Corus.

Report to Shareholders

Third Quarter 2025

For the Three and Nine Months Ended May 31, 2025 (Unaudited)

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FINANCIAL HIGHLIGHTS

(These highlights are derived from the unaudited interim condensed consolidated financial statements)

(in thousands of Canadian dollars except per share amounts)

	Three months ended			Nine months ended		
		May 31,	**%**		**May 31,**	**%**
	2025	2024	**Change**	**2025**	2024	**Change**
Revenue						
Television	**274,522**	308,198	**(11%)**	**829,959**	928,690	**(11%)**
Radio	**23,284**	23,606	**(1%)**	**65,371**	72,555	**(10%)**
	297,806	331,804	**(10%)**	**895,330**	1,001,245	**(11%)**
Segment profit (loss) [1]						
Television	**62,667**	68,412	**(8%)**	**171,243**	249,073	**(31%)**
Radio	**5,072**	2,633	**93%**	**10,378**	8,035	**29%**
Corporate	**(6,132)**	(3,510)	**(75%)**	**(18,288)**	(15,979)	**(14%)**
	61,607	67,535	**(9%)**	**163,333**	241,129	**(32%)**
Segment profit margin [1]						
Television	**23%**	22%		**21%**	27%	
Radio	**22%**	11%		**16%**	11%	
Consolidated	**21%**	20%		**18%**	24%	
Net loss attributable to shareholders	**(7,336)**	(769,897)		**(51,308)**	(746,966)	
Adjusted net income (loss) attributable to shareholders[1]	**12,646**	(19,873)		**(1,709)**	15,430	
Earnings (loss) per share:						
Basic and diluted	**($0.04)**	($3.86)		**($0.26)**	($3.74)	
Adjusted basic [1]	**$0.06**	($0.10)		**($0.01)**	$0.08	
Free cash flow [1]	**(32,526)**	18,440	**(276%)**	**3,342**	75,010	**(96%)**

[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, 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 below.

BUSINESS HIGHLIGHTS

Corporate News

- **Corus announces leadership changes.** On June 4, 2025, Corus announced changes to its management leadership team, including the appointment of John Gossling as Chief Executive Officer. With these changes, Troy Reeb has decided to pursue opportunities outside of the Company and has stepped down as Co-CEO. Mr. Gossling will continue to act as Chief Financial Officer on an interim basis.
- **Corus Executive Chair retires.** On April 17, 2025, Corus announced the retirement of Heather Shaw from her position as Executive Chair as of May 31, 2025. Ms. Shaw will remain on the Company's Board of Directors as the non-executive chair.
- **Corus assigns and amends credit agreement, extends maturity date.** On March 21, 2025, Corus announced that it has completed an assignment of all the indebtedness and obligations under its Seventh Amended and Restated Credit Agreement dated October 24, 2024 to existing Canadian strategic debtholders. The Company also completed an agreement to amend and restate the Credit Facility, which now matures on March 20, 2027. A copy of the updated Credit Facility is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Multi-Platform Video Business

- **Global announces its 2025/26 lineup with seven new prime time acquisitions, alongside top series and returning favourites.** Global TV's roster will deliver 16.5 hours of simulcast programming in primetime this fall and introduces new ensemble workplace comedy *DMV*, dramas *CIA* and *Sheriff Country*, and new singing competition series *The Road*. The fall schedule also features the return of #1 Comedy *Ghosts*[1], #1 Reality Show *Survivor*[1], #1 Late Night Show *Saturday Night Live*[1], along with the *NCIS* franchise and popular series *9-1-1*, *FBI*, *Matlock* and *Elsbeth*.
- **Corus Entertainment announces its 2025/2026 lineup across its Specialty portfolio and streaming platforms.** Corus continues its exclusive content partnership with NBC Universal, delivering Peacock and Sky Original series including *The Paper*, *The Copenhagen Test*, *PONIES*, *All Her Fault*, and *The 'Burbs,* as well as returning hits *Ted* and *Bel-Air.* Corus' unscripted and reality networks will see the return of *The Curse of Oak Island, Top Chef Canada*, Gordon Ramsay's *Kitchen Nightmares*, and Corus Original series *House of Ali* and *Rock Solid Builds*, alongside new series *Life is Messy, WWII with Tom Hanks, Tiffany Haddish Goes Off* and Corus Original series *Building Baeumler*, *Halloween Bakeshop* and *Holiday Bakeshop*. Corus' full 2025/2026 Specialty schedule will be available to stream on STACKTV.

Advanced Focus on Sustainability

- **Corus gives back to local communities**. In the third quarter, Corus helped raise $8.8 million for over 288 community giving initiatives as well as provided over 500 volunteer hours to 64 local organizations across Canada.

Creating a Great Place to Work

- **2025 GAIL Workplace Impact Award.** Corus was recognized by WXN's (Women's Executive Network) Global Alliance for Inclusive Leadership (GAIL) Award for Workplace Impact. The award recognizes companies prioritizing professional women's development and advancement within their workplace.

Regulatory Developments

- **CRTC holds Canadian Broadcasting Industry hearings.** On May 16, 2025, Corus appeared at the public hearing portion of the Canadian Radio-television and Telecommunications Commissions's (CRTC) 'Defining Canadian content' consultation. On June 20, 2025, Corus appeared at the public hearing portion of the CRTC's 'The Path Forward – Working towards a sustainable Canadian broadcasting system' consultation.
- **CRTC issues Independent Local News Fund decision.** On June 9, 2025, the CRTC issued its decision in the Independent Local News Fund (ILNF) policy consultation. The CRTC retained the ILNF's existing Fund allocation method and confirmed that Corus' 15 local Global TV stations are eligible for the Fund.

[1] Source: Numeris Personal People Meter Data. Total Canada, Spring 2025 (January 6 – June 1, 2025) – confirmed to May 25, 2025, Adults aged 25-54, Average Minute Audience (000's), Canadian Conventional Commercial English, all stations based on 'Total' except for CTV Com, 3+ airings, excludes NHL and NFL Playoffs

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis of the financial position and results of operations for the three and nine months ended May 31, 2025 is prepared as at June 25, 2025. The following should be read in conjunction with Management's Discussion and Analysis, consolidated financial statements and the notes thereto included in the Company's Annual Report for the year ended August 31, 2024 and the interim condensed consolidated financial statements and notes of the current quarter. The financial highlights included in the discussion of the segmented results are derived from the unaudited interim condensed consolidated financial statements. All amounts are stated in Canadian dollars unless specified otherwise.

Corus Entertainment Inc. ("Corus" or the "Company") reports its interim financial results under International Accounting Standard ("IAS") 34 - *Interim Financial Reporting,* as issued by International Financial Reporting Standards ("IFRS") in Canadian dollars. Per share amounts are calculated using the weighted average number of shares outstanding for the applicable period.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

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

To the extent any statements made in this report 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 2025, 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 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 impact of imposed and threatened tariffs, including trade disruptions, restrictions on cross-border supply chains, shifting policies, uncertainty, timing and the resolution thereof; 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; labour disruption and work stoppages; 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, 2024 (the "2024 MD&A") and under the heading "Risk Factors" in the Company's Annual Information Form for the year ended August 31, 2024 (the "AIF"). 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. For a discussion on the Company's results of operations for fiscal 2024, we refer you to the Company's Annual Report for the year ended August 31, 2024, filed on SEDAR+ on December 8, 2024. Additional information relating to the Company, including the AIF, is available on SEDAR+ at www.sedarplus.ca.

OVERVIEW OF CONSOLIDATED RESULTS

REVENUE

Revenue for the third quarter of fiscal 2025 of $297.8 million decreased 10% from $331.8 million in the prior year's quarter. On a consolidated basis, advertising revenue decreased 14%, subscriber revenue decreased 5%, and distribution, production and other revenue was down 4%, compared to the prior year's quarter. Revenue declined in Television by 11% and by 1% in Radio.

For the nine months ended May 31, 2025, consolidated revenue of $895.3 million decreased 11% from $1,001.2 million in the prior year. On a consolidated basis, advertising revenue decreased 14%, subscriber revenue decreased 4%, and distribution, production and other revenue was down 14%, compared to the prior year. Revenue declined in Television by 11% and by 10% in Radio.

Further analysis of revenue is provided in the discussion of segmented results.

DIRECT COST OF SALES, GENERAL AND ADMINISTRATIVE EXPENSES

Direct cost of sales and general and administrative expenses for the third quarter of fiscal 2025 of $236.2 million decreased 11% from $264.3 million in the prior year's quarter. On a consolidated basis, direct cost of sales decreased 12%, employee costs decreased 7% and other general and administrative expenses decreased 13%. The decrease in direct cost of sales results from decreases in amortization of program rights and other cost of sales, as well as a recovery of amortization of film investments. The decrease in employee costs was primarily due to reduced labour costs, partially offset by higher share-based compensation expense and short-term compensation accruals. Other general and administrative expenses were lower as a result of reduced rental costs and satellite communications charges, offset by increased software and system license fees and higher advertising and marketing costs.

For the nine months ended May 31, 2025, direct cost of sales, general and administrative expenses of $732.0 million decreased 4% from $760.1 million in the prior year's comparable period. On a consolidated basis, direct cost of sales increased 1%, while employee costs decreased 12% and other general and administrative expenses decreased 5% from the prior year. The increase in direct cost of sales was driven principally by the increase in amortization of program rights, partially offset by a decrease in film amortization. The decrease in employee costs was primarily due to reduced salaries and benefits. Other general and administrative expenses decreased as a result of reduced tariff royalties and trade mark fees that are positively correlated with revenue, lower rental costs, satellite communication charges and consulting costs, offset by increased software and system license fees and marketing costs. Further analysis of expenses is provided in the discussion of segmented results.

SEGMENT PROFIT

Segment profit for the third quarter of fiscal year 2025 was $61.6 million, a decrease of 9% from $67.5 million in the prior year's quarter. The decrease in segment profit for the third quarter was principally a result of Television advertising and subscriber revenue declines, partially offset by cost control measures undertaken to reduce cost of sales and general and administrative expenses. Segment profit margin for the third quarter of fiscal 2025 was 21% and increased from 20% in the prior year's quarter.

For the nine months ended May 31, 2025, segment profit was $163.3 million, a decrease of 32% from $241.1 million in the prior year. The decrease in segment profit was principally a result of Television advertising and subscriber revenue declines, and an increase in amortization of program rights due to the return of scripted Hollywood content which was impacted by the writers' and actors' strikes in the prior year, partially offset by a decrease in general and administrative expenses resulting from continued cost control measures. Segment profit margin was 18% for the nine months ended May 31, 2025 and decreased from 24% in the prior year. Further analysis is provided in the discussion of segmented results.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization expense for the three months ended May 31, 2025 was $22.6 million, a decrease of 18% from $27.4 million in the prior year's quarter. The decrease in the quarter was a result of reductions in the amortization of brands and trade marks of $5.1 million, offset by an increase in amortization of other intangible assets of $0.2 million.

Depreciation and amortization expense for the nine months ended May 31, 2025 was $67.7 million, a decrease of 23% from $87.6 million in the prior year. The decrease was a result of reductions in the amortization of brands and trade marks of $20.0 million, and capital assets of $0.5 million, offset by an increase in amortization of other intangible assets of $0.5 million.

