

## CORUS ENTERTAINMENT ANNOUNCES FISCAL 2023 THIRD QUARTER RESULTS

- Consolidated revenue decreased 8% for the quarter and 7% for the year-to-date
- Consolidated segment profit<sup>(1)</sup> decreased 22% for the quarter and 26% for the year-to-date
- Consolidated segment profit margin<sup>(1)</sup> of 24% for the quarter and 25% for the year-to-date
- Net loss attributable to shareholders of \$495.1 million (\$2.48 loss per share basic) for the quarter and \$479.1 million (\$2.40 loss per share basic) for the year-to-date, which includes non-cash impairment charges of \$590.0 million related to goodwill, broadcast licences as well as trade mark and brand assets
- Net debt to segment profit<sup>(1)</sup> of 3.85 times at May 31, 2023, up from 3.02 times at August 31, 2022
- Free cash flow<sup>(1)</sup> of \$26.0 million for the quarter and \$75.2 million for the year-to-date

**TORONTO, June 29, 2023 – Corus Entertainment Inc.** (TSX: CJR.B) announced its third quarter financial results today.

“The advertising recession which began last summer continues and has negatively impacted our revenues and third quarter results,” said Doug Murphy, President and Chief Executive Officer. “As we balance the near-term challenges, we are successfully evolving our business into a powerful multi-platform aggregator of premium video with leading cross platform monetization capabilities. Our impressive premium video content revealed at Corus’ recent sales upfront, will be available for all audiences across Global, our specialty networks and streaming portfolio. We are intensely pursuing efficiencies and improved productivity with significant cost reductions as we streamline our operating model to position Corus for an inevitable improvement in the economy and create shareholder value over the longer term.”

### Financial Highlights

	Three months ended			Nine months ended		
	2023	May 31, 2022	% Change	2023	May 31, 2022	% Change
<small>(in thousands of Canadian dollars except per share amounts)</small>						
<b>Revenue</b>						
Television	371,159	404,130	(8%)	1,094,236	1,178,538	(7%)
Radio	26,176	29,328	(11%)	78,161	80,454	(3%)
	<b>397,335</b>	<b>433,458</b>	<b>(8%)</b>	<b>1,172,397</b>	<b>1,258,992</b>	<b>(7%)</b>
<b>Segment profit (loss)<sup>(1)</sup></b>						
Television	96,028	127,518	(25%)	290,806	399,127	(27%)
Radio	4,112	5,667	(27%)	10,484	11,538	(9%)
Corporate	(3,235)	(9,457)	66%	(13,558)	(23,211)	42%
	<b>96,905</b>	<b>123,728</b>	<b>(22%)</b>	<b>287,732</b>	<b>387,454</b>	<b>(26%)</b>
<b>Segment profit margin<sup>(1)</sup></b>						
Television	26%	32%		27%	34%	
Radio	16%	19%		13%	14%	
Consolidated	24%	29%		25%	31%	
Net income (loss) attributable to shareholders	(495,073)	29,621		(479,136)	122,007	
Adjusted net income attributable to shareholders <sup>(1)</sup>	18,042	30,159	(40%)	37,628	124,054	(70%)
Basic earnings (loss) per share	(\$2.48)	\$0.14		(\$2.40)	\$0.59	
Adjusted basic earnings per share <sup>(1)</sup>	\$0.09	\$0.15		\$0.19	\$0.60	
Diluted earnings (loss) per share	(\$2.48)	\$0.14		(\$2.40)	\$0.59	
<b>Free cash flow<sup>(1)</sup></b>	<b>25,979</b>	<b>27,468</b>	<b>(5%)</b>	<b>75,186</b>	<b>194,872</b>	<b>(61%)</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 can include: segment profit (loss), segment profit margin, free cash flow, adjusted net income attributable to shareholders, adjusted basic earnings 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 Third Quarter 2023 Report to Shareholders.

