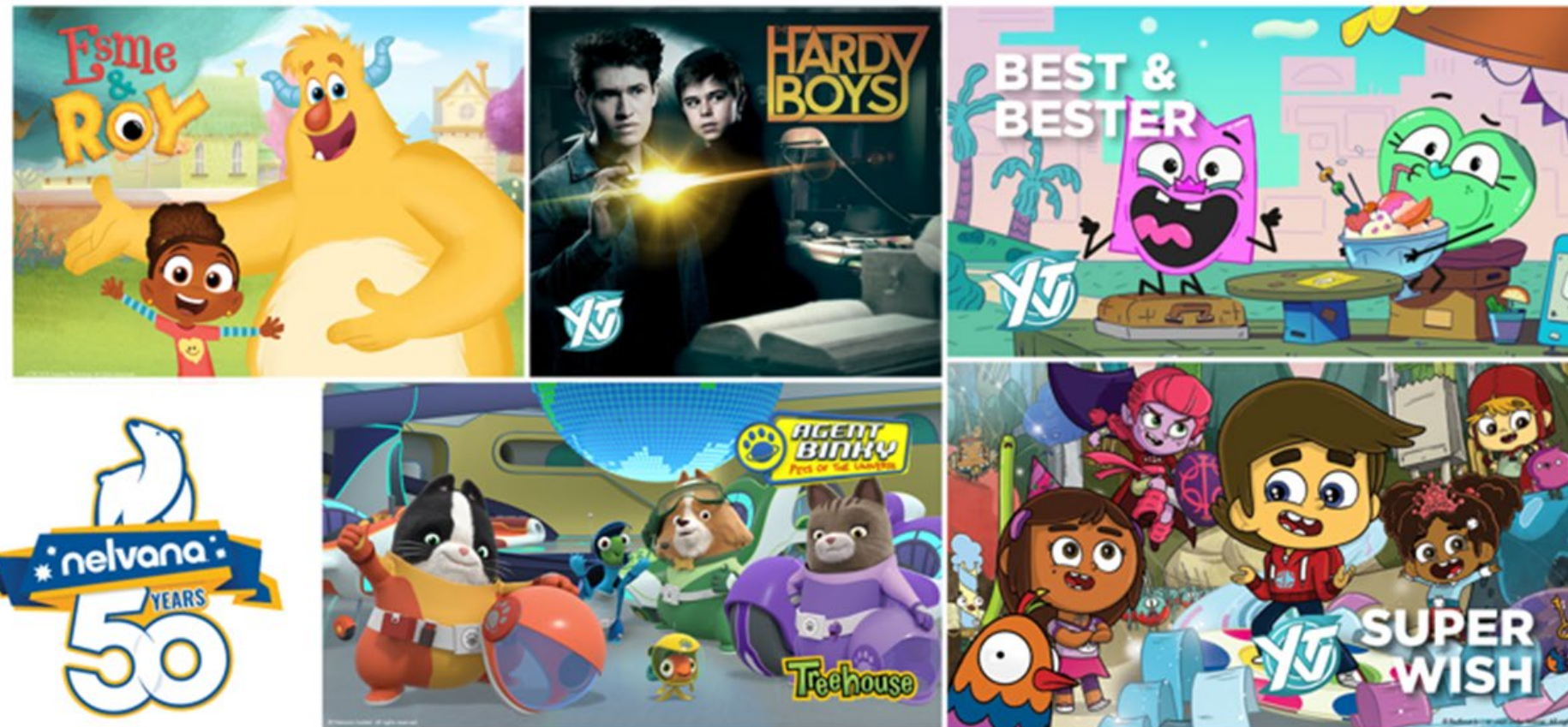
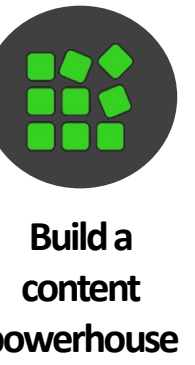
## Robust Production Slate

- Multi-season lifestyle, factual reality and children's series are sold in the U.S. and around the world





