

## CORUS ENTERTAINMENT ANNOUNCES FISCAL 2022 FOURTH QUARTER AND YEAR END RESULTS

- Consolidated revenue decreased 6% for the quarter and increased 4% for the year
- Consolidated segment profit<sup>(1)</sup> decreased 45% for the quarter and 15% for the year
- Consolidated segment profit margin<sup>(1)</sup> of 17% for the quarter and 28% for the year
- Net loss attributable to shareholders of \$367.1 million (\$1.82 loss per share basic) for the quarter and \$245.1 million (\$1.19 loss per share basic) for the year, which includes non-cash impairment charges related to goodwill of \$350.0 million.
- Net debt to segment profit<sup>(1)</sup> of 3.02 times at August 31, 2022, up from 2.76 times at August 31, 2021
- Free cash flow<sup>(1)</sup> of \$44.7 million for the quarter and \$239.6 million for the year

**TORONTO, October 21, 2022 – Corus Entertainment Inc.** (TSX: CJR.B) announced its fourth quarter and year end financial results today.

“In Q4 we experienced meaningfully lower financial results given the impacts of an uncertain economic environment on advertising demand,” said Doug Murphy, President and CEO, Corus Entertainment. “Despite these cross-currents in the advertising market, our portfolio of businesses is delivering impressive subscriber revenue growth and increased international content sales. In addition, the ongoing expansion of our premium digital video business, with STACKTV, TELETOON+, the Global TV App and the upcoming launch of Pluto TV, underscores our progress in maximizing multi-platform television opportunities. We are taking appropriate actions to tightly manage our expenses while maintaining a disciplined focus on capital allocation, shareholder yield and the ongoing execution of our strategic plan and priorities.”

### Financial Highlights

(in thousands of Canadian dollars except per share amounts)	Three months ended			Year ended		
	2022	August 31, 2021	% Change	2022	August 31, 2021	% Change
<b>Revenue</b>						
Television	314,170	335,844	(6%)	1,492,708	1,446,287	3%
Radio	25,424	25,411	0%	105,878	97,196	9%
	<b>339,594</b>	<b>361,255</b>	<b>(6%)</b>	<b>1,598,586</b>	<b>1,543,483</b>	<b>4%</b>
<b>Segment profit (loss)<sup>(1)</sup></b>						
Television <sup>(2) (3)</sup>	59,018	110,026	(46%)	458,145	549,159	(17%)
Radio <sup>(2) (3)</sup>	1,729	4,316	(60%)	13,267	14,151	(6%)
Corporate <sup>(2)</sup>	(4,558)	(11,642)	61%	(27,769)	(38,692)	28%
	<b>56,189</b>	<b>102,700</b>	<b>(45%)</b>	<b>443,643</b>	<b>524,618</b>	<b>(15%)</b>
<b>Segment profit margin<sup>(1)</sup></b>						
Television	19%	33%		31%	38%	
Radio	7%	17%		13%	15%	
Consolidated	17%	28%		28%	34%	
Net income (loss) attributable to shareholders	(367,065)	19,920	n/m	(245,058)	172,550	n/m
Adjusted net income (loss) attributable to shareholders <sup>(1)</sup>	(17,116)	21,669	n/m	106,938	182,218	n/m
Basic earnings (loss) per share	(\$1.82)	\$0.10		(\$1.19)	\$0.83	
Adjusted basic (loss) earnings per share <sup>(1)</sup>	(\$0.08)	\$0.10		\$0.52	\$0.88	
Diluted earnings (loss) per share	(\$1.82)	\$0.10		(\$1.19)	\$0.83	
<b>Free cash flow<sup>(1)</sup></b>	<b>44,713</b>	<b>35,181</b>	<b>27%</b>	<b>239,585</b>	<b>251,947</b>	<b>(5%)</b>

<sup>(1)</sup> 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, adjusted net income (loss) attributable to shareholders, adjusted basic earnings (loss) per share, 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 and Non-GAAP Financial Measures section of the Company’s Fourth Quarter 2022 Report to Shareholders.