INTEREST EXPENSE

Interest expense for the three months ended May 31, 2025 was $36.8 million, up from $26.0 million in the prior year's quarter. The increase in interest expense in the quarter results from an increase of $5.3 million in imputed interest on long-term liabilities associated with program rights, trade marks and right-of-use assets, and an increase in interest on long term debt of $5.8 million. The increase in interest on long-term debt is primarily the result of a loss on the extinguishment of the interest rate swap of $5.2 million, offset by a decrease in interest on the credit facility of $0.4 million.

Interest expense for the nine months ended May 31, 2025 of $92.9 million increased from $83.2 million in the prior year. The increase primarily results from an increase of $4.2 million in imputed interest on long-term liabilities associated with program rights, trade marks and right-of-use assets and an increase of $6.2 million in interest on long-term debt. Interest on long-term debt was higher primarily as a result of a loss of $4.8 million on interest rate swap in the current year compared to a gain of $3.0 million in the prior year and lower interest rates on floating rate debt being more than offset by the impact of the interest rate swap.

The effective interest rate on the Credit Facility and the Senior Unsecured Notes due 2030 (the "2030 Notes") together with the Senior Unsecured Notes due 2028 (the "2028 Notes", collectively referred to hereafter as the "Notes") for the three and nine months ended May 31, 2025 was 6.0% and 6.2% compared to 6.0% for both comparable periods of the prior year. The increase in the effective rate for both periods results from the impact of the extinguishment of the interest rate swap.

DEBT REFINANCING

On October 24, 2024, the Company amended and restated its Credit Facility (refer to note 7 of the interim condensed consolidated financial statements for further details), which resulted in a non-cash loss on debt refinancing of $4.4 million.

On March 21, 2025, the Company's Credit Facility was assigned, following which it was amended and restated (refer to note 7 of the condensed consolidated financial statements for further details), which resulted in a non-cash loss on debt refinancing of $3.0 million.

RESTRUCTURING AND OTHER COSTS

For the three and nine months ended May 31, 2025, the Company incurred $25.3 million and $54.4 million, respectively, of restructuring and other costs, compared to $10.9 million and $27.0 million in the comparable periods of the prior year. The current fiscal year costs relate primarily to restructuring costs associated with employee exits and professional fees, and a one time contract termination payment, while the prior fiscal year costs relate to restructuring costs associated with employee exits as well as system integration costs.

OTHER EXPENSE (INCOME), NET

Other income for the three months ended May 31, 2025 was $28.0 million, compared to an expense of $0.5 million in the prior year's quarter. The current quarter included foreign exchange gains of $22.6 million related to the translation of USD denominated liabilities, primarily related to programming acquisitions, interest income of $0.6 million, a reversal of a prior period asset impairment of $1.2 million and the write off of historical unclaimed liabilities of $4.2 million, offset by redundant rent of $1.4 million. The prior year's quarter included other expenses of $1.3 million consisting of the retroactive portion of a reduction to Television retransmission royalties as well as redundant rent, offset by $0.9 million of interest income.

Other income for the nine months ended May 31, 2025 was $24.3 million, compared to an expense of $0.1 million in the prior year. In the current year-to-date period, other income included foreign exchange gains of $13.8 million related to the translation of USD denominated liabilities, primarily related to programming acquisitions, a $9.7 million gain on a property disposal, interest income of $2.0 million, reversal of a previously recognized $1.2 million asset impairment and the write off of historical unclaimed liabilities of $4.2 million, offset by redundant rent of $3.8 million and impairment of intangible assets of $4.1 million. The prior year's comparable period included foreign exchange losses of $0.7 million related to the translation of USD denominated liabilities and other expenses of $3.8 million consisting of the retroactive portion of retransmission royalty reductions and redundant rent, net of rental income, offset by interest income of $3.1 million, a gain on property disposal of $1.0 million and a recovery of a previous investment impairment of $0.3 million.

INCOME TAX EXPENSE (RECOVERY)

The Company's effective income tax rate for the three months ended May 31, 2025 was 387.5% compared to a recovery rate of 19.2% in the prior year's quarter. The difference between the statutory rate of 26.3% and the effective tax rate mainly resulted from increases in derecognized deferred income tax assets.

The Company's effective income tax rate for the nine months ended May 31, 2025 was 31.9%, compared to an income tax recovery rate of 18.9% for the nine months ended May 31, 2024. The difference between the year-to-date statutory rate of 26.3% and the effective income tax rate resulted from increases in derecognized deferred income tax assets.

NET INCOME (LOSS) ATTRIBUTABLE TO SHAREHOLDERS AND EARNINGS (LOSS) PER SHARE

Net loss attributable to shareholders for the third quarter of fiscal 2025 was $7.3 million ($0.04 loss per share basic), compared to net loss attributable to shareholders of $769.9 million ($3.86 loss per share basic) in the prior year's quarter. Net loss attributable to shareholders for the third quarter of fiscal 2025 includes restructuring and other costs of $25.3 million ($0.09 per share) and debt refinancing costs of $3.0 million ($0.01 per share). Adjusting for the impact of these items results in an adjusted net income attributable to shareholders of $12.6 million ($0.06 per share basic) in the quarter. Net loss attributable to shareholders for the third quarter of fiscal 2024 included goodwill, broadcast licence and other asset impairment charges of $960.0 million ($3.72 per share) and restructuring and other costs of $10.9 million ($0.04 per share). Adjusting for the impact of these items results in an adjusted net loss attributable to shareholders of $19.9 million ($0.10 loss per share basic) in the prior year's quarter.

Net loss attributable to shareholders for the nine months ended May 31, 2025 was $51.3 million ($0.26 loss per share basic), compared to $747.0 million ($3.74 loss per share basic) in the prior year. Net loss attributable to shareholders for the nine months ended May 31, 2025 includes a debt refinancing loss of $7.3 million ($0.03 per share), restructuring and other costs of $54.4 million ($0.20 per share) and write-off of intangible assets of $4.1 million ($0.02 per share). Adjusting for the impact of these items results in an adjusted net loss attributable to shareholders of $1.7 million ($0.01 loss per share basic). Net loss attributable to shareholders for the nine months ended May 31, 2024 includes goodwill, broadcast licence and other asset impairment charges of $960.0 million ($3.72 per share), a debt refinancing loss of $0.8 million ($nil per share) and restructuring and other costs of $27.0 million ($0.10 per share basic). Adjusting for the impact of these items results in an adjusted net income attributable to shareholders of $15.4 million ($0.08 per share basic) for the same comparable period of the prior year.

The weighted average number of basic shares outstanding for the three and nine months ended May 31, 2025 was 199,440,000, consistent with the comparable periods in the prior year.

OTHER COMPREHENSIVE LOSS, NET OF INCOME TAXES

Other comprehensive loss for the three months ended May 31, 2025 was $4.8 million, compared to $1.0 million in the prior year's quarter. For the three months ended May 31, 2025, other comprehensive loss includes an actuarial loss on the remeasurement of post-employment benefit plans of $5.5 million, an unrealized loss on the fair value of financial assets of $1.9 million, and an unrealized loss from foreign currency translation adjustments of $1.2 million, offset by an unrealized gain in the fair value of cash flow hedges of $3.8 million. In the prior year's quarter, other comprehensive loss includes an actuarial loss on the remeasurement of post-employment benefit plans of $1.4 million, offset by an unrealized gain on the change in the fair value of financial assets of $0.2 million, an unrealized gain from foreign currency translation adjustments of $0.1 million and an unrealized gain in the fair value of cash flow hedges of $0.1 million.

Other comprehensive loss for the nine months ended May 31, 2025 was $11.2 million, compared to $12.5 million in the prior year. For the nine months ended May 31, 2025, other comprehensive loss includes an actuarial loss on the remeasurement of post-employment benefit plans of $6.9 million and an unrealized loss on the fair value of financial assets of $6.2 million, offset by an unrealized gain on the fair value of cash flow hedges of $1.6 million and an unrealized gain from foreign currency translation adjustments of $0.3 million. For the nine months ended May 31, 2024, other comprehensive loss includes an unrealized loss on the fair value of cash flow hedges of $2.8 million, an unrealized loss on the fair value of financial assets of $6.2 million and an actuarial loss on the remeasurement of post-employment benefit plans of $3.8 million, offset by unrealized gain from foreign currency translation adjustments of $0.3 million.

BUSINESS SEGMENT INFORMATION

The Company's business activities are conducted through two segments: Television and Radio.

TELEVISION

The Television segment is comprised of 30 specialty television networks, 15 conventional television stations, digital and streaming services, a social media digital agency, a social media creator network, technology and media services, and the Corus content business, which includes the production and distribution of films and television programs, merchandise licensing, and book publishing. Revenue is generated from advertising, subscribers and the licensing of proprietary films and television programs as well as the provision of production services, merchandise licensing, book publishing, and the provision of technology and media services.

RADIO

The Radio segment is comprised of 36 radio stations, situated primarily in urban centres in English Canada, with a concentration in the densely populated area of Southern Ontario. Revenue is derived from advertising aired over these stations.

CORPORATE

Corporate results represent the incremental cost of corporate overhead in excess of the amount allocated to the other operating segments.

Management evaluates each segment's performance based on revenue less direct cost of sales, general and administrative expenses. Segment profit (loss) excludes depreciation and amortization, interest expense, debt refinancing costs, restructuring and other costs, impairments, gains or losses on dispositions, and certain other income and expenses.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies of the most recent annual audited consolidated financial statements.

TELEVISION

FINANCIAL HIGHLIGHTS

(thousands of Canadian dollars)	Three months ended May 31, 2025	2024	Nine months ended May 31, 2025	2024
Revenue				
Advertising	**150,933**	178,182	**457,161**	536,457
Subscriber	**111,092**	116,914	**338,670**	352,449
Distribution, production and other	**12,497**	13,102	**34,128**	39,784
Total revenue	**274,522**	308,198	**829,959**	928,690
Expenses	**211,855**	239,786	**658,716**	679,617
Segment profit [1]	**62,667**	68,412	**171,243**	249,073
Segment profit margin[1]	**23%**	22%	**21%**	27%

Revenue for the three months ended May 31, 2025 declined in Television by 11% from the prior year's quarter as a result of decreases of 15% in advertising revenue, 5% in subscriber revenue and 5% in distribution, production and other revenue. Advertising revenue declined as demand and spending in the media industry remained challenged by an oversupply of premium digital video inventory. The decrease in advertising revenue was driven by declines in the food, health and beauty, retail, iGaming and automotive categories, partially mitigated by increases in the government, travel and entertainment categories. Subscriber revenue decreased from the prior year's quarter principally as a result of declines in the traditional linear business as well as the shutdown of three specialty television networks. The decrease in distribution, production and other revenue was attributable to fewer episode deliveries and reduced service work.

Revenue for the nine months ended May 31, 2025 declined in Television by 11% from the prior year's comparable period as a result of decreases of 15% in advertising revenue, 4% in subscriber revenue and 14% in distribution, production and other revenue. On a year-to-date basis, declines in the food, communication, retail, health and beauty, direct to consumer and financial services categories were partially offset by increases in the government, non-alcoholic beverages and travel categories. Subscriber revenue decreased from the prior year-to-date as a result of declines in the traditional linear business as well as the shutdown of three specialty television networks. The decrease in distribution, production and other revenue was attributable to fewer episode deliveries and reduced service work.

