
Unaudited Interim Condensed Consolidated Financial Statements of
Blue Ant Media Inc.

For the three and nine months ended May 31, 2025 and 2024

Blue Ant Media Inc.

Interim condensed consolidated statements of net income / (loss) For the three and nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars)

	Three months ended May 31,		Nine months ended May 31,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Revenues (Note 11)	55,689	51,841	140,229	142,208
Expenses				
Direct content, production and delivery expenses	28,376	27,560	77,282	80,564
Sales, general and administrative expenses	12,687	13,156	37,962	38,876
Share-based compensation (Note 10)	8,532	2,750	9,583	4,158
Depreciation and intangible amortization	1,498	1,268	4,306	3,889
Impairment of assets (Note 5)	8,317	(54)	8,317	(130)
Finance expenses, net (Note 13)	(418)	1,461	3,393	5,258
Gain on warrants	-	-	-	(22,240)
Loss on contingent consideration	-	-	152	-
Transaction and other related costs	4,167	-	6,264	615
Restructuring costs	645	593	642	1,086
	63,804	46,734	147,901	112,076
Income / (loss) from continuing operations before income taxes	(8,115)	5,107	(7,672)	30,132
Income tax expense / (recovery) (Note 14)				
Current	2,024	3,538	5,212	5,993
Deferred	1,032	(1,111)	2,144	(2,177)
	3,056	2,427	7,356	3,816
Income / (loss) from continuing operations	(11,171)	2,680	(15,028)	26,316
Income / (loss) from discontinued operations	-	1,148	-	6,243
Net income / (loss)	(11,171)	3,828	(15,028)	32,559
Net income / (loss) attributable to:				
Shareholders	(11,805)	3,261	(15,643)	32,200
Non-controlling interest	634	567	615	359
	(11,171)	3,828	(15,028)	32,559
Income / (loss) per share attributable to shareholders (Note 18):				
Basic - from continuing operations	(0.09)	0.02	(0.12)	0.20
Diluted - from continuing operations	(0.09)	0.02	(0.12)	0.18
Basic - from discontinued operations	0.00	0.01	0.00	0.05
Diluted - from discontinued operations	0.00	0.01	0.00	0.04

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Blue Ant Media Inc.

Interim condensed consolidated statements of comprehensive income / (loss)

For the three and nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars)

	Three months ended May 31,		Nine months ended May 31,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Net income / (loss)	(11,171)	3,828	(15,028)	32,559
Item that will be subsequently reclassified to income / (loss)				
Cumulative translation adjustment	(3,478)	276	1,254	916
	(3,478)	276	1,254	916
Comprehensive income / (loss)	(14,649)	4,104	(13,774)	33,475
Comprehensive income / (loss) attributable to:				
Shareholders	(15,283)	3,537	(14,389)	33,116
Non-controlling interest	634	567	615	359
	(14,649)	4,104	(13,774)	33,475

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Blue Ant Media Inc.

Interim condensed consolidated statements of financial position

As at May 31, 2025 and August 31, 2024

(Unaudited)

(Expressed in thousands of Canadian dollars)

	May 31, 2025	August 31, 2024
	\$	\$
Assets		
Current assets		
Cash	12,337	12,020
Trade and other receivables (Note 15)	76,812	87,824
Prepays and other assets	2,728	3,510
Income taxes receivable	3,674	7,038
Total current assets	95,551	110,392
Property and equipment	3,959	3,232
Right-of-use assets	11,628	12,312
Investment in content rights (Note 4)	112,121	96,743
Intangible assets	58,940	59,931
Goodwill (Note 5)	38,657	46,960
Other long-term assets	695	693
Deferred tax assets	7,792	10,220
Total non-current assets	233,792	230,091
Total assets	329,343	340,483
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	39,770	40,893
Deferred revenue (Note 6)	23,386	20,533
Current portion of lease liability	1,531	1,363
Current portion of bank indebtedness (Note 7)	15,472	18,487
Interim production financing (Note 7)	27,063	26,588
Current portion of promissory notes (Note 8)	3,250	3,250
Provisions	185	2,388
Other current liabilities	873	2,881
Total current liabilities	111,530	116,383
Non-current liabilities		
Lease liability	12,665	13,495
Bank indebtedness (Note 7)	15,324	15,480
Other long-term liabilities	182	580
Promissory notes (Note 8)	4,435	4,078
Deferred tax liabilities	11,648	12,366
Total non-current liabilities	44,254	45,999
Shareholder's Equity		
Total equity attributable to shareholders	166,844	171,564
Non-controlling interest	6,715	6,537
Total equity	173,559	178,101
Total liabilities and equity	329,343	340,483

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Blue Ant Media Inc.

Interim condensed consolidated statements of changes in equity

For the nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars)

Description	Share capital	Other capital	Accumulated other comprehensive income / (loss)	Deficit	Accumulated paid in capital	Total equity attributable to shareholders	Non-controlling interest	Total equity
	\$	\$	\$	\$	\$	\$	\$	\$
Opening Balance - August 31, 2023	155,311	36,714	1,362	(32,411)	(15,729)	145,247	11,592	156,839
Issuance of common shares (Note 9)	100	-	-	-	-	100	-	100
Share-based compensation expense (Note 10)	-	4,008	-	-	-	4,008	-	4,008
Equity instruments exercised	639	(1,079)	-	-	-	(440)	-	(440)
Disposal of subsidiary	-	-	-	-	5,000	5,000	(4,969)	31
Transactions with non-controlling interest	-	-	-	-	-	-	(438)	(438)
Other transactions	-	340	-	-	(340)	-	-	-
Net income / (loss) and comprehensive income / (loss)	-	-	916	32,200	-	33,116	359	33,475
Total as of May 31, 2024	156,050	39,983	2,278	(211)	(11,069)	187,031	6,544	193,575

Description	Share capital	Other capital	Accumulated other comprehensive income / (loss)	Deficit	Accumulated paid in capital	Total equity attributable to shareholders	Non-controlling interest	Total equity
	\$	\$	\$	\$	\$	\$	\$	\$
Opening Balance - August 31, 2024	156,150	39,198	1,646	(14,360)	(11,070)	171,564	6,537	178,101
Issuance of common shares (Note 9)	236	-	-	-	-	236	-	236
Share-based compensation expense (Note 10)	-	9,433	-	-	-	9,433	-	9,433
Transactions with non-controlling interest	-	-	-	-	-	-	(437)	(437)
Net income / (loss) and comprehensive income / (loss)	-	-	1,254	(15,643)	-	(14,389)	615	(13,774)
Total as of May 31, 2025	156,386	48,631	2,900	(30,003)	(11,070)	166,844	6,715	173,559

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Blue Ant Media Inc.