<sup>(2)</sup> No claims for the Canada Emergency Wage Subsidy (“CEWS”) were made in fiscal 2022. In the prior year, segment profit for the fourth quarter included CEWS benefits of \$1.0 million (Television: \$1.1 million; Radio: \$0.2 million; Corporate reduction of \$0.3 million) and \$13.5 million for the year (Television: \$11.1 million; Radio: \$1.9 million; Corporate: \$0.5 million).

<sup>(3)</sup> In the first three quarters of the prior year, segment profit included relief on regulatory fees. As a result, CRTC part I and II fees for the year ended August 31, 2022 have increased by \$9.6 million (Television: \$8.8 million; Radio: \$0.8 million) compared to the prior year.

## Segment Revenue

(in thousands of Canadian dollars)	Three months ended			Year ended		
	2022	August 31, 2021	% Change	2022	August 31, 2021	% Change
<b>Revenue</b>						
<b>Television</b>	<b>314,170</b>	335,844	<b>(6%)</b>	<b>1,492,708</b>	1,446,287	<b>3%</b>
Advertising	<b>151,873</b>	176,942	<b>(14%)</b>	<b>859,598</b>	842,202	<b>2%</b>
Subscriber	<b>127,715</b>	125,735	<b>2%</b>	<b>518,483</b>	498,049	<b>4%</b>
Distribution, production and other	<b>34,582</b>	33,167	<b>4%</b>	<b>114,627</b>	106,036	<b>8%</b>
<b>Radio</b>	<b>25,424</b>	25,411	<b>0%</b>	<b>105,878</b>	97,196	<b>9%</b>
<b>Total Revenue</b>	<b>339,594</b>	361,255	<b>(6%)</b>	<b>1,598,586</b>	1,543,483	<b>4%</b>
<i>Optimized advertising revenue<sup>(1)</sup></i>	<b>50%</b>	34%	<b>26%</b>	<b>43%</b>	31%	<b>41%</b>
<i>New platform revenue<sup>(1)</sup></i>	<b>12%</b>	10%	<b>10%</b>	<b>10%</b>	8%	<b>32%</b>

<sup>(1)</sup> Optimized advertising revenue and new platform revenue do not have standardized meanings prescribed by IFRS. For definitions and explanations, see the discussion under the Key Performance Indicators and Non-GAAP Financial Measures section of the Fourth Quarter 2022 Report to Shareholders.

## Operational Highlights

Corus advanced its Strategic Priorities on multiple fronts. The Company expanded its premium digital video offerings for subscribers and advertisers; set up its successful Fall programming lineup for Global TV and Corus' portfolio of Specialty Networks, and expanded the scope of its content business. The Company advanced its capital allocation priorities through investments in the business to support future growth opportunities, maintaining dividends, and making bank debt repayments and share repurchases.

- **Corus and Paramount Global to launch Pluto TV.** Pluto TV, the world's leading FAST (free ad-supported streaming television) service, will launch in Canada on December 1, 2022. Corus' leading ad sales capabilities will be combined with Pluto TV's best-in-class platform and technology, serving compelling content to audiences and providing a differentiated model for advertisers. In addition, viewers will have access to a selection of Canadian series and shows from Corus' portfolio, spanning a variety of genres. The service will launch with more than 100 live channels and over 20,000 hours of content, available on all major platforms including web, mobile and connected TVs.
- **Corus launched TELETOON+.** Corus launched its new premium kids and family streaming service. TELETOON+ is available to subscribers through Amazon Prime Video Channels, Bell Fibe TV App or RiverTV. The Company's previous kids and family streaming service, Nick+, was transitioned to TELETOON+ effective September 1, 2022.

