

CORUS ENTERTAINMENT ANNOUNCES FISCAL 2024 FOURTH QUARTER RESULTS

- Consolidated revenue decreased 21% for the quarter and 16% for the year
- Consolidated segment profit⁽¹⁾ decreased 9% for the quarter and 15% for the year
- Consolidated segment profit margin⁽¹⁾ of 16% for the quarter and 22% for the year
- Net loss attributable to shareholders of \$25.7 million (\$0.13 loss per share basic) for the quarter and \$772.6 million (\$3.87 loss per share basic) for the year, which includes non-cash impairment charges of \$960.0 million for the year (\$742.0 million after tax)
- Proforma net debt to segment profit⁽¹⁾ of 3.84 times at August 31, 2024, which excludes contributions to segment profit from a prior year business divestiture, was up from the proforma net debt to segment profit as at August 31, 2023 of 3.62 times
- Free cash flow⁽¹⁾ of \$39.1 million for the quarter and \$114.2 million for the year

TORONTO, October 25, 2024 – Corus Entertainment Inc. (TSX: C.JR.B) announced its fourth quarter and annual financial results today.

“We have made significant progress on our plan to create a more sustainable future following challenging industry-wide conditions and increased competitive intensity this past year,” said Troy Reeb, Co-Chief Executive Officer. “Notably, we’ve generated considerable interest for the upcoming launch of our two all-new lifestyle brands, Flavour Network and Home Network, and the expansion of programming on Slice has yielded impressive results. Coupled with the strength of our fall schedule, these initiatives give us confidence we are on the right path.”

“Our commitment to right-sizing our business is evident in our fourth quarter and year-end results,” said John Gossling, Co-Chief Executive Officer and Chief Financial Officer. “We delivered increased free cash flow for the year, benefitting from our meaningful cost reduction efforts and deliberate focus on assets with the highest potential to generate returns. We also announced today that we have entered into an Amended and Restated Credit Facility, which is an important step in our more comprehensive plan to address our balance sheet and facilitates the execution of our business strategy.”

Financial Highlights

(in thousands of Canadian dollars except per share amounts)	Three months ended			Year ended		
	2024	August 31, 2023	% Change	2024	August 31, 2023	% Change
Revenue						
Television	248,048	314,232	(21%)	1,176,738	1,408,468	(16%)
Radio	21,305	24,611	(13%)	93,860	102,772	(9%)
	269,353	338,843	(21%)	1,270,598	1,511,240	(16%)
Segment profit (loss)⁽¹⁾						
Television	45,707	49,774	(8%)	294,780	340,580	(13%)
Radio	1,407	2,976	(53%)	9,442	13,460	(30%)
Corporate	(4,814)	(6,477)	26%	(20,793)	(20,035)	(4%)
	42,300	46,273	(9%)	283,429	334,005	(15%)
Segment profit margin⁽¹⁾						
Television	18%	16%		25%	24%	
Radio	7%	12%		10%	13%	
Consolidated	16%	14%		22%	22%	
Net income (loss) attributable to shareholders	(25,675)	50,412	(151%)	(772,641)	(428,724)	(80%)
Adjusted net income (loss) attributable to shareholders ⁽¹⁾	(4,003)	(9,075)	56%	11,427	28,553	(60%)
Earnings (loss) per share:						
Basic	(\$0.13)	\$0.25		(\$3.87)	(\$2.15)	
Diluted	(\$0.13)	\$0.25		(\$3.87)	(\$2.15)	
Adjusted basic ⁽¹⁾	(\$0.02)	(\$0.04)		\$0.06	\$0.14	
Free cash flow⁽¹⁾	39,142	31,654	24%	114,152	106,840	7%

⁽¹⁾ 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, adjusted net income (loss) attributable to shareholders, adjusted basic earnings (loss) per share, net debt to segment profit, proforma net debt to segment profit 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 2024 Report to Shareholders.