Interim condensed consolidated statements of cash flows For the nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars)

	2025	2024
	\$	\$
Operating activities		
Net income / (loss)	(15,028)	32,559
Adjustments to reconcile net gain / (loss) to cash flow from operations:		
Depreciation of property and equipment	859	786
Depreciation of right-of-use assets	1,117	1,365
Amortization of content rights (Note 4)	32,147	52,152
Amortization of intangible assets	2,331	1,999
Amortization of deferred financing costs (Note 7)	451	407
Write-offs, abandonments and impairment losses	8,317	245
(Gain) / loss on sale of subsidiary	-	(9,929)
(Gain) / loss on debt instruments	-	(22,240)
(Gain) / loss on contingent consideration (Note 15)	152	-
Interest on bank loans (Note 7)	2,937	5,283
Interest on promissory notes (Note 8)	357	587
Interest on lease liabilities	431	475
Share-based compensation (Note 10)	9,583	4,158
Income tax expense	7,356	3,541
Restructuring	642	1,080
Expense of development projects (Note 4)	180	575
Additions to content rights (Note 4)	(46,811)	(67,469)
Cash flows from operations	5,021	5,574
Net changes in non-cash working capital balances related to operations (Note 17)	6,039	4,854
Net cash provided by operating activities	11,060	10,428
Financing activities		
Share repurchases	-	(440)
Transactions with non-controlling interest	(437)	(438)
Cash interest paid	(3,066)	(5,705)
Bank indebtedness, draws (Note 7)	3,388	12,823
Bank indebtedness, repayment (Note 7)	(6,855)	(24,111)
Production financing, net of draw and payment (Note 7)	509	(951)
Costs associated with financing transactions (Note 7)	(60)	(56)
Repayment of lease liability	(1,529)	(1,770)
Cash flows used in financing activities	(8,050)	(20,648)
Investing activities		
Additions to property and equipment	(1,583)	(797)
Additions to intangibles assets	(1,269)	(78)
Proceeds from sale of subsidiaries, net of cash disposed	-	8,919
Cash flows (used in) provided by investing activities	(2,852)	8,044
Effect of foreign exchange rate changes on cash	159	230
Net increase (decrease) in cash	317	(1,946)
Cash, beginning of year	12,020	18,775
Cash, end of year	12,337	16,829

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Blue Ant Media Inc.

Notes to the Interim Condensed Consolidated Financial Statements for the three and nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars unless otherwise noted, except for amount per share)

1. Nature of operations

Blue Ant Media Inc. (the “Company”) was incorporated under the Canada Business Corporations Act on December 7, 2010, and is domiciled in Canada. The address of the Company’s principal place of business is 99 Atlantic Ave, 4th Floor, Toronto, Ontario.

The Company’s principal business activities include the creation and exploitation of video content across a range of traditional and digital media platforms.

The Company has three reportable segments, as follows:

<u>Reportable segment</u>	<u>Nature of operations and location</u>
Production and Distribution	International content production and distribution with operations in London, Los Angeles, Toronto and Washington.
Global Channels and Streaming	International channel operations in London, Singapore, Washington and Toronto. Also includes connected TV advertising operations, based in Toronto.
Canadian Media	Channel operations in Toronto and media placement across multiple platforms including television, print and consumer shows in Canada.

During the three months ended May 31, 2025, there was a change in the composition of the reportable segments whereby the connected TV advertising operations and Canadian free ad-supported television (“FAST”) channels business were moved from Canadian Media to Global Channels and Streaming (Note 19).

Revenues arising from production and distribution of video content are subject to seasonal fluctuations. Historically, peak demand is in the last half of the fiscal year. Revenues for production and distribution for the nine months ended May 31, 2025, represented 43% (nine months ended May 31, 2024 - 59%) of the annual level of these revenues for the year ended August 31, 2024.

All amounts are expressed in thousands of Canadian dollars unless otherwise noted. All shares are in thousands of units unless otherwise noted.

Blue Ant Media Inc.

Notes to the Interim Condensed Consolidated Financial Statements for the three and nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars unless otherwise noted, except for amount per share)

2. Material accounting policies and critical accounting estimates and judgments

a) Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), as applicable to interim financial statements, including IAS 34, Interim financial reporting. Certain disclosures required by IFRS Accounting Standards have been condensed or omitted in the following note disclosures as they are disclosed or have been disclosed on an annual basis only. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the Company's consolidated financial statements for the years ended August 31, 2024 and 2023.

These interim condensed consolidated financial statements are prepared on a going concern basis.

These interim condensed consolidated financial statements have been prepared using the same accounting policies and methods as the Company's consolidated financial statements for the year ended August 31, 2024. The accounting policies have been applied consistently for all periods presented, unless otherwise stated. New standards and guidance, including those not effective for the current accounting period are described in Note 3.

These interim condensed consolidated financial statements were authorized for issuance by the Board of Directors on August 11, 2025.

b) Basis of presentation

These interim condensed consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency.

The Company has significant subsidiaries in the following locations that have the following functional currencies:

<u>Office location</u>	<u>Functional currency</u>
Canada	Canadian dollar
United Kingdom	US dollar
United States	US dollar

c) Critical accounting estimates and judgments

The preparation of these interim condensed financial statements requires management to make estimates, judgments and assumptions that affect the application of policies and reported amounts. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future estimates.

Blue Ant Media Inc.

Notes to the Interim Condensed Consolidated Financial Statements for the three and nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars unless otherwise noted, except for amount per share)

The significant estimates and judgments made by management in the application of the Company's accounting policies and key sources of estimation uncertainty are consistent with those described in the Company's consolidated financial statements for the year ended August 31, 2024.

3. Accounting standards

Accounting standards adopted

Amendments to IAS 1, Presentation of Financial Statements

In January 2020, the International Accounting Standards Board (IASB) issued 'Classification of Liabilities as Current or Non-current (Amendments to IAS 1)', which was amended to clarify how to classify debt and other liabilities as either current or non-current. The amendments are effective for annual periods beginning on or after January 1, 2024. These amendments did not have an impact on the Company's consolidated financial statements.