## Financial Highlights

- Free cash flow<sup>(1)</sup> of \$44.7 million in Q4 and \$239.6 million for the year compared to \$35.2 million and \$251.9 million, respectively, in the same comparable prior year periods. The increase in free cash flow in the fourth quarter is attributable to an increase in cash provided by operating activities of \$5.7 million, as well as a decrease of \$9.7 million in cash used in investing activities. The decrease in free cash flow for the year ended August 31, 2022 is mainly attributable to a decrease in cash provided by operating activities of \$57.7 million, offset by an increase in cash provided by investing activities, as a result of a \$43.5 million venture fund distribution.
- Net debt to segment profit<sup>(1)</sup> was 3.02 times at August 31, 2022, up from 2.76 times at August 31, 2022. Although net debt decreased from the repayment of bank loans, partially offset by the issuance of Senior Unsecured Notes due 2030 and production financing for an acquired subsidiary, the main driver to the increase in this ratio is the decrease of segment profit<sup>(1)</sup> for the most recent four quarters.
- In the fourth quarter, the Company purchased 2,774,300 of its Class B Non-Voting Participating Shares under a normal course issuer bid at an average acquisition price of \$3.89.
- As of August 31, 2022, the Company had \$54.9 million of cash and cash equivalents and the committed \$300.0 million Revolving Facility that remains undrawn.
- The macroeconomic environment became increasingly uncertain in the fourth quarter of fiscal 2022, characterized by persistently high inflation and continuing supply chain constraints, and as a result advertising demand and spending across the North American television industry contracted meaningfully. In addition, there was a significant decline in the Company's share price from August 31, 2022, which resulted in the Company's carrying value being greater than its current market enterprise value. As the Television operating segment had actual results that fell short of previous estimates and an outlook that is less robust, a non-cash goodwill impairment charge of \$350.0 million was recorded in the Television operating segment.

<sup>(1)</sup> Free cash flow, net debt to segment profit and segment profit do not have standardized meanings prescribed by IFRS. The Company reports on these because they are key measures used to evaluate performance. For definitions and explanations, see the discussion under the *Key Performance Indicators and Non-GAAP Measures* section of the Fourth Quarter 2022 Report to Shareholders and/or Management's Discussion and Analysis in the Company's Annual Report for the year ended August 31, 2021.

Corus Entertainment Inc. reports its financial results in Canadian dollars.

The unaudited interim condensed consolidated financial statements and accompanying notes for the three months and year ended August 31, 2022 and Management's Discussion and Analysis are available on the Company's website at [www.corusent.com](http://www.corusent.com) in the Investor Relations section and under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

A conference call with Corus senior management is scheduled for October 21, 2022 at 8:00 a.m. ET. While this call is directed at analysts and investors, members of the media are welcome to listen in. The dial-in number for the conference call for local and international callers is 1.647.794.4605 and for North America is 1.888.394.8218. More information can be found on the Corus Entertainment website at [www.corusent.com](http://www.corusent.com) in the Investor Relations section.

### **COVID-19 Update**

Many provinces and territories have lifted many of the health restrictions related to COVID-19, which has led to an increase in hybrid work arrangements, which in turn has seen a reduced return to on-site work across various sectors. However, disruptions caused by prior imposition of public health restrictions, public sentiment about the pandemic and continuing COVID-19 infection rates, including labour shortages, employee absenteeism at the Company or its clients and suppliers, changes in consumer demand, and supply chain shortages or disruptions, particularly in the automotive, retail, tourism, and entertainment sectors, can negatively impact the Company's operations and financial performance, including advertising demand and revenue. There can be no certainty that current vaccination and public health measures can mitigate negative impacts caused by the COVID-19 pandemic on the Company's business in the short to medium term.

### **Other Economic and Market Conditions**

As discussed further in the 2021 MD&A 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 Corus' brands, programming and talent.

### **Use of Non-GAAP Financial Measures**

This press release includes the non-GAAP or non-IFRS financial measures of segment profit, segment profit margin, free cash flow, adjusted net income (loss) attributable to shareholders, adjusted basic earnings (loss) per share, net debt to segment profit, as well as supplementary financial measures not presented in the financial statements such as optimized advertising revenue, and new platform revenue. Non-GAAP or non-IFRS measures that are not in accordance with, nor an alternate to, generally accepted accounting principles ("GAAP") and may be different from non-GAAP or non-IFRS measures used by other companies. In addition, these non-GAAP measures are not based on any comprehensive set of accounting rules or principles.

