

# **Fiscal 2024** **First Quarter Earnings** **Conference Call**

Friday, January 12, 2024 | 8 a.m. ET



# 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 2024, 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; 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, 2023 and under the heading "Risk Factors" in the Company's Annual Information Form for the year ended August 31, 2023. 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.

## 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-Generally Accepted Accounting Principles ("GAAP") measures can include: segment profit (loss), segment profit margin, free cash flow, net debt to segment profit, proforma net debt to segment profit, as well as supplementary financial measures not presented in the financial statements such as 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 First Quarter 2024 Report to Shareholders.

# Q1 Fiscal 2024

## Key Financial Highlights

**\$370**  
million

**consolidated revenue**

**\$121**  
million

**consolidated  
segment profit<sup>1</sup>**

**\$24**  
million

**free cash flow<sup>1</sup>**

**3.67x**

**proforma net debt to  
segment profit<sup>1,2</sup>**

<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.

<sup>2</sup> Proforma net debt to segment profit ratio excludes contributions to segment profit from Toon Boom Animation Inc., for the most recent four quarters.



# Powerhouse Schedule Returns

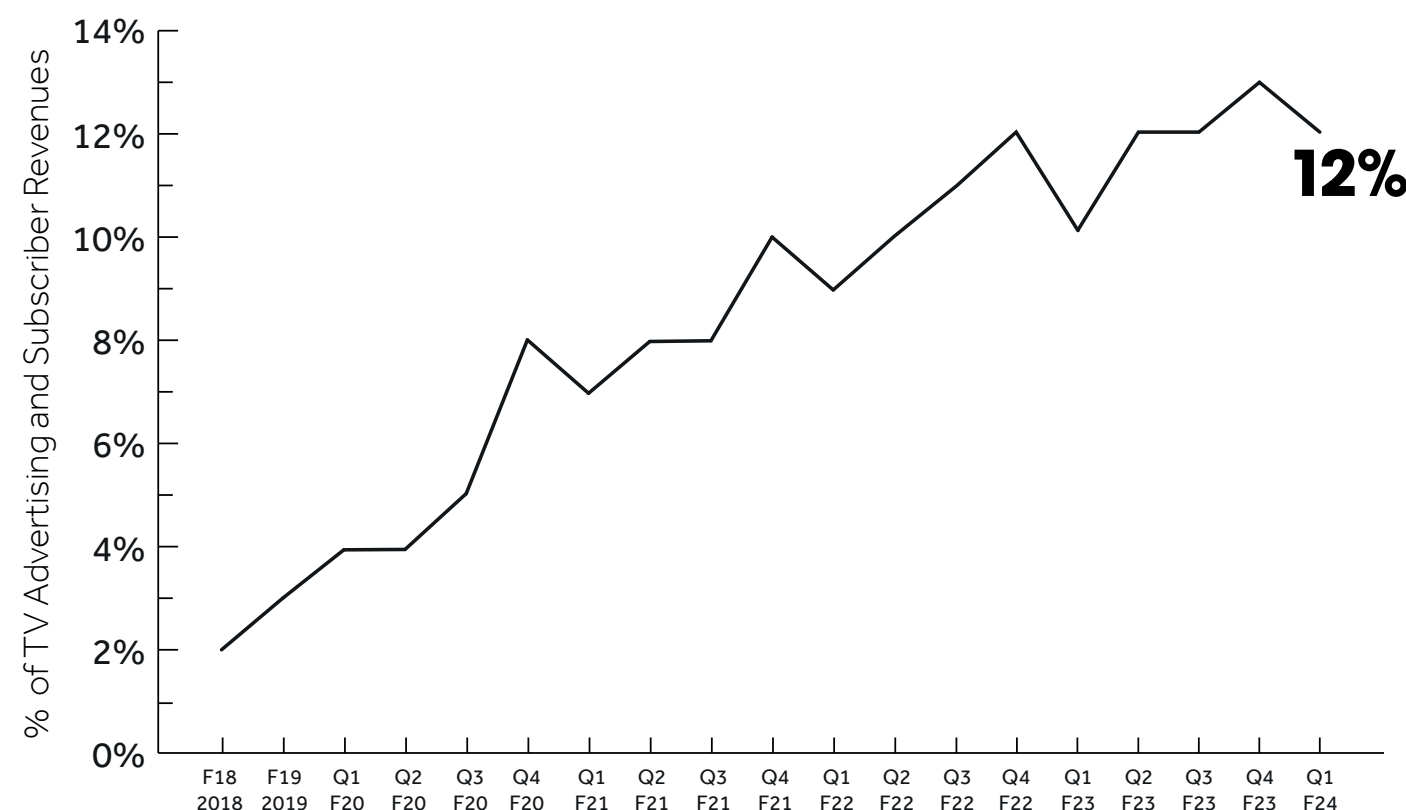


	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SUNDAY
7PM	 Entertainment Tonight  The Goldbergs	 Big Brother Canada	 Entertainment Tonight  The Goldbergs		 The Goldbergs	 60 Minutes (S)
8PM	 The Neighborhood (S)  Comedy Shelf	 FBI (S)	 Survivor (S)	 9-1-1 (S)	 S.W.A.T. (S)	 The Equalizer (S)
9PM	 NCIS (S)	 FBI: International (S)	 Big Brother Canada	 So Help Me Todd (S)	 Fire Country (S)	 Big Brother Canada
10PM	 NCIS: Hawai'i (S)	 FBI: Most Wanted (S)	 Abbott Elementary (PST)	 Elsbeth (S)	 Crime Beat	 CSI: Vegas (S)

Note: Schedule reflects returning programming on Global in Feb/Mar- 2024



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