## Segment Revenue

(in thousands of Canadian dollars)	Three months ended			Nine months ended		
	2023	May 31, 2022	% Change	2023	May 31, 2022	% Change
<b>Revenue</b>						
<b>Television</b>	<b>371,159</b>	404,130	<b>(8%)</b>	<b>1,094,236</b>	1,178,538	<b>(7%)</b>
Advertising	<b>209,008</b>	237,993	<b>(12%)</b>	<b>630,645</b>	707,725	<b>(11%)</b>
Subscriber	<b>124,225</b>	130,410	<b>(5%)</b>	<b>375,791</b>	390,768	<b>(4%)</b>
Distribution, production and other	<b>37,926</b>	35,727	<b>6%</b>	<b>87,800</b>	80,045	<b>10%</b>
<b>Radio</b>	<b>26,176</b>	29,328	<b>(11%)</b>	<b>78,161</b>	80,454	<b>(3%)</b>
<b>Total Revenue</b>	<b>397,335</b>	433,458	<b>(8%)</b>	<b>1,172,397</b>	1,258,992	<b>(7%)</b>
<i>Optimized advertising revenue<sup>(1)</sup></i>	<b>53%</b>	47%	<b>(1%)</b>	<b>53%</b>	42%	<b>14%</b>
<i>New platform revenue<sup>(1)</sup></i>	<b>12%</b>	11%	<b>(6%)</b>	<b>11%</b>	10%	<b>3%</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 Third Quarter 2023 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, announced its Fall schedule and 2023/24 series line-up for Global TV, its Specialty networks and STACKTV, and highlighted its Canadian original content lineup for 2023/24. The Company advanced its capital allocation priorities through investments in the business to support future growth opportunities while continuing to navigate an uncertain macroeconomic environment.

- **Global TV announced its 2023/24 primetime lineup of new acquisitions and returns of major hit series.** Global TV's 2023/24 roster will deliver 17 hours of simulcast programming in primetime for 2023/24. Early Fall features the return of *Survivor* for Season 45 and *I Can See Your Voice* alongside new Global Original drama *Robyn Hood*. Global's 2023/24 season welcomes back popular franchises *FBI* and *NCIS*, along with *So Help Me Todd*, *Fire Country*, *Abbott Elementary* and *Ghosts*, and introduces new dramas *Matlock*, *Elsbeth*, and *Doc*, and new comedy *Poppa's House*.
- **Specialty portfolio and streaming platforms announced 2023/24 series lineup.** Corus' specialty drama networks and STACKTV will feature new Peacock Originals *Ted*, *Based on a True Story* and *Apples Never Fall*, and returning seasons of *Bel Air*, *Dr. Death*, and more. Corus' unscripted and reality networks, and STACKTV will see the return of *The Real Housewives of New York City*, *Fixer Upper: The Hotel*, and new series *The Unbelievable with Dan Aykroyd (wt)*, *Beyond Skinwalker Ranch*, and more.
- **Nelvana and Corus Studios deliver a diverse lineup of Canadian original content for 2023/24 across its brands.** This includes a total of 25 new and returning series, with 11 titles from Corus Studios and eight from Nelvana. Corus Studios titles include *Bryan's All In* (10x60), *Pamela's Garden of Eden* (8x60), *Scott's Vacation House Rules* (7x60), *Rock Solid Builds* (8x60), *The Big Bake* (14x60) and more. Nelvana's titles include *The Hardy Boys* (8x60), *Agent Binky: Pets of the Universe* (10x30), *Millie Magnificent* (52x11), and more.

## Financial Highlights

- On June 29, 2023, Corus declared a dividend of \$0.03 per Class B share and \$0.02875 per Class A share, payable on August 15, 2023 to shareholders of record at July 31, 2023.
- Free cash flow<sup>(1)</sup> of \$26.0 million in Q3 and \$75.2 million year-to-date compared to \$27.5 million and \$194.9 million year-to-date, respectively, in the same comparable prior year periods. The decrease in free cash flow<sup>(1)</sup> for the third quarter is attributable to an increase in cash used in investing activities of \$1.5 million. The decrease in free cash flow<sup>(1)</sup> for the nine months ended May 31, 2023 is mainly attributable to a decrease in cash provided by operating activities of \$75.7 million and cash provided by investing activities in the prior year's nine months ended May 31, 2022, related to a \$43.5 million non-recurring venture fund distribution.
- Net debt to segment profit<sup>(1)</sup> was 3.85 times at May 31, 2023, up from 3.02 times at August 31, 2022. The main driver of the increase in this ratio is the decrease of segment profit<sup>(1)</sup> for the most recent four quarters.
- As of May 31, 2023, the Company had \$56.2 million of cash and cash equivalents and approximately \$300.0 million available under its Revolving Facility, \$197.5 million of which could be drawn.

