



# Investor Presentation

July 6, 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, the Company’s objectives, goals, strategies, targets, intentions, plans, estimates and outlook, including the adoption and anticipated impact of the Company’s strategic plan; advertising and expectations of advertising trends for fiscal 2022; distribution, merchandise and subscription revenue; the Company’s dividend policy and the payment of future dividends; the Company’s leverage target; 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 and capital structure management; operating costs and tariffs; taxes and fees; and can generally be identified by the use of words such as “believe”, “anticipate”, “expect”, “intend”, “plan”, “will”, “may” or the negative of these terms and other similar expressions. 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 seasonal and cyclical revenue trends, operating and capital costs and tariffs, taxes and fees, the Company’s ability to source desirable content and the Company’s capital and operating results being consistent with the Company’s expectations. As discussed further in the Company’s Annual 2021 Management’s Discussion and Analysis under the heading “Economic Conditions”, the Company’s operating performance is affected by general Canadian and worldwide economic conditions. Changes or volatility in domestic or international economic conditions, economic uncertainty or geopolitical conflict and tensions, may affect discretionary consumer and business spending, resulting in increased or decreased demand for Corus’ product offerings. In addition, elevated consumer price index inflation driven by sharp increases in energy and food prices as well as supply disruptions and strong demand for goods can also affect the Company’s business, operations and financial performance. All of the foregoing factors may adversely affect the Company through disruption to supply chains, increased costs of labour or disruption to availability of labour, related reduced advertising demand or spending, or lower demand for the Company’s products and services, all of which may lead to decreased revenue or profitability. Finally, in all cases, the Company’s business and financial condition are subject to audience and consumer acceptance of our brands, programming, and talent. 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: the Company’s ability to attract and retain advertising revenue; audience acceptance of the Company’s television programs and cable networks; the Company’s ability to manage retention and reputation risks related to its on-air talent; the Company’s ability to recoup production costs, the availability of tax credits and the existence of co-production treaties; the Company’s ability to compete in any of the industries in which it does business; the opportunities (or lack thereof) that may be presented to and pursued by the Company; 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; the Company’s ability to integrate and realize anticipated benefits from its acquisitions and to effectively manage its growth; the Company’s ability to successfully defend itself against litigation matters and complaints; failure to meet covenants under the Company’s senior credit facility, senior unsecured notes or other instruments or facilities; 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 Company’s Management’s Discussion and Analysis for the three and nine months ended May 31, 2022 and for the year ended August 31, 2021 and under the heading “Risk Factors” in the Company’s 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 the Company’s 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. Unless otherwise required by applicable securities laws, Corus disclaims any intention or obligation to publicly update or revise any forward-looking information whether as a result of new information, events or circumstances that arise after the date thereof or otherwise.

## 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, free cash flow, net debt to segment profit, 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 Third Quarter 2022 Report to Shareholders.

Trademarks. This Presentation contains company names, channel and program names, trade names, trade-marks and service marks of Corus and other organizations, all of which are the property of their respective owners. Solely for convenience, the trade names, trade-marks and service marks referred to in this Presentation may appear without the ® or ™ symbol, but those references are not intended to indicate, in any way, that the Company or the other owner will not assert, to the fullest extent under applicable law, its rights to those trade names, trade-marks or service marks.

# Corus Overview

**Headquarters:** Toronto, Ontario | **TSX Ticker:** CJR.B | **Market Cap:** ~\$0.7 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

**>\$250 million**

Average annual free cash flow since F2017<sup>1</sup>

**<2.5x**

Target net debt to segment profit<sup>1</sup>

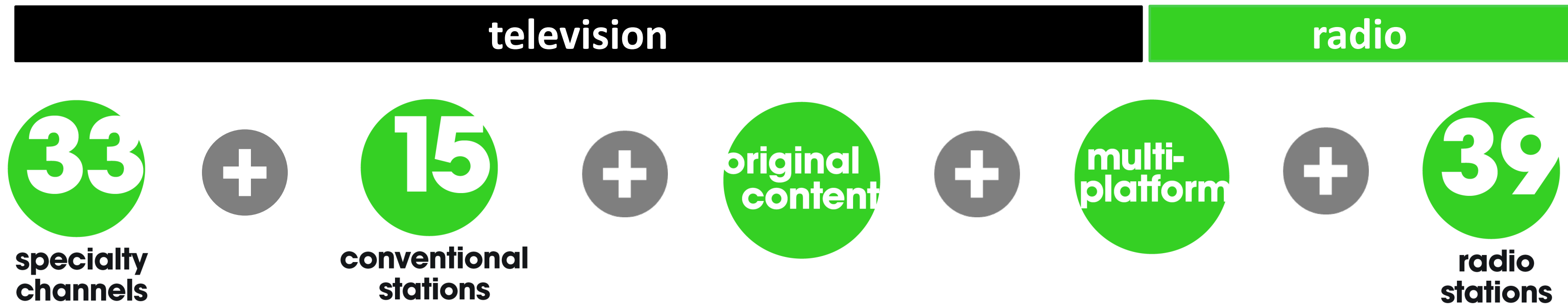
**1 million**

Target for paying digital streaming subscribers

**\$0.24**

Annual dividend per Class B Share, paid quarterly<sup>2</sup>

**corus.**



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, Streaming 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**

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.

