

WildBrain Ltd.

Interim Condensed Consolidated Financial Statements
(unaudited)

March 31, 2026

(expressed in thousands of Canadian dollars)

May 13, 2026

Management's Responsibility for Financial Reporting

The accompanying interim condensed consolidated financial statements of WildBrain Ltd. (the "Company") are the responsibility of management and have been approved by the Board of Directors (the "Board"). The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the interim condensed consolidated financial statements. The Board carries out this responsibility through its Audit Committee. The Audit Committee reviews the Company's interim condensed consolidated financial statements and recommends their approval by the Board.

The Audit Committee is appointed by the Board and all of its members are independent directors. It meets with Company's management and reviews internal control and financial reporting matters to ensure that management is properly discharging its responsibilities before submitting the interim condensed consolidated financial statements to the Board for approval.

The interim condensed consolidated financial statements have been prepared by management in accordance with International Accounting Standard 34, Interim Financial Reporting as issued by the International Accounting Standards Board. When alternative methods of accounting exist, management has chosen those it deems most appropriate in the circumstances. The interim condensed consolidated financial statements include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the interim condensed consolidated financial statements, management must make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. Actual results in the future may differ materially from management's present assessment of this information because future events and circumstances may not occur as expected.

(signed) "*Josh Scherba*"
President and Chief Executive Officer
Toronto, Ontario

(signed) "*Nicholas Gawne*"
Chief Financial Officer
Toronto, Ontario

WildBrain Ltd.

Interim Condensed Consolidated Balance Sheets (unaudited)

As at March 31, 2026 and June 30, 2025

(expressed in thousands of Canadian dollars)

| | March 31, 2026 | June 30, 2025 |
|--|-------------------|------------------|
| | \$ | \$ |
| Assets | | |
| Current assets | | |
| Cash | 112,868 | 68,871 |
| Amounts receivable (note 5) | 190,518 | 248,058 |
| Prepaid expenses and other | 12,452 | 12,594 |
| Investment in film and television programs (note 6) | 55,072 | 97,953 |
| | 370,910 | 427,476 |
| Long-term amounts receivable | 8,474 | 9,416 |
| Acquired and library content (note 7) | 16,145 | 54,535 |
| Property and equipment | 15,591 | 20,953 |
| Intangible assets (note 4) | 8,704 | 373,714 |
| Goodwill (note 4) | 6,321 | 28,468 |
| Deferred income taxes (note 13) | 46,481 | 22,777 |
| | 472,626 | 937,339 |
| Liabilities | | |
| Current liabilities | | |
| Bank indebtedness (note 9) | — | 10,914 |
| Accounts payable and accrued liabilities (note 8) | 124,522 | 157,863 |
| Deferred revenue (note 4) | 19,066 | 37,741 |
| Interim production financing (note 9) | 38,838 | 56,472 |
| Current portion of lease liabilities | 8,690 | 10,514 |
| Current portion of long-term debt (note 9) | — | 69,202 |
| | 191,116 | 342,706 |
| Long-term debt (note 9) | — | 417,931 |
| Long-term lease liabilities | 2,936 | 9,025 |
| Other long-term liabilities | 2,073 | 2,637 |
| | 196,125 | 772,299 |
| Shareholders' Equity | | |
| Equity (deficit) attributable to shareholders of the Company | 278,304 | (88,665) |
| Non-controlling interest (note 4) | (1,803) | 253,705 |
| | 276,501 | 165,040 |
| | 472,626 | 937,339 |

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

WildBrain Ltd.

Interim Condensed Consolidated Statements of Income (Loss) (unaudited)

For the three and nine month periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars, except for amounts per share)

| | Three months ended | | Nine months ended | |
|---|--------------------|-------------------|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Revenues (note 20) | \$ 61,195 | \$ 72,885 | \$ 190,741 | \$ 196,643 |
| Expenses (note 15) | | | | |
| Direct production costs and expense of film and television produced | 33,245 | 49,119 | 100,758 | 118,174 |
| Amortization of acquired and library content (note 7) | 748 | 1,580 | 2,083 | 3,836 |
| Amortization of property and equipment and intangible assets | 2,772 | 4,060 | 8,538 | 14,242 |
| Write-down of investment in film and television programs, acquired and library content, and intangible assets (note 12) | — | — | 16,352 | 53,247 |
| Selling, general and administrative | 22,184 | 20,289 | 65,349 | 60,474 |
| Share-based compensation (note 11) | 1,650 | 719 | 5,874 | 3,573 |
| Finance costs, net (note 14) | 21,495 | 16,014 | 75,568 | 58,074 |
| Foreign exchange loss (gain) | 1,093 | 1,595 | (3,011) | 22,162 |
| Reorganization, development and other expense (note 15) | 6,409 | 3,405 | 8,808 | 8,167 |
| | 89,596 | 96,781 | 280,319 | 341,949 |
| Loss before income taxes | (28,401) | (23,896) | (89,578) | (145,306) |
| Provision for (recovery of) income taxes (note 13) | | | | |
| Current | (2,142) | (707) | (907) | (1,699) |
| Deferred | (6,329) | (3,710) | (9,057) | (12,800) |
| | (8,471) | (4,417) | (9,964) | (14,499) |
| Net loss from continuing operations | (19,930) | (19,479) | (79,614) | (130,807) |
| Net income from discontinued operations (note 4) | 438,439 | 10,204 | 503,463 | 57,651 |
| Net income (loss) for the period | 418,509 | (9,275) | 423,849 | (73,156) |
| Net loss from continuing operations attributable to non-controlling interests | (49) | (868) | (227) | (3,001) |
| Net income from discontinued operations attributable to non-controlling interests (note 4) | 5,069 | 5,406 | 43,638 | 29,190 |
| Net income (loss) attributable to shareholders of the Company | 413,489 | (13,813) | 380,438 | (99,345) |
| Basic and diluted loss per common share from continuing operations (note 17) | (0.09) | (0.09) | (0.37) | (0.60) |
| Basic income per common share from discontinued operations (note 4) | 2.03 | 0.02 | 2.16 | 0.13 |
| Diluted income per common share from discontinued operations (note 4) | 2.03 | 0.02 | 2.14 | 0.13 |
| Basic income (loss) per common share attributable to the shareholders of the Company (note 17) | 1.94 | (0.07) | 1.78 | (0.47) |
| Diluted income (loss) per common share attributable to the shareholders of the Company (note 17) | 1.93 | (0.07) | 1.77 | (0.47) |