Expenses for the three months ended May 31, 2025 were down 12% from the prior year's quarter as a result of decreases of 12% in direct cost of sales, 10% in employee costs and 15% in other general and administrative expenses. The decrease in direct cost of sales was driven by a $4.0 million (or 3%) decrease in amortization of program rights, a decrease of $8.7 million (or 126%) in amortization of film investments due to a change in estimate of the recoverability of film tax credits and the sale of Aircraft Pictures Limited in July 2024 and a decrease of $4.8 million (or 52%) in other cost of sales. The decrease of $5.7 million in employee costs reflects significant headcount reductions. The decrease of $4.8 million in other general and administrative expenses was the result of continued cost containment measures.

Expenses for the nine months ended May 31, 2025 were down 3% from the prior year's comparable period as a result of an increase of 2% in direct cost of sales, offset by decreases of 13% in employee costs and 4% in other general and administrative expenses. The increase in direct cost of sales was due to a $16.0 million (or 4%) increase in amortization of program rights, as a result of the writers' and actors' labour strikes in the prior year and a $1.8 million (or 8%) increase in other cost of sales, offset by a decrease of $11.4 million (or 81%) in amortization of film investments due to a change in estimate of the recoverability of film tax credits and the sale of Aircraft in July 2024. The decrease of $23.1 million in employee costs reflects significant headcount reductions over the past twelve months. The decrease of $4.1 million in other general and administrative expenses was primarily the result of an increase in advertising and marketing costs to support the launch of new programming and brands, being more than offset by continued cost containment measures.

Segment profit[1] for the three and nine months period ended May 31, 2025 was down 8% and 31%, respectively. This decline was primarily a result of the decrease in advertising and subscriber revenue exceeding the decreases in expenses. Segment profit margin[1] for the quarter was 23%, up from 22% in the prior year's quarter and 21% for the nine months ended May 31, 2025, down from 27% in the prior year.

[1] As defined in the "Key Performance Indicators and Non-GAAP Financial Measures" section of this report.

RADIO

FINANCIAL HIGHLIGHTS

(thousands of Canadian dollars)	Three months ended May 31, 2025	2024	Nine months ended May 31, 2025	2024
Revenue	**23,284**	23,606	**65,371**	72,555
Expenses	**18,212**	20,973	**54,993**	64,520
Segment profit [(1)]	**5,072**	2,633	**10,378**	8,035
Segment profit margin[(1)]	**22%**	11%	**16%**	11%

[(1)] As defined in the "Key Performance Indicators and Non-GAAP Financial Measures" section of this report.

Revenue for the three and nine months ended May 31, 2025 decreased 1% and 10% from the prior year's comparable periods. The decline in advertising revenue for the quarter was driven principally by the automotive, professional services, beverages and entertainment categories, offset by modest growth in the government, home products and retail categories.

Direct cost of sales and general and administrative expenses decreased 13% and 15% for the three and nine months ended May 31, 2025, respectively. The decrease was a result of lower salaries and benefits due to continued cost containment measures, with a particular focus on headcount reductions.

Radio's segment profit[(1)] for the three months ended May 31, 2025 increased by $2.4 million from the prior year's quarter as a result of the impact of cost containment measures exceeding revenue declines. Segment profit margin[(1)] for the quarter of 22% increased from 11% in the prior year's quarter. Radio's segment profit for the nine months ended May 31, 2025 increased by $2.3 million (or 29%) from the prior year's comparable period, as the impact of cost containment measures exceeded revenue declines. Segment profit margin for the nine months of 16% increased from 11% in the prior year's comparable period.

[(1)]As defined in the "Key Performance Indicators and Non-GAAP Financial Measures" section of this report.

CORPORATE

FINANCIAL HIGHLIGHTS

(thousands of Canadian dollars)	Three months ended May 31, 2025	2024	Nine months ended May 31, 2025	2024
Share-based compensation	**124**	(524)	**130**	(447)
Other general and administrative costs	**6,008**	4,034	**18,158**	16,426
	6,132	3,510	**18,288**	15,979

Share-based compensation includes expenses related to the Company's stock options and other long-term incentive plans (such as Performance Share Units - "PSUs", Deferred Share Units – "DSUs" and Restricted Share Units – "RSUs"). The expense fluctuates with changes in assumptions, primarily regarding the Company's share price and number of units estimated to vest.

Share-based compensation expense in both the three and nine months ended May 31, 2025 increased by $0.6 million from the comparable periods of the prior year, respectively, as a result of a fluctuations in share price.

Other general and administrative costs increased by $2.0 million for the quarter and by $1.7 million for the nine months ended May 31, 2025. The increases are principally attributable to additional professional fees and variable compensation offset by reduced salaries and benefits due to decreased headcount.

QUARTERLY CONSOLIDATED FINANCIAL INFORMATION

SEASONAL FLUCTUATIONS

As discussed in Management's Discussion and Analysis for the year ended August 31, 2024, Corus' operating results are subject to seasonal fluctuations that can significantly impact quarter-to-quarter operating results. The Company's advertising revenue is dependent on general advertising revenue and retail cycles associated with consumer spending activity, accordingly the first and third quarter results tend to be the highest and second and fourth quarter results tend to be the lowest in a fiscal year. The Company's distribution and production revenue is dependent on the number and timing of film and television programs delivered. Consequently, the Company's results may fluctuate materially from period-to-period and the results of any one period are not necessarily indicative of results for future periods.

The following table sets forth certain unaudited data derived from the Company's interim condensed consolidated financial statements for each of the eight most recent quarters ended May 31, 2025. In Management's opinion, these unaudited interim condensed consolidated financial statements have been prepared on a basis consistent with the audited consolidated financial statements in the Company's Annual Report for the year ended August 31, 2024, except as disclosed in note 3 of the interim condensed consolidated financial statements.

(thousands of Canadian dollars, except per share amounts)					Earnings (loss) per share			
	Revenue	Segment profit [(1)]	Net income (loss) attributable to shareholders	Adjusted net income (loss) attributable to shareholders [(1)]	Basic	Diluted	Adjusted basic [(1)]	Free cash flow [(1)]
2025								
3rd quarter	**297,806**	**61,607**	**(7,336)**	**12,646**	**$ (0.04)**	**$ (0.04)**	**$ 0.06**	**(32,526)**
2nd quarter	270,353	17,503	(55,880)	(42,727)	$ (0.28)	$ (0.28)	$ (0.21)	46,017
1st quarter	327,171	84,223	11,908	28,372	$ 0.06	$ 0.06	$ 0.14	(10,149)
2024								
4th quarter	269,353	42,300	(25,675)	(4,003)	$ (0.13)	$ (0.13)	$ (0.02)	39,142
3rd quarter	331,804	67,535	(769,897)	(19,873)	$ (3.86)	$ (3.86)	$ (0.10)	18,440
2nd quarter	299,537	52,745	(9,780)	(5,944)	$ (0.05)	$ (0.05)	$ (0.03)	32,862
1st quarter	369,904	120,849	32,711	41,247	$ 0.16	$ 0.16	$ 0.20	23,708
2023								
4th quarter	338,843	46,273	50,412	(9,075)	$ 0.25	$ 0.25	$ (0.04)	31,654

(1) As defined in the "Key Performance Indicators and Non-GAAP Financial Measures" section of this report.

ITEMS CAUSING VARIATIONS IN QUARTERLY RESULTS

- Net loss attributable to shareholders for the third quarter of fiscal 2025 was negatively impacted by restructuring and other costs of $25.3 million ($0.09 per share) and a loss on debt refinancing of $3.0 million ($0.01 per share).
- Net loss attributable to shareholders for the second quarter of fiscal 2025 was negatively impacted by restructuring and other costs of $12.6 million ($0.05 per share) and a write off of intangible assets of $4.1 million ($0.02 per share).
- Net income attributable to shareholders for the first quarter of fiscal 2025 was negatively impacted by restructuring and other costs of $16.5 million ($0.06 per share) and a loss on debt refinancing of $4.4 million ($0.02 per share).
- Net loss attributable to shareholders for the fourth quarter of fiscal 2024 was negatively impacted by restructuring and other costs of $28.3 million ($0.11 per share).
- Net loss attributable to shareholders for the third quarter of fiscal 2024 was negatively impacted by non-cash television and radio broadcast licence, goodwill and other asset impairment charges of $960.0 million ($3.72 per share) and restructuring and other costs of $10.9 million ($0.04 per share).
- Net loss attributable to shareholders for the second quarter of fiscal 2024 was negatively impacted by restructuring and other costs of $5.3 million ($0.02 per share).
- Net income attributable to shareholders for the first quarter of fiscal 2024 was negatively impacted by restructuring and other costs of $10.8 million ($0.04 per share) and a loss on debt refinancing of $0.8 million ($nil per share).

- Net income attributable to shareholders for the fourth quarter of fiscal 2023 was negatively impacted by non-cash television broadcast licence and other asset impairment charges of $100.0 million ($0.37 per share) and restructuring and other costs of $5.0 million ($0.02 per share), while positively impacted by a gain on a business disposition of $142.3 million ($0.68 per share).

FINANCIAL POSITION

Total assets at May 31, 2025 of $1.7 billion increased by $0.2 billion from August 31, 2024. The following discussion describes the significant changes in the consolidated statements of financial position since August 31, 2024.

Current assets at May 31, 2025 were $361.2 million, an increase of $3.9 million from August 31, 2024.

Cash and cash equivalents were down $0.6 million from August 31, 2024. Refer to the discussion of cash flows in the next section.

Accounts receivable increased by $27.5 million from August 31, 2024. The increase was primarily as a result of trade accounts receivable. The accounts receivable balance is subject to seasonal trends. Typically, the balance of trade receivables is higher at the end of the first and third quarters and lower at the end of the second and fourth quarters as a result of the broadcast advertising revenue seasonality. The Company carefully monitors the aging and collection performance of its accounts receivable.

Tax credits receivable increased $8.9 million from August 31, 2024 as a result of accruals relating to film productions and an adjustment to the estimated collectibility of claims exceeding tax credit receipts.

Investments and other assets decreased $17.7 million from August 31, 2024, primarily as a result of a decrease in the net asset position of certain post employment benefit plans, a decrease in the fair value of the venture funds and the expiration of the foreign exchange forward contract.

Property, plant and equipment decreased $17.3 million from August 31, 2024 as a result of depreciation expense exceeding additions.

Program rights increased $160.7 million from August 31, 2024, as acquisitions of $551.0 million were offset by amortization of $390.4 million.

Film investments decreased $17.6 million from August 31, 2024, primarily as a result of tax credit accruals of $13.8 million, transfers to program rights of $8.0 million, foreign exchange of $7.7 million and film amortization of $2.4 million, offset by spending of $14.3 million.

Intangibles increased $91.4 million from August 31, 2024, as trade mark renewal agreements of $121.4 million and net additions to other intangible assets of $10.8 million were offset by amortization of $40.8 million.

Accounts payable and accrued liabilities decreased $16.7 million from August 31, 2024, principally as a result of lower program rights payable, trade marks payable, payroll accruals, short-term lease liabilities and interest payable, offset by higher accounts payable and accrued liabilities, deferred revenue and sales tax payable.

Provisions, including the long-term portion, decreased by $6.4 million from August 31, 2024, principally as a result of payments exceeding restructuring-related additions.