# Media and Content Powerhouse



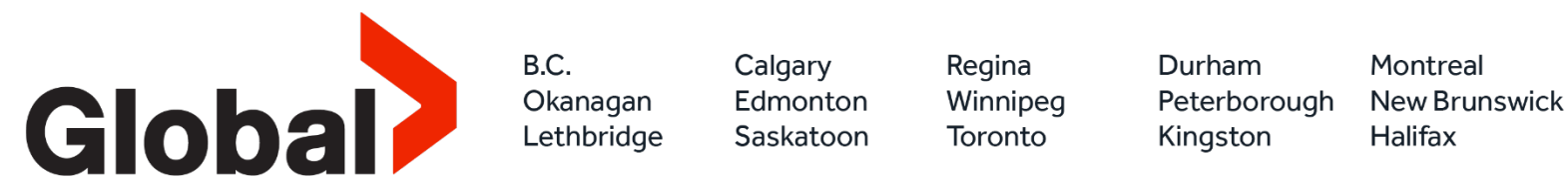
specialty channels



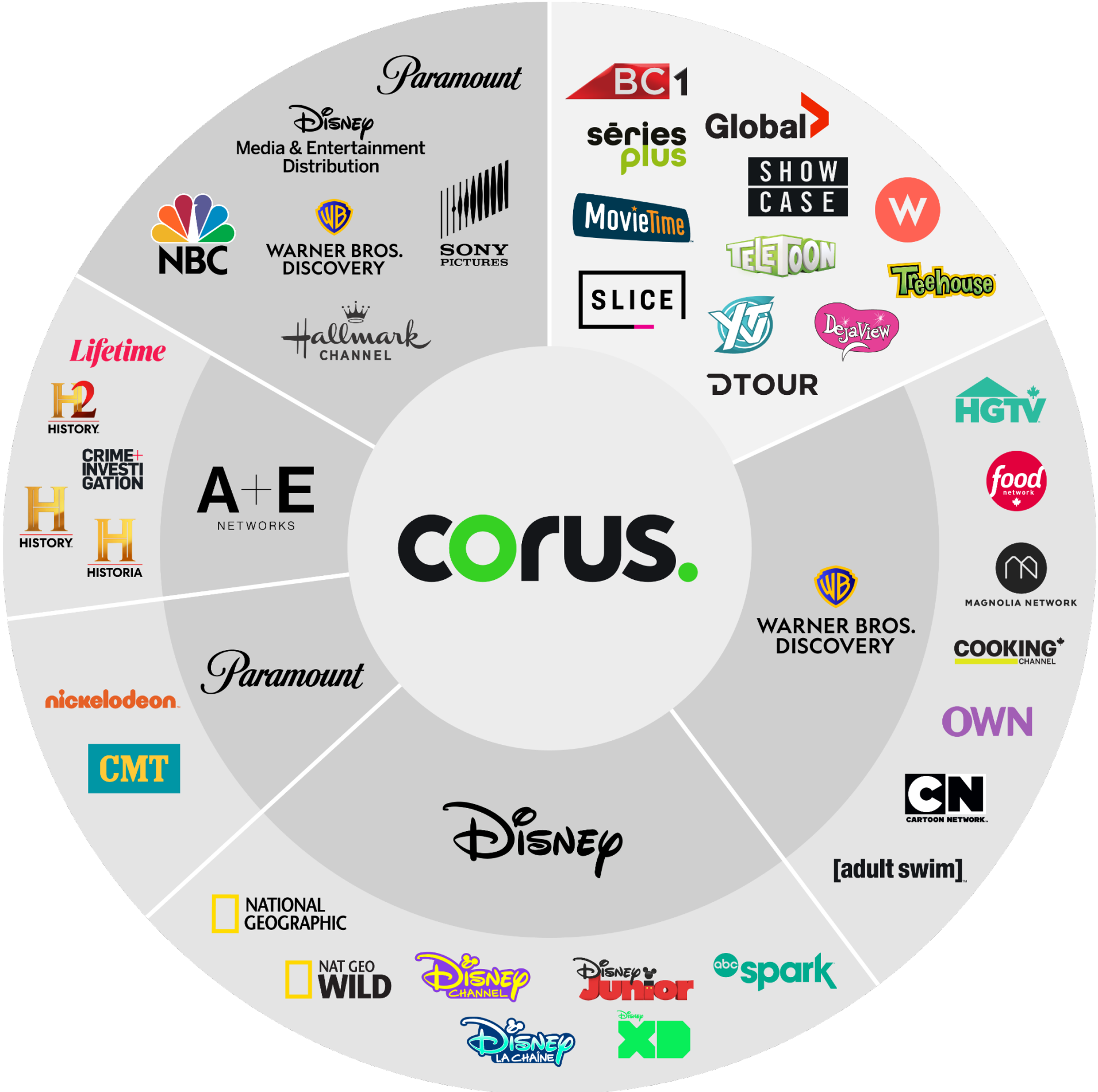
radio stations



conventional stations



# 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

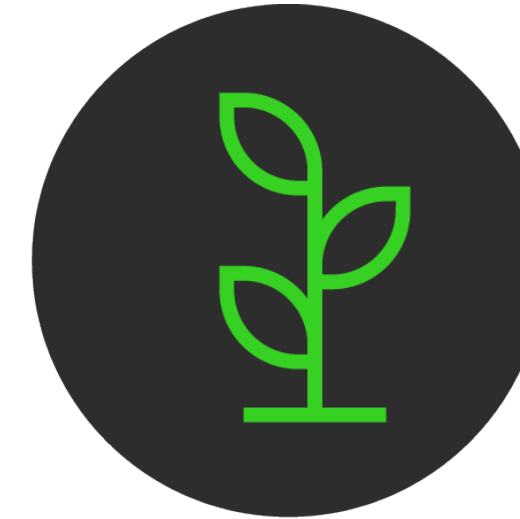


## **connect** with audiences

Create engaging content and  
brand experiences

Reach and interact  
with consumers on new  
platforms

Develop a unified view  
of audiences

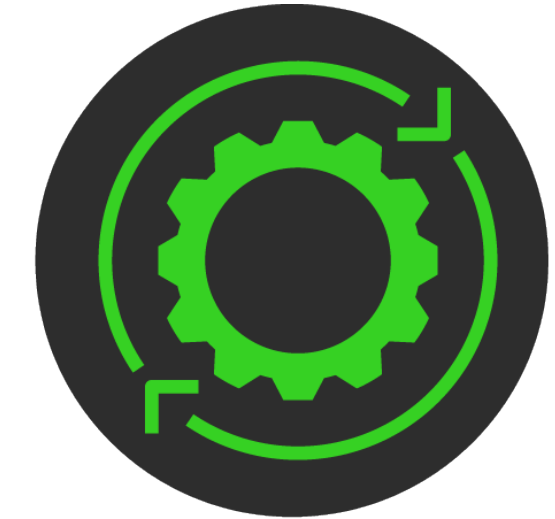


## **help** brands grow

Take a client-  
centric approach to  
everything we do

Build and deliver  
innovative advertising  
solutions

Become a trusted  
authority in marketing  
effectiveness



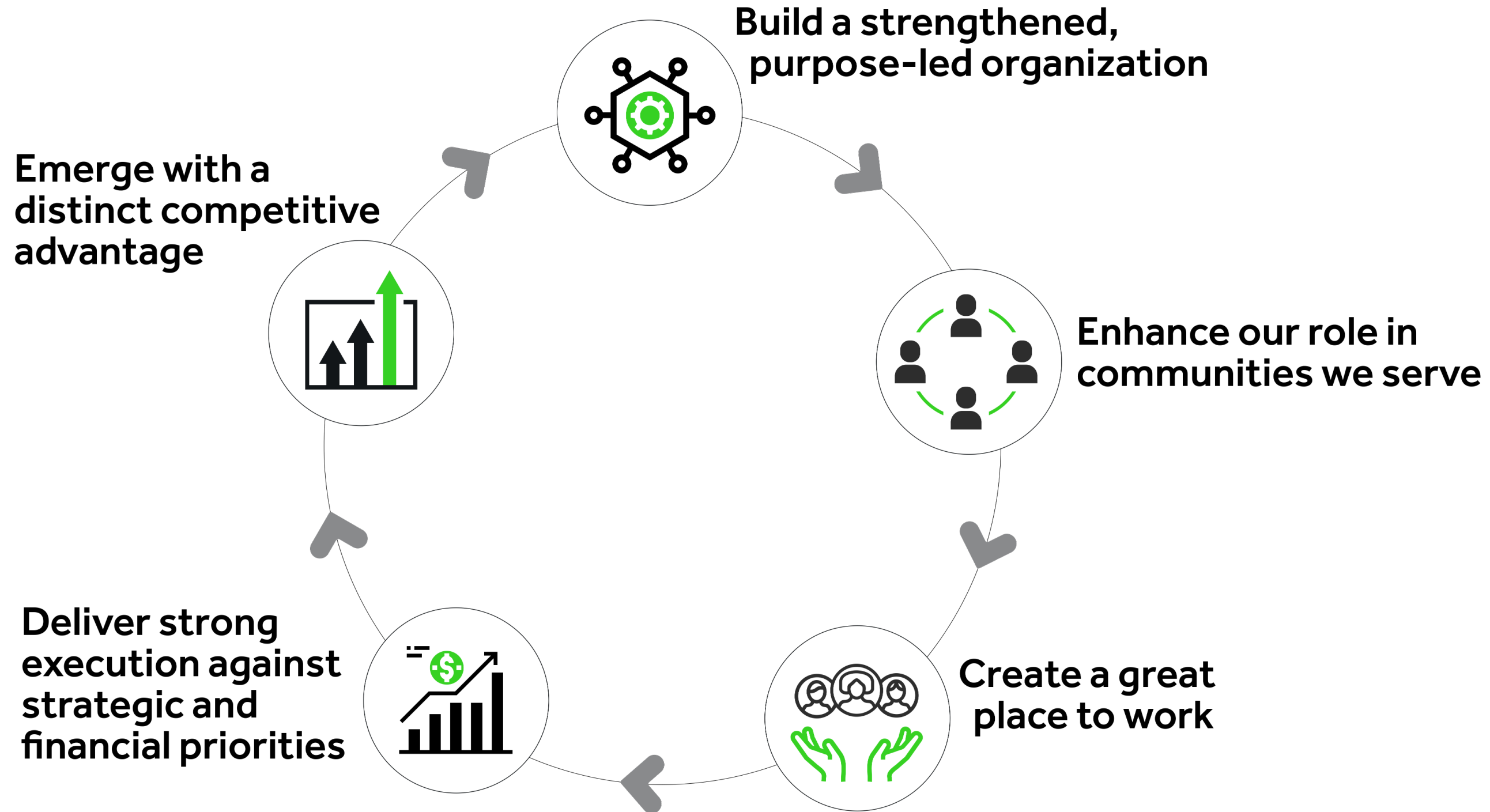
## **operate** with discipline

Embrace technology to  
support revenue growth  
and improve productivity

Bring rigour and financial  
discipline to decision  
making

Increase financial  
flexibility

# Integration of ESG Principles Into Strategy



In April 2022, 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.



