

Blue Ant Media Corporation
Management's Discussion & Analysis
For the three months ended November 30, 2025

BLUE ANT MEDIA CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED NOVEMBER 30, 2025

Introduction

The following management's discussion and analysis (this "**MD&A**") of the financial condition, results of operations and cash flows for Blue Ant Media Corporation (the "**Company**" or "**Blue Ant**") is effective as of January 14, 2026. It is supplemental to, and should be read in conjunction with, the Company's unaudited interim condensed consolidated financial statements, and notes thereto (the "**interim financial statements**") as at and for the three months ended November 30, 2025 and 2024, along with the Company's annual audited consolidated financial statements (the "**annual financial statements**") and MD&A (the "**annual MD&A**") for the years ended August 31, 2025 and 2024, and its Annual Information Form for the year ended August 31, 2025 (the "**AIF**"). Additional information about the Company can be found under the Company's profile on SEDAR+ at www.sedarplus.ca.

This MD&A provides information that the management of the Company believes is helpful to understand the results of operations and the financial condition of the Company at the dates indicated. The objective is to present readers with a view of the Company from management's perspective by interpreting the material trends and activities that have affected the operating results, liquidity and financial position of the Company.

Certain information in this MD&A constitutes forward-looking information, that is based on assumptions and involves various risks and uncertainties. See the "*Forward-Looking Statements*" and "*Risks and Uncertainties*" sections of this MD&A for a discussion of the uncertainties, risks and assumptions associated with those statements. Actual results may differ materially from those discussed in the Forward-Looking Statements section as a result of various factors, including those described in the "*Risks and Uncertainties*" section and elsewhere in this MD&A and the AIF.

Basis of Presentation

The interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**"), applicable to the preparation of condensed interim financial statements, including International Accounting Standard ("**IAS**") 34, *Interim Financial Reporting*. However, certain financial measures contained in this MD&A are non-IFRS measures and are discussed further in the "*Non-IFRS Measures*" section of this MD&A. All dollar amounts referenced in this MD&A are in Canadian dollars, being the functional currency of the Company, unless otherwise indicated. Certain totals, subtotals and percentages in this MD&A may not reconcile due to rounding from thousands to millions of dollars. The impact of these rounding adjustments does not have a material effect on this MD&A.

On August 1, 2025, Blue Ant Media Inc. ("**BAMI**") completed a reverse takeover transaction of Blue Ant Media Corporation (formerly Boat Rocker Media Inc., or "**BRMI**") which was implemented by way of a statutory plan of arrangement under the Canada Business Corporations Act (the "**RTO**" or the "**Transaction**"). Former shareholders of BAMI exchanged their shares for shares of Blue Ant Media Corporation, which resulted in the reverse takeover of Blue Ant Media Corporation (herein, the "**Company**") by BAMI. On closing of the RTO (the "**Closing**"), the Company's fiscal year end, previously December 31, was changed to August 31.

As BAMI has been identified for accounting purposes as the acquirer, the Company is considered to be a continuation of BAMI. The Company's subordinate voting shares resumed trading on the Toronto Stock Exchange on August 7, 2025 under the trading symbol "BAMI".

In addition to the Transaction resulting in BAMl becoming the subsidiary of a public company, three Canadian production businesses were acquired: Insight Productions, Jam Filled Entertainment and Proper Television (the **“Retained Business”**). The Retained Business is included in the Company’s Production and Distribution reporting segment. The consolidated results presented herein include the operations of the Retained Business for the three months ended November 30, 2025 but not for the comparative period. For additional information with respect to the Transaction, see Note 4 of the annual financial statements.

MagellanTV Acquisition

On October 2, 2025, the Company acquired MagellanTV, LLC and Alliant Content, LLC (together, **“MagellanTV”** or **“Magellan”**), a digital streaming company that delivers factual content to consumers across the globe. The assets and business of MagellanTV have been included in the Company’s Global Channels and Streaming reporting segment as of the acquisition date.

The MagellanTV acquisition expands the Company’s Channels and Streaming business, as MagellanTV brings an established Subscription Video on Demand (**“SVOD”**) platform, as well as Advertising-based Video on Demand (**“AVOD”**) and Free Ad-Supported Streaming Television (**“FAST”**) channels, broadening the Company’s reach and monetization across multiple distribution windows.

The Company provided total consideration of \$14.6 million for net liabilities assumed of \$0.5 million and identified intangible assets of \$11.4 million, which resulted in goodwill on acquisition of \$3.7 million.

Of the identified intangible assets acquired, customer lists relate to MagellanTV’s FAST and SVOD revenue streams, and have an expected life of 10 years. Trademarks are considered an indefinite-life intangible asset and software has an expected life of 3 years.

Goodwill acquired reflects the expected growth of the Company’s AVOD, SVOD and FAST channels, including MagellanTV, as a result of the acquisition, along with synergies to be realized in its Global Channels and Streaming reporting segment and the value of the assembled workforce acquired. Goodwill from the acquisition is included in the Company’s Global Channels and Streaming group of cash generating units (**“CGUs”**) for reporting and impairment testing purposes. For further details of the MagellanTV acquisition, refer to Note 4 (b) of the Company’s interim financial statements.

Normal Course Issuer Bid

On October 16, 2025, the Company announced that the Toronto Stock Exchange (**“TSX”**) approved the Company's intention to proceed with a Normal Course Issuer Bid (the **“NCIB”**) for its subordinate voting shares as appropriate opportunities arise from time to time. The NCIB commenced on October 20, 2025 and will expire October 19, 2026, allowing the Company to purchase up to 1,094,714 of its subordinate voting shares for cancellation. No share repurchases under the NCIB occurred during the three months ended November 30, 2025 as the Company was in a black-out period from the date of commencement to November 30, 2025.

As of January 14, 2025, 8,300 subordinate voting shares were repurchased through this program with 8,000 of these shares cancelled.

Proposed Acquisition of Thunderbird Entertainment Group Inc.

On November 25, 2025, the Company entered into a definitive agreement to acquire 100% of the issued and outstanding common shares of Thunderbird Entertainment Group Inc. ("Thunderbird"). Under the terms of the definitive agreement, Thunderbird shareholders have the option to elect to receive either subordinate voting shares of the Company, cash or a combination of both, subject to proration based on a maximum aggregate cash consideration of \$40.0 million.

For each Thunderbird common share, the holder may receive: (i) 0.2165 subordinate voting shares of the Company, (ii) \$1.77 in cash, or (iii) a combination thereof.