Long-term debt, including the current portion, as at May 31, 2025 was $1,079.6 million compared to $1,052.8 million as at August 31, 2024. As at May 31, 2025, there are no mandatory repayments of the Term Facility over the next twelve months. During the nine months ended May 31, 2025, the Company increased borrowings under the credit facility by $18.4 million and amortized $2.3 million of deferred financing charges, The Credit Facility amendment on March 21, 2025 resulted in a net write-off of $2.9 million of deferred financing fees and incurred $0.1 million of financing fees. The Credit Facility amendment on October 24, 2024 resulted in a loss of $4.4 million on debt refinancing and incurred $1.3 million of financing fees.

Other long-term liabilities increased $267.5 million from August 31, 2024, primarily from program rights and trade mark agreements renewals, an increase in the net asset position of certain post employment benefit plans and software license payable, offset by decreases in lease liabilities and deferred revenue.

Share capital remained consistent with August 31, 2024, while the contributed surplus increased as a result of the purchase of minority interest and share-based compensation expense.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOWS

Overall, the Company's cash and cash equivalents position decreased by $9.8 million for the third quarter of fiscal 2025 and $0.6 million for the nine months ended May 31, 2025. Free cash flow[1] for the three and nine months ended May 31, 2025 was a cash outflow of $32.5 million and a cash inflow of $3.3 million, respectively, compared to cash inflows of $18.4 million and $75.0 million in the same comparable prior year periods. The decrease in free cash flow[1] in the third quarter was primarily attributable to a decrease in cash provided by operating activities of $51.9 million. The decrease in free cash flow[1] for the nine months ended May 31, 2025 was attributable to a decrease of $83.5 million in cash provided by operating activities, offset by an increase of $12.2 million in cash provided by investing activities.

Cash used in operating activities for the quarter was $29.0 million compared to $22.9 million provided by operating activities in the prior year's quarter. The decrease in cash provided in the quarter of $51.9 million arises from a decrease in cash provided by working capital of $40.6 million and a decrease in cash flow from operations of $11.3 million, which includes lower net income from operations (adjusted for non-cash items) of $17.3 million and increased spend on program rights of $3.7 million, offset by lower spend on film investments of $9.7 million. The decrease in cash provided year-to-date of $83.5 million arises from a decrease in cash provided by working capital of $15.9 million and a decrease in cash flow from operations of $67.6 million, which includes lower net income from operations (adjusted for non-cash items) of $84.9 million, offset by lower spend on program rights of $7.8 million and film investments of $9.5 million.

Cash used in investing activities for the quarter was $3.5 million compared to $4.5 million used in the prior year. The decrease in cash used in the quarter of $1.0 million is attributable to decreased spend on property, plant and equipment of $1.5 million, offset by increased spend on intangibles, investments and other assets of $0.5 million. Cash provided by investing activities for the nine months ended May 31, 2025 was $2.1 million compared to $10.2 million used in the prior year. The decrease in cash used year-to-date of $12.2 million is primarily attributable to decreased spend on property, plant and equipment of $5.1 million and an increase in proceeds from the sale of property of $7.8 million, offset by increased spend on intangibles, investments and other assets of $0.7 million.

Cash provided by financing activities for the quarter was $22.7 million compared to $12.7 million used in the prior year's quarter. The increase in cash provided in the quarter of $35.4 million is primarily attributable to an increase in credit facility borrowings of $30.0 million, offset by a reduction of dividends paid to non-controlling interests of $1.4 million. Cash used in financing activities for the nine months ended May 31, 2025 was $3.9 million compared to $63.6 million in the prior year's comparable period. The decrease in cash used year-to-date was attributable to an increase in credit facility borrowings of $18.4 million this year-to-date compared to a decrease in credit facility borrowings of $36.1 million in the prior year and a reduction of dividends paid to non-controlling interests of $8.0 million, offset by an increase of $1.7 million in software licenses and an increase of $0.7 million paid in financing fees.

[1] A definition and reconciliation of free cash flow to the consolidated statements of cash flows is provided in the "*Key Performance Indicators and Non-GAAP Measures*" section of this report

LIQUIDITY

The Company manages its capital structure in accordance with changes in economic conditions and with appropriate prudence. Currently, the Company's capital management activities are focused on maintaining appropriate financial flexibility in order to pursue organic growth, achieve business goals and repay debt, all with the objective to provide returns to its shareholders.

The Company defines capital as the aggregate of its shareholders' equity and total long-term debt less cash and cash equivalents. In order to maintain or adjust its capital structure and enable its capital management activities, from time to time, the Company may elect to issue or repay long-term debt, issue shares, repurchase shares through a normal course issuer bid, pay dividends or undertake any other activities as deemed appropriate under the specific circumstances.

The Company monitors capital using several key performance metrics including net debt to segment profit ratio. While leverage may be higher in the short-term, the Company endeavours to return to a more sustainable leverage target range in the future.

As at May 31, 2025, the Company was in compliance with all loan covenants, had a cash and cash equivalents balance of $81.9 million and had approximately $45.0 million available to be drawn under the Revolving Facility. Management believes that cash flow from operations and the existing Credit Facility will provide the Company with sufficient financial resources to fund its operations for the following 12 months, subject to the conditions outlined below with respect to going concern uncertainty.

On October 24, 2024, the Company's Credit Facility was amended and restated to, among other things, reduce the limit on the Revolving Facility to $150.0 million from $300.0 million, with ability for the Company to request advances up to $65.0 million, and increase the maximum total debt to cash flow ratio required under the financial covenants up to 5.75 through to and including December 31, 2024 and 7.25 from January 1, 2025 through and including March 31, 2025. There were also requirements for Corus to use any excess cash to repay outstanding balances on the Revolving Facility and certain amended terms related to the use of proceeds on asset disposals. The ability to incur certain indebtedness and certain reporting requirements were also updated. The maturity date for both the Term Loan and the Revolving Facility was amended to March 18, 2026. The amendment of the Credit Facility resulted in the Company recording a debt refinancing loss of approximately $4.4 million.

On March 21, 2025, the Company's Credit Facility was assigned to strategic debtholders, following which it was amended and restated to, among other things, increase the maximum amount the Company may request on a "revolving" basis to $75.0 million, remove certain requirements to use excess cash to repay the outstanding amounts on such advances, fix the interest rate at 7.29% per annum and increase the maximum total debt to cash flow ratio required under the financial covenants to 9.5:1.0 through and including December 31, 2025, and 4.25:1.0 thereafter. The maturity date of the amended Credit Facility is now March 20, 2027. The amendment of the Credit Facility resulted in the Company recording a debt refinancing loss of $3.0 million.

For further details on the Credit Facility, refer to note 7 of the Company's interim condensed consolidated financial statements.

GOING CONCERN UNCERTAINTY

The interim condensed consolidated unaudited financial statements were prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company's revenue and profitability have declined significantly over the past several years, in turn impacting cash flows from operations negatively. As previously identified, 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.

In the 2024 fiscal year, there were both extended writers' and actors' labour actions in the U.S. which significantly impacted programming deliveries and, in turn, reduced television audience levels and advertising revenues. The Company also disclosed a change to a programming supply agreement which took effect in January 2025. However, while the Company operates, and intends to continue operating, its widely-distributed suite of lifestyle channels, there are risks associated with audience adoption of re-branded and re-programmed channels and therefore, associated revenues. Cash flows from operations are currently positive but could decline further in the future. In addition, at May 31, 2025, the Company has a working capital deficit of $134.1 million and an accumulated deficit attributable to shareholders of $439.1 million.

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-cutting 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 9.5:1.0 through and including December 31, 2025, and 4.25:1.0 thereafter, or; (ii) the Senior Unsecured Notes. The Company's ability to mitigate the concerns above is dependent on its ability to 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.

These events and conditions indicate material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern, and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The interim condensed consolidated unaudited financial statements do not reflect the adjustments to the carrying values of assets or liabilities and the reported expenses and consolidated balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

TOTAL CAPITALIZATION

As at May 31, 2025, total capitalization was $669.0 million compared to $621.8 million at August 31, 2024, an increase of $47.2 million. The increase in total capitalization arises from a net decrease in the accumulated deficit of $26.3 million, an increase in credit facility of $26.7 million and a decrease of cash and cash equivalents of $0.6 million, offset by a decrease in lease liabilities of $6.5 million.

OFF-BALANCE SHEET ARRANGEMENTS AND DERIVATIVE FINANCIAL INSTRUMENTS

In September 2022, the Company entered into a Canadian interest rate swap agreement to fix the interest rate on a portion of its term loan facilities commencing November 30, 2022 (refer to Note 7 of the Company's interim condensed consolidated financial statements for further details). On March 20, 2025, the interest rate swap was terminated at a cost of $5.2 million.

On December 1, 2023, 1,706,000 shares under a total return swap were settled at a cost of $7.5 million.

On December 31, 2024, the Company's foreign exchange forward contracts expired and were not renewed.

OUTSTANDING SHARE DATA

(shares/units)	**As at May 31, 2025**	As at August 31, 2024
Shares Outstanding		
Class A Voting Shares	**3,365,394**	3,365,394
Class B Non-Voting Shares	**196,074,764**	196,074,764
Stock Options		
Vested	**3,268,025**	5,693,250
Non-vested	**899,325**	1,832,750

KEY PERFORMANCE INDICATORS AND NON-GAAP FINANCIAL MEASURES

In addition to disclosing results in accordance with IFRS as issued by the IASB, the Company also provides non-IFRS or non-GAAP measures as a method of evaluating the Company's performance and to provide a better understanding of how management views the Company's performance. In addition, certain investors, analysts and others utilize these measures in assessing the Company's operational and financial performance and as an indicator of its ability to service debt and provide returns to shareholders. Certain key performance indicators are not measurements in accordance with IFRS and should not be considered as an alternative to net income or any other measure of performance under IFRS.

The Company also uses supplementary financial measures to disclose financial measures that are not presented in the financial statements and are, or are intended to be, disclosed periodically to depict the historical or expected future financial performance, financial position or cash flow, that is not a non-GAAP financial measure. The Company has disclosed new platform revenue as a supplementary financial measure as discussed below.

NEW PLATFORM REVENUE

This metric combines subscriber revenue from streaming initiatives and advertising revenue from digital platforms expressed as a percentage of total Television advertising and subscriber revenue. New platform revenue reflects progress on the Company's participation in streaming distribution platforms and digital advertising markets.

(thousands of Canadian dollars, except percentages)	Three months ended May 31, 2025	2024	% change	Nine months ended May 31, 2025	2024	% change
New platform revenue (numerator)	**32,394**	34,972	(7%)	**97,618**	105,855	(8%)
Television advertising revenue	**150,933**	178,182	(15%)	**457,161**	536,457	(15%)
Television subscriber revenue	**111,092**	116,914	(5%)	**338,670**	352,449	(4%)
Total Television advertising and subscriber revenue (denominator)	**262,025**	295,096	(11%)	**795,831**	888,906	(10%)
New platform revenue percentage	**12%**	12%		**12%**	12%	

SEGMENT PROFIT AND SEGMENT PROFIT MARGIN

Segment profit is calculated as revenue less direct cost of sales, general and administrative expenses as reported in the Company's consolidated statements of loss and comprehensive loss. Segment profit and segment profit margin may be calculated and presented for an individual operating segment, a line of business, or for the consolidated Company. The Company believes these are important measures as they allow the Company to evaluate the operating performance of its business segments or lines of business and its ability to service and/or incur debt; therefore, it is calculated before (i) non-cash expenses such as depreciation and amortization; (ii) interest expense; and (iii) items not indicative of the Company's core operating results, and not used in management's evaluation of the business segment's performance, such as: goodwill and broadcast licence impairment; intangible and other asset impairment; debt refinancing; non-cash gains or losses; restructuring and other costs; gain (loss) on dispositions; and certain other income and expenses as included in note 11 to the interim condensed consolidated financial statements. Segment profit is also one of the measures used by the investing community to value the Company and is included in note 13 to the interim condensed consolidated financial statements. Segment profit margin is calculated by dividing segment profit by revenue. Segment profit and segment profit margin do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other companies. Segment profit and segment profit margin should not be considered in isolation or as a substitute for net income prepared in accordance with IFRS as issued by the IASB.