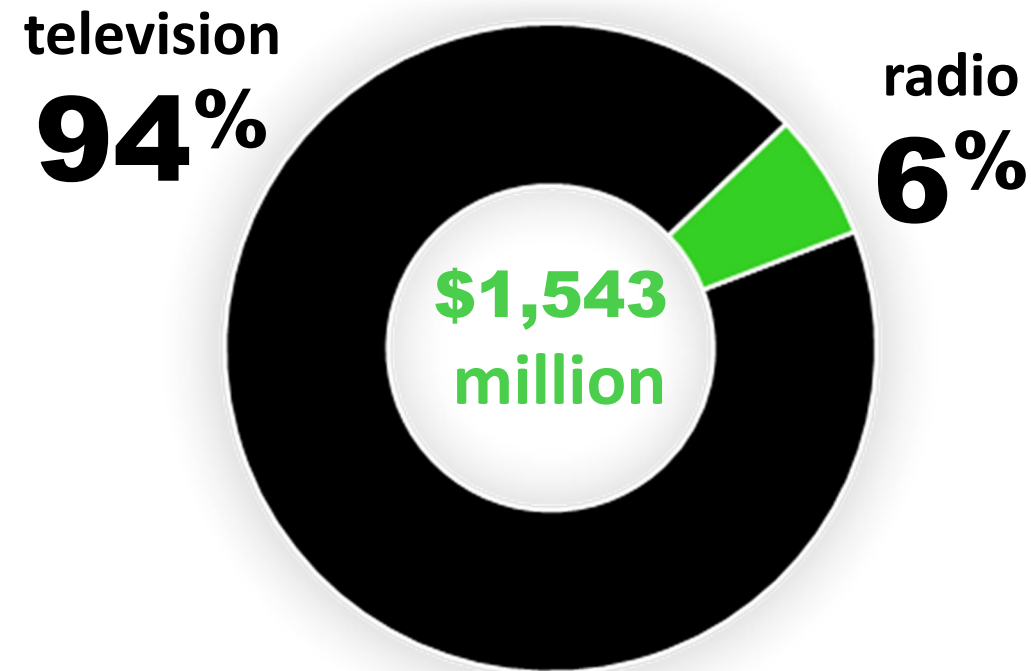


# Financial Overview

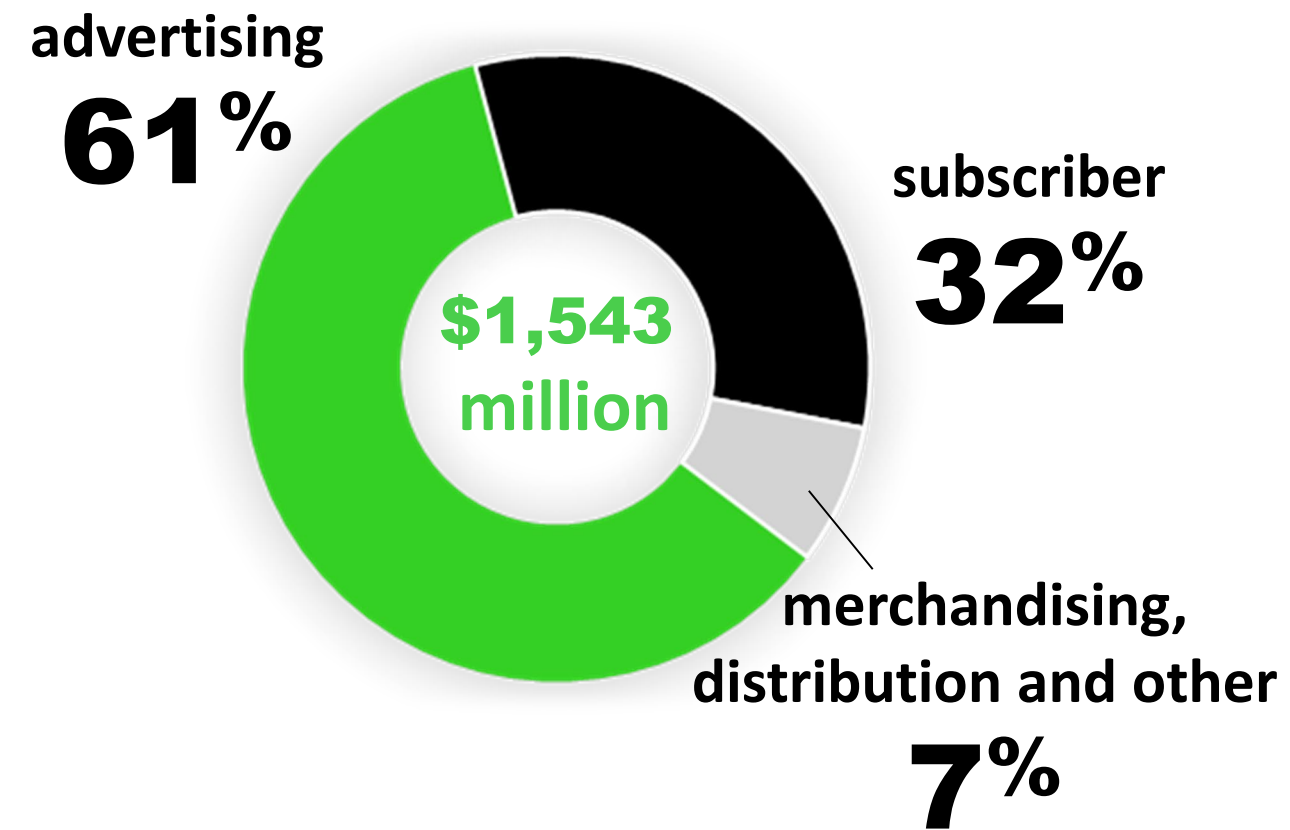


Operate  
with  
discipline

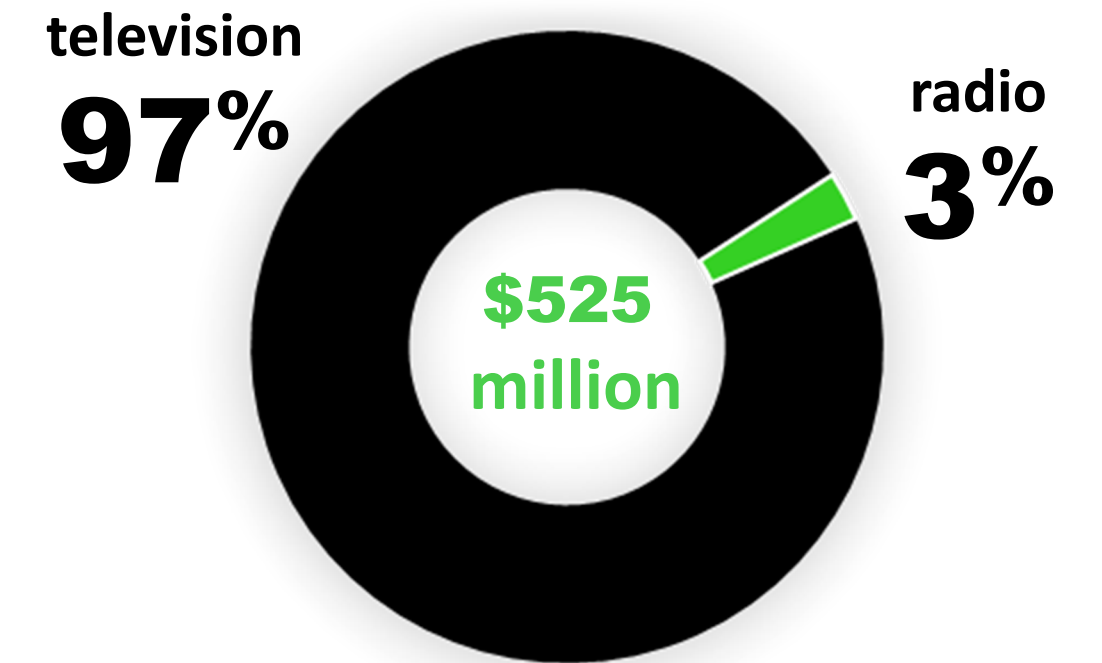
## Segment Revenue<sup>1</sup>



## 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>**

### 3 Return Cash to Shareholders

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

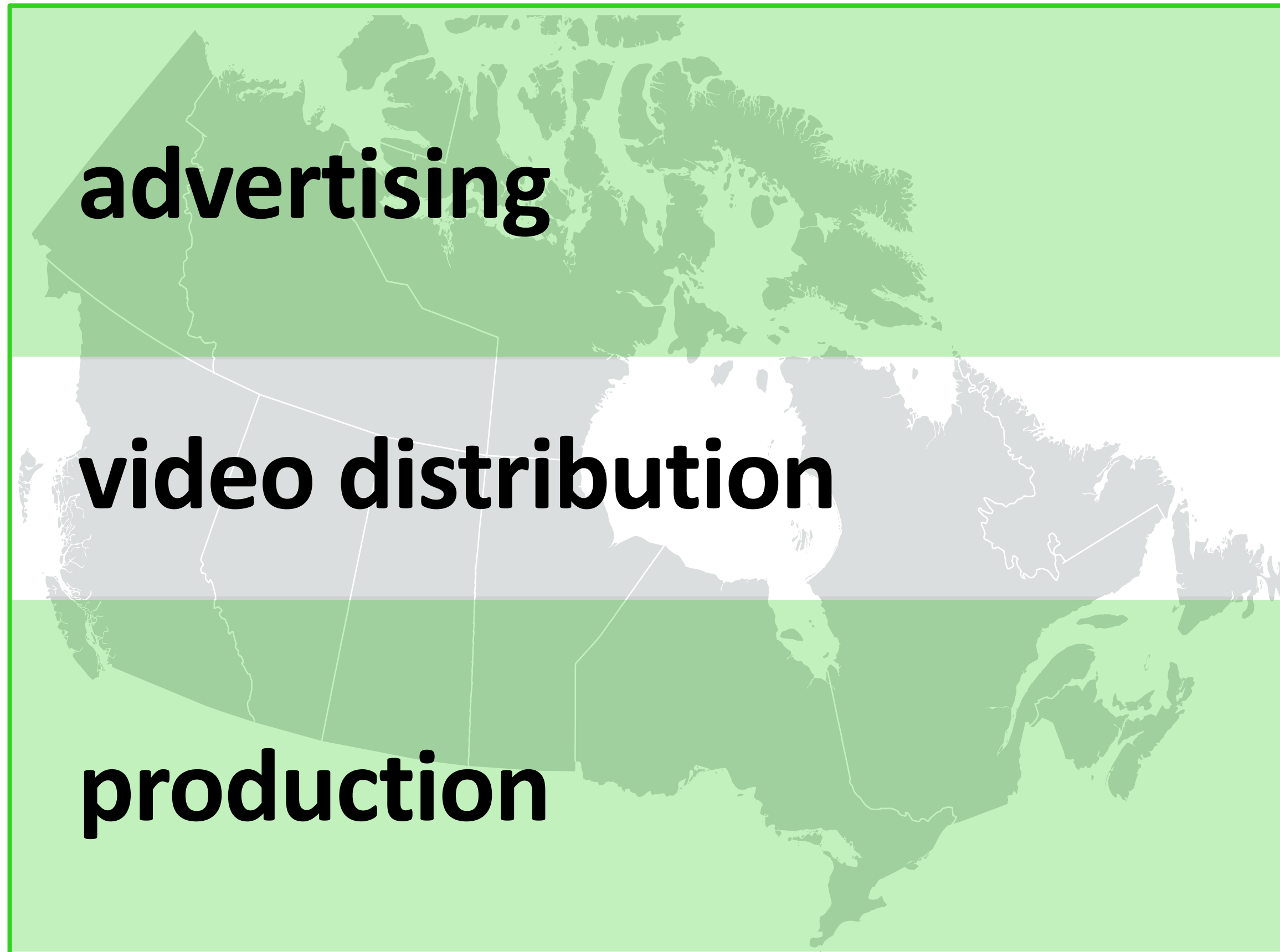
1. Year Ended August 31, 2021.