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

WildBrain Ltd.

Interim Condensed Consolidated Statements of Comprehensive Income (Loss) (unaudited) For the three and nine month periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars)

| | Three months ended | | Nine months ended | |
|--|--------------------|-------------------|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| | \$ | \$ | \$ | \$ |
| Net loss from continuing operations | (19,930) | (19,479) | (79,614) | (130,807) |
| Other comprehensive (loss) income from continuing operations | | | | |
| Items that may be subsequently reclassified to the consolidated statements of income (loss): | | | | |
| Foreign currency translation adjustment attributable to shareholders of the Company from continuing operations | (4,044) | 4,732 | 453 | 17,964 |
| Comprehensive loss for the period from continuing operations | (23,974) | (14,747) | (79,161) | (112,843) |
| Net income from discontinued operations (note 4) | 438,439 | 10,204 | 503,463 | 57,651 |
| Other comprehensive income from discontinued operations | | | | |
| Foreign currency translation adjustment attributable to non-controlling interests from discontinued operations | 703 | (348) | 5,976 | 13,470 |
| Reclassification of foreign currency translation on disposal | (18,299) | — | (18,299) | — |
| Comprehensive income for the period from discontinued operations | 420,843 | 9,856 | 491,140 | 71,121 |
| Total comprehensive loss for the period | 396,869 | (4,891) | 411,979 | (41,722) |

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

WildBrain Ltd.

Interim Condensed Consolidated Statements of Changes in Equity (unaudited) For the nine month periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars)

| | Common shares | Contributed surplus | Accumulated other comprehensive loss | Deficit | Non- controlling interest | Total |
|--|------------------|------------------------|---|------------------|---------------------------------|----------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance - July 1, 2024 | 415,808 | 45,794 | (10,039) | (462,307) | 257,234 | 246,490 |
| Net (loss) income for the period | — | — | — | (99,345) | 26,189 | (73,156) |
| Other comprehensive income for the period | — | — | 17,964 | — | 13,470 | 31,434 |
| Comprehensive income (loss) for the period | — | — | 17,964 | (99,345) | 39,659 | (41,722) |
| Common shares issued, net of issuance costs and payroll taxes remitted | 1,313 | (2,424) | — | — | — | (1,111) |
| Common shares issued to settle warrant exercise | 6,250 | 1,000 | — | — | — | 7,250 |
| Share-based compensation | — | 3,573 | — | — | — | 3,573 |
| Distributions to non-controlling interests | — | — | — | — | (34,773) | (34,773) |
| Balance - March 31, 2025 | 423,371 | 47,943 | 7,925 | (561,652) | 262,120 | 179,707 |
| Balance - July 1, 2025 | 423,371 | 48,786 | (8,701) | (552,121) | 253,705 | 165,040 |
| Net income for the period | — | — | — | 380,438 | 43,411 | 423,849 |
| Other comprehensive income (loss) for the period | — | — | 453 | — | 5,976 | 6,429 |
| Reclassification of foreign currency translation on disposal | — | — | (18,299) | — | — | (18,299) |
| Comprehensive (loss) income for the period | — | — | (17,846) | 380,438 | 49,387 | 411,979 |
| Derecognition of non-controlling interest on loss of control | — | — | — | — | (272,076) | (272,076) |
| Common shares issued, net of issuance costs and payroll taxes remitted | 1,374 | (2,871) | — | — | — | (1,497) |
| Share-based compensation | — | 5,874 | — | — | — | 5,874 |
| Distributions to non-controlling interests | — | — | — | — | (32,819) | (32,819) |
| Balance - March 31, 2026 | 424,745 | 51,789 | (26,547) | (171,683) | (1,803) | 276,501 |

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

WildBrain Ltd.

Interim Condensed Consolidated Statements of Cash Flows (unaudited) For the nine month periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars)