(thousands of Canadian dollars, except percentages)	Three months ended May 31, 2025	2024	Nine months ended May 31, 2025	2024
Revenue	**297,806**	331,804	**895,330**	1,001,245
Direct cost of sales, general and administrative expenses	**236,199**	264,269	**731,997**	760,116
Segment profit	**61,607**	67,535	**163,333**	241,129
Segment profit margin	**21%**	20%	**18%**	24%

FREE CASH FLOW

Free cash flow is calculated as cash provided by operating activities less cash used in investing activities, as reported in the consolidated statements of cash flows, and then adding back cash used specifically for business combinations and strategic investments and deducting net proceeds from business divestitures. Free cash flow is a key metric used by the investing community that measures the Company's ability to repay debt, finance strategic business acquisitions and investments, pay dividends, and repurchase shares. Free cash flow does not have any standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures presented by other companies. Free cash flow should not be considered in isolation or as a substitute for cash flows prepared in accordance with IFRS.

	Three months ended		Nine months ended	
		May 31,		**May 31,**
(thousands of Canadian dollars)	**2025**	2024	**2025**	2024
Cash provided by (used in):				
Operating activities	**(28,977)**	22,931	**1,282**	84,816
Investing activities	**(3,549)**	(4,491)	**2,060**	(10,152)
	(32,526)	18,440	**3,342**	74,664
Add: cash used in business acquisitions and strategic investments [1]	**—**	—	**—**	346
Free cash flow	**(32,526)**	18,440	**3,342**	75,010

[1] Strategic investments are comprised of investments in venture funds and associated companies.

ADJUSTED NET INCOME (LOSS) AND ADJUSTED BASIC EARNINGS (LOSS) PER SHARE

Management uses adjusted net income (loss) and adjusted basic earnings (loss) per share as a measure of enterprise-wide performance. Adjusted net income (loss) and adjusted basic earnings (loss) per share are defined as net income (loss) and basic earnings (loss) per share before items such as: non-recurring gains or losses related to dispositions of investments; costs of debt refinancing; non-cash impairment charges; and business acquisition and restructuring costs. Management believes that adjusted net income (loss) attributable to shareholders and adjusted basic earnings (loss) per share are useful measures that facilitate period-to-period operating comparisons. Adjusted net income (loss) attributable to shareholders and adjusted basic earnings (loss) per share do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other companies. Adjusted net income (loss) attributable to shareholders and adjusted basic earnings (loss) per share should not be considered in isolation or as a substitute for net income (loss) or basic earnings (loss) per share attributable to shareholders prepared in accordance with IFRS as issued by the IASB.

	Three months ended		Nine months ended	
		May 31,		**May 31,**
(thousands of Canadian dollars, except per share amounts)	**2025**	2024	**2025**	2024
Net loss attributable to shareholders	**(7,336)**	(769,897)	**(51,308)**	(746,966)
Adjustments, net of income tax:				
Goodwill, broadcast licence and other asset impairment	**—**	742,016	**—**	742,016
Debt refinancing	**2,177**	—	**5,400**	555
Restructuring and other costs	**17,805**	8,008	**41,208**	19,825
Write-off of intangible assets	**—**	—	**2,991**	—
Adjusted net income (loss) attributable to shareholders	**12,646**	(19,873)	**(1,709)**	15,430
Basic loss per share	**($0.04)**	($3.86)	**($0.26)**	($3.74)
Adjustments, net of income tax:				
Goodwill, broadcast licence and other asset impairment	**—**	$3.72	**—**	$3.72
Debt refinancing	**$0.01**	—	**$0.03**	—
Restructuring and other costs	**$0.09**	$0.04	**$0.20**	$0.10
Write-off of intangible assets	**—**	—	**$0.02**	—
Adjusted basic earnings (loss) per share	**$0.06**	($0.10)	**($0.01)**	$0.08

NET DEBT AND NET DEBT TO SEGMENT PROFIT

Net debt is calculated as long-term debt plus lease liabilities, less cash and cash equivalents as reported in the consolidated statements of financial position. Net debt to segment profit is calculated as net debt divided by segment profit for the most recent four quarters. Net debt is an important measure as it reflects the principal amount of debt owing by the Company as at a particular date. Net debt to segment profit is an important measure of the Company's liquidity. Net debt and net debt to segment profit do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other companies.

(thousands of Canadian dollars)	**As at May 31, 2025**	As at August 31, 2024
Total debt, net of unamortized financing fees and prepayment options	**1,079,576**	1,052,834
Lease liabilities	**110,343**	116,834
Cash and cash equivalents	**(81,862)**	(82,422)
Net debt	**1,108,057**	1,087,246
Net debt (numerator)	**1,108,057**	1,087,246
Segment profit (denominator) [1]	**205,633**	283,429
Net debt to segment profit	**5.39**	3.84

[1] Reflects aggregate amounts for the most recent four quarters, as detailed in the table in the "Quarterly Consolidated Financial Information" 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 2024 MD&A, as filed at www.sedarplus.ca on October 28, 2024. These discussions are important to understanding the assumptions and factors which may affect the Company's outlook and results.

As discussed further in the 2024 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, affect interest rates or otherwise impact financial market conditions (such as but not limited to, uncertainty from imposed and threatened tariffs, including trade disruptions, restrictions on cross-border supply chains, shifting policies, uncertainty, timing and the resolution thereof), may each affect discretionary consumer and business spending, and advertising and marketing demand. Any of the foregoing can cause or result in changes to demand for Corus' product and services offerings and adversely impact its revenue and profitability or ability to realize its plans or strategies.

The Company continuously monitors all major risks affecting it or the industry more broadly, including regulatory, legal and judicial developments and decisions and appeals, repeals or variations of or to CRTC decisions, orders or policy. The Company and its subsidiaries are also involved in litigation arising in the ordinary course and conduct of its business from time to time. The Company recognizes liabilities for contingencies when a loss is probable and capable of being estimated. There is always a risk that given the complex and unpredictable nature of regulatory and legal proceedings the amount of loss ultimately incurred in relation to those matters may be material and may be substantially different from the amounts accrued. A repeal of, change to or delay in implementation of a regulatory, legal or judicial decision, including one made by the CRTC or court of competent jurisdiction, can also materially, adversely impact the Company's outlook, operations and business, and financial results. Actions currently against or in which the Company is a stakeholder or otherwise involved, including but not limited to, the appeal of CRTC decisions by certain U.S. streamers and by another major Canadian distributor, may result in judgments, settlements, injunctions, limitations or changes to business activities, or other results adverse to the Company, which could individually or in the aggregate materially affect the Company's businesses, financial condition and operations, cause reputational harm to the Company, or affect the Company's future business prospects. A comprehensive and more extensive discussion of risks and uncertainties that may affect the Company's business, operations and financial performance and by extension, the assumptions or actual results, related to any forward looking information or outlook, can be found in the 2024 Annual MD&A.

The Company is also negotiating the renewal of certain collective bargaining agreements; there are no assurances about the outcomes of these processes or agreements nor their impact on the financial or operational profile of the workforce and associated labour costs. While the Company bargains in good faith and makes efforts to conclude negotiations in mutually acceptable ways, there are also risks associated with such bargaining processes, which include, but are not limited to, project delays and work disruptions, including work stoppages or work slowdowns for which the time and impact is not known or fully mitigatable. Any or all of the foregoing could have an adverse impact on Corus' reputation, operations or financial results.

The Company's ability to mitigate the concerns above is dependent on its ability to continue to access financing and / 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 affected or elevated by the foregoing risks include 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 2024 MD&A for a full discussion of these and other risks and uncertainties.

OUTLOOK

In the fourth quarter, we expect geopolitical and economic uncertainty and the ongoing over-supply of premium digital video inventory from foreign competitors will contribute to continued lower demand for linear advertising. As such, the year-over-year percentage decline in Television advertising revenue in the fourth quarter of fiscal 2025 is expected to be in the 20 percent range. Amortization of TV program rights is expected to be relatively flat in the quarter compared to the prior 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 10 to 15% for the fourth quarter versus the prior year, excluding any potential benefit from the Independent Local News Fund.

IMPACT OF NEW ACCOUNTING POLICIES

The IASB continues to issue new and revised IFRS. A listing of the recent accounting pronouncements promulgated by the IASB and not yet adopted by the Company is included in note 3 in the Company's May 31, 2025 unaudited interim condensed consolidated financial statements.

NEW ACCOUNTING PRONOUNCEMENTS ADOPTED IN FISCAL 2025

The Company has adopted new amendments to the following accounting standards effective for its interim and annual consolidated financial statements commencing September 1, 2024. The effects of these pronouncements on the Company's results and operations are described below.

IAS 1 – *Presentation of Financial Statements* ("IAS 1")

In January 2020, the IASB issued an amendment to IAS 1, which affects only the presentation of liabilities in the interim condensed consolidated statements of financial position and not the amount or timing of their recognition. The amendment clarifies that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the right to defer settlement by at least 12 months. That classification is unaffected by the likelihood that an entity will exercise its deferral right. The amendment is effective for annual reporting periods beginning on or after January 1, 2024 and are to be applied retrospectively. The Company concluded that there was no impact of adopting this amendment on its interim condensed consolidated financial statements.

IAS 7 – *Statement of Cash Flows* ("IAS 7") and IFRS 7 – *Financial Instruments: Disclosures* ("IFRS 7")

In May 2023, the IASB issued *Supplier Finance Arrangements*, which amended IAS 7 and IFRS 7 and requires additional quantitative and qualitative disclosure about supplier finance arrangements. The amendments are effective for annual reporting periods beginning on or after January 1, 2024, although earlier application is permitted; comparative prior period information is not required in the year of initial application. The Company concluded that there was no impact of adopting this amendment on its interim condensed consolidated financial statements.

IFRS 16 – *Leases* ("IFRS 16")

In September 2022, the IASB issued an amendment to IFRS 16, which adds subsequent measurement requirements for sale and leaseback transactions for seller-lessees. The amendment is effective for annual reporting periods beginning on or after January 1, 2024 and are to be applied retrospectively. The Company concluded that there was no impact of adopting this amendment on its interim condensed consolidated financial statements.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company's unaudited interim condensed consolidated financial statements have been prepared in accordance with IFRS, specifically IAS 34 - *Interim Financial Reporting*. For details of the Company's material accounting policies under IFRS, refer to note 3 of the Company's unaudited interim condensed consolidated financial statements for the three months ended May 31, 2025 and the Company's annual consolidated financial statements for the year ended August 31, 2024. For details of the Company's critical accounting estimates and assumptions under IFRS, refer to Management's Discussion and Analysis in its 2024 Annual Report.