Non-GAAP financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with IFRS. They are limited in value because they exclude charges that have a material effect on the Company's reported results and, therefore, should not be relied upon as the sole financial measures to evaluate the Company's financial results. The non-GAAP financial measures are meant to supplement, and to be viewed in conjunction with, IFRS financial results. A reconciliation of the Company's non-GAAP measures is included in the Company's most recent Report to Shareholders for the three months and year ended August 31, 2022, which is available on Corus' website at [www.corusent.com](http://www.corusent.com) as well as on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Caution Concerning Forward-Looking Information**

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

To the extent any statements made in this press release 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 2023, subscriber revenue and anticipated subscription trends, distribution, production and other 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; the Company's ability to manage retention and reputation risks related to its on-air talent; 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 negatives 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 impact of recessionary conditions and continuing supply chain constraints; the potential impact of new competition and industry mergers and acquisitions; changes to applicable tax, licensing and regulatory regimes; inflation and interest rates, stability of the advertising, subscription, production and distribution markets; changes to key suppliers or clients; operating and capital costs and tariffs, taxes and fees, the Company's ability to source, produce or sell desirable content and the Company's capital and operating results being consistent with its 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: the Company's ability to attract, retain and manage fluctuations in advertising revenue; the Company's ability to maintain relationships with key suppliers and clients and on anticipated financial terms and conditions; 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; the availability of expected news, production and related credits, programs and funding; the existence of co-production treaties; the Company's ability to compete in any of the industries in which it does business including with competitors which may not be regulated in the same way or to the same degree; the business and strategic 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 including statements, decisions or positions by applicable regulators including, without limitation, the Canadian Radio-television and Telecommunications Commission ("CRTC"), Canadian Heritage and Innovation, Science and Economic Development Canada ("ISED"); changes to licensing status or conditions; unanticipated or un-mitigatable programming costs; 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 and safety crises in Canada and globally, including COVID-19; physical and operational changes to the Company's key facilities and infrastructure; cybersecurity threats or incidents to the Company or its key suppliers and vendors; 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 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 and may be updated or amended from time to time. Except as 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.

#### **About Corus Entertainment Inc.**

Corus Entertainment Inc. (TSX: CJR.B) is a leading media and content company that develops and delivers high quality brands and content across platforms for audiences around the world. Engaging audiences since 1999, the Company's portfolio of multimedia offerings encompass 33 specialty television services, 39 radio stations, 15 conventional television stations, a suite of digital and streaming assets, animation software, technology and media services. Corus is an internationally-renowned content creator and distributor through Nelvana, a world class animation studio expert in all formats and Corus Studios, a globally recognized producer of hit scripted and unscripted content. The Company also owns innovative full-service social digital agency so.da, lifestyle entertainment company Kin Canada, leading 2D animation software supplier Toon Boom and children's book publishing house, Kids Can Press. Corus' roster of premium brands includes Global Television, W Network, HGTV Canada, Food Network Canada, Magnolia Network Canada, The HISTORY® Channel, Showcase, Adult Swim, National Geographic, Disney Channel Canada, YTV, Global News, Globalnews.ca, Q107, Country 105, and CFOX, along with broadly distributed Canadian streaming platforms STACKTV, TELETOON+, the Global TV App and Curiouscast. For more information visit [www.corusent.com](http://www.corusent.com).

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**CORUS ENTERTAINMENT INC.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(unaudited - in thousands of Canadian dollars)	As at August 31, 2022	As at August 31, 2021
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	54,912	43,685
Accounts receivable	311,015	325,587
Income taxes recoverable	17,180	5,597
Prepaid expenses and other assets	21,423	24,106
<b>Total current assets</b>	<b>404,530</b>	<b>398,975</b>
Tax credits receivable	32,744	24,501
Investments and other assets	63,931	98,667
Property, plant and equipment	294,026	316,226
Program rights	660,722	576,076
Film investments	59,122	39,732
Intangibles	1,620,796	1,687,432
Goodwill	316,308	664,958
Deferred income tax assets	50,301	50,050
	<b>3,502,480</b>	<b>3,856,617</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	526,899	509,817
Current portion of long-term debt	15,574	35,328
Provisions	8,540	7,202
<b>Total current liabilities</b>	<b>551,013</b>	<b>552,347</b>
Long-term debt	1,246,076	1,313,965
Other long-term liabilities	376,570	331,482
Provisions	9,830	9,497
Deferred income tax liabilities	415,010	428,963
<b>Total liabilities</b>	<b>2,598,499</b>	<b>2,636,254</b>
<b>EQUITY</b>		
Share capital	781,918	816,189
Contributed surplus	1,511,481	1,512,431
Accumulated deficit	(1,574,358)	(1,282,897)
Accumulated other comprehensive income	33,000	21,811
Total equity attributable to shareholders	752,041	1,067,534
Equity attributable to non-controlling interest	151,940	152,829
<b>Total equity</b>	<b>903,981</b>	<b>1,220,363</b>
	<b>3,502,480</b>	<b>3,856,617</b>