<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 Financial Measures* section of the Third Quarter 2023 Report to Shareholders and/or Management's Discussion and Analysis in the Company's Annual Report for the year ended August 31, 2022 ("2022 MD&A").

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

The unaudited interim condensed consolidated financial statements and accompanying notes for the three and nine months ended May 31, 2023 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 June 29, 2023 at 8:00 a.m. ET. While this call is directed at analysts and investors, members of the media are welcome to listen in. To instantly join the conference call by phone, please use the following URL to easily register and be connected to the conference call automatically: <https://empportal.ink/3MHd8aP>. You can also dial direct to be entered into the call by an Operator. The dial-in number for the conference call for local and international callers is 1.416.764.8650 and for North America is 1.888.664.6383. This call will be archived and available for replay in the Investor Relations section of the Corus website beginning **June 29, 2023**, at **11a.m.ET** or accessible by telephone until July 6, 2023, at 1.888.390.0541 (toll-free North America) or 416.764.8677 (local or international), using replay code 815361#. More information can be found on the Corus Entertainment website at [www.corusent.com](http://www.corusent.com) in the Investor Relations section.

### **Risks and Uncertainties**

Significant risks and uncertainties affecting the Company and its business are discussed under the heading "Risks and Uncertainties" and "Seasonal Fluctuations" in the 2022 MD&A, as filed at [www.sedar.com](http://www.sedar.com) on October 24, 2022.

As discussed further in the 2022 MD&A, 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, including current ongoing factors that can create or exacerbate recessionary conditions, may affect discretionary consumer and business spending, including on advertising and marketing, resulting in changes to demand for Corus' product and services offerings. The continued elevated consumer price index inflation also affects the Company's business, operations and financial performance through disruption to supply chains, increased costs of programming, services and labour, 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. In addition, labour actions such as the Writer's Guild of America strike have shut-down the majority of U.S. based scripted productions, which may impact the timing of premium content premieres and types of programming on the Company's services in the coming months, which may negatively impact audience levels.

Other financial risks which may be related to or elevated by the foregoing include leverage risk related to the Company's financial covenants and debt servicing payments, requirements and compliance under its credit facility, and impacts thereof; the volatility of the market price for the Company's Class B Non-Voting Shares, which can be impacted by factors beyond the Company's control and which can decline even if the Company's operating results, underlying asset values or prospects have not changed; and risks related to the payment, amount or timing of dividends. Please see the 2022 MD&A for a full discussion of these and other risks and uncertainties.

### **Outlook**

Currently, the Company expects its Television advertising revenue in the fourth quarter will decline moderately compared to the prior year, given continuing macroeconomic and other risk factors described above and in the 2022 MD&A. While the Company continues to expect improvement in the macro-environment over the medium term, visibility continues to be limited at this time.

### **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 attributable to shareholders, adjusted basic earnings 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 and nine months ended May 31, 2023, 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 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, 2022 and under the heading “Risk Factors” in the Company’s Annual Information Form for the year ended August 31, 2022. 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, digital and streaming services, 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 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 streaming platforms STACKTV, TELETOON+, the Global TV App and Curiouscast. Corus is the domestic advertising representative and an original content partner for Pluto TV, a Paramount Company, which is the leading free ad-supported streaming television (FAST) service. For more information visit [www.corusent.com](http://www.corusent.com).