Amendments to IAS 7, Statement of Cash Flows and IFRS 7, Financial Instruments: Disclosure

In May 2023, the IASB issued 'Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)' to add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. The amendments are effective for reporting periods beginning on or after January 1, 2024. These amendments did not have an impact on the Company's consolidated financial statements.

Amendments to IAS 1, Presentation of Financial Statements

In October 2022, the IASB issued 'Non-current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within 12 months after the reporting period affect the classification of a liability. The amendments are effective for reporting periods beginning on or after January 1, 2024. These amendments did not have an impact on the Company's consolidated financial statements.

Accounting standards issued but not yet effective

IFRS 18, Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in Financial Statements, which will replace IAS 1 as the primary standard for financial statement presentation. The standard aims to enhance the comparability of financial performance by introducing new requirements for categorizing and presenting items in the statement of profit or loss, such as mandatory sub-totals like operating profit. It also updates the statement of cash flows and includes provisions for presenting management-defined performance measures with reconciliations to IFRS compliant figures. Effective from January 1, 2027, IFRS 18 requires restatement of comparative periods and allows earlier adoption. Management is still assessing the impact of this new accounting standard.

Blue Ant Media Inc.

Notes to the Interim Condensed Consolidated Financial Statements for the three and nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars unless otherwise noted, except for amount per share)

3. Accounting standards (continued)

Amendments to IFRS 7 and 9, Classification and Measurement of Financial Instruments

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 aimed at improving the classification and measurement of financial instruments. The recent amendments simplify financial reporting by allowing earlier recognition of liabilities settled via electronic payments, clarifying the assessment of cash flows for basic lending arrangements and refining definitions for non-recourse features and linked instruments. The amendments also introduce more detailed disclosure requirements for fair value changes in equity instruments and mandate reporting of terms that could affect cash flow timings or amounts. The amendment will be effective from January 1, 2026, and entities must apply these amendments retrospectively, with earlier adoption permitted. Management is still assessing the impact of this change in the accounting standards.

4. Investment in content rights

	Acquired program rights	Owned content	Total
At August 31, 2024	\$	\$	\$
Cost	84,913	87,396	172,309
Accumulated amortization	(52,350)	(23,216)	(75,566)
Net book value	32,563	64,180	96,743

	Acquired program rights	Owned content	Total
For the nine months ended May 31, 2025	\$	\$	\$
Opening net book value	32,563	64,180	96,743
Additions, net	14,642	32,169	46,811
Amortization	(13,756)	(18,391)	(32,147)
Expense of development costs	-	(180)	(180)
Foreign exchange	520	374	894
Net book value	33,969	78,152	112,121

At May 31, 2025			
Cost	100,398	111,682	212,080
Accumulated amortization	(66,429)	(33,530)	(99,959)
Net book value	33,969	78,152	112,121

During the nine months ended May 31, 2025, included in additions is \$1,161 of interest capitalized to investment in content - owned content (year ended August 31, 2024 - \$3,353).

Additions to investment in content during the nine months ended May 31, 2025, have been reduced by \$8,101 (year ended August 31, 2024 - \$2,044) in respect of production tax credits.

Blue Ant Media Inc.

Notes to the Interim Condensed Consolidated Financial Statements for the three and nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars unless otherwise noted, except for amount per share)

5. Goodwill

During the three months ended May 31, 2025, the Company undertook a reorganization of its internal reporting structure, which resulted in changes to the Company's operating segments (Note 19). These changes were made to better align the Company's structure with its strategic objectives and management responsibilities. In particular, the Company's connected TV advertising operations and Canadian FAST channels business have been reassigned to the Global Channels and Streaming operating segment from the Canadian Media operating segment.

As a result of this reorganization, the composition of the Company's reportable segments and levels at which the goodwill is monitored for internal management purposes changed, and accordingly, the allocation of goodwill was reassessed in accordance with IAS 36, *Impairment of Assets*, using a relative fair value approach. As at May 31, 2025, the Company reallocated \$6,730 of \$15,047 goodwill previously assigned to Canadian Media, from Canadian Media to Global Channels and Streaming.

Goodwill is tested for impairment annually as at August 31 or more frequently if events or circumstances indicate that the asset might be impaired. During the three months ended May 31, 2025, management identified that there were indications of impairment associated with the Canadian Media group of cash generating units (CGUs), due to the reassignment of the connected TV advertising operations and Canadian FAST channels businesses to Global Channels & Streaming. Accordingly, the Company tested goodwill of Canadian Media for impairment immediately after the re-allocation of goodwill as at May 31, 2025. There were no indicators that suggest a potential impairment of goodwill for the other groups of CGUs.

In conducting its impairment testing, management uses its best estimates of market participant assumptions. The recoverable amount, determined based on value-in-use, of the group of CGUs was determined by utilizing a discounted cash flow approach using cash flow projections based on financial forecasts covering a five-year period.

The future cash flows are based on management's best estimate using market participant assumptions considering historical and expected operating plans, current strategies, economic conditions and the general outlook for the industry. Cash flows beyond the six-year period are extrapolated using estimated growth rates.

The after-tax discount rate represents a weighted average cost of capital ("WACC") for comparable companies operating in the Company's industry, based on publicly available information. Determination of the WACC requires separate analysis of the cost of equity and debt and considers a market participant risk premium based on an assessment of risks related to the projected cash flows of the Company's group of CGUs. The terminal growth rate reflects the long-term terminal growth rate for the Company's group of CGUs within the market in which they operate.

Blue Ant Media Inc.

Notes to the Interim Condensed Consolidated Financial Statements for the three and nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars unless otherwise noted, except for amount per share)

5. Goodwill (continued)

In assessing goodwill for impairment, the Company compared the recoverable amount of the group of CGUs, to carrying amount.

The Company's assumptions used in the model are affected by current market conditions that may affect expected revenues. The Company also has significant competition in the markets in which it operates that may impact its revenue and operating costs. The Company has made certain assumptions for the discount rate and revenue and expense growth rates to reflect possible variations in the cash flows.