# Robust Demand for Original Content



30+ series in production or development



24 series in production



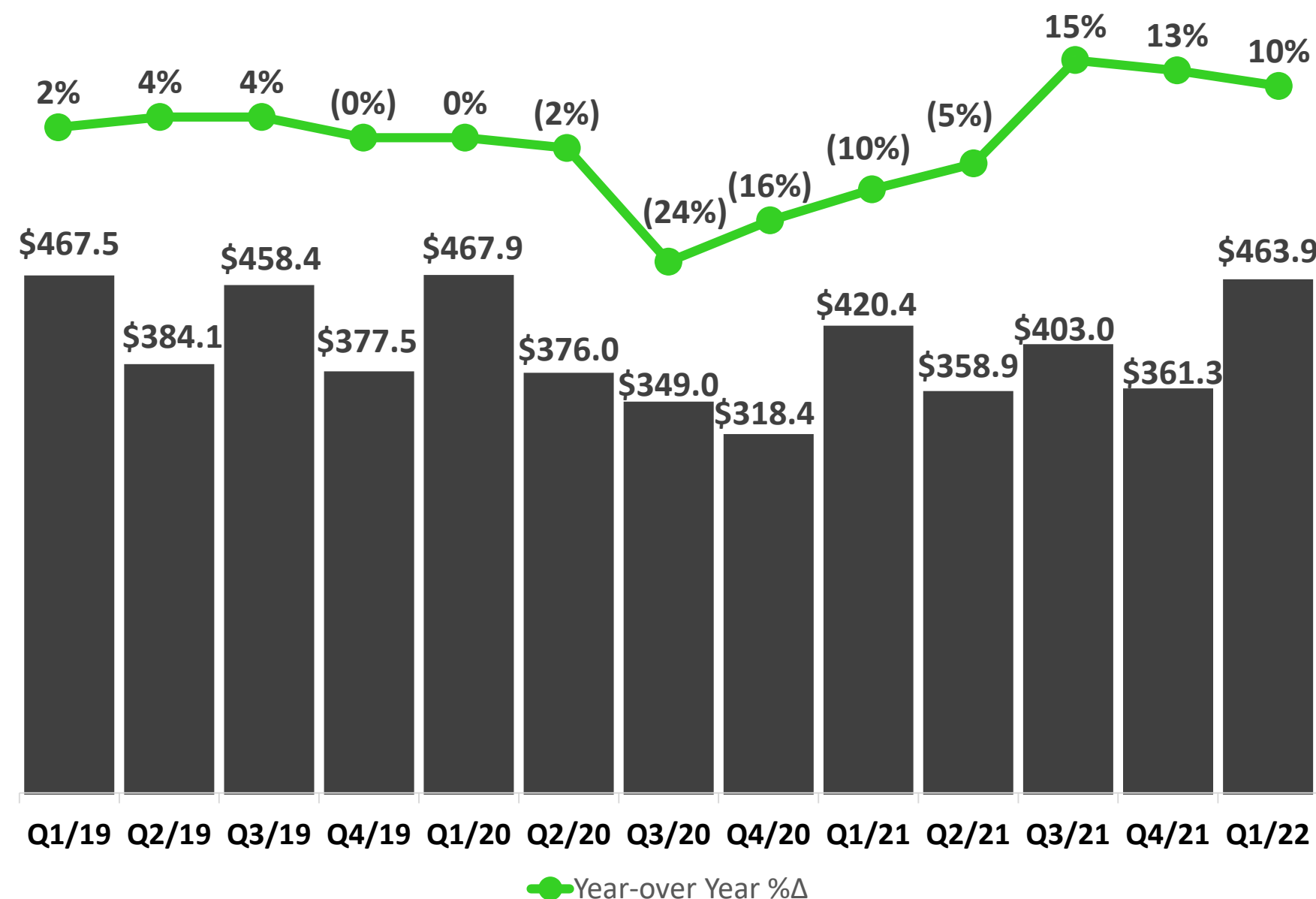
# Consolidated Results



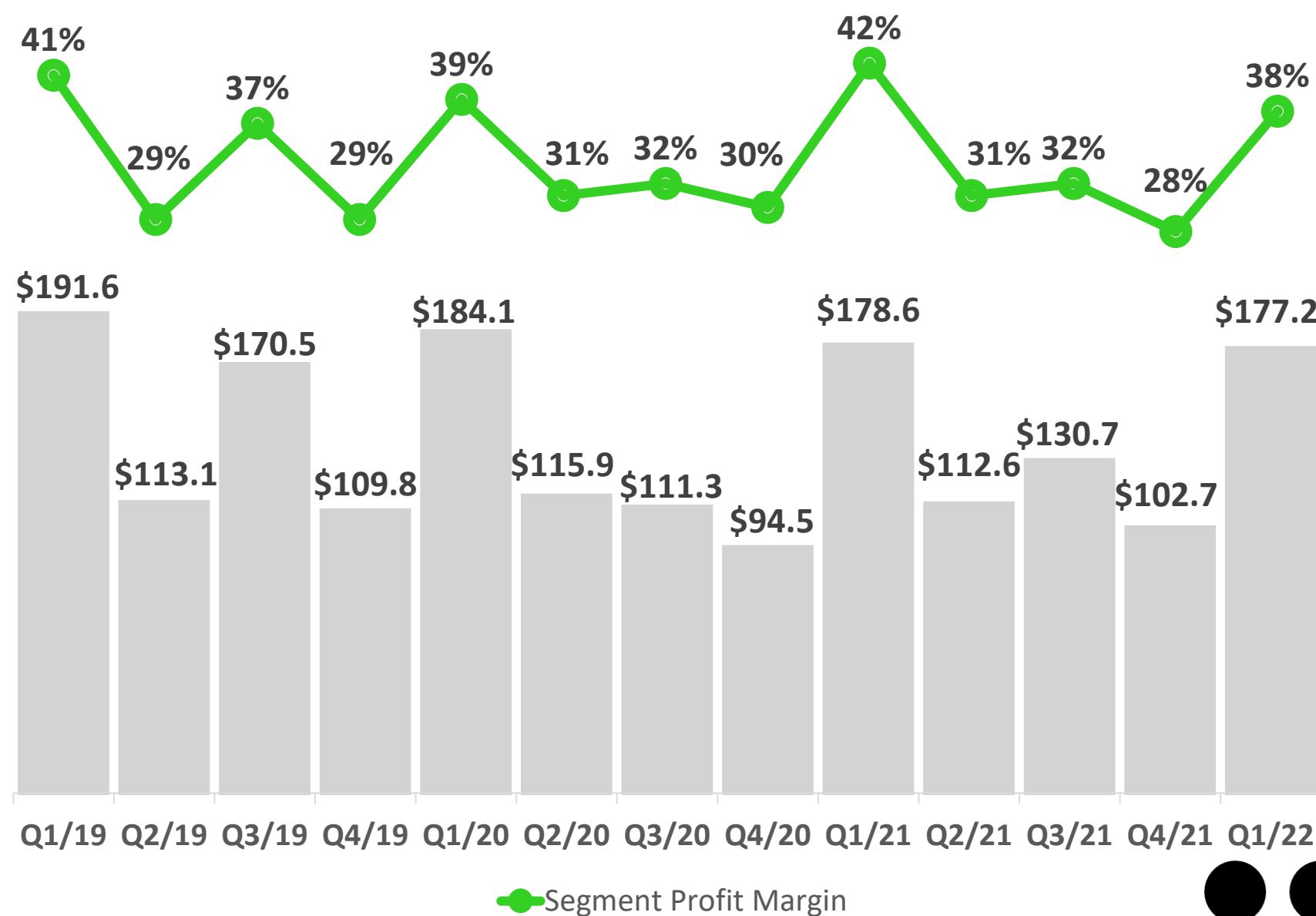
Operate  
with  
discipline

- Corus has demonstrated a clear path to recovery since the onset of COVID-19, with significant revenue improvements and solid segment profit margins

## Consolidated Revenue



## Consolidated Segment Profit<sup>1</sup>



Note: Quarterly financials based on Corus' fiscal year-end of August 31. Figures in C\$ millions, unless otherwise specified.

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# Free Cash Flow and Leverage