**CORUS ENTERTAINMENT INC.**

**CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)**

	Three months ended		Year ended	
	August 31,		August 31,	
(unaudited - in thousands of Canadian dollars except per share amounts)	2022	2021	2022	2021
Revenue	339,594	361,255	1,598,586	1,543,483
Direct cost of sales, general and administrative expenses	283,405	258,555	1,154,943	1,018,865
Depreciation and amortization	39,857	37,850	156,937	152,255
Interest expense	27,313	26,665	107,108	104,078
Goodwill impairment	350,000	—	350,000	—
Debt refinancing	—	—	(3,428)	1,885
Restructuring and other costs	1,839	2,379	8,062	11,264
Other expense (income), net	9,255	3,415	16,847	(8,197)
Income (loss) before income taxes	(372,075)	32,391	(191,883)	263,333
Income tax expense (recovery)	(5,968)	8,538	40,355	68,760
<b>Net income (loss) for the period</b>	<b>(366,107)</b>	<b>23,853</b>	<b>(232,238)</b>	<b>194,573</b>
<b>Other comprehensive income (loss), net of income taxes:</b>				
<b>Items that may be reclassified subsequently to income (loss):</b>				
Unrealized change in fair value of cash flow hedges	(116)	2,680	4,891	12,320
Unrealized foreign currency translation adjustment	1,256	1,190	1,296	(517)
	1,140	3,870	6,187	11,803
<b>Items that will not be reclassified to income (loss):</b>				
Unrealized change in fair value of financial assets	(17)	(4,202)	5,002	12,266
Actuarial gain (loss) on post-retirement benefit plans	(2,461)	5,459	4,466	19,359
	(2,478)	1,257	9,468	31,625
Other comprehensive income (loss), net of income taxes	(1,338)	5,127	15,655	43,428
<b>Comprehensive income (loss) for the period</b>	<b>(367,445)</b>	<b>28,980</b>	<b>(216,583)</b>	<b>238,001</b>
<b>Net income (loss) attributable to:</b>				
Shareholders	(367,065)	19,920	(245,058)	172,550
Non-controlling interest	958	3,933	12,820	22,023
	(366,107)	23,853	(232,238)	194,573
<b>Comprehensive income (loss) attributable to:</b>				
Shareholders	(368,403)	25,047	(229,403)	215,978
Non-controlling interest	958	3,933	12,820	22,023
	(367,445)	28,980	(216,583)	238,001
<b>Earnings (loss) per share attributable to shareholders:</b>				
Basic	(\$1.82)	\$0.10	(\$1.19)	\$0.83
Diluted	(\$1.82)	\$0.10	(\$1.19)	\$0.83

**CORUS ENTERTAINMENT INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

(unaudited - in thousands of Canadian dollars)	Share capital	Contributed surplus	Accumulated deficit	Accumulated other comprehensive income	Total equity attributable to shareholders	Non-controlling interest	Total equity
As at August 31, 2021	816,189	1,512,431	(1,282,897)	21,811	1,067,534	152,829	1,220,363
Comprehensive income (loss)	—	—	(245,058)	15,655	(229,403)	12,820	(216,583)
Dividends declared	—	—	(49,561)	—	(49,561)	(19,772)	(69,333)
Business acquisition	—	—	—	—	—	864	864
Change in fair value of put option liability arising from business acquisition	—	—	(1,308)	—	(1,308)	(520)	(1,828)
Shares repurchased under normal course issuer bid ("NCIB")	(32,047)	(2,719)	—	—	(34,766)	—	(34,766)
Share repurchase commitment under NCIB	(2,224)	504	—	—	(1,720)	—	(1,720)
Actuarial gain on post-retirement benefit plans	—	—	4,466	(4,466)	—	—	—
Share-based compensation expense	—	1,265	—	—	1,265	—	1,265
Equity funding by a non-controlling interest	—	—	—	—	—	5,719	5,719
<b>As at August 31, 2022</b>	<b>781,918</b>	<b>1,511,481</b>	<b>(1,574,358)</b>	<b>33,000</b>	<b>752,041</b>	<b>151,940</b>	<b>903,981</b>