In determining the recoverable value for the Canadian Media group of CGUs the following significant assumptions were used:

Group of CGUs	Discount rate		Terminal growth rate	
	2025	2024	2025	2024
Canadian Media	12% - 13%	12%	(5%) - 2%	(1%) - 2%

For the Canadian Media group of CGUs:

- Broadcast revenue is estimated to decline by 6% per annum in the Canadian Media group of CGUs, which is a result of the ongoing decline of the Canadian traditional television industry and the shift of advertising away from traditional broadcast media. Consumer show average revenue growth estimate was 7% for 2026 to 2030. Gross margin percentage estimates for broadcast revenue included in the Canadian media group of CGUs ranged from 59% to 61% for 2026 to 2030. Gross margin percentage estimates for the consumer shows business included in the Canadian media group of CGUs is 52% for 2026 to 2030.
- Indefinite life intangible assets are part of Canadian Media and the assumptions applied for impairment assessment are equivalent to those applied for goodwill assessment. In assessing goodwill for impairment, the Company compared the recoverable amount of the assets included in each group of CGUs, to their respective carrying amounts.

Based on the analysis performed of the Canadian Media group of CGUs as at May 31, 2025, it was determined that the carrying value exceeded the recoverable amount and therefore an impairment of \$8,317 was recorded at this date. The recoverable amount of the Canadian Media group of CGUs is \$71,529 as at May 31, 2025.

For the Canadian Media group of CGUs, the discounted cash flow models were most sensitive to the discount rate and the terminal growth rate assumptions, the Company has conducted a sensitivity analysis on the significant assumptions used to determine the recoverable amount for the group of CGUs evaluated during the goodwill test. The sensitivity of the discount rate was assessed by applying a hypothetical increase or decrease of 2% to the determined rate. The sensitivity of the terminal growth rate was also evaluated by applying a hypothetical increase or decrease of 1% to the established rate. These sensitivity analyses are conducted to assess the potential impact of reasonable changes in significant assumptions on the calculated fair value of the group of CGUs.

Blue Ant Media Inc.

Notes to the Interim Condensed Consolidated Financial Statements for the three and nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars unless otherwise noted, except for amount per share)

5. Goodwill (continued)

In 2025, for the Canadian Media group of CGUs, holding all other assumptions constant:

- a 2% increase in the discount rate would result in an additional impairment of \$7,386, and a 2% decrease in the discount rate would result in a reduction of the amount recorded impairment of goodwill by \$8,317.
- a 1% decrease in the terminal growth rate would result in an additional impairment of \$1,793, and a 1% increase in terminal growth rate would result in a reduction of the amount of recorded impairment of goodwill by \$4,447.
- a 1% decrease in the revenue growth rate would result in an additional impairment of \$4,027, and a 1% increase in revenue growth rate would result in a reduction of the amount of recorded impairment of goodwill by \$6,329.
- a 1% decrease in the gross margin percentage would result in an additional impairment of \$2,157, and a 1% increase in gross margin percentage would result in a reduction of the amount of recorded impairment of goodwill by \$4,321.

The following table summarizes goodwill by group of CGU, after the re-segmentation and resulting impairment:

	May 31, 2025	August 31, 2024
	\$	\$
Canadian Media	-	15,047
Global Channels and Streaming	6,730	-
Program Production	25,714	25,714
Program Distribution	6,213	6,199
Total goodwill	38,657	46,960

6. Deferred revenue

	May 31, 2025	August 31, 2024
	\$	\$
Production contract revenue	15,532	11,515
Distribution licence revenue	4,396	5,398
Consumer shows revenue	1,198	2,152
Other deferred revenue	2,423	1,620
Total	23,549	20,685
Less: Current portion	(23,386)	(20,533)
Long-term deferred revenue	163	152

Long-term deferred revenue is included within other long-term liabilities on the interim condensed consolidated statement of financial position.

Blue Ant Media Inc.

Notes to the Interim Condensed Consolidated Financial Statements for the three and nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars unless otherwise noted, except for amount per share)

6. Deferred revenue (continued)

	Nine months ended May 31, 2025	Year ended August 31, 2024
	\$	\$
Opening balance	20,685	13,936
Cash collections	79,750	124,624
Revenue recognized	(78,036)	(118,698)
Foreign exchange	1,150	823
Closing balance	23,549	20,685

7. Bank indebtedness and interim production financing

Interim production financing	May 31, 2025	August 31, 2024
	\$	\$
Outstanding	26,914	26,405
Accrued Interest	149	183
Balance, end of period	27,063	26,588
 Bank indebtedness	 May 31, 2025	 August 31, 2024
	\$	\$
Outstanding	32,123	35,590
Accrued Interest	188	283
Unamortized financing costs	(1,515)	(1,906)
Balance, end of period	30,796	33,967
Less: Current portion	(15,472)	(18,487)
Non-current	15,324	15,480

8. Promissory notes

	Nine months ended May 31, 2025	Year ended August 31, 2024
		\$
Opening balance	7,328	9,795
Repayment of principal, net	-	(3,250)
Interest accrued	357	783
Ending balance	7,685	7,328
Less: Current portion	(3,250)	(3,250)
Non-current	4,435	4,078

The Company recognized the promissory notes as financial liabilities measured at amortized cost upon issuance.

Blue Ant Media Inc.

Notes to the Interim Condensed Consolidated Financial Statements for the three and nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars unless otherwise noted, except for amount per share)

9. Equity

Common shares

The Company is authorized to issue an unlimited number of common shares with no par value and 100 special shares with no par value.

The holders of the common (non-voting) and special (voting) shares are entitled to receive any dividends declared by the Company on the common shares.

Subject to the rights, privileges, restrictions and conditions attached to any other class of shares of the Company, the holders of the common and special shares are entitled to share equally, share for share, in any distribution of the assets and property of the Company on its dissolution, liquidation or windup.

	Common shares	
	#	\$
Balance, August 31, 2024	125,850	156,150
Shares issued to Directors	22	50
Shares issued for Earnout contingent consideration	82	186
Balance, May 31, 2025	125,954	156,386

	Common shares	
	#	\$
Balance, August 31, 2023	125,448	155,311
Shares issued to Directors	44	100
Options and RSUs exercised	550	1,173
Share repurchase	(237)	(534)
Balance, May 31, 2024	125,805	156,050

Blue Ant Media Inc.