| | March 31, 2026 | March 31, 2025 |
|--|-------------------|-------------------|
| Cash provided by (used in) | \$ | \$ |
| Operating activities | | |
| Net income (loss) for the period | 423,849 | (73,156) |
| Charges (credits) to reconcile net loss to cash provided by operating activities | | |
| Amortization of property and equipment | 6,858 | 7,761 |
| Amortization of intangible assets | 2,413 | 7,401 |
| Amortization of acquired and library content | 3,647 | 6,467 |
| Accretion expense and amortization of deferred financing fees | 20,681 | 5,291 |
| Unrealized foreign exchange (gain) loss | (1,531) | 32,231 |
| Share-based compensation | 5,874 | 3,573 |
| Loss on modification and debt extinguishment of debt and write-down of unamortized issue costs | 17,069 | 6,313 |
| Change in fair value of forward foreign exchange contract | (44) | 8,119 |
| Interest income | (1,425) | (3,264) |
| Interest expense | 39,035 | 49,254 |
| Deferred tax recovery | (4,458) | (3,797) |
| Write-down of investment in film and television programs | 10,826 | 30,892 |
| Write-down of acquired and library content | 5,526 | 17,043 |
| Write-down of intangible assets | — | 5,312 |
| Gain on sale of discontinued operations | (442,742) | — |
| Net investment in film and television programs (note 19) | (3,588) | 8,435 |
| Net change in non-cash balances related to operations (note 19) | 5,927 | 46,686 |
| Cash provided by operating activities | 87,917 | 154,561 |
| Financing activities | | |
| Common shares issued, net of issuance costs and payroll taxes remitted | (1,497) | 6,139 |
| Distributions to non-controlling interests | (32,819) | (34,773) |
| Proceeds from bank indebtedness | 35,730 | 908 |
| Repayment of bank indebtedness | (46,503) | (13,800) |
| Proceeds from long-term debt | — | 504,947 |
| Repayment of long-term debt | (517,739) | (519,972) |
| Payment of debt issue costs | (6,912) | (18,125) |
| Interest paid on long-term debt and lease liabilities | (41,753) | (38,563) |
| Repayment of lease liabilities | (6,652) | (6,621) |
| Net repayment of interim production financing (note 19) | (17,634) | (7,832) |
| Cash used in financing activities | (635,779) | (127,692) |
| Investing activities | | |
| Proceeds from sale of discontinued operations, net of cash disposed (note 4) | 593,718 | — |
| Proceeds from sale of assets | — | 5,500 |
| Acquisition of acquired and library content | — | (92) |
| Acquisition of property and equipment | (2,160) | (701) |
| Acquisition of intangible assets | (480) | (1,371) |
| Cash provided by investing activities | 591,078 | 3,336 |
| Effect of foreign exchange rate changes on cash | 781 | 402 |
| Net change in cash during the period | 43,997 | 30,607 |
| Cash - Beginning of the period | 68,871 | 49,715 |
| Cash - End of the period | 112,868 | 80,322 |

Supplemental information (notes 4 and 19)

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

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

1 Nature of business

WildBrain Ltd. (the "Company" or "WildBrain"), was incorporated on February 12, 2004 under the laws of the Province of Nova Scotia, Canada, and continued on April 25, 2006 under the Canada Business Corporation Act. The Company is a public company whose common shares are traded on the Toronto Stock Exchange ("TSX") under the symbol 'WILD'. The address of the Company's head office is 25 York Street, Unit 1201, Toronto, Ontario, M5J 2V5.

The Company develops, produces and distributes films and television programs for domestic and international markets; licenses its brands in the domestic and international markets; sells advertising on various ad-supported video-on-demand platforms; and manages copyrights, licensing and brands for third parties.

On March 2, 2026, the Company completed the sale of its 41% stake in Peanuts Holdings LLC ("Peanuts"), the holding entity for the Peanuts IP ("Intellectual Property"), to Sony Music Entertainment (Japan) Inc. and Sony Pictures Entertainment Inc, previously classified as held-for-sale in Q2 2026. As a result, Peanuts was classified as discontinued operations in the Q2 2026 interim condensed consolidated financial statements and their comparatives were re-presented to show the discontinued operations separately from continuing operations.

2 Basis of preparation

These interim condensed consolidated financial statements were prepared in accordance with International Financial Reporting Standards as issued by International Accounting Standards Board ("IFRS Accounting Standards"), applicable to the preparation of interim financial statements, under International Accounting Standards ("IAS") 34, Interim Financial Reporting, and follow the same accounting policies as those used in the Company's most recent audited annual consolidated financial statements. These interim condensed consolidated financial statements do not include all the disclosures included in the Company's audited annual consolidated financial statements. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the audited annual consolidated financial statements.

These interim condensed consolidated financial statements have been authorized for issuance by the Board of Directors on May 13, 2026.

3 Summary of material accounting policies, judgments and estimation uncertainty

The preparation of interim condensed consolidated financial statements under IFRS Accounting Standards requires the Company to make estimates and assumptions that affect the application of policies and reported amounts. 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. Actual results may differ materially from these estimates.

Accounting pronouncements issued but not yet effective

There have been no changes to the accounting pronouncements issued but not yet effective from the filing of the Company's audited consolidated financial statements for the year ended June 30, 2025.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

4 Discontinued operations

Peanuts discontinued operations

On December 18, 2025, the Company signed a definitive agreement to sell its 41% stake in Peanuts Holdings LLC ("Peanuts"), the holding entity for the Peanuts intellectual property ("IP"), to Sony Music Entertainment (Japan) Inc. and Sony Pictures Entertainment Inc. On March 2, 2026, the Company completed the sale of its 41% stake in Peanuts previously classified as held-for-sale in Q2 2026 for gross proceeds of \$630,000, which translated to cash consideration of \$617,958 after deduction of preliminary working capital adjustments. The final net proceeds are subject to a 90 day working capital adjustment, and as a result, the final gain on the sale of the Peanuts disposal group may be adjusted up to June 2, 2026.

Prior to the sale, Sony Entertainment held a 39.2% existing interest in Peanuts which was reflected in Non-controlling interest at \$272,076, immediately prior to its disposal.

As Peanuts represents a separate major line of business, the Interim Consolidated Statements of Income (Loss) and Interim Condensed Consolidated Statements of Comprehensive Income (Loss), and their comparatives, have been re-presented to show the discontinued operation separately from continuing operations. The classification of the disposal group as held-for-sale triggered a test for impairment. The net assets of Peanuts business, was measured at the lower of cost and fair value less cost to sell. The Company recognized no impairments upon classification of the net assets of the disposal group to held-for-sale.