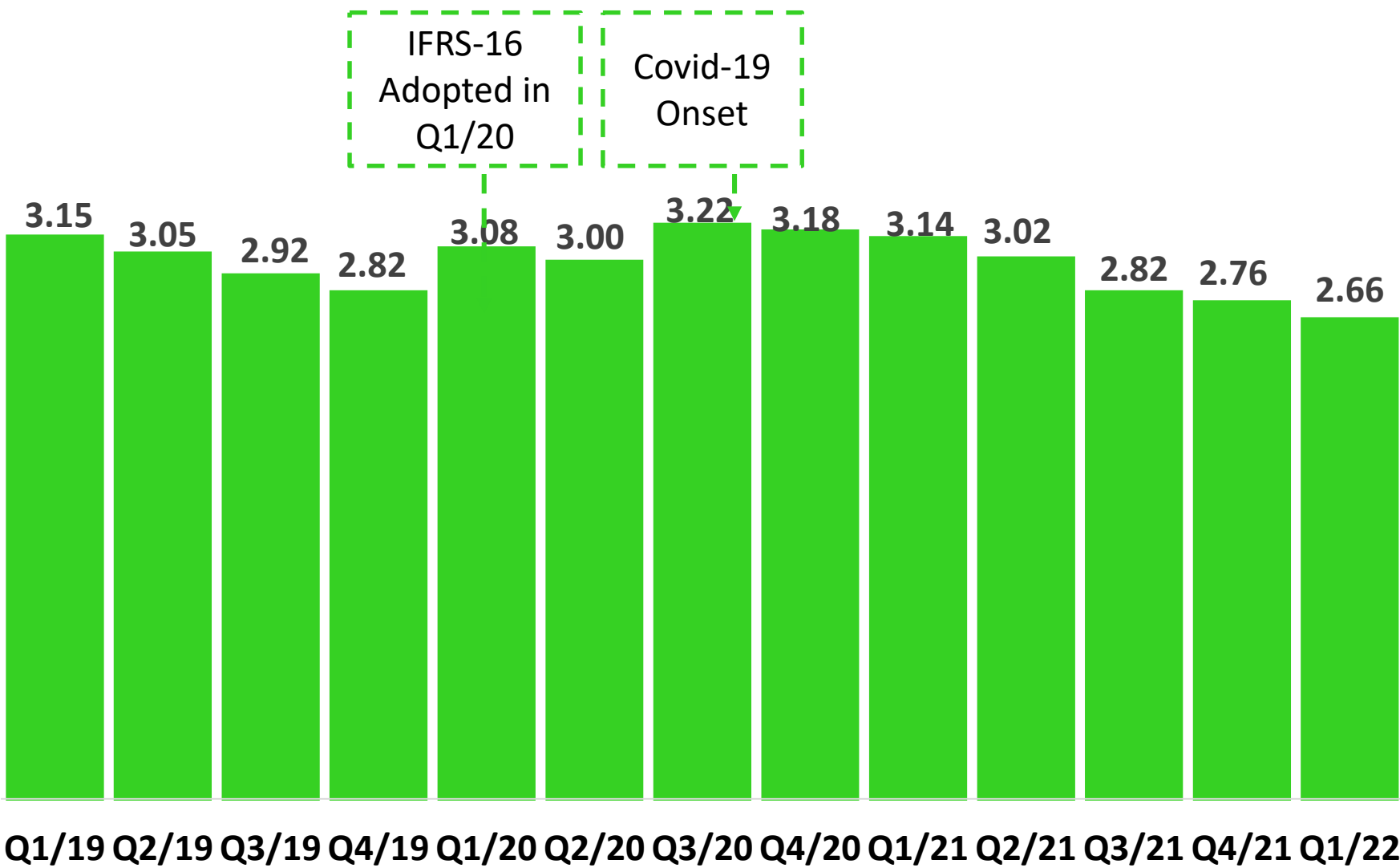