CONTROLS AND PROCEDURES

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes in the Company's internal control over financial reporting that occurred in the third quarter ended May 31, 2025 that have materially affected, or are likely to materially affect, the Company's internal controls over financial reporting.

CORUS ENTERTAINMENT INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

See Basis of presentation and going concern uncertainty - Note 3

(unaudited - in thousands of Canadian dollars)	As at May 31, 2025	As at August 31, 2024
ASSETS		
Current		
Cash and cash equivalents	**81,862**	82,422
Accounts receivable	**259,559**	232,040
Income taxes recoverable	**—**	25,006
Prepaid expenses and other assets	**19,814**	17,857
Total current assets	**361,235**	357,325
Tax credits receivable	**28,696**	19,756
Investments and other assets	**39,645**	57,325
Property, plant and equipment, net	**233,485**	250,810
Program rights (note 4)	**654,694**	494,022
Film investments	**37,714**	55,312
Intangible assets (note 5)	**343,718**	252,358
Total assets	**1,699,187**	1,486,908
LIABILITIES AND DEFICIT		
Current		
Accounts payable and accrued liabilities	**471,417**	488,098
Current portion of long-term debt (note 7)	**—**	9,903
Provisions (note 6)	**20,880**	25,467
Income taxes payable	**3,004**	—
Total current liabilities	**495,301**	523,468
Long-term debt (note 7)	**1,079,576**	1,042,931
Other long-term liabilities	**464,997**	197,499
Provisions (note 6)	**8,922**	10,697
Deferred income tax liabilities	**51,059**	54,041
Total liabilities	**2,099,855**	1,828,636
DEFICIT		
Share capital (note 8)	**281,052**	281,052
Contributed surplus (note 8)	**2,102,619**	2,013,797
Accumulated deficit	**(2,842,962)**	(2,784,729)
Accumulated other comprehensive income	**20,214**	24,481
Total deficit attributable to shareholders	**(439,077)**	(465,399)
Equity attributable to non-controlling interests	**38,409**	123,671
Total deficit	**(400,668)**	(341,728)
Total liabilities and deficit	**1,699,187**	1,486,908

See accompanying notes

CORUS ENTERTAINMENT INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

	Three months ended		Nine months ended	
		May 31,		**May 31,**
(unaudited - in thousands of Canadian dollars, except per share amounts)	**2025**	2024	**2025**	2024
Revenues	**297,806**	331,804	**895,330**	1,001,245
Direct cost of sales, general and administrative expenses (note 9)	**236,199**	264,269	**731,997**	760,116
Depreciation and amortization	**22,602**	27,397	**67,747**	87,565
Interest expense (note 10)	**36,762**	26,004	**92,880**	83,165
Goodwill, broadcast licence and other asset impairment	**—**	960,000	**—**	960,000
Debt refinancing (note 7)	**2,956**	—	**7,333**	753
Restructuring and other costs	**25,282**	10,893	**54,397**	26,961
Other expense (income), net (note 11)	**(28,029)**	452	**(24,319)**	135
Income (loss) before income taxes	**2,034**	(957,211)	**(34,705)**	(917,450)
Income tax expense (recovery) (note 12)	**7,881**	(184,109)	**11,084**	(173,670)
Net loss for the period	**(5,847)**	(773,102)	**(45,789)**	(743,780)
Other comprehensive loss, net of income taxes				
Items that may be reclassified subsequently to loss:				
Unrealized change in fair value of cash flow hedges (note 7)	**3,750**	65	**1,588**	(2,779)
Unrealized foreign currency translation adjustment	**(1,221)**	84	**337**	316
	2,529	149	**1,925**	(2,463)
Items that will not be reclassified to loss:				
Unrealized change in fair value of financial assets	**(1,856)**	254	**(6,192)**	(6,204)
Actuarial loss on post-retirement benefit plans	**(5,497)**	(1,426)	**(6,925)**	(3,856)
	(7,353)	(1,172)	**(13,117)**	(10,060)
Other comprehensive loss, net of income taxes	**(4,824)**	(1,023)	**(11,192)**	(12,523)
Comprehensive loss for the period	**(10,671)**	(774,125)	**(56,981)**	(756,303)
Net loss attributable to:				
Shareholders	**(7,336)**	(769,897)	**(51,308)**	(746,966)
Non-controlling interests	**1,489**	(3,205)	**5,519**	3,186
	(5,847)	(773,102)	**(45,789)**	(743,780)
Comprehensive loss attributable to:				
Shareholders	**(12,160)**	(770,920)	**(62,500)**	(759,489)
Non-controlling interests	**1,489**	(3,205)	**5,519**	3,186
	(10,671)	(774,125)	**(56,981)**	(756,303)
Loss per share attributable to shareholders:				
Basic	**($0.04)**	($3.86)	**($0.26)**	($3.74)
Diluted	**($0.04)**	($3.86)	**($0.26)**	($3.74)

See accompanying notes

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 deficit attributable to shareholders**	**Equity attributable to non-controlling interests**	**Total deficit**
As at August 31, 2024	281,052	2,013,797	(2,784,729)	24,481	(465,399)	123,671	(341,728)
Comprehensive income (loss)	**—**	**—**	**(51,308)**	**(11,192)**	**(62,500)**	**5,519**	**(56,981)**
Dividends declared	**—**	**—**	**—**	**—**	**—**	**(2,050)**	**(2,050)**
Purchase of minority interest (note 8)	**—**	**88,731**	**—**	**—**	**88,731**	**(88,731)**	**—**
Actuarial loss on post-retirement benefit plans	**—**	**—**	**(6,925)**	**6,925**	**—**	**—**	**—**
Share-based compensation expense	**—**	**91**	**—**	**—**	**91**	**—**	**91**
As at May 31, 2025	**281,052**	**2,102,619**	**(2,842,962)**	**20,214**	**(439,077)**	**38,409**	**(400,668)**

(unaudited - in thousands of Canadian dollars)	Share capital	Contributed surplus	Accumulated deficit	Accumulated other comprehensive income	Total equity (deficit) attributable to shareholders	Equity attributable to 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)	—	—	(746,966)	(12,523)	(759,489)	3,186	(756,303)
Dividends declared	—	—	—	—	—	(10,073)	(10,073)
Change in fair value of put option liability	—	—	854	—	854	(5,146)	(4,292)
Actuarial loss on post-retirement benefit plans	—	—	(3,856)	3,856	—	—	—
Share-based compensation expense	—	573	—	—	573	—	573
As at May 31, 2024	281,052	2,013,509	(2,764,045)	29,174	(440,310)	129,215	(311,095)

See accompanying notes

CORUS ENTERTAINMENT INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended		Nine months ended	
		May 31,		**May 31,**
(unaudited - in thousands of Canadian dollars)	**2025**	2024	**2025**	2024
OPERATING ACTIVITIES				
Net loss for the period	**(5,847)**	(773,102)	**(45,789)**	(743,780)
Adjustments to reconcile net loss to cash flow from operations:				
Amortization of program rights	**131,072**	135,027	**390,361**	374,395
Amortization (recovery) of film investments	**(2,184)**	6,890	**2,397**	14,211
Depreciation and amortization	**22,602**	27,397	**67,747**	87,565
Deferred income tax recovery	**(1,005)**	(186,302)	**(2,600)**	(189,425)
Goodwill, broadcast licence and other asset impairment	**—**	960,000	**—**	960,000
Write-off of intangible assets	**—**	—	**4,070**	—
Loss (gain) on sale of assets	**2**	15	**(9,657)**	(987)
Share-based compensation expense	**17**	162	**91**	573
Imputed interest	**15,135**	9,854	**37,509**	33,275
Debt refinancing	**2,956**	—	**7,333**	753
Payment of program rights	**(153,689)**	(149,981)	**(408,413)**	(416,163)
Net spend on film investments	**(1,686)**	(11,484)	**(12,136)**	(21,627)
Other	**(1)**	238	**705**	458
Cash flow from operations	**7,372**	18,714	**31,618**	99,248
Net change in non-cash working capital balances related to operations	**(36,349)**	4,217	**(30,336)**	(14,432)
Cash provided by (used in) operating activities	**(28,977)**	22,931	**1,282**	84,816
INVESTING ACTIVITIES				
Additions to property, plant and equipment	**(2,872)**	(4,328)	**(6,884)**	(11,931)
Proceeds from sale of property	**3**	37	**10,098**	2,261
Net cash flows for intangibles, investments and other assets	**(680)**	(200)	**(1,154)**	(482)
Cash provided by (used in) investing activities	**(3,549)**	(4,491)	**2,060**	(10,152)
FINANCING ACTIVITIES				
Increase (decrease) in credit facility borrowings	**30,000**	(4,583)	**18,435**	(36,069)
Financing fees	**(94)**	—	**(1,344)**	(619)
Payment of lease liabilities	**(4,773)**	(4,661)	**(14,017)**	(13,612)
Dividends paid to non-controlling interests	**(1,050)**	(2,403)	**(2,050)**	(10,073)
Other	**(1,382)**	(1,090)	**(4,926)**	(3,246)
Cash provided by (used in) financing activities	**22,701**	(12,737)	**(3,902)**	(63,619)
Net change in cash and cash equivalents during the period	**(9,825)**	5,703	**(560)**	11,045
Cash and cash equivalents, beginning of the period	**91,687**	61,505	**82,422**	56,163
Cash and cash equivalents, end of the period	**81,862**	67,208	**81,862**	67,208

Supplemental cash flow disclosures (note 14)

See accompanying notes

1. CORPORATE INFORMATION

Corus Entertainment Inc. (the "Company" or "Corus") is a diversified Canadian media and content company. The Company is incorporated under the *Canada Business Corporations Act* and its Class B Non-Voting Shares are listed on the Toronto Stock Exchange (the "TSX") under the symbol CJR.B.

The Company's registered office is at 1500, 850 – 2nd Street SW, Calgary, Alberta, T2P 0R8. The Company's executive office is at Corus Quay, 25 Dockside Drive, Toronto, Ontario, M5A 0B5.

These interim condensed consolidated financial statements include the accounts of the Company and all its subsidiaries and joint ventures. The Company's principal business activities are: the operation of specialty television networks, conventional television stations, digital and streaming services; the operation of radio stations; and the Corus content business, which consists of the production and distribution of films and television programs, merchandise licensing and book publishing.

2. STATEMENT OF COMPLIANCE

These interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), specifically International Accounting Standard ("IAS") 34 – *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). The accounting policies used in the preparation of these interim condensed consolidated financial statements conform with those in the Company's audited annual consolidated financial statements for the year ended August 31, 2024, except as described in note 3. These interim condensed consolidated financial statements do not include all the information and disclosures required in annual financial statements and, accordingly, should be read in conjunction with the Company's annual consolidated financial statements for the year ended August 31, 2024, which are available at www.sedarplus.ca and on the Company's website at www.corusent.com.

These interim condensed consolidated financial statements of the Company for the three and nine months ended May 31, 2025 were authorized for issue in accordance with a resolution of the Company's Board of Directors on June 25, 2025.

3. MATERIAL ACCOUNTING POLICIES

BASIS OF PRESENTATION AND GOING CONCERN UNCERTAINTY

The interim condensed consolidated financial statements have been prepared on a cost basis, except for derivative financial instruments and investments in venture funds, which have been measured at fair value. The interim condensed consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency, and all values are rounded to the nearest thousand, except where otherwise noted. Each entity consolidated by the Company determines its own functional currency based on the primary economic environment in which the entity operates.