## Q1 Fiscal 2024 New Platform Revenue<sup>1</sup> of \$38 million

- 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

## Streaming Portfolio

**STACKTV**



**Global  
NEWS**

**TELETOON+**

**pluto tv**

Corus delivers **7X more** digital video ad impressions than two years ago

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.

# Q1 Fiscal 2024 Consolidated Results

- Revenues reflect impact of challenging macroeconomic environment and scripted program supply disruption on advertising demand and lower subscriber revenue
- Segment profit<sup>1</sup> reflects lower advertising and subscriber revenue, partially offset by lower programming costs and benefits of cost savings initiatives
- Free cash flow<sup>1</sup> up 14% in the quarter

(in millions of dollars except percentages)

	Q1-2024	%Chg
Consolidated revenue	370	(14)
Consolidated segment profit <sup>1</sup>	121	(8)
Consolidated segment profit margin <sup>1</sup>	33%	2 pts
Free cash flow <sup>1</sup>	24	14

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.

# Q1 Fiscal 2024 Television Results

- Advertising revenue impacted by challenging macroeconomic conditions and scripted program supply disruption
- Subscriber revenues reflect lower traditional TV system subscribers and relatively resilient streaming subscribers
- Distribution, production and other revenues lower due to Toon Boom disposition last year and was up 2% proforma Toon Boom
- Segment Profit<sup>1</sup> reflects lower advertising and subscriber revenue partially offset by lower scripted program deliveries in Q1

(in millions of dollars except percentages)

	Q1-2024	%Chg
Segment revenue	342	(15)
Advertising revenue	209	(17)
Subscriber revenue	118	(7)
Distribution, production and other revenue	15	(31)
Segment profit <sup>1</sup>	122	(8)
Segment profit margin <sup>1</sup>	36%	3 pts

<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.

# Q1 Fiscal 2024 Radio Results

- Advertising revenue impacted by challenging macroeconomic conditions
- Segment profit<sup>1</sup> reflects lower advertising revenue

(in millions of dollars except percentages)