Under the agreement, the Company remains a multi-year service provider to Peanuts for key services, including:

- 1) Exclusive licensing agent through WildBrain CPLG for consumer products in all current territories across Europe, the Middle East, China, and Asia Pacific (excluding Japan & ANZ);
- 2) Exclusive production studio for new Peanuts content—including the previously announced feature film—under an expansive partnership between Sony Pictures Entertainment Inc and Apple TV, recently renewed through 2030; and
- 3) Distributor of WildBrain-produced Peanuts content and continued management of the Snoopy YouTube channel.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

As a result of the Company's continuing involvement subsequent to sale, although intra-group transactions have been fully eliminated in the consolidated results, management has included these continuing transactions noted above in the results of continuing operations, and not included as part of the discontinued operations as these services do not form part of the disposal group. The financial impact of these continuing transactions on continuing operations is as follows:

| | Three months ended | | Nine months ended | |
|---|--------------------|-------------------|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| | \$ | \$ | \$ | \$ |
| Agent commissions within Revenue | 3,422 | 4,177 | 13,312 | 11,744 |
| Production service royalties within Direct production costs and expense of film and television produced | (491) | (974) | (1,949) | (1,721) |
| Cost sharing arrangements within Selling, general and administrative expenses | 211 | 319 | 866 | 958 |

Prior to the sale transaction, a portion of production costs on Peanuts content was capitalized by the Company to Investment in film and television programs and subsequently amortized against future revenues. As the Company will no longer benefit from subsequent revenues upon sale, the amount capitalized to Investment in film and television has been included within the disposal group. As a result, the benefit to Direct production costs and expense of film and television which was received as a result of the Company's consolidation of the revenues relating to Peanuts IP is included within discontinued operations.

For the three and nine months ended March 31, 2026, the amounts included in discontinued operations relating to Direct production costs and expense of film and television produced was \$nil and \$7,781 respectively (2025 - \$4,943 and \$9,148, respectively). On December 18, 2025, the Company ceased capitalization of the Investment in film and television programs as a result of the held-for-sale classification resulting in \$nil amount included in discontinued operations for the three months ended March 31, 2026.

The operations of Peanuts were previously included in both the Content Creation and Audience Engagement segment and the Global Licensing segment. The segment disclosures in Note 20 have been retrospectively adjusted to reflect the reclassification of Peanuts to discontinued operations.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

A reconciliation of the major classes of line items constituting net income from discontinued operations of the Peanuts business, net of tax, as presented in the Interim Consolidated Statements of Income (Loss) prior to the sale is as follows:

| | Three months ended | | Nine months ended | |
|--|--------------------|-------------------|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| Revenues | \$ 42,071 | \$ 55,467 | \$ 229,676 | \$ 161,229 |
| Expenses | | | | |
| Direct production costs and expense of film and television produced | 24,677 | 27,821 | 124,631 | 81,578 |
| Amortization of acquired and library content | — | 899 | 1,564 | 2,631 |
| Amortization of property and equipment and intangible assets | 36 | 280 | 529 | 839 |
| Selling, general and administrative and other expenses | 8,804 | 12,979 | 21,797 | 18,090 |
| | 33,517 | 41,979 | 148,521 | 103,138 |
| Income before taxes | 8,554 | 13,488 | 81,155 | 58,091 |
| Provision of income taxes | | | | |
| Current | (581) | 262 | 3,476 | 735 |
| Deferred | 1,233 | 4,501 | 4,306 | 9,196 |
| | 652 | 4,763 | 7,782 | 9,931 |
| Net income from discontinued operations | 7,902 | 8,725 | 73,373 | 48,160 |
| Gain on sale of discontinued operations | 442,742 | — | 442,742 | — |
| Income tax on gain - current | 12,275 | — | 12,275 | — |
| Gain on sale of discontinued operation, net of tax | 430,467 | — | 430,467 | — |
| Net income from discontinued operations | 438,369 | 8,725 | 503,840 | 48,160 |
| Net income from discontinued operations attributable to non-controlling interests | 5,069 | 5,406 | 43,638 | 29,190 |
| Net income from discontinued operations attributable to shareholders of the Company | 433,300 | 3,319 | 460,202 | 18,970 |
| Basic earnings per common share | 2.03 | 0.01 | 2.16 | 0.09 |
| Diluted earnings per common share | 2.03 | 0.01 | 2.14 | 0.09 |
| Other comprehensive income from discontinued operations | | | | |
| Net income from discontinued operations | 438,369 | 8,725 | 503,840 | 48,160 |
| Foreign currency translation adjustment attributable to non-controlling interests from discontinued operations | 703 | (348) | 5,976 | 13,470 |
| Reclassification of foreign currency translation on disposal | (18,299) | — | (18,299) | — |
| Comprehensive income for the period from discontinued operations | 420,773 | 8,377 | 491,517 | 61,630 |

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

The net cash flows for the nine-month period provided by Peanuts discontinued operations were as follows:

| | March 31, 2026 | March 31, 2025 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Operating activities | 60,025 | 38,823 |
| Investing activities ¹ | 593,718 | — |
| Financing activities ² | (47,604) | (33,579) |
| Net cash flow from discontinued operations | <u>606,139</u> | <u>5,244</u> |

¹ Net cash inflows from sale of Peanuts:

| | March 31, 2026 |
|--|-----------------------|
| | \$ |
| Cash consideration received ³ | 617,958 |
| Cash disposed of | <u>(24,240)</u> |
| Net cash inflows | <u><u>593,718</u></u> |

² The financing activities within net cash flow from discontinued operations are presented net of distributions to all owners. Distributions attributable to the Company were \$18,989 for the nine months ended March 31, 2026 (2025 - \$21,133).