Assuming Thunderbird shareholders elect to receive the maximum cash amount, the total consideration to be paid by the Company consists of \$40.0 million in cash and the issuance of subordinate voting shares representing approximately 21% of the pro forma subordinate voting shares of the Company following the closing, based on the treasury stock method. If no cash elections are made, existing Thunderbird shareholders would own approximately 33% of the pro forma subordinate voting shares of the Company.

The transaction is subject to customary closing conditions, including the receipt of all necessary shareholder and regulatory approvals.

Selected Financial Information

The following table provides selected financial information from the Company's consolidated statements of income/(loss):

(dollars, in thousands, except per share amounts)	Three months ended November 30,		Change	
	2025	2024	\$	%
Revenues	80,464	48,707	31,757	65 %
Net income (loss)	(6,750)	1,218	(7,968)	(654)%
Net income attributable to non-controlling interests	92	119	(27)	(23)%
Net income (loss) attributable to shareholders	(6,842)	1,099	(7,941)	(723)%
Net income (loss) per share attributable to shareholders - basic	(0.31)	0.07	(0.38)	(543)%
Net income (loss) per share attributable to shareholders - diluted	(0.31)	0.06	(0.37)	(617)%
Adjusted EBITDA*	4,994	6,352	(1,358)	(21)%

* This item is a non-IFRS measure. See definition and reconciliation to IFRS in "Non-IFRS Measures" and "Reconciliation table".

The following table provides selected financial information from the Company's interim consolidated statements of cash flows:

(dollars, in thousands)	Three months ended November 30,		Change	
	2025	2024	\$	%
Net cash provided by operating activities	5,163	13,664	(8,501)	(62)%
Cash flows used in financing activities	(30,606)	(6,730)	(23,876)	355 %
Cash flows provided by (used in) investing activities	4,178	(2,200)	6,378	(290)%

The following table provides selected financial information from the Company's interim consolidated statements of financial position:

(dollars, in thousands)	November 30, 2025	August 31, 2025	Change (\$)	Change (%)
Total current assets	154,788	182,456	(27,668)	(15)%
Total non-current assets	277,289	288,950	(11,661)	(4)%
Total assets	432,077	471,406	(39,329)	(8)%
Total current liabilities	145,570	178,861	(33,291)	(19)%
Total non-current liabilities	39,747	40,711	(964)	(2)%
Total liabilities	185,317	219,572	(34,255)	(16)%

Selected Operational Information

- Integration of Magellan, as well as the newly acquired production companies Insight Productions, Jam Filled Entertainment, and Proper Television, is progressing as planned.
- Continued expansion of the Company's free ad-supported television (FAST) footprint during the quarter, with multiple channel feeds launched across several platforms globally, including Roku, Samsung, Vizio, PlutoTV, LG and FireTV. The launches included five Magellan-branded channels, further expanding the Company's global advertising distribution.
- *Slaycation* season 2 premiered on Crave on December 12th.
- *Canada's Drag Race* season 6 premiered on Crave on November 20th and season 7 was greenlit.
- Production continued on *The Great Canadian Baking Show* season 9 (CBC) and season 10 was greenlit.
- Several other titles are in production including *Extracted* season 2 (Fox), *Top Chef Canada* season 8 (Global), *Canada Shore* (Paramount+ Canada), and *The Loud House* season 9 (Nickelodeon).
- Major distribution sales in the quarter include *Matthew Perry: A Hollywood Tragedy* to over 50 territories and *Mike Holmes: Building a Legacy* seasons 1 and 2 to Warner Bros. Discovery for HGTV US.

Business Overview

Blue Ant Media is an international streamer, production studio, advertising sales, and rights-management business. The company operates a diverse portfolio of free streaming and pay TV channels internationally, including Love Nature, Cottage Life, Smithsonian Channel Canada, BBC Earth Canada, HauntTV, Homeful, and Love Pets, as well as the subscription streaming service MagellanTV. Its studio business produces and distributes a wide range of premium content across key genres for streaming and broadcast platforms worldwide. Blue Ant Media is headquartered in Toronto, with a presence in Los Angeles, New York, Miami, Singapore, London, Washington, Sydney, Halifax, and Ottawa.

As at November 30, 2025, the Company had three reportable segments:

- **Global Channels and Streaming**, which includes various channel brands (excluding the Company's Canadian pay TV channels), delivered on multiple platforms, including FAST, SVOD, AVOD, cable TV, YouTube and social media. It also includes the Company's Smart TV advertising sales business, Media Pulse.
- **Production and Distribution** (operated under the name "Blue Ant Studios" and "Blue Ant Rights"), which includes a production business creating video content in multiple genres, including unscripted, animation, reality competition and scripted, and a distribution business that monetizes Blue Ant's content as well as content of third-party producers through licensing to other broadcasters and streamers around the world.
- **Canadian Media**, which includes the Company's seven Canadian pay TV channels, that deliver both advertising and subscription revenue, as well as its 11 live consumer show events in various categories, including home design, renovations, cottage living, and parenting, which are focused on selling exhibit space to businesses and tickets to attendees, and its *Cottage Life* publishing business.

In the year ended August 31, 2025, the Company implemented a change in its reporting segments to better reflect its alignment of business activity, by moving its Smart TV advertising and Canadian FAST businesses into the Global Channels and Streaming segment, and out of the Canadian Media segment, where they were previously included. Comparative segment information for the prior period has been restated to reflect the new segment structure.

Reverse Take-over of BRMI

On August 1, 2025, BAMl completed an RTO of the Company (formerly BRMI).

The shares of BAMl were exchanged for shares of the Company on the basis of an exchange ratio of 1.25 shares (prior to the share consolidation noted below) of the Company for each share of BAMl. Furthermore, any equity incentive plan (“EIP”) awards and warrants of BAMl issued and outstanding immediately prior to the Closing were subject to the same exchange ratio.

Immediately prior to the Closing, the Company completed a share capital reorganization (the “**Share Capital Reorganization**”), which included a consolidation of its shares and EIP awards issued and outstanding on the basis of one (1) post-consolidation share for 10 pre-consolidation shares. The Share Capital Reorganization also included the exercise of certain fully vested restricted share units (“RSUs”), as well as the assumption of EIP awards issued and outstanding of the Company, which included options, performance-based share units (“PSUs”), deferred share units (“DSUs”) and RSUs.

As part of the Transaction, one of the Company’s significant shareholders committed to provide the Company with the following: (a) a commitment for a cash contribution of up to \$34.7 million dependent on certain performance targets of the Retained Business in the year ending December 31, 2025 and to be paid by March 30, 2026; (b) guarantees for a vendor take-back promissory note receivable of \$18.0 million on the sale of certain production assets to a group of shareholders immediately prior to the Closing of the RTO (the “**VTB Note**”), and US\$2.7 million of notes receivable from a former BRMI executive in relation to a prior transaction; and (c) commitment for a period of one year from the Closing, to subscribe for up to \$20.0 million in any new equity offering of the Company up to a maximum of \$60.0 million. The VTB Note was sold in November 2025 (refer to Note 6 of the interim financial statements).