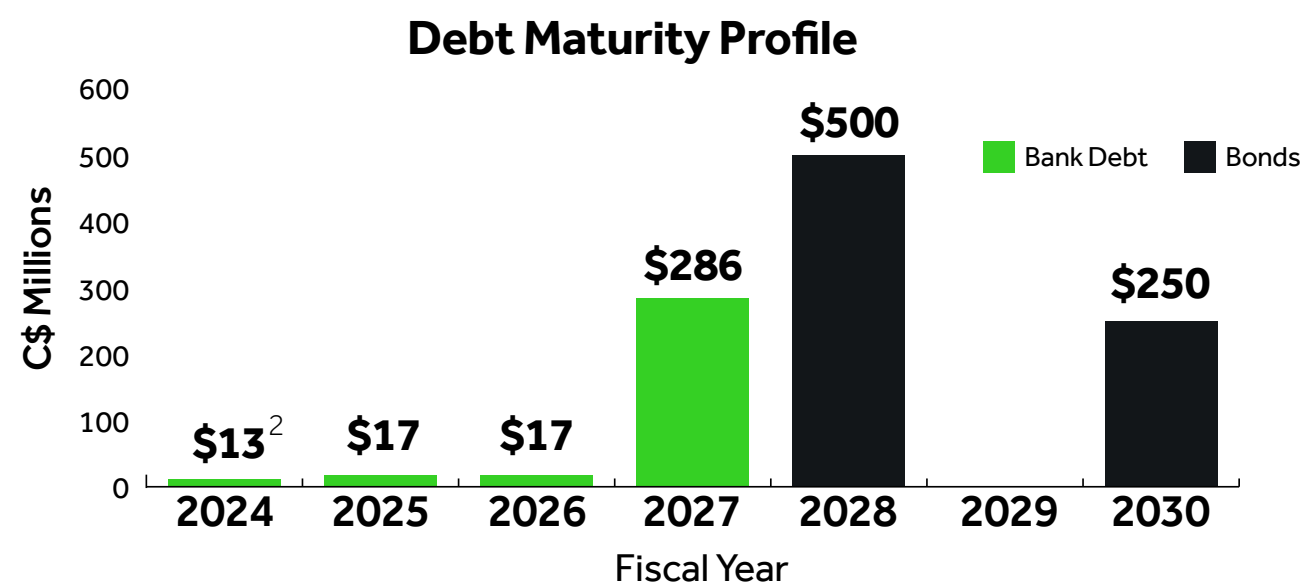
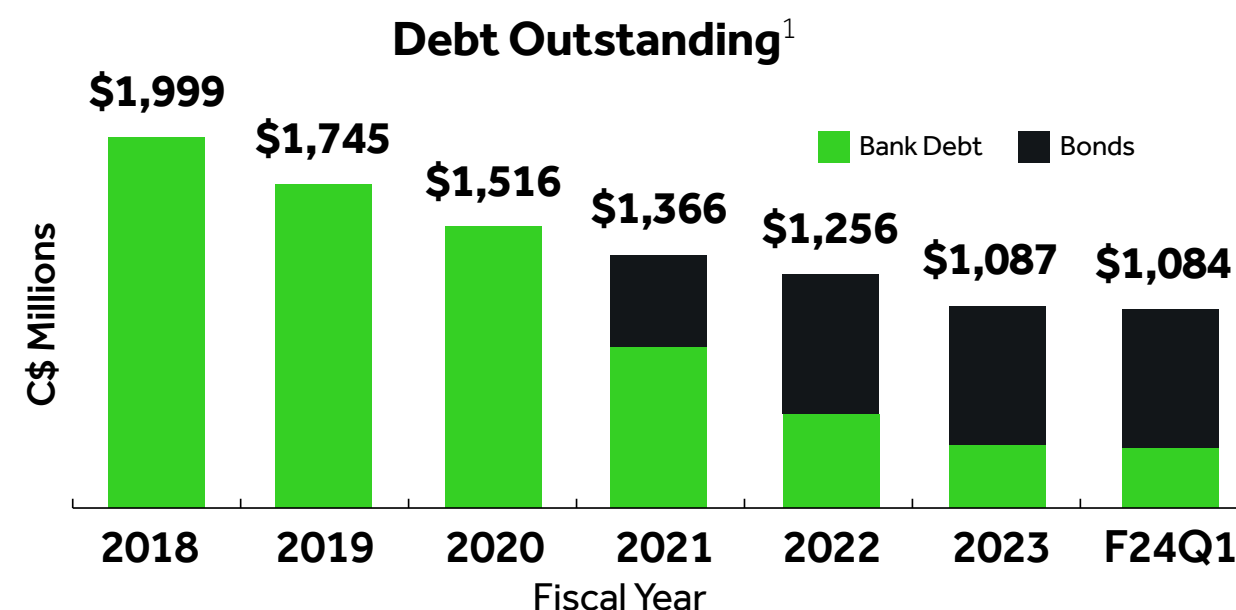
	Q1-2024	%Chg
Segment revenue	27	(7)
Segment profit <sup>1</sup>	5	(25)
Segment profit margin <sup>1</sup>	17%	(-3 pts)

<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.



# Debt Repayment in Focus

- Corus has been very proactive in improving its debt profile to maintain financial flexibility



## Highlights

**\$915 million**

Reduction in total debt since F2018

**~90%**

Percentage of total debt that is fixed rate

**4.42 years**

Weighted average debt maturity at Nov 30, 2023

**3.67x**

Proforma net debt to segment profit<sup>3,4</sup> at Nov 30, 2023

<sup>1</sup> Debt balances are based on financial statement presentation.

<sup>2</sup> Reflects remaining repayments due for F2024.

<sup>3</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.

<sup>4</sup> Proforma net debt to segment profit ratio excludes contributions to segment profit from Toon Boom Animation Inc. for the most recent four quarters.

# Global TV Celebrates 50 Years



# Outlook

- Powerhouse Global TV primetime schedule returns
- Ongoing expansion of digital and streaming platforms
- Advancement of cross-platform monetization capabilities
- Streamlining operating model to drive efficiencies and reduce costs
- Focus on debt reduction to improve financial flexibility
- Modest sequential revenue improvement expected in Q2

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**Q&A**