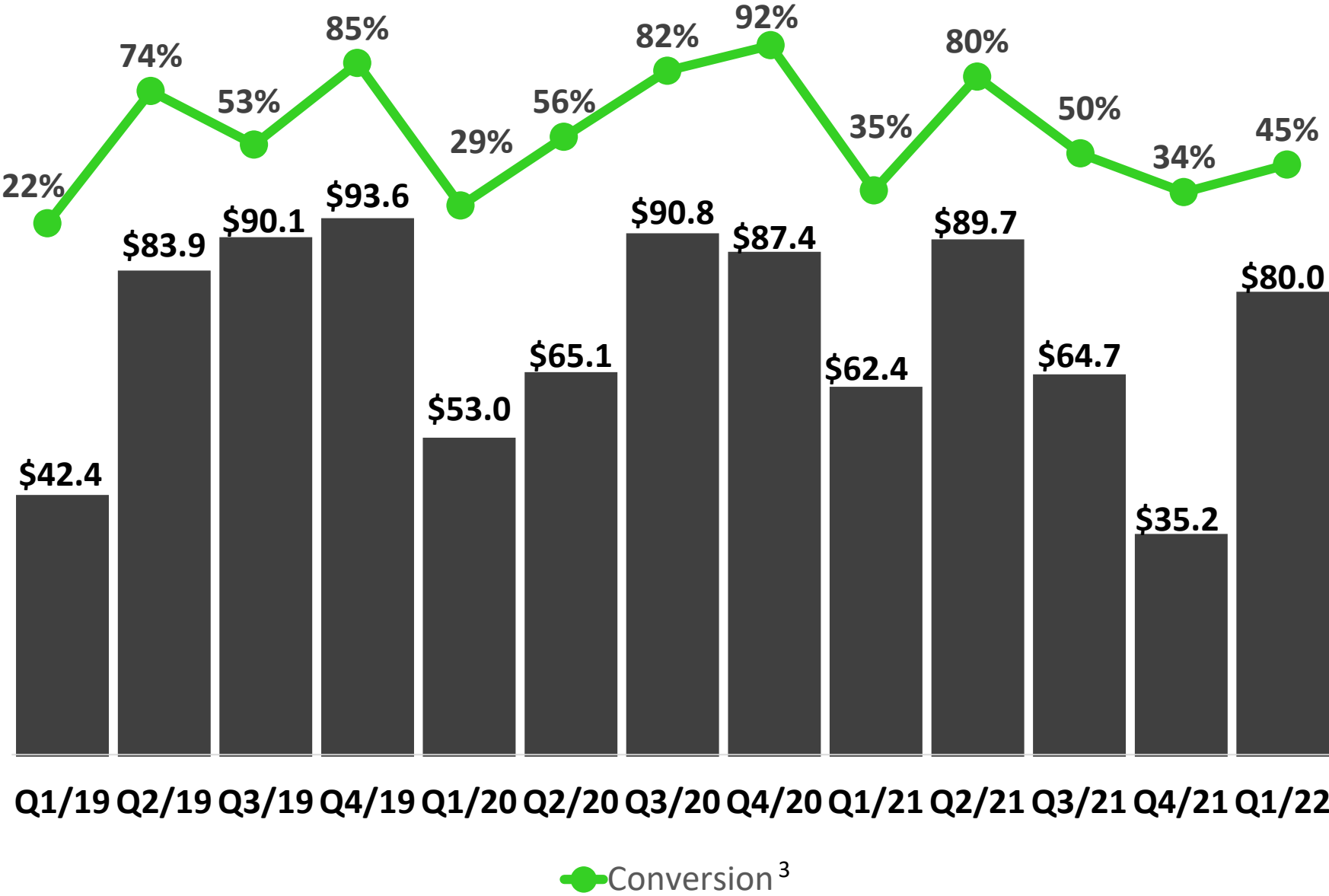