³ The cash consideration received is net of net working capital adjustments.

Details on sale of Peanuts

| | \$ |
|---|-----------------------|
| Cash consideration received, net of cash disposed | 593,718 |
| Selling and transaction costs | (10,652) |
| Carrying amount of net assets sold | (430,699) |
| Carrying value of non-controlling interest | 272,076 |
| Cumulative translation adjustment released to profit and loss | <u>18,299</u> |
| Gain on sale of Peanuts before income taxes | <u>442,742</u> |
| Income tax expense | <u>(12,275)</u> |
| Gain on sale of Peanuts, net of tax | <u><u>430,467</u></u> |

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

The assets and liabilities as of the date of sale and included in the calculation of the gain on disposal were as follows:

Current assets

| | | |
|--|----|--------|
| Cash | \$ | 24,240 |
| Amounts receivable | | 48,402 |
| Prepaid expenses and other | | 818 |
| Investment in film and television programs | | 35,334 |

Non-current assets

| | | |
|------------------------------|--|----------------|
| Long-term amounts receivable | | 33,701 |
| Acquired and library content | | 29,878 |
| Property and equipment | | 1,230 |
| Intangible assets | | 370,920 |
| Goodwill | | 22,670 |
| Total assets | | 567,193 |

Current liabilities

| | | |
|--|--|---------------|
| Accounts payable and accrued liabilities | | 56,717 |
| Deferred revenue | | 16,001 |
| | | 72,718 |

Non-current liabilities

| | | |
|-------------------------------|--|----------------|
| Long-term lease liabilities | | 1,183 |
| Deferred Income Taxes | | 18,313 |
| Other non-current liabilities | | 20,040 |
| Total liabilities | | 112,254 |

The Company derecognized non-controlling interest on loss of control of \$272,076.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

Canadian Television Broadcasting discontinued operations

On October 22, 2025, the Company's Canadian Television Broadcasting business ceased operations and its broadcasting licenses were formally revoked by the CRTC on October 31, 2025. As it represented a major line of business, the Company classifies the Canadian Television Broadcasting business as discontinued operations concurrent with the date of abandonment, which was Q2 2026.

The Canadian Television Broadcasting business was previously included in a separate segment. The segment disclosures in note 20 have been adjusted to reflect the reclassification of the Canadian Television Broadcasting business to discontinued operations.

During Q1 2026, the Company had recognized provisions of \$5,105 related to severance agreements and certain contracts that were identified as onerous contracts as part of the continued windup of the Canadian Television Broadcasting business. As of March 31, 2026, the provision balance is \$3,859 and is classified within Accounts payable and accrued liabilities.

A reconciliation of the major classes of line items constituting net income from discontinued operations of the Canadian Television Broadcasting business, net of tax, as presented in the Interim Consolidated Statements of Income (Loss) is as follows:

| | Three months ended | | Nine months ended | |
|---|--------------------|-------------------|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| | \$ | \$ | \$ | \$ |
| Revenues | — | 11,795 | 6,271 | 26,367 |
| Expenses | | | | |
| Direct production costs and expense of film and television produced | — | 354 | 257 | 4,588 |
| Amortization of property and equipment and intangible assets | — | 13 | 204 | 81 |
| Selling, general and administrative and other expenses | 18 | 9,051 | 6,643 | 12,360 |
| | 18 | 9,418 | 7,104 | 17,029 |
| Income (loss) before taxes | (18) | 2,377 | (833) | 9,338 |
| (Recovery of) provision for income taxes | | | | |
| Current | — | 50 | (749) | 40 |
| Deferred | (88) | 848 | 293 | (193) |
| | (88) | 898 | (456) | (153) |
| Net income (loss) from discontinued operations | 70 | 1,479 | (377) | 9,491 |
| Basic and diluted earnings per common share | 0.00 | 0.01 | 0.00 | 0.04 |

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

The net cash flows for the nine-month period provided by the Canadian Television Broadcasting discontinued operations were as follows:

| | March 31, 2026 | March 31, 2025 |
|--|---------------------------|---------------------------|
| | \$ | \$ |
| Operating activities | 2,315 | 2,382 |
| Net cash flow from discontinued operations | <u>2,315</u> | <u>2,382</u> |

5 Amounts receivable

| | March 31, 2026 | June 30, 2025 |
|--|---------------------------|--------------------------|
| | \$ | \$ |
| Trade receivables (note 4) | 130,200 | 180,111 |
| Less: ECL allowance on trade receivables | (6,054) | (7,261) |
| Trade receivables, net of loss allowance | <u>124,146</u> | 172,850 |
| Sales tax receivable | 2,423 | 3,482 |
| Federal and provincial film tax credits | 63,949 | 71,726 |
| Amounts receivable | <u>190,518</u> | <u>248,058</u> |