2. Percentages exclude 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



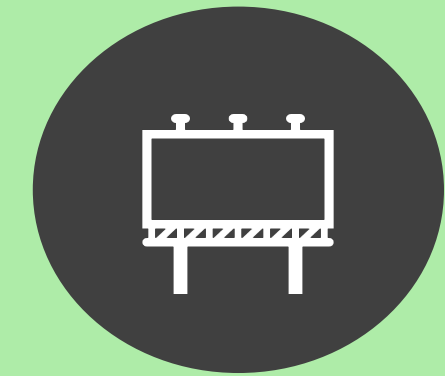
## Industry Measurement



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

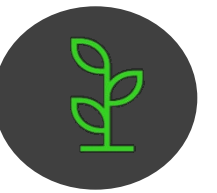
think tv

cynch  
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



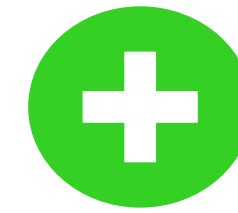
I ♥ PLANET EARTH



TECHNOPHILES



TRUCKIN'



Automated buying platform

**cynch**



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



dynamic advertising insertion (DAI) for video on demand

**STACKTV**



Industry Leading Portfolio of Advanced Advertising Solutions

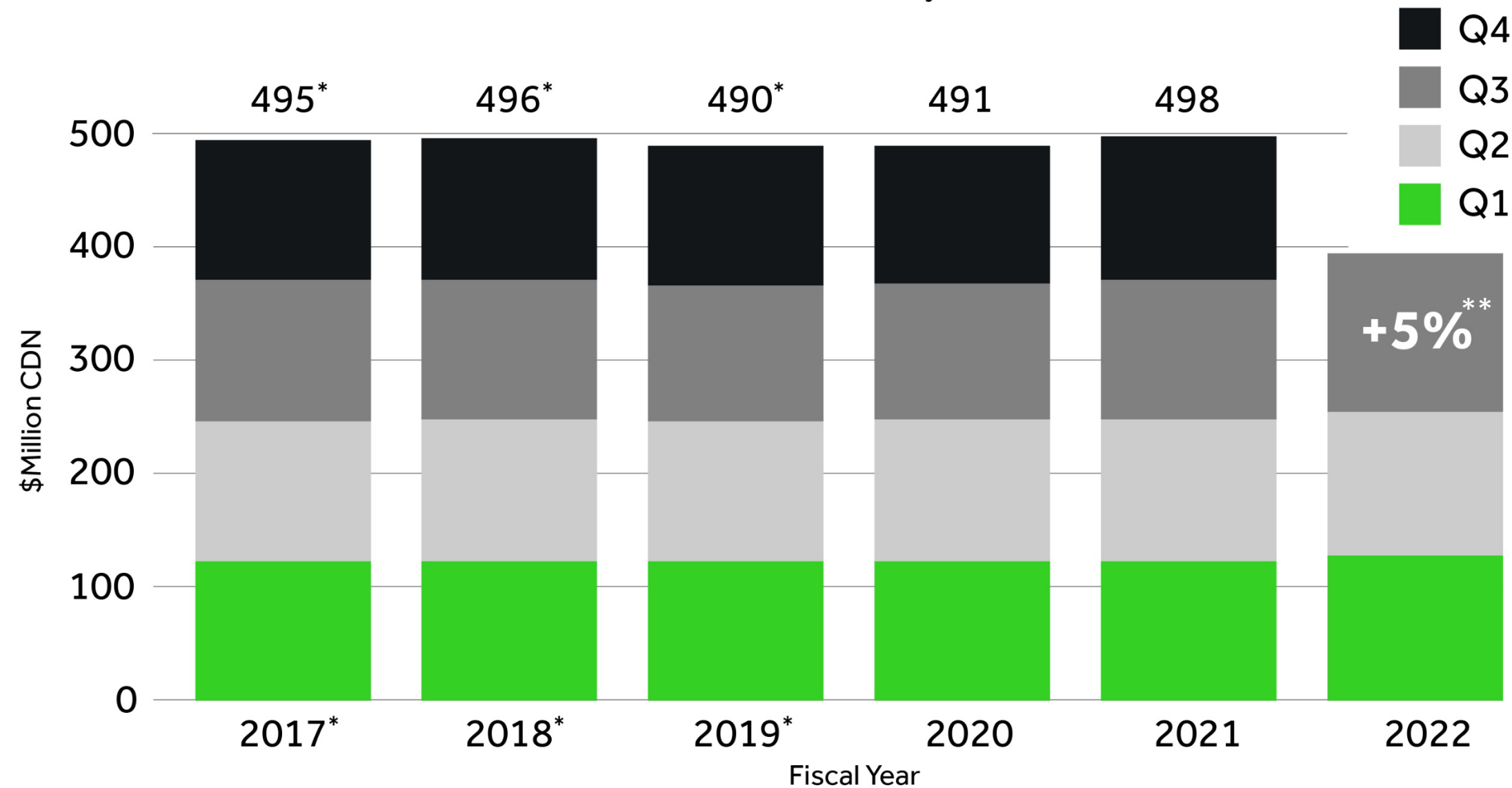
# Resilient Recurring Subscriber Revenue



Connect with audiences

## Television Subscriber Revenue since F2017

Television Subscriber Revenue by Quarter



\*Subscriber revenues proforma for the disposal of TLN

\* Subscriber revenue proforma for the disposal of Teletatino Network

\*\* For the quarter ended May 31, 2022 vs. prior year quarter



Target of 1 million paying subscribers



Provides added value for traditional subscribers



On track to achieve >\$500 million of Television subscriber revenue in F2022

# Building a Powerful Streaming Portfolio



Connect with audiences

**STACKTV**

Ad-Supported Hybrid SVOD/Live



Ad-Supported VOD (AVOD)



Free Ad-Supported Streaming Television (FAST)