Segment Revenue

(in thousands of Canadian dollars)	Three months ended			Year ended		
	2024	August 31, 2023	% Change	2024	August 31, 2023	% Change
Revenue						
Television	248,048	314,232	(21%)	1,176,738	1,408,468	(16%)
Advertising	115,865	137,391	(16%)	652,322	768,036	(15%)
Subscriber	117,883	126,466	(7%)	470,332	502,257	(6%)
Distribution, production and other	14,300	50,375	(72%)	54,084	138,175	(61%)
Radio	21,305	24,611	(13%)	93,860	102,772	(9%)
Total Revenue	269,353	338,843	(21%)	1,270,598	1,511,240	(16%)
<i>New platform revenue percentage⁽¹⁾</i>	13%	13%	(5%)	12%	11%	(6%)

⁽¹⁾ New platform revenue does not have a standardized meaning prescribed by IFRS. For definition and explanation, see the discussion under the Key Performance Indicators and Non-GAAP Financial Measures section of the Fourth Quarter 2024 Report to Shareholders.

Operational Highlights

Corus has launched its Fall schedule for Global TV and Corus' Specialty networks on traditional and streaming platforms. In addition, Corus announced the upcoming launch of new lifestyle channels, Flavour Network and Home Network, added new content for specialty channel Slice, continued to implement cost savings initiatives and made bank debt repayments. The Company continues to navigate an uncertain macroeconomic and competitive environment.

Corus Introduces: Flavour Network and Home Network. On September 18, 2024, Corus announced its two all-new, Canadian-owned lifestyle brands will launch in Canada on December 30, 2024. Launching with more than 460 premiere hours in Winter/Spring 2025, the Corus-owned networks will feature a mix of Canadian original programming, as well as international acquisitions through new and expanded licence deals. The broad slate of exclusive content delivers new voices and formats, familiar faces from proven hits, and global representation to deliver a hand-picked, content-first strategy and curated brand experience.

Corus adds 173 hours of premium new content to Slice's fall schedule. While continuing to be home to premium reality content featuring real-life experiences and iconic talent, Slice expands deals with trusted studio partners to feature new unscripted genres including true crime and daily news.

Financial Highlights

- Free cash flow⁽¹⁾ of \$39.1 million in Q4 and \$114.2 million for the year compared to \$31.7 million and \$106.8 million, respectively, in the same comparable prior year periods. The increase in free cash flow⁽¹⁾ for the fourth quarter and the year is mainly attributable to higher cash provided by operating activities, offset by higher cash used in investing activities.
- Net debt to segment profit⁽¹⁾ was 3.84 times as at August 31, 2024. Proforma net debt to segment profit⁽²⁾ was 3.84 times at August 31, 2024, up from 3.62 times at August 31, 2023. This ratio increased as a result of the decline in segment profit⁽¹⁾ for the most recent four quarters exceeding the effect of the reduced net debt.
- Corus paid down \$2.7 million of debt during the fourth quarter of fiscal 2024 and \$38.8 million for the year.
- As of August 31, 2024, the Company had \$82.4 million of cash and cash equivalents and \$30.0 million available to be drawn under its Revolving Facility.

⁽¹⁾ Free cash flow, segment profit (loss), net debt to segment profit and proforma net debt to 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 Fourth Quarter 2024 Report to Shareholders and/or Management's Discussion and Analysis in the Company's Annual Report for the year ended August 31, 2023 ("2023 MD&A").

⁽²⁾ Proforma net debt to segment profit ratio excludes contributions to segment profit from Toon Boom Animation Inc., which was sold in August 2023, for the most recent four quarters.

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, 2024 and Management's Discussion and Analysis are available on the Company's website at www.corusent.com in the Investor Relations section and under the Company's SEDAR+ profile at www.sedarplus.ca.