(unaudited - in thousands of Canadian dollars)	Share capital	Contributed surplus	Accumulated deficit	Accumulated other comprehensive income (deficit)	Total equity attributable to shareholders	Non-controlling interest	Total equity
As at August 31, 2020	816,189	1,511,325	(1,425,432)	(2,258)	899,824	148,595	1,048,419
Comprehensive income	—	—	172,550	43,428	215,978	22,023	238,001
Dividends declared	—	—	(49,991)	—	(49,991)	(17,676)	(67,667)
Actuarial gain on post-retirement benefit plans	—	—	19,359	(19,359)	—	—	—
Share-based compensation expense	—	1,106	—	—	1,106	—	1,106
Return of capital to non-controlling interest	—	—	—	—	—	(1,622)	(1,622)
Equity funding by a non-controlling interest	—	—	—	—	—	2,126	2,126
Reallocation of equity interest	—	—	617	—	617	(617)	—
As at August 31, 2021	816,189	1,512,431	(1,282,897)	21,811	1,067,534	152,829	1,220,363

**CORUS ENTERTAINMENT INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(unaudited - in thousands of Canadian dollars)	Three months ended		Year ended	
	2022	August 31, 2021	2022	August 31, 2021
<b>OPERATING ACTIVITIES</b>				
Net income (loss) for the period	<b>(366,107)</b>	23,853	<b>(232,238)</b>	194,573
Adjustments to reconcile net income (loss) to cash flow from operations:				
Amortization of program rights	<b>133,597</b>	118,437	<b>559,810</b>	493,598
Amortization of film investments	<b>4,794</b>	3,027	<b>23,929</b>	12,927
Depreciation and amortization	<b>39,857</b>	37,850	<b>156,937</b>	152,255
Deferred income tax expense (recovery)	<b>(3,095)</b>	621	<b>(10,437)</b>	(22,035)
Goodwill impairment	<b>350,000</b>	—	<b>350,000</b>	—
Share-based compensation expense	<b>330</b>	276	<b>1,265</b>	1,106
Imputed interest	<b>11,234</b>	9,535	<b>46,201</b>	42,288
Debt refinancing	<b>—</b>	—	<b>(3,428)</b>	1,885
Payment of program rights	<b>(160,640)</b>	(161,793)	<b>(564,214)</b>	(533,837)
Net spend on film investments	<b>(1,771)</b>	3,629	<b>(41,168)</b>	(17,690)
Other	<b>1,802</b>	(1,884)	<b>7,628</b>	(316)
Cash flow from operations	<b>10,001</b>	33,551	<b>294,285</b>	324,754
Net change in non-cash working capital balances related to operations	<b>45,834</b>	16,540	<b>(77,450)</b>	(50,261)
<b>Cash provided by operating activities</b>	<b>55,835</b>	50,091	<b>216,835</b>	274,493
<b>INVESTING ACTIVITIES</b>				
Additions to property, plant and equipment	<b>(8,944)</b>	(13,370)	<b>(17,810)</b>	(19,554)
Proceeds from sale of property	<b>174</b>	(3)	<b>299</b>	316
Business combination, net of cash acquired	<b>—</b>	—	<b>3,606</b>	—
Venture fund distribution	<b>—</b>	—	<b>43,478</b>	—
Net cash flows for intangibles, investments and other assets	<b>(2,672)</b>	(7,776)	<b>(4,401)</b>	(10,288)
<b>Cash provided by (used in) investing activities</b>	<b>(11,442)</b>	(21,149)	<b>25,172</b>	(29,526)
<b>FINANCING ACTIVITIES</b>				
Decrease in bank loans	<b>(7,216)</b>	(48,471)	<b>(354,846)</b>	(650,634)
Financing fees	<b>—</b>	—	<b>(5,892)</b>	(12,119)
Issuance of senior unsecured notes	<b>—</b>	—	<b>250,000</b>	500,000
Share repurchase under NCIB	<b>(11,610)</b>	—	<b>(34,691)</b>	—
Return of capital to non-controlling interest	<b>—</b>	—	<b>—</b>	(1,622)
Equity funding by a non-controlling interest	<b>—</b>	1,976	<b>3,742</b>	4,102
Payment of lease liabilities	<b>(4,422)</b>	(4,109)	<b>(17,031)</b>	(16,245)
Dividends paid	<b>(12,150)</b>	(12,498)	<b>(49,561)</b>	(49,991)
Dividends paid to non-controlling interest	<b>(5,627)</b>	(6,133)	<b>(19,772)</b>	(17,676)
Other	<b>(149)</b>	(140)	<b>(2,729)</b>	(2,997)
<b>Cash used in financing activities</b>	<b>(41,174)</b>	(69,375)	<b>(230,780)</b>	(247,182)
Net change in cash and cash equivalents during the period	<b>3,219</b>	(40,433)	<b>11,227</b>	(2,215)
Cash and cash equivalents, beginning of the period	<b>51,693</b>	84,118	<b>43,685</b>	45,900
<b>Cash and cash equivalents, end of the period</b>	<b>54,912</b>	43,685	<b>54,912</b>	43,685