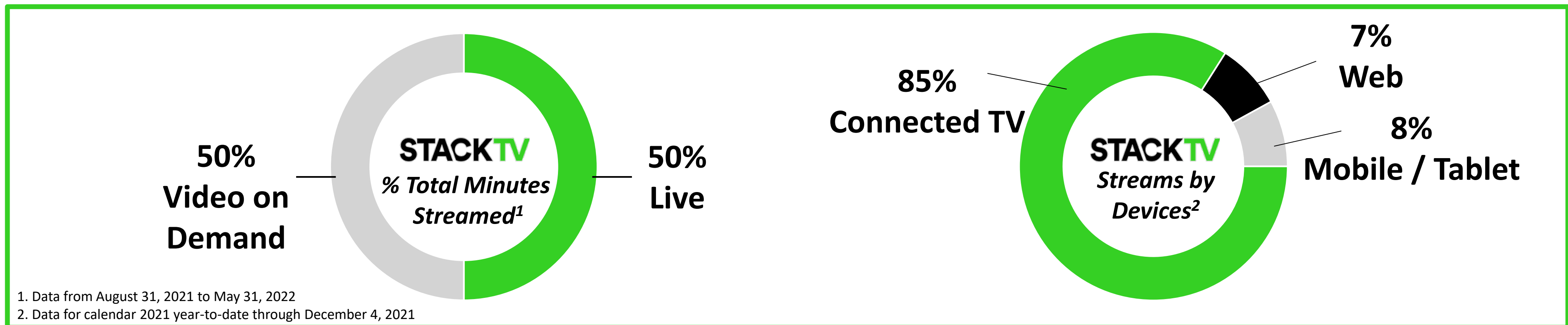


# Connecting with Audiences on **New Platforms**

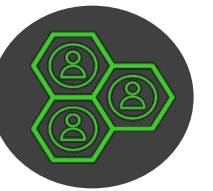


Connect with audiences

More Content in **More Places**  Strong **Live TV Viewership**



# Global TV Delivers Premium Content **Everywhere**

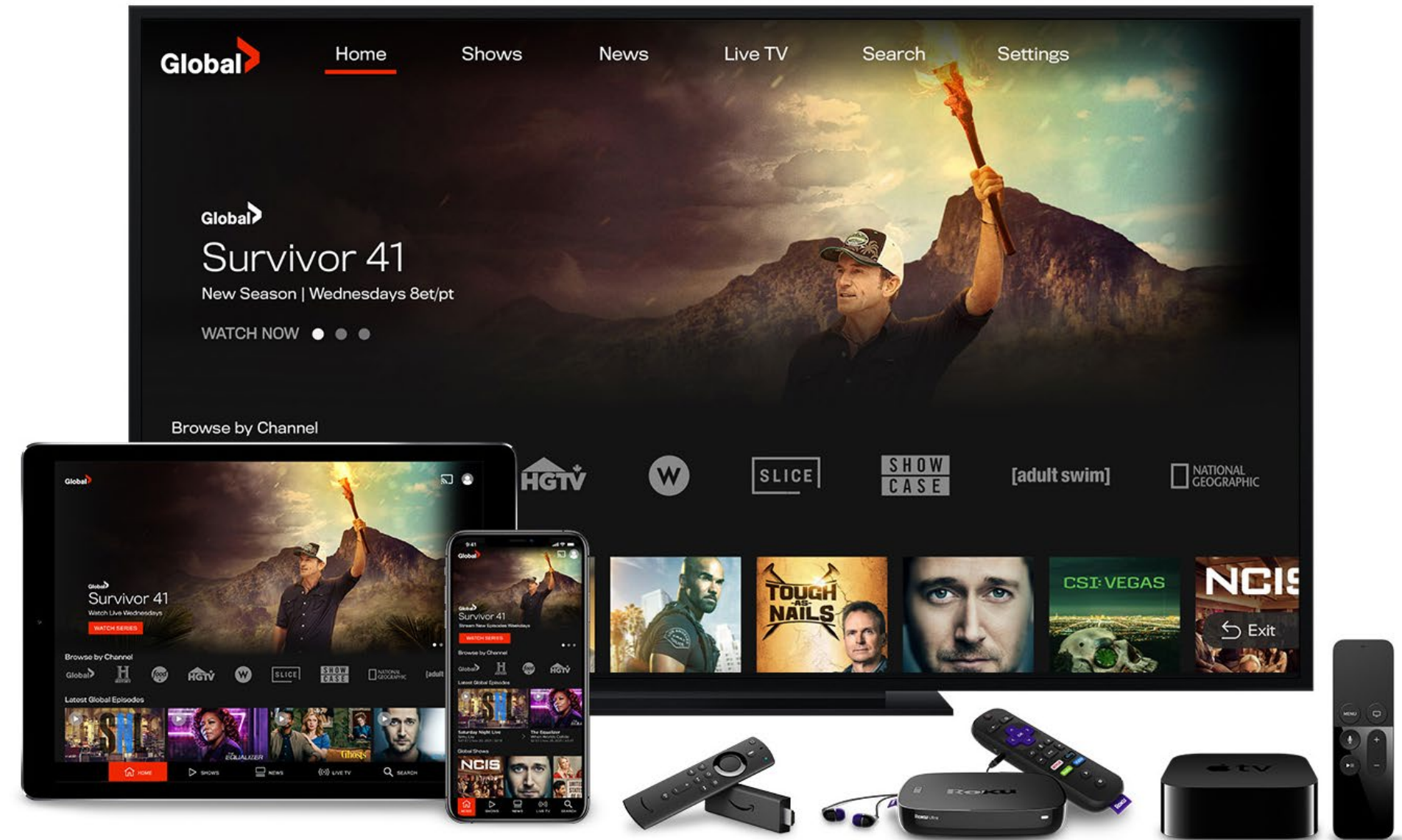


Connect with audiences

- 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

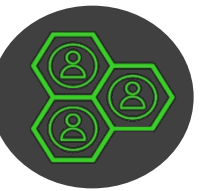


Actively pursuing **advertising-supported video on demand (AVOD)** opportunities





# Expansion into FAST Channels



Connect with  
audiences



- Corus and Paramount Global will launch Pluto TV, a Free Ad-Supported Streaming Television (FAST) channel offering, in Canada this Fall with more than 100 unique, curated channels and over 20,000 hours of content
- Pairs Corus' leading ad sales capabilities with Pluto TV's best-in-class platform and technology
- Enables Corus to serve compelling content to audiences and offers more premium video options for advertisers
- Provides incremental programming window for Corus content



# Revenue Growth and Diversification Initiatives



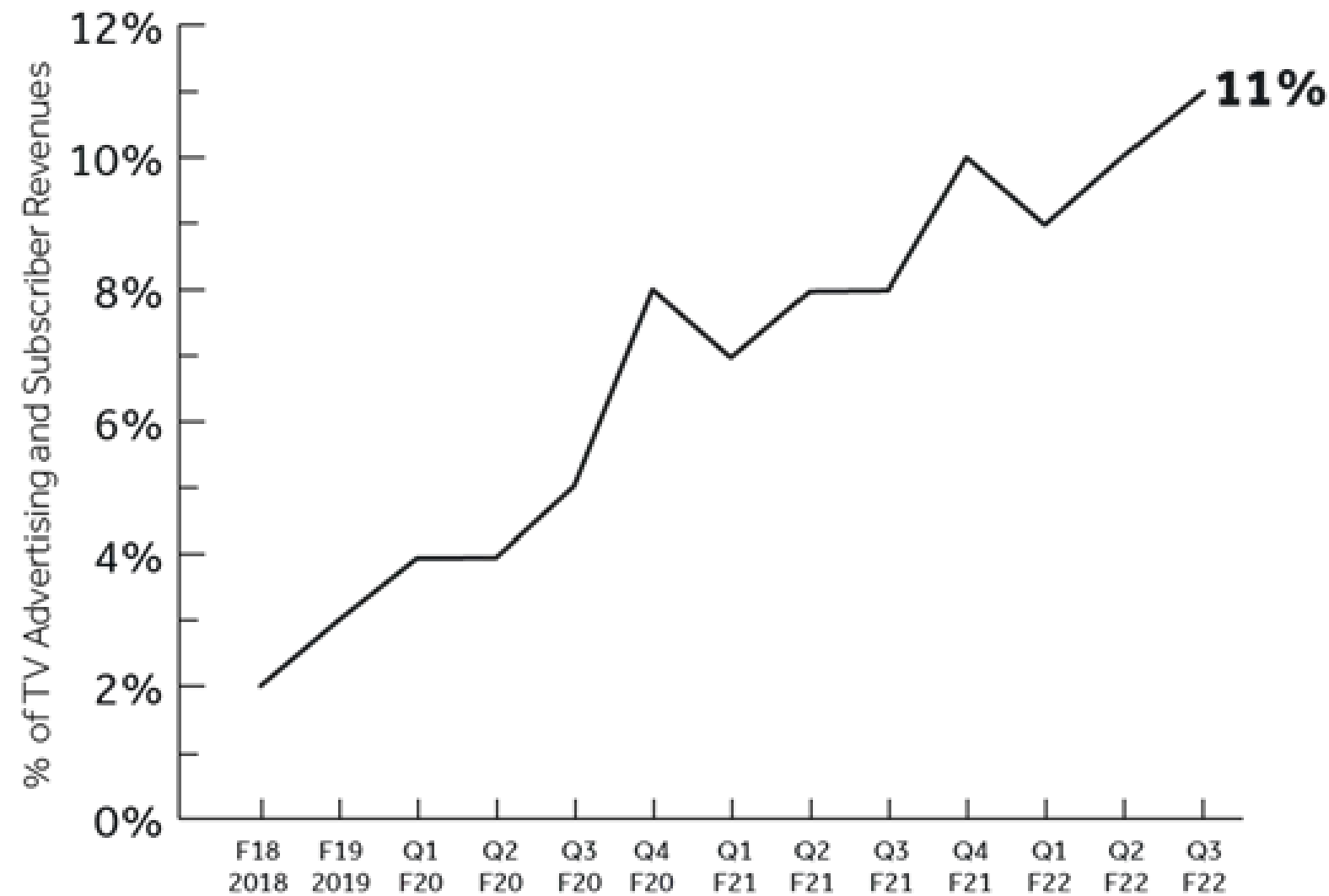
Connect with audiences



Help brands grow

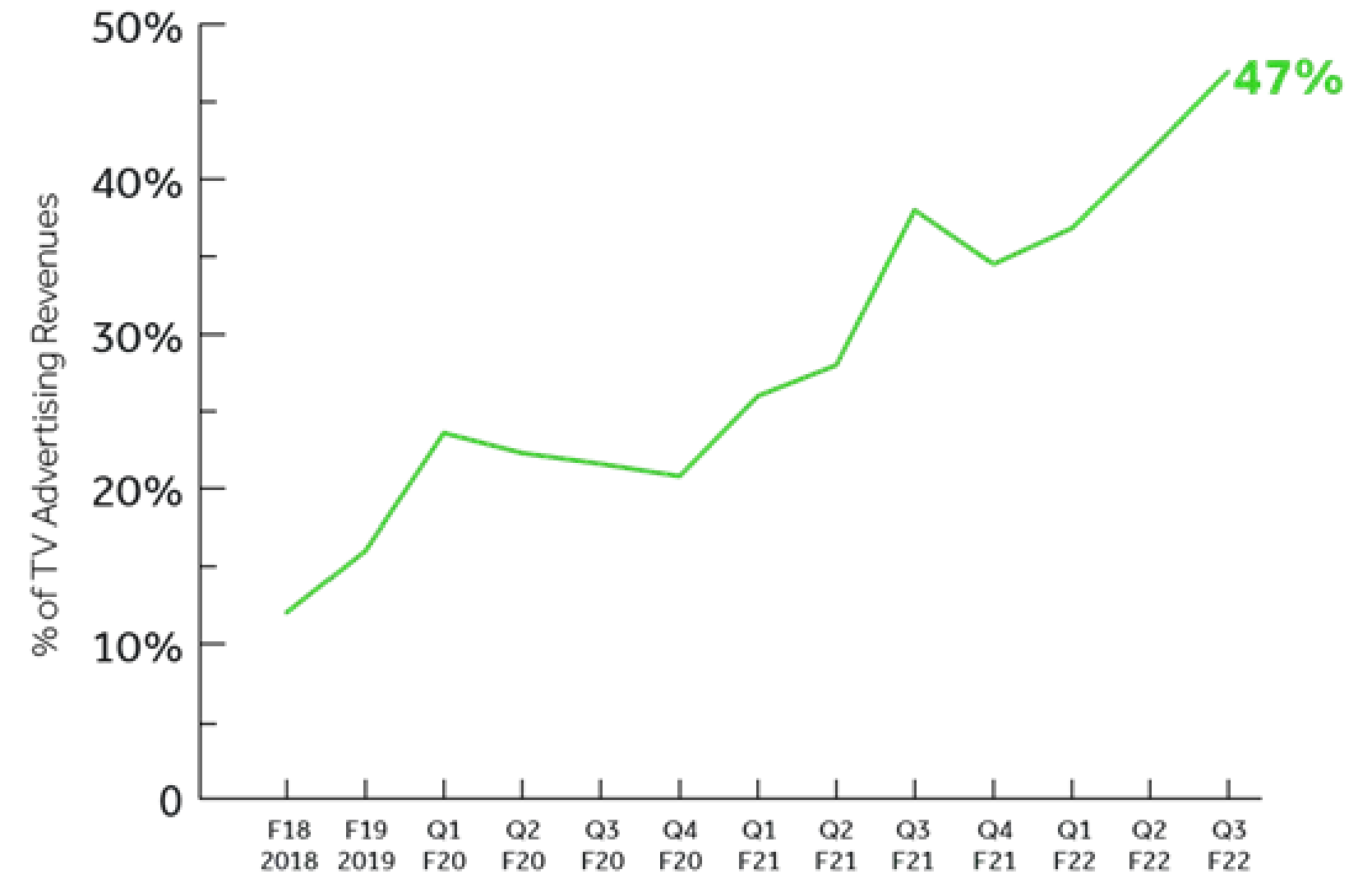
Emerging Growth Drivers

## 1 New Platform Revenue<sup>1</sup>



- Reflects progress on Corus' participation in rapidly growing streaming distribution platforms and digital video advertising markets
- Combines subscriber revenue from streaming initiatives and advertising revenue from digital platforms expressed as a percentage of total Television advertising and subscriber revenue