Operate  
with  
discipline

- Increased financial flexibility resulting from strong free cash flow generation, low capital expenditure intensity and continued de-leveraging efforts

Free Cash Flow<sup>1,2</sup>

Net Debt to Segment Profit<sup>1,2</sup>

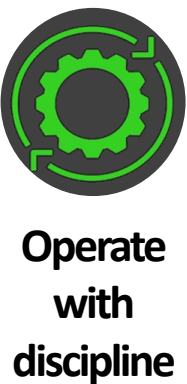


Note: Quarterly financials based on Corus' fiscal year-end of August 31. Figures in C\$ millions, unless otherwise specified.

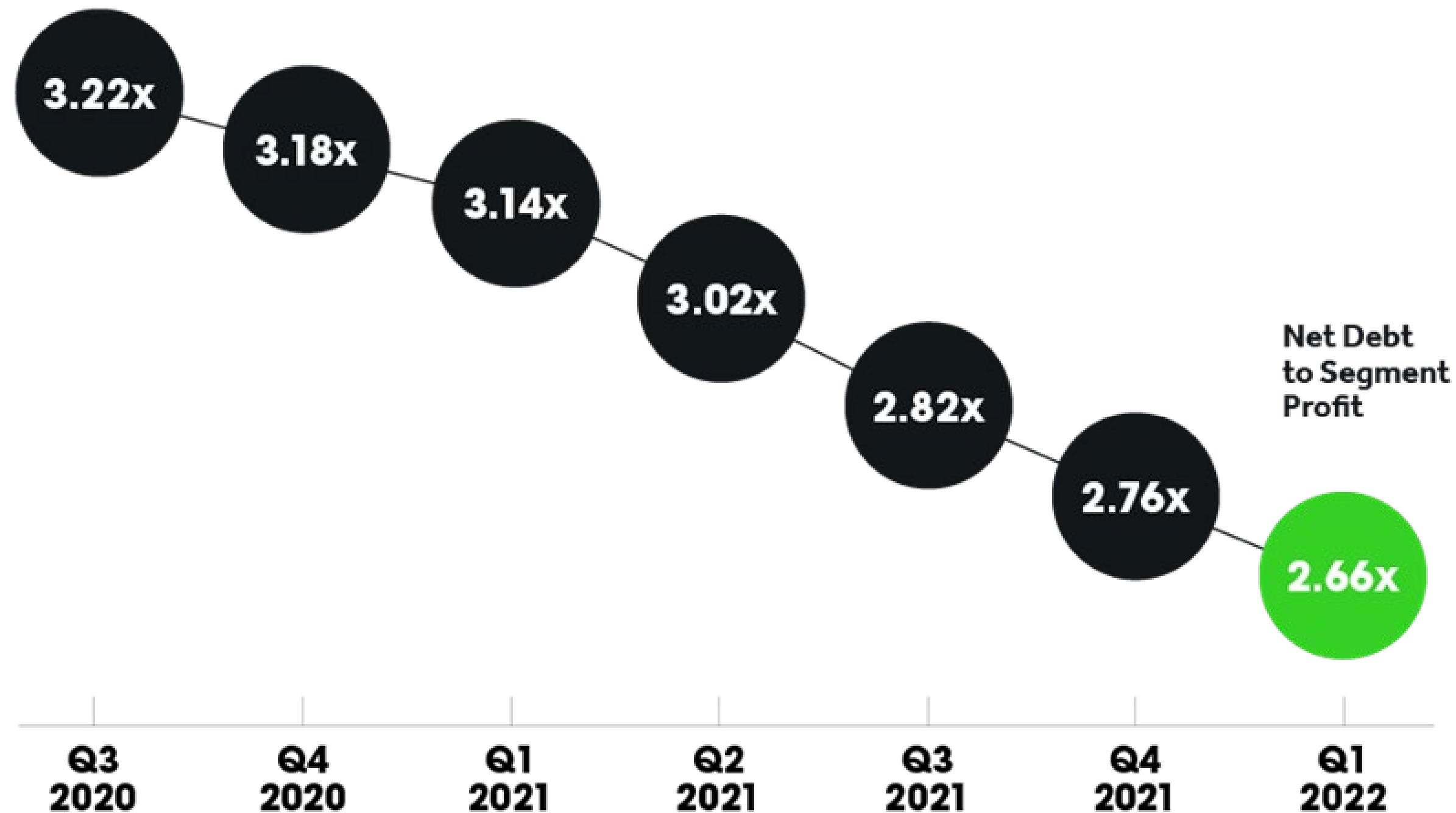
1. This is a non-GAAP financial measure and does not have a standardized meaning prescribed by IFRS. Refer to the "Note to User" section on slide 2 for more information.
2. Fiscal 2019 free cash flow and net debt to segment profit do not include impact of adoption of IFRS-16.
3. Free cash flow as a percentage of segment profit.



# Significant Progress on Financial Priorities



## Notable Leverage Improvement



- Net debt to segment profit<sup>1</sup> target of <2.5x
- Annual dividend of \$0.24 per Class B non-voting share<sup>2</sup>
- Normal Course Issuer Bid in place to repurchase up to 5% of the public float of Class B non-voting shares



1. This is a non-GAAP financial measure and does not have a standardized meaning prescribed by IFRS. Refer to the "Note to User" section on slide 2 for more information.  
2. Paid quarterly, subject to approval of Board of Directors

# Leading Canadian **Media** and **Content** Company

## Highly Differentiated Portfolio of Assets



## Proven Track Record of Financial Performance

- Leader in Canadian Broadcasting
  - Powerful brands and content
  - Valuable audience segments
  - Innovative advanced advertising solutions
  - Growing presence across platforms
- Globally recognized creator, producer and distributor of high quality animated, lifestyle and factual reality content

- Proven record of driving efficiency and cash flow
  - Ongoing cost structure improvement
  - Superior margins
  - Asset optimization initiatives
  - Strong free cash flow<sup>1</sup> generation
  - Focus on reducing leverage to below 2.5x net debt to segment profit<sup>1</sup>



1. Represents non-IFRS financial measure. See "Non-IFRS measures" on slide 2.

# corus.

Q&A