A conference call with Corus senior management is scheduled for October 25, 2024 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://emportal.ink/3zGVLV8>. 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 1.416.945.7677 and for North America is 1.888.699.1199. This call will be archived and available for replay in the Investor Relations section of the Corus website beginning October 25, 2024, at 11 a.m.ET or accessible by telephone until November 1, 2024, at 1.888.660.6345 (toll-free North America) or 1.289.819.1450 (local or international), using replay code 23680#. More information can be found on the Corus Entertainment website at 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 2023 MD&A, as filed at www.sedarplus.ca on October 30, 2023.

As discussed further in the 2023 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.

As previously identified, additional key factors that have and may continue to adversely impact the Company's ability to compete successfully and its financial results include, but are not limited to: industry-wide, continuing reduced advertising demand or spending on linear television; macroeconomic supply chain disruptions, which in turn impact advertising; ability to secure programming rights; changes to acquired programming costs and arrangements, which continue to increase; and continued inaction or slower action by Corus' federal broadcast regulator to revisit Canadian program spending requirements, which represent a significant portion of the Company's cost base. A more extensive discussion of risks and uncertainties that may affect the Company's business, operations and financial performance can be found in the 2023 Annual MD&A.

Programming and trade mark output arrangements for HGTV, Food Network, Cooking Channel, Magnolia Network and OWN will not be renewed upon their expiry on December 31, 2024. The Company is currently undertaking a review of these channels and while some lifestyle channels will be retired, HGTV and Food Network will be rebranded as Home Network and Flavour Network based on the strength of top-rated Canadian programs and foreign content supply. This is expected to impact revenue on the Company's services in calendar 2025, which may lead to decreased profitability.

In addition, the Company has entered into the Credit Facility and issued the Senior Unsecured Notes, all of which contain certain financial covenants including with respect to the maintenance of certain leverage ratios. Management has taken and continues to take significant cost reduction actions and make appropriate investments in areas or assets which support sustainable profitability. Management also intends to actively pursue options for such amendments or relief, concurrent with such cost reduction actions and its regulatory advocacy. However, should the financial performance, specifically the impacts to profitability, continue to decline without successful mitigation and should there be no further changes or amendments to the foregoing financing arrangements, there is material risk that the Company will not meet its covenants under (i) the terms of the Credit Facility, which sets a maximum total debt to cash flow ratio of 5.75 through to and including December 31, 2024, 7.25 from January 1, 2025 through and including March 31, 2025, and 4.25 thereafter, or; (ii) the Senior Unsecured Notes.

The Company's ability to mitigate the concerns above is dependent on its ability to continue to access financing or obtain relief from or amendments to terms with lenders or noteholders with respect to relevant financial covenants or repayment terms under such facilities. While the Company has been successful in obtaining requisite relief and amendments in the past, there can be no assurance it will be able to do so in the future.

Other financial risks which may be related to or elevated by the foregoing include 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. Please see the 2023 MD&A for a full discussion of these and other risks and uncertainties.

Outlook

We continue to expect over-supply of premium digital video inventory from foreign competitors, and generally lower demand for linear advertising. As such, the Company expects year-over-year declines in Television advertising revenue in the first quarter of fiscal 2025 to be similar to the fourth quarter of fiscal 2024. Amortization of TV program rights in the first quarter is expected to increase by a mid-single digit percentage year-over-year. The Company will continue with its implementation of additional cost reduction initiatives and expects general and administrative expenses to decline in the range of 5% to 10% for the first quarter compared to the prior year. While the Company continues to expect improvement in the macroeconomic environment in the medium term, visibility remains 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 (loss), segment profit margin, free cash flow, adjusted net income (loss) attributable to shareholders, adjusted basic earnings per share, 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. Non-GAAP or non-IFRS measures 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, 2024, which is available on Corus' website at www.corusent.com as well as on SEDAR+ at www.sedarplus.ca.

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 capital allocation strategy, capital structure and liability management including liquidity, leverage targets, ability to repay debt, and/or renegotiate existing debt terms, dividend policy and the payment of future dividends, strategic plan, advertising and expectations of advertising trends for fiscal 2025, subscriber revenue and anticipated subscription trends, distribution, production and other revenue, the Company's ability to manage retention and reputation risks related to its on-air talent; expectations regarding financial performance, 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 Company's ability to maintain necessary access to loan and credit facilities, 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 maintain necessary access to loan and credit facilities, 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 including new, re-branded or re-programmed channels; 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 renegotiate, obtain relief from or 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.