Consolidated Results of Operations

The following table and proceeding discussion describes the significant changes in the Company's consolidated results of operations for the three months ended November 30, 2025, compared to the three months ended November 30, 2024:

(dollars, in thousands)	Three months ended November 30,		Change	
	2025	2024	\$	%
Revenue				
Subscriber	11,670	11,513	157	1 %
Promotion and advertising	21,191	21,779	(588)	(3)%
Production services	22,740	1,850	20,890	1129 %
Proprietary production and distribution	21,719	10,537	11,182	106 %
Consumer shows, publishing and digital	3,144	3,028	116	4 %
Total revenue	80,464	48,707	31,757	65 %
Expenses				
Direct content, production and delivery expenses	59,428	29,627	29,801	101 %
Sales, general and administrative expenses	16,042	12,728	3,314	26 %
Share-based compensation	257	585	(328)	(56)%
Depreciation and intangible amortization	2,711	1,362	1,349	99 %
Finance expenses, net	440	2,019	(1,579)	(78)%
Loss on sale of other assets	3,054	—	3,054	NA
Transaction and other related costs	2,540	68	2,472	3635 %
Restructuring costs	788	—	788	NA
Net income (loss) before income taxes	(4,796)	2,318	(7,114)	(307)%
Income tax expense (recovery)	1,954	1,100	854	78 %
Net income (loss) for the period	(6,750)	1,218	(7,968)	(654)%

Revenue

The Company derives revenue from five source categories: (i) subscribers, being revenue derived from monthly subscriptions by consumers of the Company's content across various paywalled platforms; (ii) promotion and advertising, being revenue derived from the promotion and advertising by third parties on the Company's media platforms and print related advertising, as well as from the sale of advertising inventory for third party platforms; (iii) production services, being revenue derived from the production services for third parties; (iv) proprietary production and distribution, being revenue earned from licensing the Company's television programs, including programs that it produces, across specific geographic markets and within specified time periods; and (v) live event consumer shows, publishing and digital, which include revenue derived from master control services and the Company's live event consumer show business. Further analysis of revenue is provided in the section entitled "Results of Operations by Segment", below.

Revenue for the three months ended November 30, 2025 was \$80.5 million, an increase of \$31.8 million over the three months ended November 30, 2024. This increase was primarily attributable to the higher proprietary production and production services revenue from the Retained Business and partially offset by lower advertising revenue compared to the prior period.

Direct content, production and delivery expense

Direct content, production and delivery expense in the three months ended November 30, 2025, was \$59.4 million compared to \$29.6 million in the prior year period. The increase was primarily attributable to increase in proprietary production and production service activities in the current year period, where amortization of content rights were \$22.4 million and production service and other production costs were \$22.6 million in the three months ended November 30, 2025 compared to \$16.2 million and \$2.7 million in the three months ended November 30, 2024, respectively.

Sales, general and administrative expenses

Sales, general and administrative expenses were higher in the three months ended November 30, 2025, being \$16.0 million compared to \$12.7 million in the three months ended November 30, 2024. The increase was primarily due to higher salaries costs relating to the Retained Business, and an increase in consulting and audit related costs.

Share-based compensation

Share-based compensation expense in the three months ended November 30, 2025 was an expense of \$0.3 million compared to \$0.6 million in the three months ended November 30, 2024. The decrease was primarily due to a number of RSUs which had vested at the Closing of the Transaction in the prior year, leading to a lower expense in the current year.

Depreciation and intangible amortization

Depreciation and intangible amortization expense was \$2.7 million in the three months ended November 30, 2025, \$1.3 million higher than the expense of \$1.4 million in the three months ended November 30, 2024. The variance is related to depreciation of the assets of the Retained Business, including right of use assets, which were not included in the comparative period. Additionally, there was amortization of intangible assets in the current year period relating to the identified intangible assets of Magellan.

Finance expenses, net

Finance expenses net of finance income were \$0.4 million in the three months ended November 30, 2025 compared to \$2.0 million in the three months ended November 30, 2024, a variance of \$1.6 million. The variance is due primarily to higher interest income earned on bank deposits in the current year period, due to the larger average cash balance compared to the prior year. Additionally, the Company had higher net losses in to the prior year period.

Transaction and other related costs

Transaction and other related costs in the three months ended November 30, 2025 were \$2.5 million compared to \$0.1 million in the three months ended November 30, 2024. The increase in the current year periods includes legal and other professional fees associated with the acquisition of Magellan and the proposed acquisition of Thunderbird.

Restructuring costs

The Company incurred restructuring costs of \$0.8 million in the three months ended November 30, 2025, with no costs in the comparative period. The costs in the current period were primarily driven by ongoing costs relating to changes in Company's Global Channels and Streaming segment.

Loss of sale of other assets

In the three months ended November 30, 2025, the Company incurred a loss of \$3.1 million on the sale of the VTB Note, where the note was sold for less than its carrying value in order to pay down the Company's bank indebtedness. The VTB Note had been recorded at its fair value based on the terms of the Transaction, where the discount rate applied in determining fair value of 2.99% reflected the guarantee of the amounts receivable by one of the Company's significant shareholders. The sale of the VTB Note at arm's length was contemplated at the time of the Transaction, however, the change in fair value was not recorded until the sale was complete, where proceeds received implied an effective interest rate of 7.72%. There was no comparable amount in the prior year period.

Net income (loss)

The Company had a net loss of \$6.8 million in the three months ended November 30, 2025 compared to net income of \$1.2 million in the three months ended November 30, 2024. The unfavourable variance is primarily related to the loss on sale of the VTB Note, along with higher transaction costs included in general and administrative costs in the current year period associated with the acquisition of Magellan and the proposed acquisition of Thunderbird. Furthermore, general and administrative costs were higher in the three months ended November 30, 2025 due to costs of the Retained Business, reflecting public company costs that were not incurred in the prior year period. Additionally, there was higher depreciation expense in the current year period associated primarily with the right of use assets of the Retained Business.

*Adjusted EBITDA**

The Company had Adjusted EBITDA* of \$5.0 million for the three months ended November 30, 2025, compared to Adjusted EBITDA* of \$6.4 million in the three months ended November 30, 2024. Although revenue was \$31.8 million higher in the current year period, a 65% increase over the prior year period, direct content, production and delivery expenses were \$29.8 million or 101% higher than in the prior year period, resulting in a lower overall gross margin percentage. Additionally, sales, general and administrative expenses were \$3.3 million higher compared to the prior period for the reasons described above.