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

6 Investment in film and television programs

| | Development \$ | In Production \$ | Delivered \$ | Program and film rights - broadcasting | Total \$ |
|---|-------------------|------------------------|-----------------|--|------------------|
| Cost | | | | | |
| June 30, 2025 | 1,384 | 17,769 | 898,770 | 185,024 | 1,102,947 |
| Additions | 3,789 | 9,647 | 22,906 | 453 | 36,795 |
| Reclassifications ⁽¹⁾ | (756) | (137) | 893 | 984 | 984 |
| Impact of foreign exchange | (322) | — | (2,215) | — | (2,537) |
| Disposed on sale of discontinued operations ⁽²⁾ | — | (25,081) | (186,680) | — | (211,761) |
| March 31, 2026 | 4,095 | 2,198 | 733,674 | 186,461 | 926,428 |
| Accumulated amortization | | | | | |
| June 30, 2025 | | | 819,970 | 185,024 | 1,004,994 |
| Amortization | | | 32,433 | 1,437 | 33,870 |
| Write-downs | | | 10,826 | — | 10,826 |
| Disposed on sale of discontinued operations ⁽²⁾ | | | (176,427) | — | (176,427) |
| Impact of foreign exchange | | | (1,907) | — | (1,907) |
| March 31, 2026 | | | 684,895 | 186,461 | 871,356 |
| Net book value | | | | | |
| June 30, 2025 | 1,384 | 17,769 | 78,800 | — | 97,953 |
| March 31, 2026 | 4,095 | 2,198 | 48,779 | — | 55,072 |

⁽¹⁾ Reclassifications represent content that has progressed from one classification to another (such as from Development to In Production).

⁽²⁾ Net book value of \$35,334 disposed (see note 4).

During the nine-month period ended March 31, 2026, interest of \$432 (June 30, 2025 - \$570) was capitalized to investment in film and television programs.

During the nine-month period ended March 31, 2026, additions to investment in film and television programs were reduced by \$2,049 (June 30, 2025 - \$20,502) in respect of production tax credits.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

7 Acquired and library content

| | Acquired and library content \$ |
|--|---------------------------------------|
| Cost | |
| June 30, 2025 | 173,741 |
| Disposed on sale of discontinued operations ⁽¹⁾ | (69,801) |
| Impact of foreign exchange | 1,745 |
| March 31, 2026 | 105,685 |
| Accumulated amortization | |
| June 30, 2025 | 119,206 |
| Amortization | 3,647 |
| Write-down | 5,526 |
| Disposed on sale of discontinued operations ⁽¹⁾ | (39,923) |
| Impact of foreign exchange | 1,084 |
| March 31, 2026 | 89,540 |
| Net book value | |
| June 30, 2025 | 54,535 |
| March 31, 2026 | 16,145 |

⁽¹⁾ Net book value of \$29,878 disposed (see note 4).

8 Accounts payable and accrued liabilities

The following table presents the Company's accounts payable and accrued liabilities:

| | March 31, 2026 \$ | June 30, 2025 \$ |
|---|-------------------------|------------------------|
| Accounts payable | 23,984 | 31,829 |
| Accrued liabilities | | |
| Accrued agency, participation and licensor fees | 41,857 | 59,650 |
| Accrued goods and services received | 37,267 | 27,935 |
| Accrued people costs | 6,362 | 14,465 |
| Accrued interest and loan fees | 6 | 10,107 |
| Minimum guarantees payable | 1,932 | 1,531 |
| Other | — | 362 |
| Income tax payable | 13,114 | 11,984 |
| | 124,522 | 157,863 |

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

9 Credit facilities

| | March 31, 2026 | June 30, 2025 |
|--|-------------------|------------------|
| | \$ | \$ |
| Revolving Facility | — | 10,914 |
| Term Loan Facility, net of unamortized issue costs of \$nil (June 30, 2025 - \$14,541) | — | 487,133 |
| Interim production financing ⁽¹⁾ | 38,838 | 56,472 |
| Total | 38,838 | 554,519 |
| Less: amount due within 12 months | (38,838) | (136,588) |
| Amount due beyond 12 months | — | 417,931 |

⁽¹⁾ Assignment and direction of specific production financing, licensing contracts receivable and film tax credits receivable have been pledged as security. As at March 31, 2026, the Canadian dollar bank prime rate was 4.70% (June 30, 2025 - 4.95%).

On March 2, 2026, the Company fully repaid all amounts outstanding under its credit agreement consisting of the Term Loan Facility and Revolving Facility for a total cash repayment of \$550,748. Subsequent to the repayment, the credit agreement was terminated and no amounts were outstanding as at March 31, 2026.

As a result of the repayment and termination of the facility, the Company is no longer subject to any financial covenants. The Company recorded a loss on debt extinguishment of \$1,050 recorded in Finance costs during the period.

The repayment of the credit agreement was funded through the proceeds received from the sale of Peanuts.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

10 Share capital

| | March 31, 2026 | | June 30, 2025 | |
|-----------------------------|--------------------|----------------|---------------|--------------|
| | Number # | Amount \$ | Number # | Amount \$ |
| Common shares | | | | |
| Opening balance | 212,380,753 | 423,371 | 206,116,162 | 415,808 |
| Options exercised | — | — | 716,747 | — |
| Issuance of Common Shares | 1,433,540 | 1,374 | 547,844 | 1,313 |
| Shares for warrant exercise | — | — | 5,000,000 | 6,250 |
| Ending balance | 213,814,293 | 424,745 | 212,380,753 | 423,371 |

On November 18, 2025, following the cessation of the Company's television broadcast business, shareholders approved a special resolution approving an amendment to the Company's Articles to, among other things, (i) eliminate the Company's non-voting shares and Preferred Variable Voting Shares, (ii) redesignate the Common Voting Shares and Variable Voting Shares as "Common shares", (iii) amend the rights, privileges and restrictions attached to the "Common shares" and (iv) create an unlimited number of Preferred shares, issuable in series.

On April 8, 2026, the Company announced the launch of a Normal Course Issuer Bid (the "NCIB"). Under the NCIB, the Company may purchase, from time to time, up to 11,418,541 common shares of the Company, representing approximately 10% of the Company's public float as of March 31, 2026, calculated in accordance with TSX rules. As of March 31, 2026, there were 213,814,293 Common Shares issued and outstanding, of which 114,185,411 Common Shares comprised the public float. The NCIB commenced April 10, 2026 and will terminate on the earlier of (i) April 9, 2027, (ii) the date on which the Company has purchased the maximum number of Common Shares permitted under the NCIB, or (iii) such earlier date as the Company may determine.