The interim condensed consolidated financial statements were prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company's revenue and profitability have declined significantly over the past several years, in turn impacting cash flows from operations negatively. As previously identified, 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 impacts 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.

In the 2024 fiscal year, there were both extended writers' and actors' labour actions in the U.S., which significantly impacted programming deliveries and, in turn, reduced television audience levels and advertising revenues. The Company also disclosed a change to a programming supply agreement, which took effect in January 2025. However, while the Company operates, and intends to continue operating, its widely-distributed suite of lifestyle channels, there are risks associated with audience adoption of re-branded and re-programmed channels and therefore, associated revenues. Cash flows from operations are currently positive, but could decline further in the future. In addition, at May 31, 2025, the Company has a working capital deficit of $134.1 million and an accumulated deficit attributable to shareholders of $439.1 million.

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-cutting 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 9.5:1.0 through and including December 31, 2025, and 4.25:1.0 thereafter; or (ii) the Senior Unsecured Notes. The Company's ability to mitigate the concerns above is dependent on its ability to 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.

These events and conditions indicate material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern, and therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The interim condensed consolidated financial statements do not reflect the adjustments to the carrying values of assets or liabilities and the reported expenses and interim condensed consolidated statements of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

NEW ACCOUNTING PRONOUNCEMENTS ADOPTED IN FISCAL 2025

The Company has adopted new amendments to the following accounting standards effective for its interim and annual consolidated financial statements commencing September 1, 2024.

IAS 1 – *Presentation of Financial Statements* ("IAS 1")

In January 2020, the IASB issued an amendment to IAS 1, which affects only the presentation of liabilities in the interim condensed consolidated statements of financial position and not the amount or timing of their recognition. The amendment clarifies that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the right to defer settlement by at least 12 months. That classification is unaffected by the likelihood that an entity will exercise its deferral right. The amendment is effective for annual reporting periods beginning on or after January 1, 2024 and is to be applied retrospectively. The Company concluded that there was no impact of adopting this amendment on its interim condensed consolidated financial statements.

IAS 7 – *Statement of Cash Flows* ("IAS 7") and IFRS 7 – *Financial Instruments: Disclosures* ("IFRS 7")

In May 2023, the IASB issued *Supplier Finance Arrangements*, which amended IAS 7 and IFRS 7 and requires additional quantitative and qualitative disclosure about supplier finance arrangements. The amendments are effective for annual reporting periods beginning on or after January 1, 2024, although earlier application is permitted; comparative prior period information is not required in the year of initial application. The Company concluded that there was no impact of adopting this amendment on its interim condensed consolidated financial statements.

(in thousands of Canadian dollars, except per share information)

IFRS 16 – *Leases* (“IFRS 16”)

In September 2022, the IASB issued an amendment to IFRS 16, which adds subsequent measurement requirements for sale and leaseback transactions for seller-lessees. The amendment is effective for annual reporting periods beginning on or after January 1, 2024 and is to be applied retrospectively. The Company concluded that there was no impact of adopting this amendment on its interim condensed consolidated financial statements.

PENDING ACCOUNTING CHANGES

IFRS 9 – *Financial Instruments* (“IFRS 9”) and *IFRS 7 – Financial Instruments: Disclosures*

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7, relating to the classification and measurement requirements of financial instruments recognized within those standards. These amendments will be effective for annual periods beginning on or after January 1, 2026 and will be applied retrospectively with an adjustment to opening retained earnings. Prior periods will not be required to be restated and can only be restated without using hindsight. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures, and can apply other amendments subsequently. The Company is assessing the impact of adopting these amendments on its interim condensed consolidated financial statements.

IFRS 18 – *Presentation and Disclosure in Financial Statements* (“IFRS 18”)

In April 2024, the IASB issued an amendment to IFRS 18, which will replace IAS 1. The issuance introduces new categories and subtotals in the statements of comprehensive income (loss), requires disclosure of management-defined performance measures, and includes new requirements for the location, aggregation and disaggregation of financial information. IFRS 18 will be effective for annual periods beginning on or after January 1, 2027 and is to be applied retrospectively. Early adoption is permitted and must be disclosed. The Company is assessing the impact of adopting this amendment on its interim condensed consolidated financial statements.

4. PROGRAM RIGHTS

Balance – August 31, 2024	494,022
Net additions	**551,033**
Amortization	**(390,361)**
Balance – May 31, 2025	**654,694**

5. INTANGIBLE ASSETS

	Broadcast licences [1]	Brands and trade marks	Other [2]	Total
Balance – August 31, 2024	126,192	118,549	7,617	252,358
Additions	**—**	**121,487**	**10,642**	**132,129**
Amortization	**—**	**(34,239)**	**(6,530)**	**(40,769)**
Balance – May 31, 2025	**126,192**	**205,797**	**11,729**	**343,718**

(1) Broadcast licences are located in Canada.

(2) Other intangible assets are principally comprised of computer software.

(in thousands of Canadian dollars, except per share information)

6. PROVISIONS

	Restructuring	Asset retirement obligations	Other	Total
Balance – August 31, 2024	28,843	6,291	1,030	36,164
Additions	**54,247**	**—**	**150**	**54,397**
Interest	**—**	**120**	**—**	**120**
Payments	**(60,846)**	**(33)**	**—**	**(60,879)**
Balance – May 31, 2025	**22,244**	**6,378**	**1,180**	**29,802**
Current portion of provisions	19,509	191	1,180	20,880
Long-term portion of provisions	2,735	6,187	—	8,922
	22,244	**6,378**	**1,180**	**29,802**

For the nine months ended May 31, 2025, the Company recorded restructuring costs of $54.4 million comprised primarily of employee exits of $25.1 million, $14.0 million of professional fees and a one-time contract termination fee of $11.4 million.

7. LONG-TERM DEBT

	May 31, 2025	August 31, 2024
Credit facility	**331,098**	309,932
Senior unsecured guaranteed notes	**750,000**	750,000
Deferred financing charges and prepayment options	**(1,522)**	(7,098)
	1,079,576	1,052,834
Less: current portion of long-term debt [1]	**—**	(9,903)
	1,079,576	1,042,931

[1] Current portion relates to mandatory credit facility repayments over next 12 months.

The interest rate on the loans under the Amended Credit Agreement dated March 21, 2025 (the "Credit Facility") is fixed at a rate of 7.29% per annum. Prior to the March 21, 2025 amendment, the interest rate had fluctuated with Canadian Overnight Repo Rate Average ("CORRA"), and prior to the May 31, 2024 amendment, had fluctuated with Canadian bankers' acceptances. The Company has 5.0% Senior Unsecured Notes of $500.0 million due in 2028 issued in fiscal 2021 (the "2028 Notes") and 6.0% Senior Unsecured Notes of $250.0 million due in 2030 (the "2030 Notes" and, together with the 2028 Notes, collectively referred to hereafter as the "Notes") issued on February 28, 2022. As at May 31, 2025, the weighted average interest rate on the outstanding loans and Notes was 5.9% (May 31, 2024 – 5.8%). The effective interest on the loans and Notes for the three and nine months ended May 31, 2025 averaged 6.0% and 6.2%, respectively (May 31, 2024 – 6.0% for both comparable periods).

The carrying value of the debt is accreted using the effective interest rate method over the remaining term of the Credit Facility or the Senior Unsecured Notes with the accretion recognized within interest expense on the interim condensed consolidated statements of loss and comprehensive loss.

CREDIT FACILITY

The Company has a Credit Facility, which includes a term loan (the "Term Loan") and a revolving facility (the "Revolving Facility"). Under the Credit Facility, the lenders hold, as collateral, a first ranking charge on all assets and undertakings of Corus and certain of Corus' subsidiaries as designated under the Credit Facility, as amended from time to time. The Company has undertaken to comply with financial covenants regarding a minimum interest coverage ratio and a maximum debt to cash flow ratio. Management has determined that the Company was in compliance with the covenants provided under the Credit Facility as at May 31, 2025.

On March 21, 2025, the Company's Credit Facility was assigned to strategic debtholders, following which it was amended and restated to, among other things, increase the maximum amount the Company may request as an advance to $75.0 million, remove certain requirements to use excess cash to repay the outstanding amounts on such advances, fix the interest rate at 7.29% per annum, and increase the maximum total debt to cash flow ratio required under the financial covenants to 9.5:1.0 through and including December 31, 2025, returning to 4.25:1.0 thereafter. The maturity date of the amended Credit Facility is now March 20, 2027. The amendment of the Credit Facility resulted in the Company recording a net debt refinancing loss of $3.0 million.

On October 24, 2024, the Credit Facility was amended and restated to, among other things, reduce the total limit on the Revolving Facility to $150.0 million from $300.0 million, with ability for the Company to request advances up to $65.0 million, and increase the maximum total debt to cash flow ratio required under the financial covenants to 5.75:1.0 through and including December 31, 2024 and 7.25:1.0 from January 1, 2025 through and including March 31, 2025. There were also requirements for Corus to use any excess cash to repay outstanding balances on the Revolving Facility and certain amended terms related to the use of proceeds on asset disposals. The ability to incur certain indebtedness and certain reporting requirements were also updated. The maturity date for both the Term Loan and the Revolving Facility was March 18, 2026. The amendment of the Credit Facility resulted in the Company recording a net debt refinancing loss of $4.4 million.

Amendments dated August 30, 2024, May 30, 2024, October 26, 2023 and February 17, 2023 were also completed.

Credit Facility – Term Loan

As at May 31, 2025, the Term Loan balance was $301.1 million with a maturity date of March 20, 2027. Until March 20, 2025, advances under the Term Loan could be outstanding in the form of either prime rate loans or CORRA advances and bore interest at the applicable reference rate plus an applicable margin depending on the type of advance and Corus' total debt to cash flow ratio. Following the amendment and restatement of the Credit Facility on March 21, 2025, advances under the Term Loan bear interest at a fixed rate of 7.29% per annum.

Credit Facility – Revolving Facility

The Revolving Facility is available as needed to finance capital expenditures and for general corporate purposes. Amounts owing under the Revolving Facility will be payable in full at maturity.

Advances under the Revolving Facility are drawn in Canadian dollars. As a result of the amendment and restatement of the Credit facility on March 21, 2025, amounts drawn under the Revolving Facility now bear interest at a fixed rate of 7.29% per annum. Prior to that amendment, advances under the Revolving Facility could be drawn in Canadian dollars as either prime rate loans, CORRA or Canadian dollar denominated letters of credit, or in U.S. dollars as either a base rate loan, Secured Overnight Financing Rate ("SOFR") advance or U.S. dollar denominated letters of credit. Until March 20, 2025, amounts drawn under the Revolving Facility bore interest at the applicable reference rate plus an applicable margin depending on the type of advance and Corus' total debt to cash flow ratio.

As at May 31, 2025, the Company had $30.0 million drawn under the Revolving Facility, leaving $45.0 million available to be drawn.

SENIOR UNSECURED NOTES

The Notes are senior unsecured obligations guaranteed by certain of the Company's subsidiaries and contain covenants that limit the Company's ability to incur additional debt, make certain restricted payments and investments, create liens, enter into transactions with affiliates, and consolidate, merge, transfer or sell all or substantially all of its property and assets. Interest on the Notes is paid semi-annually. There have been no changes to the terms of the Notes since the last annual consolidated financial statements.