* This item is a non-IFRS measure. See definition and reconciliation to IFRS in "Non-IFRS Measures" and "Reconciliation table".

Results of Operations by Segment

The Company manages and reports operating results through three segments: Global Channels and Streaming, Production and Distribution, and Canadian Media, which are described in detail below. The Company's primary measure of segment performance is "segment profit", which is calculated as revenue less direct content, production and delivery expenses, and sales, general and administrative expenses as reported in the Company's consolidated statements of net income (loss) and comprehensive income (loss) for each segment, before eliminations and corporate costs.

Global Channels and Streaming

The Global Channels and Streaming segment is comprised of international channel operations, including various Blue Ant channel brands (excluding its Canadian pay channels), delivered on multiple platforms, including FAST, SVOD, AVOD, pay TV, YouTube and social media, as well as the Company's Smart TV advertising sales business, Media Pulse.

The following table presents the Global Channels and Streaming segment revenue and segment profit for the three months ended November 30, 2025 and 2024:

<i>(dollars, in thousands)</i>	Three months ended November 30,		Change	
	2025	2024	\$	%
Revenue				
Subscriber	5,455	4,748	707	15 %
Promotion and advertising	16,869	16,096	773	5 %
Production licensing and distribution	387	256	131	51 %
Total revenue	22,711	21,100	1,611	8 %
Direct content, production and delivery expenses	15,289	11,340	3,949	35 %
Sales, general and administrative expenses	4,105	3,447	658	19 %
Segment profit	3,317	6,313	(2,996)	(47)%

The increase in revenue for the three months ended November 30, 2025 compared to the prior period was primarily driven by growth in subscriber revenue, including the addition of Magellan in October 2025, along with growth in Smart TV advertising sales, partially offset by lower FAST advertising revenue in the current year period. Certain world events can drive advertising revenue favourably in both volume and rate, and create fluctuations in any given period or quarter. The US Presidential election had such an impact on advertising sales in the prior year period.

Direct content, production and delivery expenses increased in the current year period due to an increase in Smart TV publisher costs. Sales, general and administrative costs also increased over the prior year period, consistent with the increase in higher advertising revenue, as well as the addition of Magellan's costs as of the date of acquisition. Segment profit decreased by \$3.0 million in the three months ended November 30, 2025 compared to the prior year period due mainly to direct content, production and delivery expenses increasing more than the increase in revenue.

Production and Distribution

The Production and Distribution segment is comprised of international content production and distribution activities. The production business creates video content in multiple genres, including unscripted, animation, reality competition and scripted, and the distribution business focuses on monetizing Blue Ant's content as well as content of third-party producers through licensing to other broadcasters and streamers around the world.

The following table presents the Production and Distribution segment revenue and segment profit for the three months ended November 30, 2025 and 2024:

<i>(dollars, in thousands)</i>	Three months ended November 30,		Change	
	2025	2024	\$	%
Revenue				
Production services	22,740	1,850	20,890	1129 %
Production licensing and distribution revenue	20,638	10,249	10,389	101 %
Total revenue	43,378	12,099	31,279	259 %
Direct content, production and delivery expenses	38,413	12,117	26,296	217 %
Sales, general and administrative expenses	5,148	3,532	1,616	46 %
Segment profit (loss)	(183)	(3,550)	3,367	95 %

Revenue for the three months ended November 30, 2025 increased compared to the prior year, driven by higher production services and production licensing revenue resulting from production activities and deliveries of the Retained Business in the quarter.

Direct content, production and delivery expenses were higher in the three months ended November 30, 2025 due to higher service costs and amortization of programming assets and associated with the revenue from production services and production licensing, respectively.

Sales, general and administrative costs were \$1.6 million higher in the current year period, due primarily to those costs of the Retained Business.

Segment loss was lower in the three months ended November 30, 2025 compared to the prior year due to the higher volume of production services and production licensing activities in the current year as compared to the prior year period.

Canadian Media

The Canadian Media segment is comprised of channel operations in Toronto and the sale of advertising across multiple platforms, including television, digital, print and live event consumer shows in Canada. This includes Blue Ant's seven Canadian pay TV channels, that deliver both advertising and subscription revenue, as well as its live consumer shows in various categories, including home design, renovations, cottage living and parenting (which derive revenue from selling exhibit space to businesses and tickets to attendees), and its Cottage Life publishing business.

The following table presents the Canadian Media segment revenue and segment profit for the three months ended November 30, 2025 and 2024:

<i>(Amounts in thousands CAD)</i>	Three months ended November 30,		Change	
	2025	2024	\$	%
Revenue				
Subscriber	6,215	6,765	(550)	(8)%
Promotion and advertising	4,322	5,683	(1,361)	(24)%
Production licensing and distribution	694	32	662	2069 %
Consumer shows, publishing, and service	3,144	3,028	116	4 %
Total revenue	14,375	15,508	(1,133)	(7)%
Direct content, production and delivery expenses	5,424	5,915	(491)	(8)%
Sales, general and administrative expenses	4,167	4,760	(593)	(12)%
Segment profit	4,784	4,833	(49)	(1)%

Revenue in the Canadian Media segment decreased in the three months ended November 30, 2025 compared to the prior year period. Canadian Media was impacted by a challenged linear advertising market in Canada with a gradual shift to Smart TV advertising. These factors were partially offset by ongoing growth in live event consumer show revenue and an increase in distribution sales of acquired library content in the three months ended November 30, 2025. The decrease in revenues in the current year period was offset by a reduction in sales, general and administrative expenses in the three months ended November 30, 2025 leading to a flat segment profit year-over-year.

Summary of Quarterly Results

Certain of the Company's operating results for each of its reporting segments are subject to seasonal fluctuations that can significantly impact quarter-to-quarter operating results. For example, the Company's advertising revenue is dependent on general advertising and retail cycles associated with consumer spending activity, and its consumer shows only occur at particular times of the year so primarily only recognize revenue during such periods. The Company typically sees higher advertising revenue in the third and fourth quarters. Similarly, the Company's production and distribution revenue may vary due to the number and timing of programs delivered or licensed, the size of budgets and related production revenue, and license period start dates with buyers and distributors. While the timing of production revenue is generally unpredictable, distribution revenue is often higher in the fourth quarter. As a result, 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 out certain unaudited information with respect to each of the Company's fiscal quarters commencing with the quarter ending February 28, 2024.