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 32 specialty television services, 37 radio stations, 15 conventional television stations, digital and streaming platforms, and social digital agency and media services. Corus' roster of premium brands includes Global Television, W Network, Flavour Network and Home Network (launching soon), The HISTORY® Channel, Showcase, Adult Swim, National Geographic and Global News, along with streaming platforms STACKTV, TELETOON+, the Global TV App and Curiouscast. Corus is also 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. Corus is an internationally-renowned content creator, producer and distributor through Corus Studios and Nelvana. For more information visit 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 August 31, 2024	As at August 31, 2023
ASSETS		
Current		
Cash and cash equivalents	82,422	56,163
Accounts receivable	232,040	295,175
Income taxes recoverable	25,006	21,597
Prepaid expenses and other assets	17,857	21,285
Total current assets	357,325	394,220
Tax credits receivable	19,756	44,270
Investments and other assets	57,325	74,415
Property, plant and equipment, net	250,810	268,214
Program rights	494,022	668,976
Film investments	55,312	53,085
Intangible assets, net	252,358	1,198,229
Deferred income tax assets	—	44,653
Total assets	1,486,908	2,746,062
LIABILITIES AND EQUITY (DEFICIT)		
Current		
Accounts payable and accrued liabilities	488,098	565,052
Current portion of long-term debt	9,903	13,434
Provisions	25,467	9,811
Total current liabilities	523,468	588,297
Long-term debt	1,042,931	1,078,950
Other long-term liabilities	197,499	316,912
Provisions	10,697	9,041
Deferred income tax liabilities	54,041	293,862
Total liabilities	1,828,636	2,287,062
EQUITY (DEFICIT)		
Share capital	281,052	281,052
Contributed surplus	2,013,797	2,012,936
Accumulated deficit	(2,784,729)	(2,014,077)
Accumulated other comprehensive income	24,481	37,841
Total equity (deficit) attributable to shareholders	(465,399)	317,752
Equity attributable to non-controlling interests	123,671	141,248
Total equity (deficit)	(341,728)	459,000
	1,486,908	2,746,062

CORUS ENTERTAINMENT INC.

INTERIM CONDENSED 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)	2024	2023	2024	2023
Revenue	269,353	338,843	1,270,598	1,511,240
Direct cost of sales, general and administrative expenses	227,053	292,570	987,169	1,177,235
Depreciation and amortization	23,513	37,051	111,078	157,645
Interest expense	24,662	33,009	107,827	135,410
Goodwill, broadcast licence and other asset impairment	—	100,000	960,000	690,000
Debt refinancing	—	—	753	—
Restructuring and other costs	28,264	5,023	55,225	20,569
Loss (gain) on disposition	584	(142,288)	584	(142,288)
Other income, net	(1,793)	(10,094)	(1,658)	(3,670)
Income (loss) before income taxes	(32,930)	23,572	(950,380)	(523,661)
Income tax recovery	(9,966)	(25,046)	(183,636)	(100,806)
Net income (loss) for the period	(22,964)	48,618	(766,744)	(422,855)
Other comprehensive income (loss), net of income taxes				
Items that may be reclassified subsequently to income (loss):				
Unrealized change in fair value of cash flow hedges	(3,754)	3,190	(6,533)	4,945
Unrealized foreign currency translation adjustment	(259)	(99)	57	1,067
	(4,013)	3,091	(6,476)	6,012
Items that will not be reclassified to income (loss):				
Unrealized change in fair value of financial assets	(680)	95	(6,884)	(1,171)
Actuarial gain (loss) on post-retirement benefit plans	2,887	9,632	(969)	9,601
	2,207	9,727	(7,853)	8,430
Other comprehensive income (loss), net of income taxes	(1,806)	12,818	(14,329)	14,442
Comprehensive income (loss) for the period	(24,770)	61,436	(781,073)	(408,413)
Net income (loss) attributable to:				
Shareholders	(25,675)	50,412	(772,641)	(428,724)
Non-controlling interests	2,711	(1,794)	5,897	5,869
	(22,964)	48,618	(766,744)	(422,855)
Comprehensive income (loss) attributable to:				
Shareholders	(27,481)	63,230	(786,970)	(414,282)
Non-controlling interests	2,711	(1,794)	5,897	5,869
	(24,770)	61,436	(781,073)	(408,413)
Earnings (loss) per share attributable to shareholders:				
Basic	(\$0.13)	\$0.25	(\$3.87)	(\$2.15)
Diluted	(\$0.13)	\$0.25	(\$3.87)	(\$2.15)