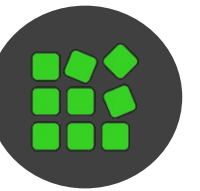
## 2 Optimized Advertising Revenue<sup>1</sup>



- Reflects progress on the transformation of how Television advertising is sold
- Includes advertising revenue attributable to audience segment selling and to the Cynch automated buying platform expressed as a percentage of Television advertising revenue

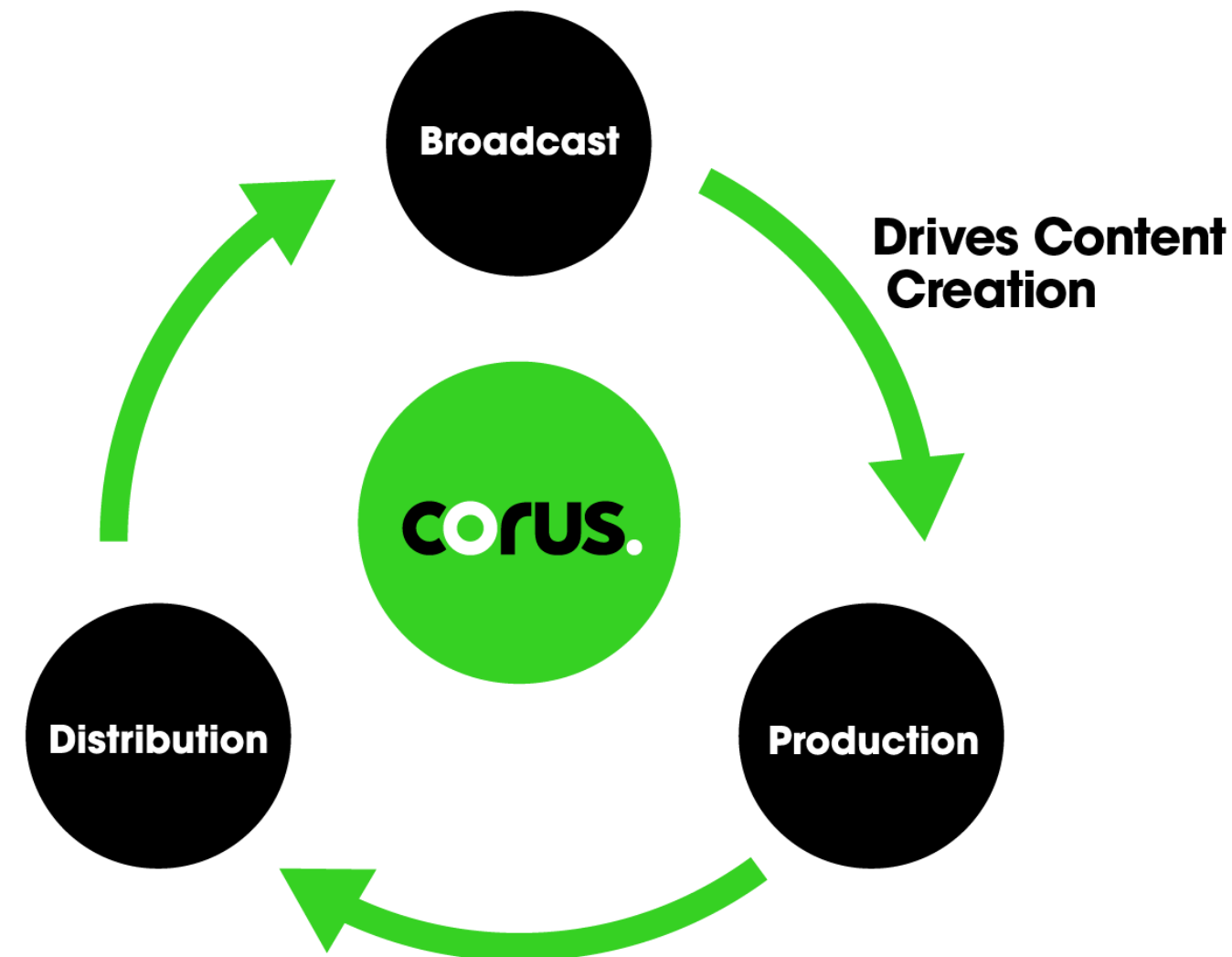
1. This is a non-GAAP financial measure and does not have a standardized meaning prescribed by IFRS. Refer to the "Note to User" section on slide 2 for more information.

# Corus Advantage Drives Content Creation



Build a  
content  
powerhouse

## corus. Advantage



## Content Creation

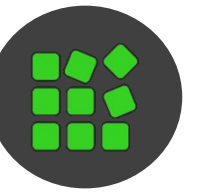
- Leveraging required Canadian content spending to grow international content sales

## 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



Build a content powerhouse



~900 episode library

Secured multi-year output deal with Hulu for 400+ episodes of Corus Studios content