<i>(Amounts in thousands CAD, except EPS)</i>	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
Revenue	80,464	60,837	56,033	38,377	48,707	54,172	51,841	47,382
Net income (loss) attributable to shareholders	(6,842)	28,979	(11,790)	(4,822)	1,099	(14,090)	3,261	29,446
Adjusted EBITDA*	4,994	11,988	14,641	4,122	6,352	14,228	11,125	5,247
Basic EPS** - attributable to shareholders	\$ (0.31)	\$ 1.61	\$ (0.73)	\$ (0.30)	\$ 0.07	\$ (0.88)	\$ 0.20	\$ 1.84
Diluted EPS** - attributable to shareholders	\$ (0.31)	\$ 1.50	\$ (0.73)	\$ (0.30)	\$ 0.06	\$ (0.88)	\$ 0.19	\$ 1.67

* As defined in "Non-IFRS Measures". Adjusted EBITDA for Q2 & Q3 2024 is from continuing operations only (no discontinued operations in subsequent quarters presented).

** EPS for all periods is presented on a post-Share Capital Reorganization basis, as if share premium and share consolidation had been applied to share base for all historical periods presented

Liquidity and Capital Resources

(Amounts in thousands CAD)

Balance:	November 30, 2025	August 31, 2025
Bank indebtedness	540	19,342
Interim production financing	42,218	52,144

The Company's largest working capital need is typically related to programming spend, which the Company generally funds via operating cash flows that are augmented, when necessary (and typically only for short-term periods), by the Operating Line (as defined below under "Bank Indebtedness"). In addition, the Company funds production spending needs by way of its Interim Production Facility (also defined and described below under "Production Financing").

The Company's well-diversified operations help it to navigate cyclical working capital challenges across its business segments. Results of operations for any period are partly dependent on the amount and timing of content delivered. Consequently, the Company's results from operations may fluctuate materially from period to period and the results of any one period are not necessarily indicative of results for future periods. Cash flows may also fluctuate and are not necessarily closely correlated with revenue recognition.

<i>(Amounts in thousands CAD)</i>	Three months ended November 30,	
Net cash provided by (used in):	2025	2024
Operating activities	5,163	13,664
Financing activities	(30,606)	(6,730)
Investing activities	4,178	(2,200)
Net interest expense on indebtedness	587	1,088

As at November 30, 2025, the Company had cash of \$34.0 million, a decrease of \$20.5 million compared to \$54.5 million as at August 31, 2025 which takes into account the repayment of the Company's revolving credit facility in the amount of \$19.1 million during the quarter in addition to the other movements noted below.

Net cash provided by operating activities during the three months ended November 30, 2025 was \$5.2 million, compared to \$13.7 million during the three months ended November 30, 2024, a year-over-year decrease of \$8.5 million. The amount of cash provided by operations depends in part on the timing of production activities, where owned content requires an operating cash outflow during the course of production that does not get recorded in the statement of income until the time the production is delivered. In the three months ended November 30, 2025, the Company expended \$12.7 million in cash for additions to content rights, \$1.6 million less than the \$14.3 million expended in the three months ended November 30, 2024. The timing of production activity can also have an impact on non-cash working capital items such as accounts receivable, prepaid expenses, accounts payable and deferred revenue. The total movement in all non-cash working capital items in the three months ended November 30, 2025 amounted to a cash net outflow of \$4.0 million compared to a net inflow of \$10.0 million in the comparative period, or a decrease of \$14.1 million in cash from operations over the prior year period. This year-over-year variance is due primarily to a decrease in deferred revenue upon the delivery of content, a decrease in accounts payable and accrued liabilities and an increase in prepaid and other expenses in the current year period as compared to the prior year. The net loss for three months ended November 30, 2025 included non-cash expenses for amortization of content rights of \$22.4 million and depreciation and intangible amortization of \$2.7 million, compared to \$14.4 million and \$1.4 million in the three months ended November 30, 2024, respectively. Additionally, in the three months ended November 30, 2025, there was a non-cash loss of \$3.1 million relating to the sale of the VTB note. After adding back all non-cash operating items including these amounts, net loss from operations becomes a cash inflow of \$21.9 million in the three months ended November 30, 2025 compared to net income providing a cash inflow \$17.9 million in the prior year period, an increase of \$4.0 million in the current year.

Cash used in financing activities was \$30.6 million during the three months ended November 30, 2025, compared to a use of \$6.7 million in the three months ended November 30, 2024. The higher use of cash was primarily due to repayment of the Company's revolving credit facility in the amount of \$19.1 million, where the net repayment of the revolving credit facility was \$16.8 million higher than in the prior year period. Further to this outflow, net repayment of interim production financing was \$9.6 million in the three months ended November 30, 2025 compared to a net repayment of \$3.1 million in the three months ended November 30, 2024, accounting for an additional outflow of \$6.5 million year-over-year. Additionally, repayment of lease liabilities was \$0.8 million higher in the current year period due to leases assumed as part of the RTO. These increases in financing cash outflows were partially offset by \$0.2 million in lower cash interest paid in the current year period due to lower bank debt outstanding.

Cash provided by investing activities was \$4.2 million during the three months ended November 30, 2025, compared to \$2.2 million during the three months ended November 30, 2024, a net cashflow increase of \$6.4 million. During the three months ended November 30, 2025, the Company sold its VTB

Note for net proceeds of \$13.6 million. Additionally in the current year period, the Company expended \$7.6 million in net cash in acquiring MagellanTV. Additions to intangible library assets in the three months ended November 30, 2025 were \$0.9 million, \$0.5 million lower than \$1.4 million in the comparative period, and additions to property and equipment were \$0.9 million compared to \$0.8 million, or \$0.1 million higher than in the comparative period.

Bank Indebtedness

On August 1, 2025, the Company entered into the second amended and restated credit agreement (the “**2025 Credit Agreement**”) with its existing syndicated lenders.

The 2025 Credit Facility consists of Facilities A and C as summarized below (refer to *Interim Production Financing* section below for Facility B).

- General purpose credit facility (“**Facility A**”)

The Company’s revolving credit facility is \$30.0 million, where advances under this facility are for working capital and general corporate purposes.

- Acquisition credit facility (“**Facility C**”)

The Company’s acquisition revolving credit facility is \$35.0 million.

Advances under Facilities A and C may be drawn in Canadian dollars as a either prime rate loan or Canadian Overnight Repo Rate Average (“**CORRA**”) loan, or in U.S. dollars as either a base rate loan or Secured Overnight Financing Rate (“**SOFR**”) loan.