CORUS ENTERTAINMENT INC.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)

(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 (deficit)
As at August 31, 2023	281,052	2,012,936	(2,014,077)	37,841	317,752	141,248	459,000
Comprehensive income (loss)	—	—	(772,641)	(14,329)	(786,970)	5,897	(781,073)
Dividends declared	—	—	—	—	—	(12,373)	(12,373)
Disposition of Aircraft Pictures	—	—	1,655	—	1,655	102	1,757
Actuarial loss on post-retirement benefit plans	—	—	(969)	969	—	—	—
Share-based compensation expense	—	861	—	—	861	—	861
Reallocation of equity interest	—	—	1,303	—	1,303	(5,303)	(4,000)
Return of capital to non-controlling interest	—	—	—	—	—	(5,900)	(5,900)
As at August 31, 2024	281,052	2,013,797	(2,784,729)	24,481	(465,399)	123,671	(341,728)

(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)	—	—	(428,724)	14,442	(414,282)	5,869	(408,413)
Dividends declared	—	—	(23,475)	—	(23,475)	(17,366)	(40,841)
Reduction of stated capital	(500,000)	500,000	—	—	—	—	—
Change in fair value of put option liability	—	—	(347)	—	(347)	176	(171)
Shares repurchased under normal course issuer bid ("NCIB")	(3,090)	1,119	—	—	(1,971)	—	(1,971)
Reversal of automatic share purchase commitment	2,224	(504)	—	—	1,720	—	1,720
Actuarial gain on post-retirement benefit plans	—	—	9,601	(9,601)	—	—	—
Share-based compensation expense	—	840	—	—	840	—	840
Reallocation of equity interest	—	—	3,226	—	3,226	(3,226)	—
Equity funding by a non-controlling interest	—	—	—	—	—	3,855	3,855
As at August 31, 2023	281,052	2,012,936	(2,014,077)	37,841	317,752	141,248	459,000