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

(unaudited - in thousands of Canadian dollars)	As at May 31, 2023	As at August 31, 2022
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	56,173	54,912
Accounts receivable	349,666	311,015
Income taxes recoverable	10,975	17,180
Prepaid expenses and other assets	25,292	21,423
<b>Total current assets</b>	<b>442,106</b>	<b>404,530</b>
Tax credits receivable	53,162	32,744
Investments and other assets	60,022	63,931
Property, plant and equipment	273,145	294,026
Program rights	731,247	660,722
Film investments	66,971	59,122
Intangibles	1,304,831	1,620,796
Goodwill	21,099	316,308
Deferred income tax assets	48,021	50,301
	<b>3,000,604</b>	<b>3,502,480</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	637,006	526,899
Current portion of long-term debt	14,097	15,574
Provisions	10,234	8,540
<b>Total current liabilities</b>	<b>661,337</b>	<b>551,013</b>
Long-term debt	1,236,885	1,246,076
Other long-term liabilities	372,853	376,570
Provisions	8,272	9,830
Deferred income tax liabilities	316,888	415,010
<b>Total liabilities</b>	<b>2,596,235</b>	<b>2,598,499</b>
<b>EQUITY</b>		
Share capital	281,052	781,918
Contributed surplus	2,012,658	1,511,481
Accumulated deficit	(2,068,543)	(1,574,358)
Accumulated other comprehensive income	34,655	33,000
<b>Total equity attributable to shareholders</b>	<b>259,822</b>	<b>752,041</b>
Equity attributable to non-controlling interests	144,547	151,940
<b>Total equity</b>	<b>404,369</b>	<b>903,981</b>
	<b>3,000,604</b>	<b>3,502,480</b>

**CORUS ENTERTAINMENT INC.**

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

	Three months ended		Nine months ended	
		May 31,		May 31,
(unaudited - in thousands of Canadian dollars except per share amounts)	2023	2022	2023	2022
Revenue	397,335	433,458	1,172,397	1,258,992
Direct cost of sales, general and administrative expenses	300,430	309,730	884,665	871,538
Depreciation and amortization	40,178	39,952	120,594	117,080
Interest expense	33,278	28,514	102,401	79,795
Goodwill, broadcast licence and other asset impairment	590,000	—	590,000	—
Debt refinancing	—	(3,830)	—	(3,428)
Restructuring and other costs	10,580	4,169	15,546	6,223
Other expense (income), net	(1,997)	10,795	6,424	7,592
Income (loss) before income taxes	(575,134)	44,128	(547,233)	180,192
Income tax expense (recovery)	(83,982)	11,136	(75,760)	46,323
<b>Net income (loss) for the period</b>	<b>(491,152)</b>	<b>32,992</b>	<b>(471,473)</b>	<b>133,869</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	461	1,506	1,755	5,007
Unrealized foreign currency translation adjustment	(143)	8	1,166	40
	318	1,514	2,921	5,047
<b>Items that will not be reclassified to income (loss):</b>				
Unrealized change in fair value of financial assets	(578)	(5,649)	(1,266)	5,019
Actuarial gain (loss) on post-retirement benefit plans	(578)	4,467	(31)	6,927
	(1,156)	(1,182)	(1,297)	11,946
Other comprehensive income (loss), net of income taxes	(838)	332	1,624	16,993
<b>Comprehensive income (loss) for the period</b>	<b>(491,990)</b>	<b>33,324</b>	<b>(469,849)</b>	<b>150,862</b>
<b>Net income (loss) attributable to:</b>				
Shareholders	(495,073)	29,621	(479,136)	122,007
Non-controlling interests	3,921	3,371	7,663	11,862
	(491,152)	32,992	(471,473)	133,869
<b>Comprehensive income (loss) attributable to:</b>				
Shareholders	(495,911)	29,953	(477,512)	139,000
Non-controlling interests	3,921	3,371	7,663	11,862
	(491,990)	33,324	(469,849)	150,862
<b>Earnings (loss) per share attributable to shareholders:</b>				
Basic	(\$2.48)	\$0.14	(\$2.40)	\$0.59
Diluted	(\$2.48)	\$0.14	(\$2.40)	\$0.59