Amounts drawn under each respective facility will bear interest at the applicable reference rate plus an applicable margin ranging from 1.00% to 2.25% per annum for prime rate or base rate loans, and 2.00% to 3.25% per annum for CORRA or SOFR rate loans dependent on the Company’s leverage ratio. A standby fee will also be payable on the unutilized amount of this facility.

Principal repayments on Facilities C are as follows: 3.55% of the principal amount of each advance, payable in quarterly installments and the remainder payable on the the 2025 Credit Facility’s maturity date of December 6, 2027. The facility permits voluntary repayments without payment of any penalty or fee.

Under the terms of the 2025 Credit Agreement, the Company is required to maintain the following ratios at all times:

- Funded debt to EBITDA shall not be greater than 3.00 to 1.00
- Fixed charge coverage ratio shall not be less than 1.15 to 1.00
- Liquidity ratio shall not be less than 1.10 to 1.00

The Company was in compliance with all financial covenants as described above in both the three months ended November 30, 2025 and the year ended August 31, 2025.

The indebtedness is secured by a guarantee executed by the Company and each of its subsidiaries.

As at November 30, 2025, \$0.5 million was outstanding under the 2025 Credit Agreement, excluding amounts owing under the Interim Production Facility, but including accrued interest and unamortized financing costs (August 31, 2025 - \$19.3 million outstanding under the Credit Facility). In the three months ended November 30, 2025, the Company incurred net interest expense on its bank indebtedness and interim financing loans of \$0.6 million, compared to \$1.1 million for the three months ended November 30, 2024.

Interim Production Financing

The Company typically incorporates a new single purpose entity for each of its material productions, including for each new season of an existing series, in order to manage the budget and cash flow of its productions. This structure is designed to enable the Company to limit liability, monitor production costs, and manage financing and future revenue streams associated with each production. The single purpose entity is generally amalgamated as the receivables that fund a production, including tax credits, are received and the interim production financing is repaid, as further described below.

The Company's production funding model is unique to each show and includes various sources of third-party funding. These funding sources include the Interim Production Facility, contracted license fees (i.e. pre-sales of initial broadcast rights to linear channels or streaming platforms), advances from international buyers (i.e. foreign streamers, linear channels or third-party distributors who acquire certain geographic or global rights), and federal, provincial or state tax credits, grants and other funding.

Due to timing differences between the inflow of third-party financing and the required outflows to fund a production's budget, the Company typically requires interim production financing. When third-party funding for a project is confirmed, such funding is pledged to a bank or other industry lender to secure an interim production financing loan. The pledges, which generally include financing commitments from large streamers and linear channels, as well as government funding, are used to repay the interim production financing as the third-party funding is collected by the Company. As such, the Company's financing facilities typically self-liquidate when applicable tax credits and other funding are collected by the Company.

Because the timing of the collection of third party financing can sometimes occur well after a production is completed (as is particularly the case for government tax credits, which may only be received 12 to 24 months after physical production has ended), the timing of repayment of interim production financing can result in a misalignment in financial reporting whereby production inflows do not necessarily match capital outflows by the Company.

As at November 30, 2025, interim production financing includes the following facilities:

- Production revolving loan under 2025 Credit Agreement

This is a revolving credit facility with a total limit of \$70.0 million under which advances may be used to provide interim production financing for eligible productions (“**Facility B**”). This facility is secured by a guarantee from the Company up to a maximum principal amount of \$5.0 million, as well as being secured by specific production financing, licensing contracts and film tax credits receivables.

- Production revolving loan with respect to interim financing for service productions

As part of the 2025 Credit Agreement, the Company entered into a revolving credit agreement specifically for interim financing on future service productions with a limit of up to \$20.0 million. No amounts were drawn from this facility as of November 30, 2025.

This facility is secured by specific production financing, licensing contracts and film tax credits receivables.

On the closing of the Transaction on August 1, 2025, the Company assumed a revolving credit agreement secured by certain production service tax credits receivable (the “**Borrowing Base Facility**”). The Borrowing Base Facility is repayable on demand but it is expected that it will be repayable on collection of the specified borrowing base amounts.

Additionally on the Closing, the Company assumed a number of single-purpose production-specific interim production financing loans and a general security agreement in respect to Proper Television and Insight Productions. These loans are secured by production tax credits receivable.

The Company’s interim production financing balance as at November 30, 2025 (including amounts owing under the Interim Production Facility) was \$42.2 million, compared to \$52.1 million as at August 31, 2025. This decrease was driven by repayments in excess of draws, due mainly to the receipt of tax credits and other production receivables.

OUTSTANDING EQUITY INSTRUMENTS

As of January 14, 2026, the following equity instruments are outstanding:

Type of Equity Instrument	#
Multiple Voting Shares	12.5
Subordinate Voting Shares	21,895,166
Restricted Voting Shares	75,000,000
Stock Options	1,492,396
Restricted Share Units	366,655
Deferred Share Units	185,637
Performance Share Units	10,110

The weighted average exercise price of the stock options outstanding is \$12.68.

Non-IFRS Measures

The MD&A contains references to certain measures that do not have a standardized meaning under IFRS Accounting Standards and are therefore unlikely to be comparable to similar measures presented by other companies. These measures are provided as additional information to complement IFRS measures by providing a further understanding of operations from management's perspective. Accordingly, non-IFRS measures should not be considered in isolation nor as a substitute for analysis of financial information reported under IFRS Accounting Standards.

The Company believes these non-IFRS and supplementary financial measures are frequently used by securities analysts, investors and other interested parties as measures of financial performance and to provide supplemental measures of operating performance and can assist in highlighting trends that may not otherwise be apparent when relying solely on IFRS financial measures. A reconciliation of the Company's non-IFRS measures is included in the "Reconciliation Table" section of this report.

EBITDA

EBITDA is defined as net income or loss before interest, taxes, depreciation and intangible amortization.

Adjusted EBITDA

Adjusted EBITDA is defined as EBITDA before certain expenses, costs, charges or benefits incurred in the period which in management's view are not indicative of continuing operations, including: share-based compensation, gain or loss on warrants, gain or loss on contingent consideration, gain or loss on put options, professional and consulting fees relating to non-core operating activities, impairment of goodwill and acquired program rights and owned content, restructuring costs, amortization of deferred financing costs, gain or loss on sale of assets, realized and unrealized gains or losses on foreign exchange, and other costs not indicative of the Company's core operating results.

The Company believes this measure is important as it allows the Company to evaluate the operating performance of its business segments and its ability to service or incur debt, and is one of the measures used by the investing community to value the Company.

Related Party Transactions

Related party transactions are reviewed by the Audit Committee of the Board, with interested directors excluded. The terms of these transactions are equivalent to those that would apply to arm's length transactions.