On April 30, 2026, the Company repurchased and cancelled 358,600 common shares at a cost of \$542,310 through the NCIB program.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

11 Share-based compensation

Omnibus equity incentive plan ("Omnibus Plan")

As at March 31, 2026, the total amount available for issuance under the Omnibus Plan subject to the 10% maximum was 21,381,429 (March 31, 2025 - at 10% - 20,724,943).

During the three and nine-month periods ended March 31, 2026, the Company recognized the following share-based compensation expense with a corresponding adjustment to contributed surplus:

| | Three months ended | | Nine months ended | |
|--------------------------------------|--------------------|-------------------|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| | \$ | \$ | \$ | \$ |
| Options | 268 | — | 268 | 9 |
| Performance share unit plan ("PSUs") | — | 99 | — | 445 |
| Restricted share unit plan ("RSUs") | 612 | 475 | 3,922 | 1,591 |
| Deferred share unit plan ("DSUs") | 770 | 145 | 1,684 | 1,528 |
| | 1,650 | 719 | 5,874 | 3,573 |

Options

As at March 31, 2026 and 2025, the Company had the following stock options outstanding:

| | Number of options # | Weighted average exercise price per stock option \$ |
|--------------------------------------|---------------------------|---|
| Outstanding at June 30, 2024 | 1,911,000 | 2.71 |
| Granted | 450,000 | 1.51 |
| Expired | (662,500) | 5.27 |
| Exercised | (650,000) | 1.51 |
| Outstanding at March 31, 2025 | 1,048,500 | 1.59 |
| Exercisable at March 31, 2025 | 1,048,500 | 1.59 |
| Outstanding at June 30, 2025 | 798,500 | 1.62 |
| Granted | 1,920,582 | 1.33 |
| Outstanding at March 31, 2026 | 2,719,082 | 1.41 |
| Exercisable at March 31, 2026 | 2,719,082 | 1.41 |

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

The range of exercise prices for options outstanding at March 31, 2026 and 2025, is presented below.

| | Number outstanding at | Weighted average remaining | Weighted average exercise | Number outstanding at | Weighted average exercise |
|-----------------------------|--------------------------|----------------------------------|---------------------------------|--------------------------|---------------------------------|
| Range of exercise prices | March 31, 2026 # | contractual life years | price \$ | March 31, 2025 # | price \$ |
| \$1.50 - \$3.49 | 2,719,082 | 4.89 | 1.42 | 1,048,500 | 1.59 |
| Total | 2,719,082 | 4.89 | 1.42 | 1,048,500 | 1.59 |

Performance share unit plan ("PSUs")

The following table illustrates the movements in the number of PSUs during the period.

| | Nine months ended | |
|---|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 |
| | PSUs # | PSUs # |
| Outstanding, beginning of period | 2,192,508 | 1,890,163 |
| Granted | 482,812 | 717,345 |
| Forfeited | (614,122) | (415,000) |
| Exercised | (494,346) | — |
| Outstanding, end of period | 1,566,852 | 2,192,508 |

Restricted share unit plan ("RSUs")

The following table illustrates the movements in the number of RSUs during the period.

| | Nine months ended | |
|---|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 |
| | RSUs # | RSUs # |
| Outstanding, beginning of period | 4,088,815 | 2,227,137 |
| Granted | 1,398,159 | 3,065,526 |
| Forfeited | (14,957) | (137,194) |
| Exercised | (1,510,057) | (1,056,017) |
| Outstanding, end of period | 3,961,960 | 4,099,452 |

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

Deferred share unit plan ("DSUs")

The following table illustrates the movements in the number of DSUs during the period.

| | Nine months ended | |
|----------------------------------|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 |
| | DSUs | DSUs |
| | # | # |
| Outstanding, beginning of period | 4,235,744 | 3,008,691 |
| Granted | 524,849 | 1,152,558 |
| Outstanding, end of period | 4,760,593 | 4,161,249 |

12 Write-down of Certain Investments in Film and Television Programs, Acquired and Library Content, and Intangible Assets

For the three and nine-month period ended March 31, 2026, an impairment charge of \$nil and \$16,352 was recorded, (March 31, 2025 - \$nil and \$53,247). This included an intangible asset impairment of \$nil (March 31, 2025 - \$5,312), write-down of acquired and library content of \$nil and \$5,526 (March 31, 2025 - \$nil and \$17,043) and investment in film assets of \$nil and \$10,826 (March 31, 2025 - \$30,892). The write-downs reflect the weaker than expected revenue performance and current market conditions for the brands and titles impaired in library that the Company invested into prior to 2025 and the Company's change in capital allocation strategy.