**CORUS ENTERTAINMENT INC.**  
**INTERIM CONDENSED 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 interests	Total equity
As at August 31, 2022	781,918	1,511,481	(1,574,358)	33,000	752,041	151,940	903,981
Comprehensive income (loss)	—	—	(479,136)	1,624	(477,512)	7,663	(469,849)
Dividends declared	—	—	(17,490)	—	(17,490)	(15,750)	(33,240)
Reduction of stated capital	(500,000)	500,000	—	—	—	—	—
Change in fair value of put option liability	—	—	(754)	—	(754)	65	(689)
Shares repurchased under normal course issuer bid ("NCIB")	(3,089)	1,119	—	—	(1,970)	—	(1,970)
Reversal of automatic share purchase commitment	2,223	(504)	—	—	1,719	—	1,719
Actuarial loss on post-retirement benefit plans	—	—	(31)	31	—	—	—
Share-based compensation expense	—	562	—	—	562	—	562
Reallocation of equity interest	—	—	3,226	—	3,226	(3,226)	—
Equity funding by a non-controlling interest	—	—	—	—	—	3,855	3,855
<b>As at May 31, 2023</b>	<b>281,052</b>	<b>2,012,658</b>	<b>(2,068,543)</b>	<b>34,655</b>	<b>259,822</b>	<b>144,547</b>	<b>404,369</b>

(unaudited - in thousands of Canadian dollars)	Share capital	Contributed surplus	Accumulated deficit	Accumulated other comprehensive income	Total equity attributable to shareholders	Non-controlling interests	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	—	—	122,007	16,993	139,000	11,862	150,862
Dividends declared	—	—	(37,411)	—	(37,411)	(14,145)	(51,556)
Business acquisition	—	—	—	—	—	864	864
Change in fair value of put option liability	—	—	(1,557)	—	(1,557)	(254)	(1,811)
Shares repurchased under normal course issuer bid	(21,127)	(2,852)	—	—	(23,979)	—	(23,979)
Share repurchase commitment under NCIB	(4,231)	(316)	—	—	(4,547)	—	(4,547)
Actuarial gain on post-retirement benefit plans	—	—	6,927	(6,927)	—	—	—
Share-based compensation expense	—	935	—	—	935	—	935
Equity funding by a non-controlling interest	—	—	—	—	—	5,719	5,719
As at May 31, 2022	790,831	1,510,198	(1,192,931)	31,877	1,139,975	156,875	1,296,850

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

	Three months ended		Nine months ended	
		<b>May 31,</b>		<b>May 31,</b>
(unaudited - in thousands of Canadian dollars)	<b>2023</b>	2022	<b>2023</b>	2022
<b>OPERATING ACTIVITIES</b>				
Net income (loss) for the period	<b>(491,152)</b>	32,992	<b>(471,473)</b>	133,869
Adjustments to reconcile net income (loss) to cash flow from operations:				
Amortization of program rights	<b>158,748</b>	150,093	<b>454,688</b>	426,213
Amortization of film investments	<b>12,195</b>	12,051	<b>22,704</b>	19,135
Depreciation and amortization	<b>40,178</b>	39,952	<b>120,594</b>	117,080
Deferred income tax recovery	<b>(91,630)</b>	(4,861)	<b>(100,189)</b>	(7,342)
Goodwill, broadcast licence and other asset impairment	<b>590,000</b>	—	<b>590,000</b>	—
Share-based compensation expense	<b>194</b>	324	<b>562</b>	935
Imputed interest	<b>13,675</b>	11,827	<b>45,031</b>	34,967
Debt refinancing	—	(3,830)	—	(3,428)
Payment of program rights	<b>(161,185)</b>	(173,366)	<b>(494,232)</b>	(403,574)
Net spend on film investments	<b>(18,674)</b>	(11,803)	<b>(54,949)</b>	(39,397)
Other	<b>1,015</b>	10,882	<b>1,156</b>	5,826
Cash flow from operations	<b>53,364</b>	64,261	<b>113,892</b>	284,284
Net change in non-cash working capital balances related to operations	<b>(23,554)</b>	(34,463)	<b>(28,559)</b>	(123,284)
<b>Cash provided by operating activities</b>	<b>29,810</b>	29,798	<b>85,333</b>	161,000
<b>INVESTING ACTIVITIES</b>				
Additions to property, plant and equipment	<b>(3,548)</b>	(2,819)	<b>(8,921)</b>	(8,866)
Proceeds from sale of property	<b>396</b>	—	<b>736</b>	125
Business combination, net of cash acquired	—	—	—	3,606
Venture fund distribution	—	—	—	43,478
Net cash flows for intangibles, investments and other assets	<b>(679)</b>	489	<b>(2,033)</b>	(1,729)
<b>Cash provided by (used in) investing activities</b>	<b>(3,831)</b>	(2,330)	<b>(10,218)</b>	36,614
<b>FINANCING ACTIVITIES</b>				
Decrease in bank loans	<b>(10,203)</b>	(27,872)	<b>(12,273)</b>	(347,630)
Financing fees	—	(1,492)	<b>(998)</b>	(5,892)
Issuance of senior unsecured notes	—	—	—	250,000
Share repurchase under NCIB	—	(17,231)	<b>(2,045)</b>	(23,081)
Equity funding by a non-controlling interest	—	—	<b>3,855</b>	3,742
Payment of lease liabilities	<b>(4,570)</b>	(4,441)	<b>(13,383)</b>	(12,609)
Dividends paid	<b>(5,979)</b>	(12,415)	<b>(29,944)</b>	(37,411)
Dividends paid to non-controlling interests	<b>(5,677)</b>	(7,520)	<b>(15,750)</b>	(14,145)
Other	<b>(1,229)</b>	(254)	<b>(3,316)</b>	(2,580)
<b>Cash used in financing activities</b>	<b>(27,658)</b>	(71,225)	<b>(73,854)</b>	(189,606)
Net change in cash and cash equivalents during the period	<b>(1,679)</b>	(43,757)	<b>1,261</b>	8,008
Cash and cash equivalents, beginning of the period	<b>57,852</b>	95,450	<b>54,912</b>	43,685
<b>Cash and cash equivalents, end of the period</b>	<b>56,173</b>	51,693	<b>56,173</b>	51,693