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(Unaudited)

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9. Equity (continued)

Warrants

	May 31, 2025		August 31, 2024	
	#	\$	#	\$
Warrants included in other capital				
Issued on December 7, 2010	3,281	3,281	3,281	3,281
Issued on March 1, 2012	1,094	1,094	1,094	1,094
	4,375	4,375	4,375	4,375

Warrants were issued during the year ended August 31, 2011, to purchase 3,281 common shares at \$1.00 per share. During the year ended August 31, 2012, in connection with an equity raise, warrants were issued to an investor to purchase a total of 1,094 common shares at \$1.00 per share. These warrants have no expiration date and can be exercised at any time. These warrants were valued at \$1.00 per warrant using a Black-Scholes option pricing model and the related fair value was charged to operations on initial recognition. These warrants are included in other capital on the consolidated statement of financial position.

10. Share-based payments

Employee stock option plan

The Company has an Employee Stock Option Plan ("Company ESOP") whereby 20,441 (year ended August 31, 2024 - 20,441) options are reserved for issuance with the provision that the number may be increased from time to time as approved by the Board. Stock options under the Company ESOP are to be granted at exercise prices not less than the fair value of the optioned shares, unless otherwise determined by the Board; generally vest rateably over a five-year period; and have a term of ten years.

	August 31, 2024	
	Options	Weighted average exercise price
	#	\$
Options outstanding – August 31, 2023	12,855	
Granted during the year	1,015	2.25
Exercised during the year	(100)	1.00
Expired during the year	(1,885)	1.33
Options outstanding - August 31, 2024	11,885	
Options available for future issuance, end of year	7,115	
Total options available for issuance, end of year	19,000	

Blue Ant Media Inc.

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10. Share-based payments (continued)

	May 31, 2025	
	Options	Weighted average exercise price
	#	\$
Options outstanding - August 31, 2024	11,885	
Granted during the period	30	2.25
Expired during the period	(190)	1.35
Options outstanding - May 31, 2025	11,725	
Options available for future issuance, end of period	7,275	
Total options available for issuance, end of period	19,000	

The following summarizes the stock option activity under the Company ESOP as at May 31, 2025, and August 31, 2024:

	August 31, 2024
	#
Total options reserved for issuance - August 31, 2023	20,441
Add: ESOP pool increase (decrease)	-
Total options reserved for issuance - August 31, 2024	20,441
Less: Cumulative exercised options	(1,441)
Total options available for issuance, end of year	19,000
	May 31, 2025
	#
Total options reserved for issuance - August 31, 2024	20,441
Add: ESOP pool increase (decrease)	-
Total options reserved for issuance - May 31, 2025	20,441
Less: Cumulative exercised options	(1,441)
Total options available for issuance, end of period	19,000

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10. Share-based payments (continued)

The following summarizes information about stock options outstanding as at May 31, 2025:

Exercise prices	Options Outstanding		Options Exercisable
	Number Outstanding	Weighted average remaining life	Number exercisable
\$	#	years	#
1.00	6,290	5.63	6,267
1.50	2,253	6.27	1,766
2.25	3,182	7.26	1,486
	11,725	6.19	9,519

Restricted Share Units

In May 2017, the Company implemented a restricted share unit ("RSU") plan, whereby the Company will issue RSUs under the plan to certain officers, directors and employees of the Company and its subsidiaries ("F17 RSU Plan"). The following summarizes the activity under the Company F17 RSU Plan:

	#
RSUs outstanding - August 31, 2023	5,988
Settled during the year	-
RSUs outstanding - August 31, 2024	5,988
Settled during the period	-
RSUs outstanding - May 31, 2025	5,988

The Company implemented an additional RSU plan ("F23 RSU Plan") that allowed the Company to grant RSUs to certain officers, directors and employees of the Company and its subsidiaries. The following summarizes activity under the Company F23 RSU Plan:

	#
RSUs outstanding - August 31, 2023	2,050
Vested and settled during the year	(450)
RSUs outstanding - August 31, 2024	1,600
Vested and settled during the period	-
RSUs outstanding - May 31, 2025	1,600

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(Expressed in thousands of Canadian dollars unless otherwise noted, except for amount per share)

10. Share-based payments (continued)

The following summarizes the share-based compensation expense:

	Three months ended May 31,		Nine months ended May 31,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Director's compensation	50	50	150	150
ESOP	167	424	607	1,022
F17 RSUs	5,282	-	5,282	-
F23 RSUs	3,033	2,276	3,544	2,986
	8,532	2,750	9,583	4,158

Under the F17 RSU Plan and F23 RSU Plan, certain RSUs vest upon the occurrence of a qualifying liquidity event, defined as an initial public offering or a change in control. The consummation of the Transaction has resulted in the expected fulfilment of the performance condition subsequent to the reporting period (Note 20). As a result, the Company has recognized cumulative share-based payment expense for the three and nine months ended May 31, 2025 in accordance with IFRS 2.

11. Revenues

During the three months ended May 31, 2025, there was a change in the composition of the reportable segments whereby the connected TV advertising operations and Canadian FAST channels business have been moved from the Canadian Media operating segment to the Global Channels and Streaming operating segment (Note 19). The resulting impact of this change has been applied to all periods presented.

Blue Ant Media Inc.

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11. Revenues (continued)

The following is disaggregated revenues by segment and type for the periods:

For the three months ended May 31, 2025	Production and Distribution	Global Channels and Streaming	Canadian Media	Intersegment eliminations	Total
	\$	\$	\$	\$	\$
Subscriber	-	4,836	6,496	-	11,332
Promotion and advertising	-	15,627	5,473	(96)	21,004
Production services	1,348	-	-	(1,348)	-
Proprietary production and distribution	13,759	906	124	(1,370)	13,419
Consumer shows, publishing, and digital	-	7	10,073	(146)	9,934
	15,107	21,376	22,166	(2,960)	55,689

For the three months ended May 31, 2024	Production and Distribution	Global Channels and Streaming	Canadian Media	Intersegment eliminations	Total
	\$	\$	\$	\$	\$
Subscriber	-	4,921	6,851	-	11,772
Promotion and advertising	-	7,588	6,328	(4)	13,912
Production services	-	-	-	-	-
Proprietary production and distribution	17,630	453	71	(1,956)	16,198
Consumer shows, publishing, and digital	-	24	10,278	(343)	9,959
	17,630	12,986	23,528	(2,303)	51,841