**CORUS ENTERTAINMENT INC.**  
**BUSINESS SEGMENT INFORMATION**

(unaudited - in thousands of Canadian dollars)

**Three months ended August 31, 2022**

	Television	Radio	Corporate	Consolidated
Revenue	314,170	25,424	—	339,594
Direct cost of sales, general and administrative expenses	255,152	23,695	4,558	283,405
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>59,018</b>	<b>1,729</b>	<b>(4,558)</b>	<b>56,189</b>
Depreciation and amortization				39,857
Interest expense				27,313
Goodwill impairment				350,000
Restructuring and other costs				1,839
Other expense, net				9,255
<b>Loss before income taxes</b>				<b>(372,075)</b>

Three months ended August 31, 2021

	Television	Radio	Corporate	Consolidated
Revenue	335,844	25,411	—	361,255
Direct cost of sales, general and administrative expenses	225,818	21,095	11,642	258,555
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>110,026</b>	<b>4,316</b>	<b>(11,642)</b>	<b>102,700</b>
Depreciation and amortization				37,850
Interest expense				26,665
Restructuring and other costs				2,379
Other expense, net				3,415
<b>Income before income taxes</b>				<b>32,391</b>

**Year ended August 31, 2022**

	Television	Radio	Corporate	Consolidated
Revenue	1,492,708	105,878	—	1,598,586
Direct cost of sales, general and administrative expenses	1,034,563	92,611	27,769	1,154,943
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>458,145</b>	<b>13,267</b>	<b>(27,769)</b>	<b>443,643</b>
Depreciation and amortization				156,937
Interest expense				107,108
Goodwill impairment				350,000
Debt refinancing				(3,428)
Restructuring and other costs				8,062
Other expense, net				16,847
<b>Loss before income taxes</b>				<b>(191,883)</b>

Year ended August 31, 2021

	Television	Radio	Corporate	Consolidated
Revenue	1,446,287	97,196	—	1,543,483
Direct cost of sales, general and administrative expenses	897,128	83,045	38,692	1,018,865
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>549,159</b>	<b>14,151</b>	<b>(38,692)</b>	<b>524,618</b>
Depreciation and amortization				152,255
Interest expense				104,078
Debt refinancing				1,885
Restructuring and other costs				11,264
Other income, net				(8,197)
<b>Income before income taxes</b>				<b>263,333</b>

<sup>(1)</sup> Segment profit (loss) does not have a standardized meaning prescribed by IFRS. For definitions and explanations, see discussion under the Key Performance Indicators section of the Fourth Quarter 2022 Report to Shareholders.