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

(unaudited - in thousands of Canadian dollars)

**Three months ended May 31, 2023**

	Television	Radio	Corporate	Consolidated
Revenue	371,159	26,176	—	397,335
Direct cost of sales, general and administrative expenses	275,131	22,064	3,235	300,430
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>96,028</b>	<b>4,112</b>	<b>(3,235)</b>	<b>96,905</b>
Depreciation and amortization				40,178
Interest expense				33,278
Goodwill, broadcast licence and other asset impairment				590,000
Restructuring and other costs				10,580
Other income, net				(1,997)
<b>Loss before income taxes</b>				<b>(575,134)</b>

Three months ended May 31, 2022

	Television	Radio	Corporate	Consolidated
Revenue	404,130	29,328	—	433,458
Direct cost of sales, general and administrative expenses	276,612	23,661	9,457	309,730
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>127,518</b>	<b>5,667</b>	<b>(9,457)</b>	<b>123,728</b>
Depreciation and amortization				39,952
Interest expense				28,514
Debt refinancing				(3,830)
Restructuring and other costs				4,169
Other expense, net				10,795
<b>Income before income taxes</b>				<b>44,128</b>

**Nine months ended May 31, 2023**

	Television	Radio	Corporate	Consolidated
Revenue	1,094,236	78,161	—	1,172,397
Direct cost of sales, general and administrative expenses	803,430	67,677	13,558	884,665
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>290,806</b>	<b>10,484</b>	<b>(13,558)</b>	<b>287,732</b>
Depreciation and amortization				120,594
Interest expense				102,401
Goodwill, broadcast licence and other asset impairment				590,000
Restructuring and other costs				15,546
Other expense, net				6,424
<b>Loss before income taxes</b>				<b>(547,233)</b>

Nine months ended May 31, 2022

	Television	Radio	Corporate	Consolidated
Revenue	1,178,538	80,454	—	1,258,992
Direct cost of sales, general and administrative expenses	779,411	68,916	23,211	871,538
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>399,127</b>	<b>11,538</b>	<b>(23,211)</b>	<b>387,454</b>
Depreciation and amortization				117,080
Interest expense				79,795
Debt refinancing				(3,428)
Restructuring and other costs				6,223
Other expense, net				7,592
<b>Income before income taxes</b>				<b>180,192</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 and Non-GAAP Financial Measures section of the Third Quarter 2023 Report to Shareholders.