For the nine months ended May 31, 2025	Production and Distribution	Global Channels and Streaming	Canadian Media	Intersegment eliminations	Total
	\$	\$	\$	\$	\$
Subscriber	-	14,310	19,755	-	34,065
Promotion and advertising	-	43,680	15,792	(304)	59,168
Production services	2,157	-	-	(2,107)	50
Proprietary production and distribution	33,442	1,912	319	(2,816)	32,857
Consumer shows, publishing, and digital	6	27	14,404	(348)	14,089
	35,605	59,929	50,270	(5,575)	140,229

For the nine months ended May 31, 2024	Production and Distribution	Global Channels and Streaming	Canadian Media	Intersegment eliminations	Total
	\$	\$	\$	\$	\$
Subscriber	-	13,645	21,312	-	34,957
Promotion and advertising	-	27,207	19,521	(9)	46,719
Production services	-	-	-	-	-
Proprietary production and distribution	47,653	864	181	(2,542)	46,156
Consumer shows, publishing, and digital	-	66	15,433	(1,123)	14,376
	47,653	41,782	56,447	(3,674)	142,208

Blue Ant Media Inc.

Notes to the Interim Condensed Consolidated Financial Statements for the three and nine months ended May 31, 2025 and 2024

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(Expressed in thousands of Canadian dollars unless otherwise noted, except for amount per share)

11. Revenues (continued)

The following is the Company's disaggregated revenue attributable to entities based in each geographic region:

	Three months ended May 31,		Nine months ended May 31,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Canada	30,795	31,357	84,507	93,335
United States	7,345	4,650	18,337	16,105
United Kingdom	17,549	15,767	37,385	32,466
Rest of the world	-	67	-	302
	55,689	51,841	140,229	142,208

In the three months ended May 31, 2025, the Company's top five customers accounted for approximately 28% (2024 - 24%) of total revenue.

In the nine months ended May 31, 2025, the Company's top five customers accounted for approximately 28% (2024 - 22%) of total revenue.

12. Expenses by nature

The following sets out the expenses by nature:

	Three months ended May 31,		Nine months ended May 31,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Salaries and benefits	9,783	10,659	29,507	31,170
Amortization of programming assets	8,256	16,610	32,147	51,927
Production costs	3,414	1,638	10,906	8,970
Digital advertising costs	5,882	1,514	16,991	5,761
Producer royalties and versioning	6,488	3,476	10,656	7,278
Events and merchandise costs	4,412	4,123	6,582	6,249
Facilities expenses	364	352	985	913
Professional fees	746	720	2,244	2,205
Office expenses	1,013	782	2,865	2,547
Marketing expenses	705	842	2,361	2,420
Share-based compensation (Note 10)	8,532	2,750	9,583	4,158
Depreciation and intangible amortization	1,498	1,268	4,306	3,889
Impairment of assets	8,317	(54)	8,317	(130)
Other finance expenses, net (Note 13)	(418)	1,461	3,393	5,258
Gain on warrants	-	-	-	(22,240)
Loss on contingent consideration	-	-	152	-
Transaction and other related costs	4,167	-	6,264	615
Restructuring costs	645	593	642	1,086
	63,804	46,734	147,901	112,076

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13. Finance expense, net

The following finance income and expenses were incurred:

	Three months ended May 31,		Nine months ended May 31,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Interest expense and standby fees:				
Interest expense, lease liability	147	151	431	466
Interest on bank indebtedness (Note 7)	526	779	1,744	2,720
Interest on promissory note (Note 8)	110	197	357	587
Interest on interim financing (Note 7)	352	768	1,193	2,563
Interest capitalized (Note 4)	(390)	(791)	(1,161)	(2,668)
Standby fee on bank loan	54	20	167	198
Amortization on deferred financing cost related to:				
Bank indebtedness (Note 7)	153	136	451	407
Other				
Other finance charges	32	35	85	186
Total finance expense	984	1,295	3,267	4,459
Interest Income				
Bank deposits	(27)	(43)	(110)	(269)
Other interest income	-	-	-	(10)
Total finance income	(27)	(43)	(110)	(279)
Currency loss / (gain)				
Unrealized	(1,212)	284	232	1,726
Realized	(163)	(75)	4	(648)
	(1,375)	209	236	1,078
Finance expense, net, end of period	(418)	1,461	3,393	5,258

14. Income tax

	Three months ended May 31,		Nine months ended May 31,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Current income tax expense	2,024	3,538	5,212	5,993
Deferred income tax expense (recovery)	1,032	(1,111)	2,144	(2,177)
Income tax expense	3,056	2,427	7,356	3,816

The provision for income tax differs from the amount that would have resulted by applying the combined Canadian federal and Ontario statutory income tax rate of 26.5%. The income tax in each period reflects the mix of taxing jurisdictions in which pre-tax income and losses were recognized.

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14. Income tax (continued)

For the three months ended May 31, 2025, the effective tax rate was -37.7% (2024 - 47.5%). For the nine months ended May 31, 2025, the effective tax rate was -95.9% (2024 - 12.7%).

In assessing the value of deferred tax assets, the Company's management considers if it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. Available evidence considered by the Company includes, but is not limited to, the Company's historic operating results, projected future operating results, and changing business and market circumstances. As at May 31, 2025, the Company has determined that based on its projected future operating results in fiscal 2026 and beyond, realization of certain deferred tax assets is not probable and as a result has not recognized deferred tax assets of \$3,221 (August 31, 2024 - \$1,523). This has been recorded as an income tax expense in the consolidated statement of comprehensive loss.

15. Financial instruments, capital management and financial risks

Fair value

The fair values of cash, accounts and other receivables and accounts payable and accrued liabilities approximate their carrying values due to the short-term nature of the expected cash flows. The fair value of the bank indebtedness approximates its carrying value as the interest rates on the debt are at variable market rates. Contingent consideration was valued based on achievement of historical adjusted EBITDA targets and achievement of projected EBITDA targets for the period-ended May 31, 2025 and August 31, 2024, respectively. The 2022 Put Option was valued with reference to the expected payout should it be exercised, based on a methodology agreed on in the original agreement in which the option arose. The promissory note was initially measured at fair value, which approximated face value less the fair value of the derivative financial instruments, and subsequently held at amortized cost to accrete to face value over their term.