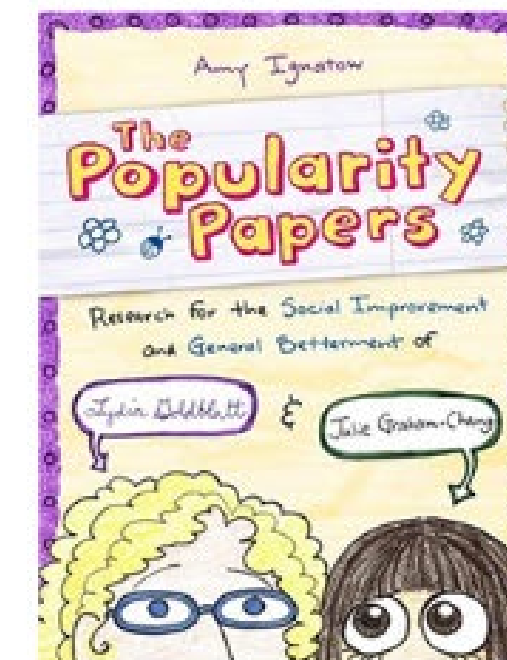


~4,800 episode library

Expanding pipeline of new shows and franchise hits



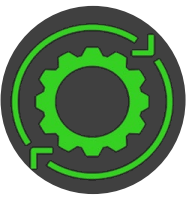
AIRCRAFT PICTURES



Additive to content portfolio



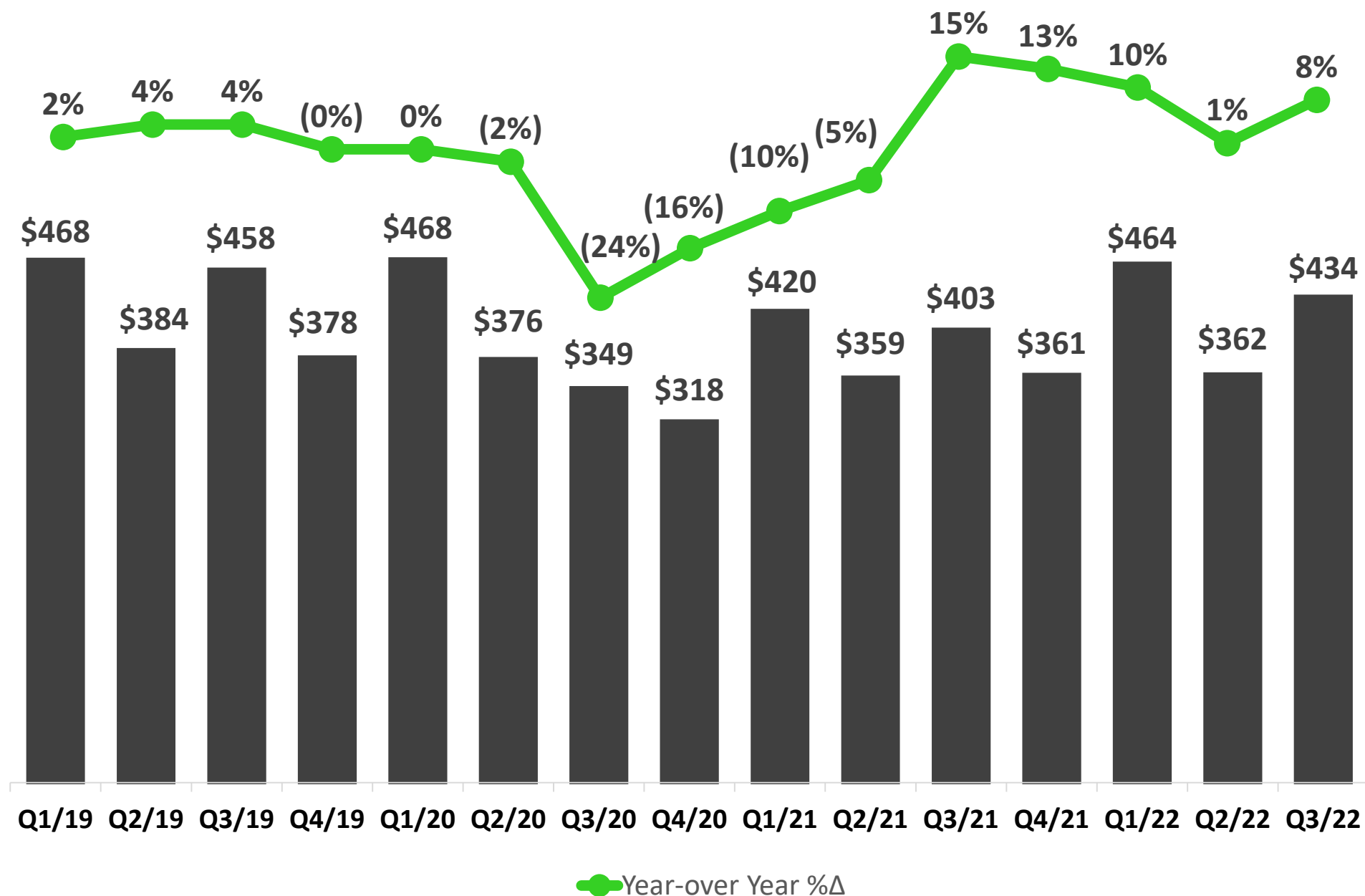
# Consolidated Results



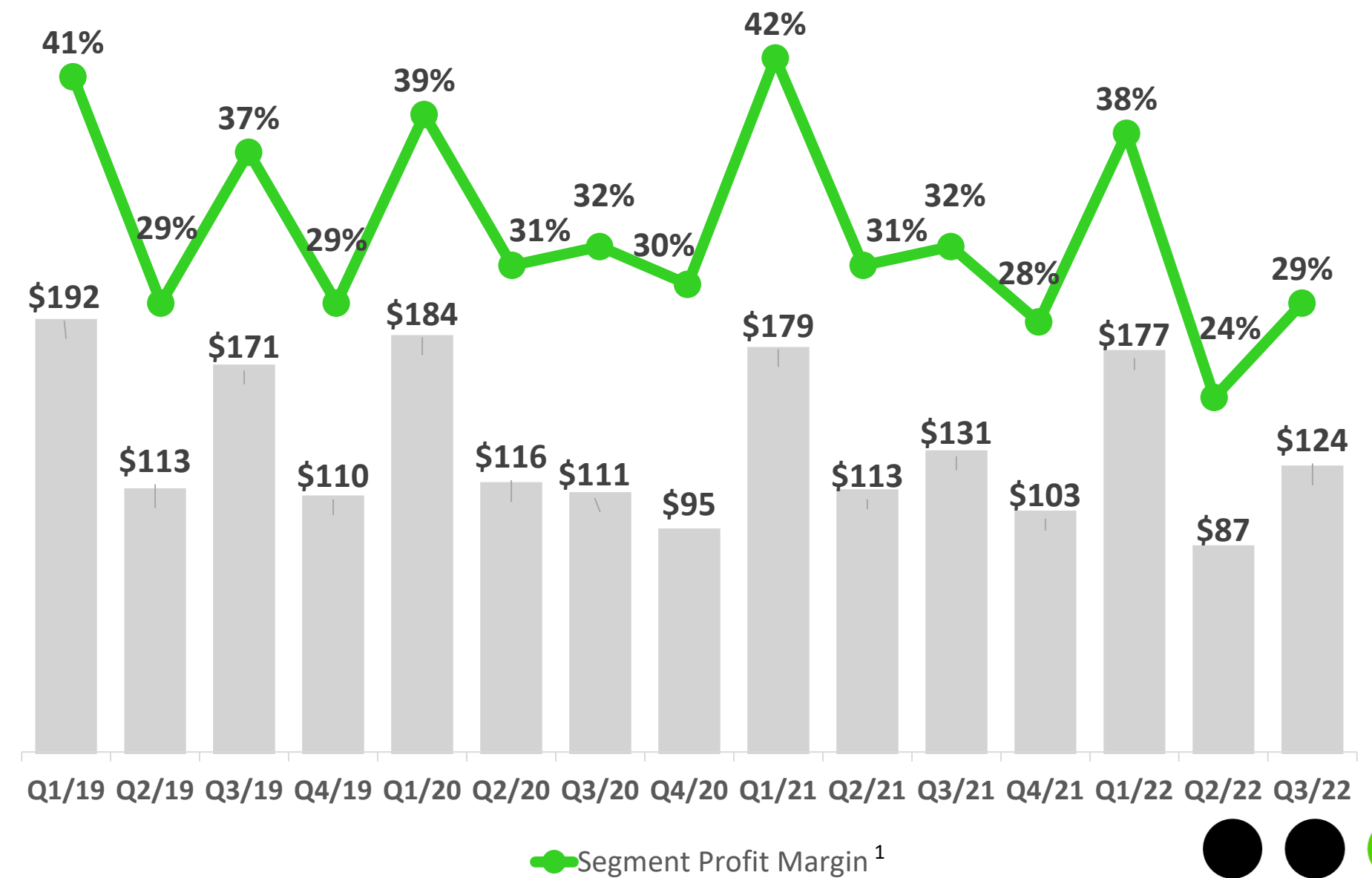
Operate  
with  
discipline

- Corus has demonstrated a clear path to revenue recovery since the onset of COVID-19, with investments to drive revenue growth across new platforms

## Consolidated Revenue



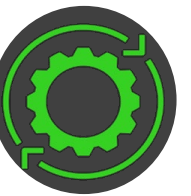
## Consolidated Segment Profit<sup>1</sup>



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

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.