CORUS ENTERTAINMENT INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended		Year ended	
	August 31,		August 31,	
(unaudited - in thousands of Canadian dollars)	2024	2023	2024	2023
OPERATING ACTIVITIES				
Net income (loss) for the period	(22,964)	48,618	(766,744)	(422,855)
Adjustments to reconcile net income (loss) to cash flow from operations:				
Amortization of program rights	104,775	140,491	479,170	595,179
Amortization of film investments	1,513	14,056	15,724	36,760
Depreciation and amortization	23,513	37,051	111,078	157,645
Deferred income tax recovery	(1,937)	(24,327)	(191,362)	(124,516)
Goodwill, broadcast licence and other asset impairment	—	100,000	960,000	690,000
Loss (gain) on business divestiture	584	(142,288)	584	(142,288)
Share-based compensation expense	288	278	861	840
Imputed interest	8,544	12,516	41,819	57,547
Debt refinancing	—	—	753	—
Payment of program rights	(134,380)	(180,303)	(550,543)	(674,535)
Net spend on film investments	10,955	(5,392)	(10,672)	(60,341)
Other	563	189	34	1,345
Cash flow from operations	(8,546)	889	90,702	114,781
Net change in non-cash working capital balances related to operations	54,387	36,445	39,955	7,886
Cash provided by operating activities	45,841	37,334	130,657	122,667
INVESTING ACTIVITIES				
Additions to property, plant and equipment	(5,854)	(4,381)	(17,785)	(13,302)
Proceeds from sale of property	10	—	2,271	736
Acquisition of non-controlling interest	(4,000)	—	(4,000)	—
Business divestiture, net of divested cash	(2,801)	141,172	(2,801)	141,172
Net cash flows for intangibles, investments and other assets	(856)	(1,299)	(1,338)	(3,332)
Cash provided by (used in) investing activities	(13,501)	135,492	(23,653)	125,274
FINANCING ACTIVITIES				
Decrease in bank loans	(2,736)	(159,469)	(38,805)	(171,742)
Financing fees	(591)	—	(1,210)	(998)
Share repurchase under NCIB	—	—	—	(2,045)
Equity funding (return of capital) to non-controlling interest	(5,900)	—	(5,900)	3,855
Payment of lease liabilities	(4,496)	(4,560)	(18,108)	(17,943)
Dividends paid	—	(5,979)	—	(35,923)
Dividends paid to non-controlling interests	(2,300)	(1,616)	(12,373)	(17,366)
Other	(1,103)	(1,212)	(4,349)	(4,528)
Cash used in financing activities	(17,126)	(172,836)	(80,745)	(246,690)
Net change in cash and cash equivalents during the period	15,214	(10)	26,259	1,251
Cash and cash equivalents, beginning of the period	67,208	56,173	56,163	54,912
Cash and cash equivalents, end of the period	82,422	56,163	82,422	56,163

CORUS ENTERTAINMENT INC.
BUSINESS SEGMENT INFORMATION

(unaudited - in thousands of Canadian dollars)

Three months ended August 31, 2024

	Television	Radio	Corporate	Consolidated
Revenue	248,048	21,305	—	269,353
Direct cost of sales, general and administrative expenses	202,341	19,898	4,814	227,053
Segment profit (loss)⁽¹⁾	45,707	1,407	(4,814)	42,300
Depreciation and amortization				23,513
Interest expense				24,662
Restructuring and other costs				28,264
Loss on disposition				584
Other income, net				(1,793)
Loss before income taxes				(32,930)

Three months ended August 31, 2023

	Television	Radio	Corporate	Consolidated
Revenue	314,232	24,611	—	338,843
Direct cost of sales, general and administrative expenses	264,458	21,635	6,477	292,570
Segment profit (loss)⁽¹⁾	49,774	2,976	(6,477)	46,273
Depreciation and amortization				37,051
Interest expense				33,009
Goodwill, broadcast licence and other asset impairment				100,000
Restructuring and other costs				5,023
Gain on disposition				(142,288)
Other income, net				(10,094)
Income before income taxes				23,572

Year ended August 31, 2024

	Television	Radio	Corporate	Consolidated
Revenue	1,176,738	93,860	—	1,270,598
Direct cost of sales, general and administrative expenses	881,958	84,418	20,793	987,169
Segment profit (loss)⁽¹⁾	294,780	9,442	(20,793)	283,429
Depreciation and amortization				111,078
Interest expense				107,827
Goodwill, broadcast licence and other asset impairment				960,000
Debt refinancing				753
Restructuring and other costs				55,225
Loss on disposition				584
Other income, net				(1,658)
Loss before income taxes				(950,380)

Year ended August 31, 2023

	Television	Radio	Corporate	Consolidated
Revenue	1,408,468	102,772	—	1,511,240
Direct cost of sales, general and administrative expenses	1,067,888	89,312	20,035	1,177,235
Segment profit (loss)⁽¹⁾	340,580	13,460	(20,035)	334,005
Depreciation and amortization				157,645
Interest expense				135,410
Goodwill, broadcast licence and other asset impairment				690,000
Restructuring and other costs				20,569
Gain on disposition				(142,288)
Other income, net				(3,670)
Loss before income taxes				(523,661)

⁽¹⁾ 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 Fourth Quarter 2024 Report to Shareholders.