The Company, in the ordinary course of business, sells advertising inventory from time to time to GroupM Canada Inc. and certain of its affiliates (collectively, "GroupM"), a company of which Kevin Johnson, a director of the Company, is the CEO. These transactions are conducted on arm's length terms. During the three months ended November 30, 2025, the Company sold GroupM advertising inventory having a value of \$1.1 million, respectively (\$1.4 million in the three months ended November 30, 2024).

The Company pays Southhill Inc., a company controlled by Michael MacMillan, rent in the amount of ten thousand dollars each month in the ordinary course for use of an office space and administration service in the three months ended November 30, 2025 and November 30, 2024.

Off Balance Sheet Arrangements

The Company does not have any off balance sheet arrangements that have, or are reasonably likely to have, a material effect on its financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Critical Accounting Policies

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the annual financial statements and the reported amounts of revenue and expenses during the reporting periods. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results.

For a summary of the Company's accounting policies, see Note 3 to the Company's annual financial statements.

The significant estimates and judgments made by management in applying the Company's accounting policies and key sources of estimation uncertainty for its interim condensed consolidated financial statements for the three months ended November 30, 2025 and 2024 are the same as those described in the Company's MD&A and annual financial statements for the years ended August 31, 2025 and 2024. Changes to the Company's accounting policies from those disclosed in the Company's annual financial statements are disclosed in note 3 of the Company's interim financial statements.

Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

The Company's management, under the supervision of the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), is responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR") as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109").

Subject to the limitations described below, management has designed and maintained DC&P to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings, or other reports filed under securities legislation is recorded, processed, summarized, and reported within the time periods specified by such legislation.

The CEO and CFO have also designed, or caused to be designed under their supervision, ICFR to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Management uses the framework and criteria established in Internal Control – Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission to design the Company's ICFR.

Internal control systems, no matter how well designed or operated, have inherent limitations. Even controls that are effectively designed can provide only reasonable, not absolute, assurance that the objectives of financial reporting, financial statement preparation, and disclosure controls and procedures are achieved. Accordingly, there can be no guarantee that all material misstatements or control issues, if any, will be prevented or detected on a timely basis.

As of November 30, 2025, a material weakness in ICFR related to revenue recognition within the production and distribution segment, as previously disclosed in its MD&A for the third quarter of fiscal 2025, continues to exist; specifically:

- The controls over the accounting for certain distribution revenue contracts that have a license commencement date that is not clearly specified in the contract, were not properly designed to ensure the appropriate timing of revenue recognition.
- The controls over the accounting for production deliveries were not properly designed to capture episodic or partial recognition that spanned more than one quarter within the same fiscal year.

A material weakness, as defined in NI 52-109, is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis.

For the material weaknesses identified, management continues to implement its remediation plan, which remains in progress, to strengthen revenue recognition controls within the production and distribution segment. The plan includes enhancing revenue recognition policies, providing relevant team members training to ensure consistent application, increasing management oversight and review of non-standard and significant agreements, and implementing workflow improvements to ensure appropriate documentation and evidence of management review.

Although management expects that the remediation of deficiencies in key controls related to its revenue processes which resulted in the occurrence of a material weakness will be completed during the year ending August 31, 2026, there is no assurance as to when such remediation will be completed. A material weakness is not considered remediated until the newly designed or enhanced control activity has been implemented and has operated effectively for a sufficient period of time to allow management to evaluate its design and operating effectiveness. Management must conclude, through testing

performed as part of the Company’s regular quarterly close and annual review processes, that the control is functioning as intended and effectively addresses the previously identified weakness.

Other than the material weakness and ongoing remediation efforts described above, there were no changes in the Company’s ICFR during the quarter ended November 30, 2025 that have materially affected, or are reasonably likely to materially affect, ICFR.

Limitation on Scope of Design

The CEO and CFO have limited the scope of the design of the Company’s DC&P and ICFR to exclude the controls, policies, and procedures of MagellanTV, acquired on October 2, 2025, and the three production businesses, Insight Productions, Jam Filled Entertainment, and Proper Television, acquired as part of the RTO completed on August 1, 2025 (the “Retained Production Business”).

This limitation on the scope of design is in accordance with section 3.3(1)(b) of National Instrument 52-109, which permits an issuer to limit the design of DC&P and ICFR for a business that the issuer acquired not more than 365 days before the last day of the period covered by this MD&A.

The following is a summary of certain financial information as at November 30, 2025, related to the above mentioned acquisitions:

<i>(dollars, in thousands)</i>	MagellanTV	Retained Production Business
	Three months ended November 30, 2025	
Revenue	1,720	36,505
Net income (loss)	(724)	4,071
	As at November 30, 2025	
Total current assets	2,881	58,791
Total non-current assets	15,326	16,263
Total assets	18,207	75,054
Total current liabilities	3,358	50,344
Total non-current liabilities	126	11
Total liabilities	3,484	50,355

Risks and Uncertainties

The Company is exposed to a number of specific and general risks that could affect its results and ongoing operations, including but not limited to the following risk factors: shifts in consumer behaviour and content demand, including with respect to content buyer commissioning preferences, may reduce the Company's revenue or lead to outdated content and other business offerings; the imposition of tariffs by the United States on the film and television sectors could materially and adversely affect the Company's business, operating and financial results; the industries and markets in which the Company operates are highly competitive and rapidly evolving; the Company's operating and financial results may be affected by external factors beyond its control, including tariffs imposed by the United States; the Company's business is significantly dependent on Michael MacMillan, the Company's CEO and controlling shareholder, as well as other members of the senior management team; the loss of buyers or other strategic partners or key relationships, or changes to partner terms of service, may adversely affect the Company's revenue and growth prospects; changes in the methodologies, policies, or contractual terms applicable to streaming platforms such as Amazon, Facebook or YouTube, changes in laws or regulations applicable to such platforms, or any governmental or third-party claim against any such platform could have a material adverse effect on the Company's financial results; the Company's operating and financial results may be affected by external factors beyond its control, including tariffs imposed by the United States; the imposition of tariffs by the United States could materially and adversely affect the Company's business, operating and financial results; a decrease in brand recognition may reduce the Company's buyer and consumer retention and related monetization potential; many of the Company's productions are funded in part by tax credits or other subsidies, which may be inaccurately estimated or subject to audit. In addition, any change in the regulations related to tax credits or other subsidies could negatively affect the Company's business; loss of Canadian Person status may result in loss of government tax credits and incentives or default by the Company under its broadcast licenses; the Company's revenues, spending and results of operations may fluctuate significantly period to period; the Company is subject to risks, such as unforeseen costs and potential liability, in connection with content it produces, acquires, licenses or distributes; protecting and defending against intellectual property claims may adversely affect the Company's business; the implementation and use of artificial intelligence technologies exposes the Company's business to new and evolving risks; the Company may not be able to secure necessary studio space to produce its content, and even if it can secure such space, the cost of the space may be in excess of the Company's estimated amounts; the Company may face labour shortages that could slow its growth, and strikes or unionization could delay its projects and increase production costs; changes in the Company's business strategy or plans for growth, as well as costs related to becoming a public company, may increase costs or otherwise affect the profitability of its business; the Company faces risks inherent in doing business internationally, many of which are beyond the Company's control; the Company's cash and cash equivalents could be adversely affected if any financial institution in which it holds its cash and cash equivalents fails; the Company may be adversely affected by credit risk; the Company may require additional capital to fund ongoing operations or capital expenditures and may have difficulty obtaining such capital; a significant portion of the Company's revenues and expenses are denominated in Canadian dollars. However, a growing portion of its sales and operating costs are denominated in foreign currencies, mainly in U.S. dollars, Euros, British Pounds and Australian dollars; the Company is subject to income taxes in a number of jurisdictions, as well as to audits by tax authorities in those jurisdictions; unauthorized disclosure of confidential information could harm the Company's business and reputation; the Company is dependent on its information technology ecosystem. Failures in certain components of the information technology ecosystem, or threats or actions by malicious parties, could adversely affect the Company and its operations; the Company operates through a holding company