The prepayment options associated with the Notes were fair valued at the time of debt issuance. The initial value of the prepayment options related to the Notes was a $9.6 million increase to indebtedness. This liability has been subsequently amortized using the effective interest rate method and as at May 31, 2025 was $5.2 million.

INTEREST RATE SWAP AGREEMENTS

In September 2022, the Company entered into a Canadian interest rate swap agreement to fix the interest rate at 3.818%, plus applicable margins on $250.0 million of its outstanding Term Facility, which commenced on November 30, 2022 and expires on February 26, 2027. The counterparties of the swap agreement were highly rated financial institutions and the Company did not anticipate any non-performance. The fair value of Level 2 financial instruments, such as interest rate swap agreements, is calculated by way of discounted cash flows, using market interest rates and applicable credit spreads. On March 20, 2025, the agreement was terminated at a cost of $5.2 million, which is recorded in interest on long-term debt (note 10).

FORWARD CONTRACTS

All foreign exchange forward contracts had the effect of fixing the foreign exchange rate and cash flows related to a portion of the Company's U.S. dollar denominated liabilities. The forward contracts were not designated as hedges for accounting purposes and, as a result, were measured at fair value at each reporting date. The counterparty of the forward contracts was a highly rated financial institution and the Company did not anticipate any non-performance. The estimated fair values of future cash flow of the U.S. dollar forward contract derivatives changed with fluctuations in the foreign exchange rate of U.S. dollars to Canadian dollars. This was recorded in the interim condensed consolidated statements of financial position as investments and other assets, and within other expense (income), net (note 11) in the interim condensed consolidated statements of loss and comprehensive loss. On December 31, 2024, the contract expired and was not renewed.

8. SHARE CAPITAL

AUTHORIZED

The Company is authorized to issue, upon approval of holders of no less than two-thirds of the existing Class A shares, an unlimited number of Class A participating shares ("Class A Voting Shares"), as well as an unlimited number of Class B non-voting participating shares ("Class B Non-Voting Shares"), Class A Preferred Shares, and Class 1 and Class 2 Preferred Shares.

	Class A Voting Shares		Class B Non-Voting Shares		Total
	#	$	#	$	$
Balance – August 31, 2024 and May 31, 2025	3,365,394	3,320	196,074,764	277,732	281,052

LOSS PER SHARE

The following is a reconciliation of the numerator and denominator (in thousands) used for the computation of the basic and diluted loss per share amounts:

	Three months ended May 31,		Nine months ended May 31,	
	2025	2024	**2025**	2024
Net loss attributable to shareholders (numerator)	**(7,336)**	(769,897)	**(51,308)**	(746,966)
Weighted average number of shares outstanding (denominator)				
Weighted average number of shares outstanding – basic	**199,440**	199,440	**199,440**	199,440
Effect of dilutive securities	**—**	—	**—**	—
Weighted average number of shares outstanding – diluted	**199,440**	199,440	**199,440**	199,440

(in thousands of Canadian dollars, except per share information)

The calculation of diluted loss per share for the three and nine months ended May 31, 2025 excluded 4,417 and 4,566, respectively (May 31, 2024 – 8,227 and 8,816, respectively), weighted average Class B Non-Voting Shares issuable under the Company's Stock Option Plan because these options were not "in-the-money".

SHARE-BASED COMPENSATION

Share-based compensation recorded for the third quarter and year-to-date of fiscal 2025 in respect of Stock Options as well as the Performance Share Units, Deferred Share Units and Restricted Share Units plans was an expense of $124 and $130, respectively (2024 – recovery of $524 and $447, respectively). As at May 31, 2025, the carrying value of the liability for these plans was $1,338 (August 31, 2024 – $1,270).

CONTRIBUTED SURPLUS

Contributed surplus increased $88.8 million for the nine months ended May 31, 2025, primarily as a result of the December 30, 2024 purchase of minority interest of HGTV Canada, Food Network Canada and Cooking Channel.

9. DIRECT COST OF SALES, GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended		Nine months ended	
		May 31,		**May 31,**
	2025	2024	**2025**	2024
Direct cost of sales				
Amortization of program rights	**131,072**	135,027	**390,361**	374,395
Amortization (recovery) of film investments	**(2,184)**	6,890	**2,397**	14,211
Other cost of sales	**5,653**	10,301	**28,228**	26,713
General and administrative expenses				
Employee costs	**67,724**	72,882	**199,984**	227,574
Other general and administrative	**33,934**	39,169	**111,027**	117,223
	236,199	264,269	**731,997**	760,116

10. INTEREST EXPENSE

	Three months ended		Nine months ended	
		May 31,		**May 31,**
	2025	2024	**2025**	2024
Interest on long-term debt (note 7)	**21,514**	15,726	**54,449**	48,287
Imputed interest on long-term liabilities	**15,136**	9,854	**37,510**	33,275
Other	**112**	424	**921**	1,603
	36,762	26,004	**92,880**	83,165

(in thousands of Canadian dollars, except per share information)

11. OTHER EXPENSE (INCOME), NET

	Three months ended		Nine months ended	
		May 31,		**May 31,**
	2025	2024	**2025**	2024
Interest income	**(606)**	(855)	**(2,006)**	(3,102)
Foreign exchange loss (gain) (note 7)	**(22,612)**	36	**(13,784)**	723
Equity (gain) loss of associates	**(1)**	(2)	**6**	(7)
Asset impairment reversal	**(1,200)**	—	**(1,200)**	(319)
Loss (gain) on asset disposal[1]	**2**	15	**(9,657)**	(987)
Write-off of intangible assets	**—**	—	**4,070**	**—**
Other expense (income)	**(3,612)**	1,258	**(1,748)**	3,827
	(28,029)	452	**(24,319)**	135

[1] Relates to gain on land sale in Edmonton, Alberta. Prior year relates to disposal of vacant land at site in Calgary, Alberta and Kelowna, British Columbia property.

12. INCOME TAXES

The reconciliation of income taxes (recovery) attributable to operations computed at the statutory rates to income tax expense is as follows:

			Nine months ended	
		May 31,		May 31,
		2025		2024
	$	**%**	$	%
Income tax at combined federal and provincial rates	**(9,127)**	**26.3%**	(242,857)	26.5%
Income subject to tax at less than statutory rates	**(9)**	**—%**	(20)	—%
Non-taxable portion of capital gains	**(1,262)**	**3.6%**	(99)	—%
Increase in derecognized deferred income tax assets	**19,082**	**(55.0%)**	65,406	(7.1%)
Goodwill, broadcast licence and other asset impairment	**—**	**—%**	4,588	(0.5%)
Transaction costs	**1,207**	**(3.5%)**	—	—%
Increase of various tax reserves	**—**	**—%**	(794)	—%
Miscellaneous differences	**1,193**	**(3.3%)**	106	—%
	11,084	**(31.9%)**	(173,670)	18.9%

(in thousands of Canadian dollars, except per share information)

13. BUSINESS SEGMENT INFORMATION

The Company's business activities are conducted through two segments: Television and Radio, and are primarily based in Canada.

TELEVISION

The Television segment comprises 30 specialty television networks, 15 conventional television stations, digital and streaming services, a social media digital agency, a social media creator network, technology and media services, and the Corus content business, which includes the production and distribution of films and television programs, merchandise licensing, and book publishing. Revenue is generated from advertising, subscribers and the licensing of proprietary films and television programs as well as the provision of production services, merchandise licensing, book publishing, and the provision of technology and media services.

RADIO

The Radio segment comprises 36 radio stations, situated primarily in urban centres in English Canada, with a concentration in the densely populated area of Southern Ontario. Revenue is derived from advertising aired over these stations.

CORPORATE

Corporate results represent the incremental cost of corporate overhead in excess of the amount allocated to the other operating segments.

Management evaluates each segment's performance based on revenue less direct cost of sales, general and administrative expenses. Segment profit (loss) excludes depreciation and amortization, interest expense, debt refinancing costs, restructuring and other costs, impairments, gains or losses on dispositions, and certain other income and expenses.

The accounting policies of the segments are the same as those described in the material accounting policies of the most recent annual audited consolidated financial statements.

REVENUE AND SEGMENT PROFIT

Three months ended May 31, 2025	Television	Radio	Corporate	Consolidated
Revenues	274,522	23,284	—	297,806
Direct cost of sales, general and administrative expenses	211,855	18,212	6,132	236,199
Segment profit (loss)	62,667	5,072	(6,132)	61,607
Depreciation and amortization				22,602
Interest expense				36,762
Debt refinancing				2,956
Restructuring and other costs				25,282
Other income, net				(28,029)
Income before income taxes				2,034

(in thousands of Canadian dollars, except per share information)

Three months ended May 31, 2024	Television	Radio	Corporate	Consolidated
Revenues	308,198	23,606	—	331,804
Direct cost of sales, general and administrative expenses	239,786	20,973	3,510	264,269
Segment profit (loss)	68,412	2,633	(3,510)	67,535
Depreciation and amortization				27,397
Interest expense				26,004
Goodwill, broadcast licence and other asset impairment				960,000
Restructuring and other costs				10,893
Other expense, net				452
Loss before income taxes				(957,211)

Nine months ended May 31, 2025	**Television**	**Radio**	**Corporate**	**Consolidated**
Revenues	**829,959**	**65,371**	**—**	**895,330**
Direct cost of sales, general and administrative expenses	**658,716**	**54,993**	**18,288**	**731,997**
Segment profit (loss)	**171,243**	**10,378**	**(18,288)**	**163,333**
Depreciation and amortization				**67,747**
Interest expense				**92,880**
Debt refinancing				**7,333**
Restructuring and other costs				**54,397**
Other income, net				**(24,319)**
Loss before income taxes				**(34,705)**

Nine months ended May 31, 2024	Television	Radio	Corporate	Consolidated
Revenues	928,690	72,555	—	1,001,245
Direct cost of sales, general and administrative expenses	679,617	64,520	15,979	760,116
Segment profit (loss)	249,073	8,035	(15,979)	241,129
Depreciation and amortization				87,565
Interest expense				83,165
Goodwill, broadcast licence and other asset impairment				960,000
Debt refinancing				753
Restructuring and other costs				26,961
Other expense, net				135
Loss before income taxes				(917,450)

Revenue is derived from the following areas:

	Three months ended		Nine months ended	
		May 31,		**May 31,**
	2025	2024	**2025**	2024
Advertising	**172,785**	200,370	**518,571**	604,476
Subscriber	**111,092**	116,914	**338,670**	352,449
Distribution, production and other	**13,929**	14,520	**38,089**	44,320
	297,806	331,804	**895,330**	1,001,245

(in thousands of Canadian dollars, except per share information)

14. INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Interest paid, interest received and income taxes paid and classified as operating activities are as follows:

	Three months ended	**May 31,**	Nine months ended	**May 31,**
	2025	2024	**2025**	2024
Interest paid	**24,222**	18,453	**58,509**	52,346
Interest received	**606**	855	**2,006**	3,102
Income tax recovery (payment)	**218**	(267)	**17,340**	(2,355)

15. COMPARATIVE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The comparative interim condensed consolidated financial statements have been reclassified from statements previously presented to conform to the presentation of the 2025 interim condensed consolidated financial statements.