REVENUE BY TYPE

(unaudited - in thousands of Canadian dollars)	Three months ended			Year ended
	2024	August 31, 2023	2024	August 31, 2023
Advertising	135,970	160,732	740,446	865,633
Subscriber	117,883	126,466	470,332	502,257
Distribution, production and other	15,500	51,645	59,820	143,350
	269,353	338,843	1,270,598	1,511,240

NON-GAAP FINANCIAL MEASURES

(unaudited - in thousands of Canadian dollars, except percentages)	Three months ended			Year ended		
	2024	August 31, 2023	% Change	2024	August 31, 2023	% Change
New platform revenue						
New platform revenue (numerator)	31,256	33,024	(5%)	137,111	145,521	(6%)
Television advertising revenue	115,865	137,391	(16%)	652,322	768,036	(15%)
Television subscriber revenue	117,883	126,466	(7%)	470,332	502,257	(6%)
Total Television advertising and subscriber revenue (denominator)	233,748	263,857	(11%)	1,122,654	1,270,293	(12%)
New platform revenue percentage	13%	13%		12%	11%	

(unaudited - in thousands of Canadian dollars, except per share amounts)	Three months ended			Year ended		
	2024	August 31, 2023		2024	August 31, 2023	
Adjusted Net Income Attributable to Shareholders						
Net income (loss) attributable to shareholders	(25,675)	50,412		(772,641)	(428,724)	
Adjustments, net of income tax:						
Goodwill, broadcast licence and other asset impairment	—	73,500		742,016	578,453	
Debt refinancing	—	—		555	—	
Loss (gain) on disposition	584	(136,479)		584	(136,479)	
Restructuring and other costs	21,088	3,492		40,913	15,303	
Adjusted net income (loss) attributable to shareholders	(4,003)	(9,075)		11,427	28,553	
Basic earnings (loss) per share	(\$0.13)	\$0.25		(\$3.87)	(\$2.15)	
Adjustments, net of income tax:						
Goodwill, broadcast licence and other asset impairment	—	\$0.37		\$3.72	\$2.90	
Debt refinancing	—	—		—	—	
Loss (gain) on disposition	—	(\$0.68)		—	(\$0.68)	
Restructuring and other costs	\$0.11	\$0.02		\$0.21	\$0.07	
Adjusted basic earnings (loss) per share	(\$0.02)	(\$0.04)		\$0.06	\$0.14	

(unaudited - in thousands of Canadian dollars)	Three months ended			Year ended		
	2024	August 31, 2023		2024	August 31, 2023	
Free Cash Flow						
Cash provided by (used in):						
Operating activities	45,841	37,334		130,657	122,667	
Investing activities	(13,501)	135,492		(23,653)	125,274	
	32,340	172,826		107,004	247,941	
Add (deduct): cash used in (provided by) business acquisitions, divestitures and strategic investments ⁽¹⁾	6,802	(141,172)		7,148	(141,101)	
Free cash flow	39,142	31,654		114,152	106,840	

⁽¹⁾ Strategic investments are comprised of investments in venture funds and associated companies.

(unaudited - in thousands of Canadian dollars)

	As at August 31,	As at August 31,
Net Debt and Net Debt to Segment Profit	2024	2023
Total debt, net of unamortized financing fees and prepayment options	1,052,834	1,092,384
Lease liabilities	116,834	126,084
Cash and cash equivalents	(82,422)	(56,163)
Net debt (numerator)	1,087,246	1,162,305
Segment profit (denominator) ⁽¹⁾	283,429	334,005
Net debt to segment profit	3.84	3.48
Proforma net debt to segment profit⁽²⁾	3.84	3.62

⁽¹⁾ 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 2024 Report to Shareholders.

⁽²⁾ Proforma net debt to segment profit ratio excludes contributions to segment profit from Toon Boom Animation Inc., which was divested on August 23, 2023, for the most recent four quarters.