Changes to the underlying assumptions and observable inputs did not result in significant changes in fair value.

		May 31, 2025		August 31, 2024	
	Fair value hierarchy	Carrying value	Fair value	Carrying value	Fair value
		\$	\$	\$	\$
Financial liabilities measured at fair value					
Contingent consideration	Level 3	173	173	2,181	2,181
2022 Put Option	Level 3	700	700	700	700
Financial liabilities not measured at fair value					
Promissory note (Note 8)	Level 2	7,685	7,685	7,328	7,328

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15. Financial instruments, capital management and financial risks (continued)

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to trade and other receivables and cash. The Company mitigates this risk by monitoring the creditworthiness of its customers and dealing with reputable financial institutions. Management has assessed these amounts and the entities from which the funds are held and has determined that the risk of loss is remote.

The top five customers represented approximately 30% (as at August 31, 2024 - 32%) of the Company's trade receivables as at May 31, 2025. The amounts disclosed in the interim condensed consolidated statement of financial position are net of an allowance for doubtful accounts of \$227 (as at August 31, 2024 - \$220), estimated by management of the Company based on previous experience and the current economic environment using the expected credit loss model.

As at May 31, 2025 and August 31, 2024, the aging of trade receivables was:

	May 31, 2025	August 31, 2024
	\$	\$
Trade receivables		
Current	23,674	28,969
Aged 31-60 days	4,037	3,569
Aged 61-90 days	5,887	3,473
Aged greater than 90 days	10,205	11,103
Total trade receivables	43,803	47,114
Note receivables	600	600
Accrued receivables	8,360	6,549
Tax credits and funding receivable	24,276	33,781
	77,039	88,044
Allowance for doubtful accounts	(227)	(220)
Trade and other receivables, end of the period	76,812	87,824

16. Commitments for expenditure

The Company has entered into agreements to acquire programs or program rights. The total amount committed to acquiring programs or program rights to be delivered in future periods is approximately \$21,890. The period in which these commitments will become payable will depend in part on the timing of the delivery to the Company of the acquired programs or program rights.

Management estimates the commitments will become payable as follows:

	Total
	\$
Remainder of 2025	6,466
2026	15,424
2027	-
2028	-
2029	-
Thereafter	-
	21,890

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17. Statement of cash flows

Operating activities

The net change in non-cash working capital balances related to operations consists of the following:

	Nine months ended May 31,	
	2025	2024
	\$	\$
Trade and other receivables	11,681	12,118
Prepays and other assets	636	(1,232)
Accounts payable and accrued liabilities	(3,248)	(17,027)
Deferred revenue	2,784	17,105
Income taxes receivable	(5,578)	(5,718)
Other liabilities	(236)	(392)
Inflow / (outflow)	6,039	4,854

Supplemental cash flow information

Income taxes paid, net of refunds	1,191	5,510
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Financing activities

The net change in cash and non-cash liabilities arising from financing activities consists of the following:

As at and for the nine months ended May 31, 2025:

	Bank indebtedness	Interim production financing	Promissory note	Total
	\$	\$	\$	\$
Balance, August 31, 2024	33,967	26,588	7,328	67,883
Net, cash receipts (payments)	(3,467)	509	-	(2,958)
Financing cost (payment)	(60)	-	-	(60)
Total financing cash flow / (outflow)	(3,527)	509	-	(3,018)
Amortization of deferred financing costs	451	-	-	451
Net change in accrued interest	(95)	(34)	357	228
Total financing non-cash inflow / (outflow)	356	(34)	357	679
Balance, May 31, 2025	30,796	27,063	7,685	65,544

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17. Statement of cash flows (continued)

As at and for the nine months ended May 31, 2024:

	Bank indebtedness	Interim production financing	Promissory note	Total
	\$	\$	\$	\$
Balance, August 31, 2023	42,148	39,645	9,795	91,588
Net, cash receipts (payments)	(11,288)	(951)	-	(12,239)
Financing cost (payment)	(56)	-	-	(56)
Total financing cash flow / (outflow)	(11,344)	(951)	-	(12,295)
Amortization of deferred financing costs	407	-	-	407
Net change in accrued interest	(298)	(124)	587	165
Other	-	23	-	23
Total financing non-cash inflow / (outflow)	109	(101)	587	595
Balance, May 31, 2024	30,913	38,593	10,382	79,888

18. Earnings per share

The following table reconciles the denominator used to calculate earnings per share:

	Three months ended May 31,		Nine months ended May 31,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Net income / (loss) attributable to shareholders, continuing operations	(11,805)	2,113	(15,643)	25,957
Net income / (loss) attributable to shareholders, discontinued operations	-	1,148	-	6,243
Net income / (loss) attributable to shareholders	(11,805)	3,261	(15,643)	32,200
Weighted average number of common shares - Basic	128,578	128,343	128,534	128,169
Effect of dilutive securities	-	11,888	-	12,594
Weighted average number of common shares - Diluted	128,578	140,231	128,534	140,763
Gain / (loss) per share from continuing operations - Basic	(0.09)	0.02	(0.12)	0.20
Gain / (loss) per share from continuing operations - Diluted	(0.09)	0.02	(0.12)	0.18
Gain / (loss) per share from discontinued operations - Basic	0.00	0.01	0.00	0.05
Gain / (loss) per share from discontinued operations - Diluted	0.00	0.01	0.00	0.04

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19. Segment reporting

The chief operating decision maker (CODM) evaluates segment performance at the segment profit level, which excludes depreciation, intangible asset amortization and impairment, share-based compensation, finance expenses and restructuring and acquisition related expenses. Inter-segment revenues are charged at market prices and shown in Eliminations.

The CODM is the Chief Executive Officer. During the three months ended May 31, 2025, the Company underwent a reorganization of its senior management structure. As a result, the Company's internal reporting and monitoring of performance have been revised to align with the new management responsibilities, in line with the reporting structure under the CODM. Consequently, in accordance with IFRS 8, Operating Segments, the Company has redefined composition of its reportable segments. Under the revised reportable segments, the connected TV advertising operations and the Canadian FAST channels business have been moved from Canadian Media to Global Channels and Streaming. Comparative segment information for prior periods has been restated to reflect the new segment structure.