structure; pandemics, epidemics and other health risks could have an adverse effect on the Company's business.

The risks and uncertainties described are not the only ones Blue Ant faces. Additional risks and uncertainties not presently known to the Company, or that it currently believes to be immaterial, may also materially adversely affect the Company's business, assets, liabilities, financial condition, results of operations, prospects and cash flows.

Forward-looking Statements

This MD&A contains certain statements that are prospective in nature and constitute forward-looking information and/or forward-looking statements within the meaning of applicable securities laws (collectively, “**forward-looking statements**”). Forward-looking statements are provided for the purposes of assisting the reader in understanding Blue Ant's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future, and readers are cautioned that such statements may not be appropriate for other purposes. Forward-looking statements generally, but not always, can be identified by the use of forward-looking terminology such as "anticipate", "be achieved", "believes", "budget", "can", "continue", "could", "would", "expect", "estimate", "forecasts", "goal", "has an opportunity", "intend", "indicate", "likely", "may", "might", "objective", "outlook", "plans", "potential", "predict", "project", "prospect", "scheduled", "seek", "should", "strategy", "target", or "will", or variations of such words and phrases or similar expressions suggesting future outcomes or events, and the negative of any of these terms.

These forward-looking statements reflect management's current opinions, beliefs, estimates, expectations and assumptions and are based on information currently available to management, which includes assumptions about continued revenue based on historical past performance, management's historical experience, perception of trends and current business conditions, expected future developments, and other factors which management considers appropriate and reasonable in the circumstances. As they are forward-looking in nature, forward-looking statements are subject to change. With respect to the forward-looking statements included in this MD&A, the Company has made certain assumptions with respect to, among other things, its long-term growth outlook; the performance of its business and operations; its ability to meet its future objectives and strategies; that its future projects and plans are achievable and proceeding as anticipated (including assumptions regarding renewals of existing series and greenlights of new projects), as well as assumptions concerning labour availability at budgeted rates and the length and impact of any labour unrest or strikes; the current geo-political landscape (including vis-à-vis the on-going global conflicts and the associated political and economic repercussions); general economic and market segment conditions, including whether or not the entertainment industry and/or broader market experiences a recession, currency exchange and interest rates, competitive intensity and consumer preferences (including continued demand for discretionary consumer products). There can be no assurance that management's underlying opinions, beliefs, expectations, estimates and assumptions will prove to be correct and that actual results will be consistent with these forward-looking statements.

Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the future circumstances, outcomes, or results anticipated or implied by such forward-looking statements will occur or that plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve known and unknown risks and uncertainties and other factors that could cause actual results to differ materially from those contemplated by such statements, including, but not limited to, the failure to satisfy the conditions to completion of the acquisition of Thunderbird, some of which are beyond the control of the parties; the failure to complete the acquisition of Thunderbird on the terms contemplated, or at all; shifts in consumer behaviour and content demand, including with respect to content buyer commissioning preferences, may reduce the Company's revenue or lead to outdated content and other business offerings; the imposition of tariffs by the United States on the film and television sectors could materially and adversely affect the Company's business, operating and financial results; the industries and markets in which the Company operates are highly competitive and rapidly evolving; the Company's

operating and financial results may be affected by external factors beyond its control; the Company's business is significantly dependent on Michael MacMillan, the Company's CEO and controlling shareholder, as well as other members of the senior management team; the loss of buyers or other strategic partners or key relationships, or changes to partner terms of service, may adversely affect the Company's revenue and growth prospects; changes in the methodologies, policies, or contractual terms applicable to streaming platforms such as Amazon, Facebook or YouTube, changes in laws or regulations applicable to such platforms, or any governmental or third-party claim against any such platform could have a material adverse effect on the Company's financial results; and other risks and factors described in the Company's AIF.

Reconciliation Table

The following table presents the reconciliation from net income (loss) to Adjusted EBITDA for the three months ended November 30, 2025 and 2024:

	Three months ended November 30,	
	2025	2024
	\$	\$
Net income / (loss)	(6,750)	1,218
Add back:		
Depreciation and intangible amortization	2,711	1,362
Interest expense, net of interest income	(133)	948
Income taxes	1,954	1,100
EBITDA*	(2,218)	4,628
Adjustments:		
Share-based compensation ¹	257	585
Other finance costs ²	330	253
Net losses on foreign exchange ³	243	818
Loss on sale of assets ⁴	3,054	—
Transaction and other related costs ⁵	2,540	68
Restructuring costs ⁶	788	—
Adjusted EBITDA*	4,994	6,352

*This item is a non-IFRS measure. See “Non-IFRS measures” section for further information.

¹ Non-cash expenses associated with share-based compensation granted to certain officers, directors and employees.

² Amortization of deferred financing costs and other finance-related costs outside the normal course of business.

³ Realized and unrealized net losses on foreign currency exchange.

⁴ Loss on sale of VTB Note.

⁵ Professional fees associated with the acquisition of MagellanTV, the proposed acquisition of Thunderbird, and the RTO in the current year period, and with other non-recurring similar costs in the comparative period.

⁶ Restructuring charges primarily relating to personnel costs in the Global Channels and Streaming segment.