## REVENUE BY TYPE

(unaudited - in thousands of Canadian dollars)	Three months ended		Year ended	
	2022	August 31, 2021	2022	August 31, 2021
Advertising	175,964	200,991	960,192	934,151
Subscriber	127,715	125,735	518,483	498,049
Distribution, production and other	35,915	34,529	119,911	111,283
	<b>339,594</b>	<b>361,255</b>	<b>1,598,586</b>	<b>1,543,483</b>

## NON-GAAP FINANCIAL MEASURES

(unaudited - in thousands of Canadian dollars, except percentages)	Three months ended			Year ended		
	2022	August 31, 2021	% Change	2022	August 31, 2021	% Change
<b>Optimized advertising revenue</b>						
Optimized advertising revenue (numerator)	76,660	60,995	26%	371,540	263,734	41%
Television advertising revenue (denominator)	151,873	176,942	(14%)	859,598	842,202	2%
<b>Optimized advertising revenue percentage</b>	<b>50%</b>	<b>34%</b>		<b>43%</b>	<b>31%</b>	

(unaudited - in thousands of Canadian dollars, except percentages)	Three months ended			Year ended		
	2022	August 31, 2021	% Change	2022	August 31, 2021	% Change
<b>New platform revenue</b>						
New platform revenue (numerator)	33,061	29,965	10%	142,284	107,807	32%
Television advertising revenue	151,873	176,942	(14%)	859,598	842,202	2%
Television subscriber revenue	127,715	125,735	2%	518,483	498,049	4%
Total Television advertising and subscriber revenue (denominator)	279,588	302,677	(8%)	1,378,081	1,340,251	3%
<b>New platform revenue percentage</b>	<b>12%</b>	<b>10%</b>		<b>10%</b>	<b>8%</b>	

(unaudited - in thousands of Canadian dollars, except per share amounts)	Three months ended		Year ended	
	2022	August 31, 2021	2022	August 31, 2021
<b>Adjusted Net Income Attributable to Shareholders</b>				
Net income (loss) attributable to shareholders	(367,065)	19,920	(245,058)	172,550
<b>Adjustments, net of income tax:</b>				
Goodwill impairment	348,597	—	348,597	—
Debt refinancing	—	—	(2,526)	1,389
Restructuring and other costs	1,352	1,749	5,925	8,279
<b>Adjusted net income (loss) attributable to shareholders</b>	<b>(17,116)</b>	<b>21,669</b>	<b>106,938</b>	<b>182,218</b>
<b>Basic earnings (loss) per share</b>	<b>(\$1.82)</b>	<b>\$0.10</b>	<b>(\$1.19)</b>	<b>\$0.83</b>
<b>Adjustments, net of income tax:</b>				
Goodwill impairment	\$1.73	—	\$1.69	—
Debt refinancing	—	—	(\$0.01)	\$0.01
Restructuring and other costs	\$0.01	—	\$0.03	\$0.04
<b>Adjusted basic earnings (loss) per share</b>	<b>(\$0.08)</b>	<b>\$0.10</b>	<b>\$0.52</b>	<b>\$0.88</b>

(unaudited - in thousands of Canadian dollars)	Three months ended		Year ended	
	2022	August 31, 2021	2022	August 31, 2021
<b>Free Cash Flow</b>				
Cash provided by (used in):				
Operating activities	55,835	50,091	216,835	274,493
Investing activities	(11,442)	(21,149)	25,172	(29,526)
	<b>44,393</b>	<b>28,942</b>	<b>242,007</b>	<b>244,967</b>
Add: cash used in (provided by) business acquisitions and strategic investments <sup>(1)</sup>	320	6,239	(2,422)	6,980
<b>Free cash flow</b>	<b>44,713</b>	<b>35,181</b>	<b>239,585</b>	<b>251,947</b>

<sup>(1)</sup> Strategic investments are comprised of investments in venture funds and associated companies.

(unaudited - in thousands of Canadian dollars)	Year ended
	August 31,
<b>Net Debt and Net Debt to Segment Profit</b>	<b>2022</b>
Total debt, net of unamortized financing fees and prepayment options	1,349,293
Lease liabilities	143,546
Cash and cash equivalents	(43,685)
<b>Net debt (numerator)</b>	<b>1,341,107</b>
Segment profit (denominator) <sup>(1)</sup>	524,618
<b>Net debt to segment profit</b>	<b>3.02</b>
	2.76

<sup>(1)</sup> Reflects aggregate amounts for the most recent four quarters, as detailed in the table in the "Quarterly Consolidated Financial Information" section of the Fourth Quarter 2022 Report to Shareholders.