## REVENUE BY TYPE

(unaudited - in thousands of Canadian dollars)	Three months ended		Nine months ended	
	2023	May 31, 2022	2023	May 31, 2022
Advertising	233,840	265,915	704,901	784,228
Subscriber	124,225	130,410	375,791	390,768
Distribution, production and other	39,270	37,133	91,705	83,996
	397,335	433,458	1,172,397	1,258,992

## NON-GAAP FINANCIAL MEASURES

(unaudited - in thousands of Canadian dollars, except percentages)	Three months ended			Nine months ended		
	2023	May 31, 2022	% Change	2023	May 31, 2022	% Change
<b>Optimized advertising revenue</b>						
Optimized advertising revenue (numerator)	111,121	112,677	(1%)	336,466	294,880	14%
Television advertising revenue (denominator)	209,008	237,993	(12%)	630,645	707,725	(11%)
<b>Optimized advertising revenue percentage</b>	53%	47%		53%	42%	

(unaudited - in thousands of Canadian dollars, except percentages)	Three months ended			Nine months ended		
	2023	May 31, 2022	% Change	2023	May 31, 2022	% Change
<b>New platform revenue</b>						
New platform revenue (numerator)	38,637	40,992	(6%)	112,497	109,223	3%
Television advertising revenue	209,008	237,993	(12%)	630,645	707,725	(11%)
Television subscriber revenue	124,225	130,410	(5%)	375,791	390,768	(4%)
Total Television advertising and subscriber revenue (denominator)	333,233	368,403	(10%)	1,006,436	1,098,493	(8%)
<b>New platform revenue percentage</b>	12%	11%		11%	10%	

(unaudited - in thousands of Canadian dollars, except per share amounts)	Three months ended		Nine months ended	
	2023	May 31, 2022	2023	May 31, 2022
<b>Adjusted Net Income Attributable to Shareholders</b>				
Net income (loss) attributable to shareholders	(495,073)	29,621	(479,136)	122,007
<b>Adjustments, net of income tax:</b>				
Goodwill, broadcast licence and other asset impairment	504,953	—	504,953	—
Debt refinancing	—	(2,526)	—	(2,526)
Restructuring and other costs	8,162	3,064	11,811	4,573
<b>Adjusted net income attributable to shareholders</b>	18,042	30,159	37,628	124,054
<b>Basic earnings (loss) per share</b>	(\$2.48)	\$0.14	(\$2.40)	\$0.59
<b>Adjustments, net of income tax:</b>				
Goodwill, broadcast licence and other asset impairment	\$2.53	—	\$2.53	—
Debt refinancing	—	(\$0.01)	—	(\$0.01)
Restructuring and other costs	\$0.04	\$0.02	\$0.06	\$0.02
<b>Adjusted basic earnings per share</b>	\$0.09	\$0.15	\$0.19	\$0.60

(unaudited - in thousands of Canadian dollars)	Three months ended		Nine months ended	
	2023	May 31, 2022	2023	May 31, 2022
<b>Free Cash Flow</b>				
Cash provided by (used in):				
Operating activities	29,810	29,798	85,333	161,000
Investing activities	(3,831)	(2,330)	(10,218)	36,614
	25,979	27,468	75,115	197,614
Add (deduct): cash used in (provided by) business acquisitions and strategic investments <sup>(1)</sup>	—	—	71	(2,742)
<b>Free cash flow</b>	25,979	27,468	75,186	194,872

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

(unaudited - in thousands of Canadian dollars)

	<b>As at May 31,</b>	As at August 31,
<b>Net Debt and Net Debt to Segment Profit</b>	<b>2023</b>	2022
Total debt, net of unamortized financing fees and prepayment options	<b>1,250,982</b>	1,261,650
Lease liabilities	<b>128,795</b>	134,369
Cash and cash equivalents	<b>(56,173)</b>	(54,912)
<b>Net debt (numerator)</b>	<b>1,323,604</b>	1,341,107
Segment profit (denominator) <sup>(1)</sup>	<b>343,921</b>	443,643
<b>Net debt to segment profit</b>	<b>3.85</b>	3.02

<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 Third Quarter 2023 Report to Shareholders.