The following summarizes segment performance for the three months ended May 31, 2025:

For the three months ended May 31, 2025	Production and Distribution	Global Channels and Streaming	Canadian Media	Total of Segments	Corporate	Eliminations	Total
	\$	\$	\$	\$	\$	\$	\$
Revenues	15,107	21,376	22,166	58,649	-	(2,960)	55,689
Direct content, production and delivery expenses	10,381	12,262	8,794	31,437	156	(3,217)	28,376
Sales, general and administrative expenses	2,618	3,850	4,807	11,275	1,412	-	12,687
Segment profit	2,108	5,264	8,565	15,937			
Share-based compensation							8,532
Depreciation and intangible amortization							1,498
Impairment of assets							8,317
Finance expenses, net							(418)
Loss on contingent consideration							-
Transaction and other related costs							4,167
Restructuring costs							645
Income / (loss) before taxes							(8,115)

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19. Segment reporting (continued)

The following summarizes segment performance for the three months ended May 31, 2024:

For the three months ended May 31, 2024	Production and Distribution	Global Channels and Streaming	Canadian Media	Total of Segments	Corporate	Eliminations	Total
	\$	\$	\$	\$	\$	\$	\$
Revenues	17,630	12,986	23,528	54,144	-	(2,303)	51,841
Direct content, production and delivery expenses	13,248	6,832	8,811	28,891	126	(1,457)	27,560
Sales, general and administrative expenses	3,090	2,852	5,740	11,682	1,474	-	13,156
Segment profit	1,292	3,302	8,977	13,571			
Share-based compensation							2,750
Depreciation and intangible amortization							1,268
Impairment of assets							(54)
Finance expenses, net							1,461
Gain on warrants							-
Transaction and other related costs							-
Restructuring costs							593
Income / (loss) before taxes							5,107

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19. Segment reporting (continued)

The following summarizes segment performance for the nine months ended May 31, 2025:

For the nine months ended May 31, 2025	Production and Distribution	Global Channels and Streaming	Canadian Media	Total of Segments	Corporate	Eliminations	Total
	\$	\$	\$	\$	\$	\$	\$
Revenues	35,605	59,929	50,270	145,804	-	(5,575)	140,229
Direct content, production and delivery expenses	27,611	35,357	20,699	83,667	717	(7,102)	77,282
Sales, general and administrative expenses	9,931	10,863	14,095	34,889	3,073	-	37,962
Segment (loss) / profit	(1,937)	13,709	15,476	27,248			
Share-based compensation							9,583
Depreciation and intangible amortization							4,306
Impairment of assets							8,317
Finance expenses, net							3,393
Loss on contingent consideration							152
Transaction and other related costs							6,264
Restructuring costs							642
Income / (loss) before taxes							(7,672)

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(Unaudited)

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19. Segment reporting (continued)

The following summarizes segment performance for the nine months ended May 31, 2024:

For the nine months ended May 31, 2024	Production and Distribution	Global Channels and Streaming	Canadian Media	Total of Segments	Corporate	Eliminations	Total
	\$	\$	\$	\$	\$	\$	\$
Revenues	47,653	41,782	56,447	145,882	-	(3,674)	142,208
Direct content, production and delivery expenses	40,500	22,835	21,373	84,708	417	(4,561)	80,564
Sales, general and administrative expenses	10,192	8,671	16,391	35,254	3,623	(1)	38,876
Segment (loss) / profit	(3,039)	10,276	18,683	25,920			
Share-based compensation							4,158
Depreciation and intangible amortization							3,889
Impairment of assets							(130)
Finance expenses, net							5,258
Gain on warrants							(22,240)
Transaction and other related costs							615
Restructuring costs							1,086
Income / (loss) before taxes							30,132

The following summarizes segment non-current assets as at May 31, 2025 and August 31, 2024:

As at May 31, 2025	Production and Distribution	Global Channels and Streaming	Canadian Media	Total of Segments	Corporate	Eliminations	Total
Investment in content rights	40,481	48,360	23,280		-	-	112,121
Intangible assets	4,851	1,861	52,228		-	-	58,940
Goodwill	31,927	6,730	-		-	-	38,657

As at August 31, 2024	Production and Distribution	Global Channels and Streaming	Canadian Media	Total of Segments	Corporate	Eliminations	Total
Investment in content rights	32,297	41,590	22,856		-	-	96,743
Intangible assets	6,271	946	52,714		-	-	59,931
Goodwill	31,913	6,730	8,317		-	-	46,960

Blue Ant Media Inc.

Notes to the Interim Condensed Consolidated Financial Statements for the three and nine months ended May 31, 2025 and 2024

(Unaudited)

(Expressed in thousands of Canadian dollars unless otherwise noted, except for amount per share)

20. Subsequent event

On March 23, 2025, the Company entered into a definitive agreement with Boat Rocker Media Inc. ("BRMI"), an independent global entertainment company listed on the Toronto Stock Exchange (the "TSX"), pursuant to which, among other things, BRMI agreed to acquire all outstanding shares of the Company.

On [August 1], 2025, the Company completed the Transaction, resulting in the Company becoming a wholly-owned subsidiary of BRMI.

In connection with the completion of the Transaction, BRMI underwent a reorganization that included a share consolidation pursuant to which all of its outstanding shares were consolidated at a ratio of ten pre-consolidation shares for each post-consolidation share, and a change of name of BRMI to "Blue Ant Media Corporation".

Under the terms of the definitive agreement, BRMI acquired all outstanding shares of the Company on the basis of an exchange ratio of 1.25 shares of BRMI for each share of the Company (prior to giving effect to the 10 for 1 consolidation of the outstanding BRMI shares described above), all outstanding stock options and RSUs of the Company were cancelled and replaced by equivalent securities of BRMI, and all outstanding warrants of the Company were amended such that they are now exercisable into shares of BRMI.

The Transaction constituted a reverse acquisition of BRMI by the Company, with the Company as the accounting acquirer and BRMI as the accounting acquiree. Following the completion of the Transaction, the subordinate voting shares of Blue Ant Media Corporation continue to trade on the TSX under the symbol "BAMI".

Blue Ant Media Corporation continues to operate the Canadian production businesses of BRMI, being Insight Productions, Jam Filled Entertainment and Proper Television.

The Company is in the process of determining the fair values of the identifiable assets acquired and liabilities assumed of BRMI as at the acquisition date. The initial accounting for the business combination will be completed within the measurement period in accordance with IFRS 3.