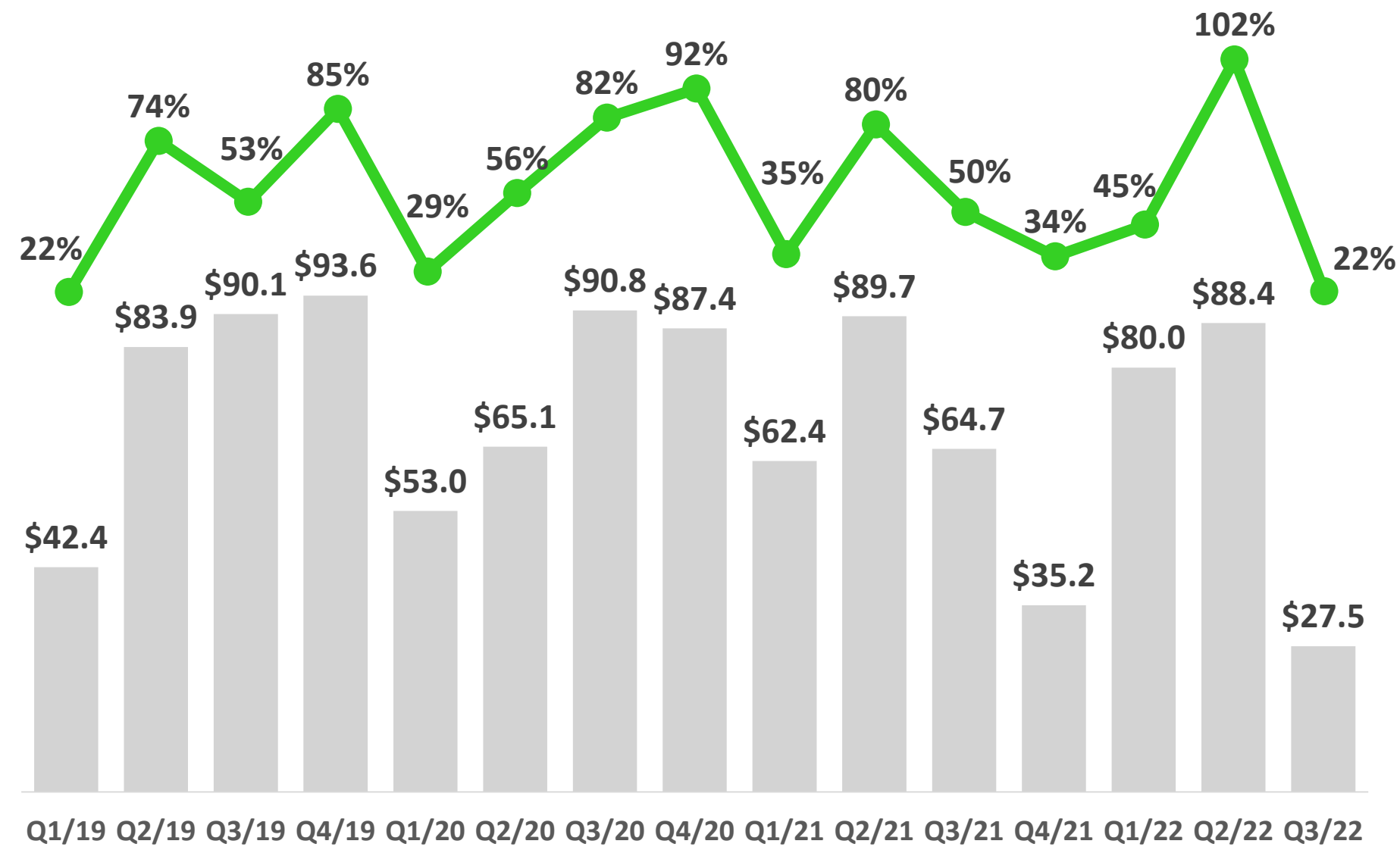
# Free Cash Flow and Leverage



Operate  
with  
discipline

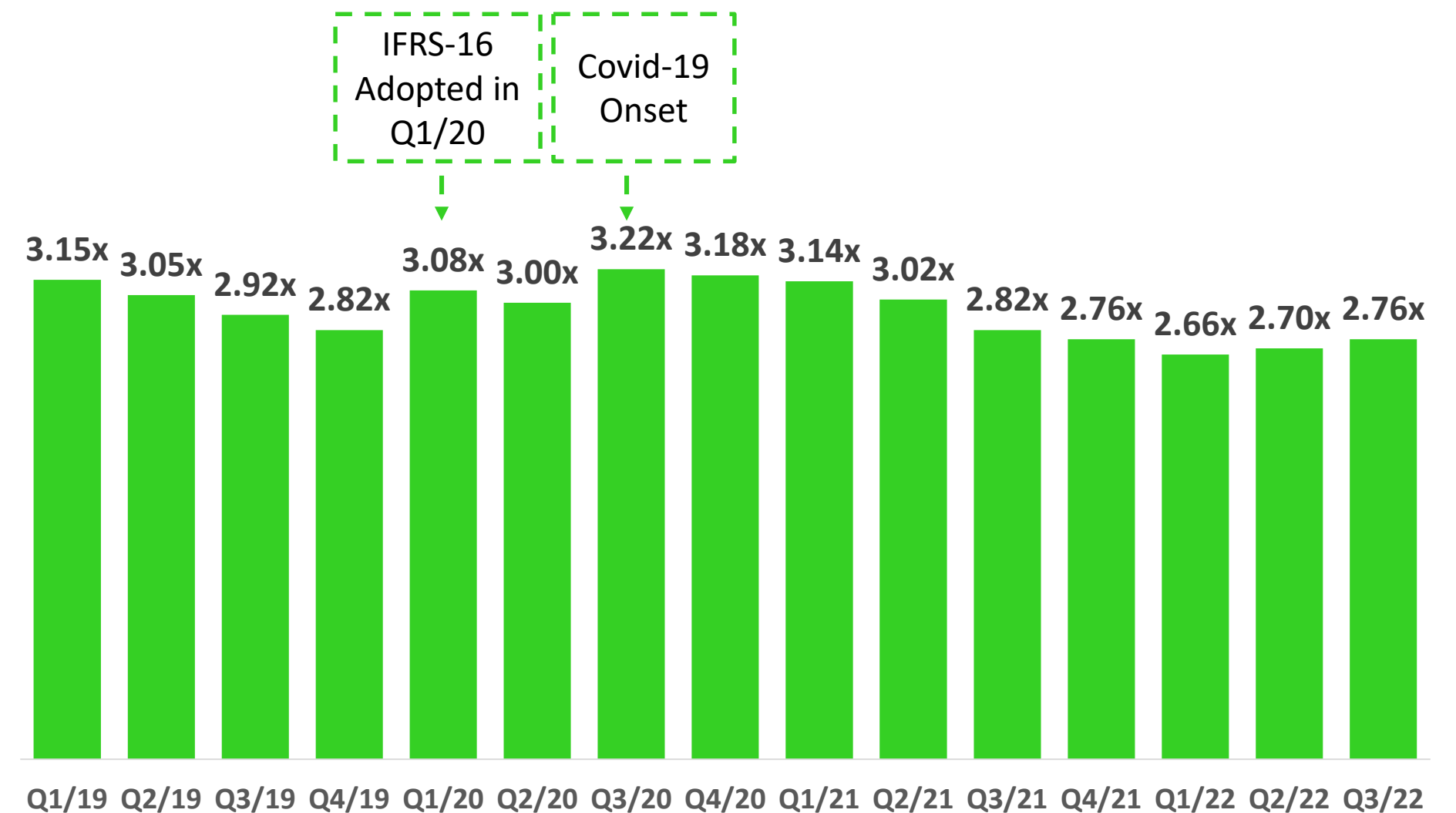
- Increased financial flexibility resulting from strong free cash flow generation, low capital expenditure intensity, improved capital structure and continued de-leveraging efforts

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



Conversion<sup>3</sup>

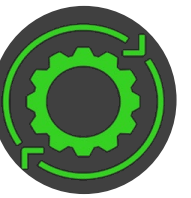
## Net Debt to Segment Profit<sup>1,2</sup>



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

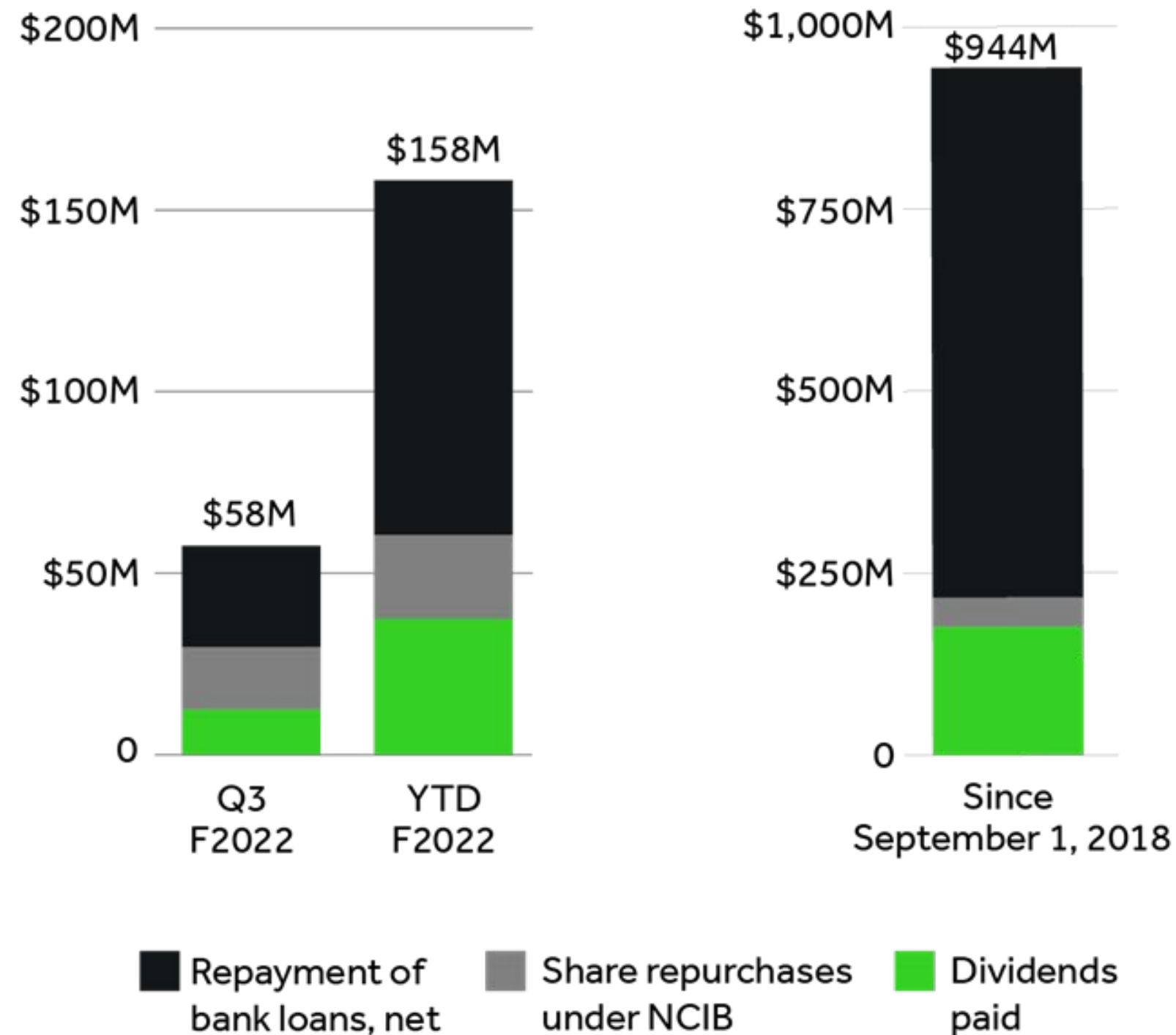
- This is a non-GAAP financial measure and does not have a standardized meaning prescribed by IFRS. Refer to the "Note to User" section on slide 2 for more information.
- Fiscal 2019 free cash flow and net debt to segment profit do not include impact of adoption of IFRS-16.
- Free cash flow as a percentage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

# Significant Progress on Financial Priorities



Operate  
with  
discipline

## Shareholder Yield



## Recent Highlights

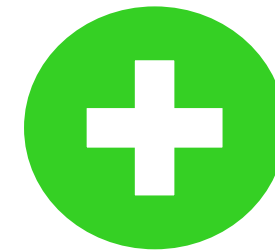


<sup>1</sup> This is a non-GAAP financial measure and does not have a standardized meaning prescribed by IFRS. Refer to the "Note to User" section on slide 2 for more information

Focus on returning value through shareholder yield

# 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.



corrus.

Q&A