13 Income taxes

For the three and nine months period ended March 31, 2026, the Company recorded an income tax recovery at a rate of 29.8% and 11.1% on the net loss from continuing operations, respectively (March 31, 2025 – income tax expense rate of 18.5% and 10.0%, respectively). The income tax recovery in each period reflects the mix of taxing jurisdictions in which pre-tax income and losses were recognized. The income attributable to non-controlling interests is taxed outside the Company. Further items impacting the effective tax rate include the different statutory tax rates in the taxing jurisdictions, non-deductible items, the utilization of certain unrecognized tax losses and the continued non-recognition of certain deferred tax assets in Canada.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

14 Finance costs, net

Net finance costs comprise the following:

| | Three months ended | | Nine months ended | |
|---|--------------------|-------------------|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| | \$ | \$ | \$ | \$ |
| Finance costs (income) | | | | |
| Loss on modification and extinguishment of debt and write-down of unamortized issue costs | 1,050 | — | 17,069 | 6,313 |
| Interest and accretion on long-term debt | 18,795 | 14,054 | 52,845 | 45,046 |
| Amortization of deferred financing fees | — | 966 | 889 | 2,629 |
| Change in fair value of interest rate swap and forward contract | — | 44 | (44) | 313 |
| Interest expense on bank indebtedness | 1,359 | 556 | 3,455 | 2,278 |
| Interest on completed and released productions | 429 | 427 | 1,101 | 1,930 |
| Bank charges | — | — | — | 0 |
| Accretion on convertible debentures, exchangeable debentures, lease liabilities and other | 224 | 381 | 702 | 2,564 |
| Interest income | (362) | (414) | (449) | (2,999) |
| | 21,495 | 16,014 | 75,568 | 58,074 |

Interest income consists of accretion on long-term amounts receivable and cash interest earned on bank deposits, tax credit receivables and amounts held in escrow.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

15 Expenses by nature

The following sets out the expenses by nature:

| | Three months ended | | Nine months ended | |
|---|--------------------|-------------------|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| | \$ | \$ | \$ | \$ |
| Direct production costs and expense of film and television produced: | | | | |
| Direct production and new media costs | 29,888 | 23,790 | 68,325 | 69,900 |
| Expense of film and television programs | 3,357 | 25,329 | 32,433 | 48,274 |
| | 33,245 | 49,119 | 100,758 | 118,174 |
| Selling, general and administrative: | | | | |
| Office and administrative | 3,481 | 3,737 | 10,425 | 11,156 |
| Investor relations and marketing | 185 | 146 | 509 | 800 |
| Professional and regulatory | 1,976 | 1,546 | 5,716 | 4,846 |
| Salaries and employee benefits | 16,542 | 14,860 | 48,699 | 43,672 |
| | 22,184 | 20,289 | 65,349 | 60,474 |
| Reorganization, development and other expense: | | | | |
| Reorganization, development and other expenses ⁽²⁾ | 6,386 | 1,806 | 8,225 | 3,790 |
| Termination and other benefits | 23 | 1,599 | 583 | 4,377 |
| | 6,409 | 3,405 | 8,808 | 8,167 |
| Amortization of property and equipment and intangible assets | 2,772 | 4,060 | 8,538 | 14,242 |
| Amortization of acquired and library content | 748 | 1,580 | 2,083 | 3,836 |
| Write-down of investment in film and television programs, acquired and library content, and intangible assets (note 12) | — | — | 16,352 | 53,247 |
| Share-based compensation (note 11) | 1,650 | 719 | 5,874 | 3,573 |
| Finance costs, net (note 14) | 21,495 | 16,014 | 75,568 | 58,074 |
| Impact of foreign exchange | 1,093 | 1,595 | (3,011) | 22,162 |
| | 27,758 | 23,968 | 105,404 | 155,134 |
| | 89,596 | 96,781 | 280,319 | 341,949 |

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

(2) The following sets out the expenses included in reorganization, development and other expenses:

| | Three months ended | | Nine months ended | |
|---------------------------------|--------------------|-------------------|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| | \$ | \$ | \$ | \$ |
| Development write-off | 47 | 330 | 322 | 635 |
| System implementation costs | — | 415 | — | 716 |
| Write-down of refinancing costs | — | — | — | 1,106 |
| Other ¹ | 6,339 | 1,061 | 7,903 | 1,333 |
| | 6,386 | 1,806 | 8,225 | 3,790 |

¹ In the three and nine months ended March 31, 2026, Other includes retention bonuses and restructuring related costs associated with the sale of Peanuts and did not qualify as discontinued operations.

16 Management of financial risks and financial instruments

The financial risks arising from the Company's operations include credit, interest rate, liquidity, currency and market risk. These risks arise from the normal course of operations. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out in the audited annual consolidated financial statements.

As a result of the repayment and termination of the debt facility, the Company has no borrowings outstanding and is not subject to any financial covenants under the former credit arrangement.

The following table summarizes the Company's financial liabilities and their contractual maturities:

| | Total | Less than 1 year | 1 to 3 years | 3 to 5 years | After 5 years |
|--|----------------|---------------------|-----------------|-----------------|------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Accounts payable and accrued liabilities | 124,522 | 124,522 | — | — | — |
| Interim production financing | 38,838 | 38,838 | — | — | — |
| Other long-term liabilities | 2,440 | — | 2,440 | — | — |
| Finance lease obligations | 15,382 | 8,755 | 4,601 | 1,967 | 59 |
| | 181,182 | 172,115 | 7,041 | 1,967 | 59 |

Contractual payments in the table above include fixed and variable interest obligations at current rates and are not discounted.

The Company operates a diverse range of business lines, including production studio services, content distribution, consumer products licensing, and representation. While the operating results may vary from period to period, operating cash flows are generally predictable based on the Company's production and content pipeline, contract renewals, royalty agreements, and minimum guarantees.

As at March 31, 2026 the Company had an unrestricted cash balance of \$112,868 and current amounts receivable of \$190,518 (June 30, 2025, \$68,871 and \$248,058 respectively). Based on the Company's cash balances and available credit facilities, expected collection of trade and other receivables and forecast operating results, management believes it will be able to fulfill its financial obligations as they become due.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

Fair value of financial instruments

Financial instruments recorded at fair value on the interim condensed consolidated balance sheet are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Fair value estimates are made at a specific point in time based on relevant market information. These are estimates and involve uncertainties, and matters of significant judgment and cannot be determined with precision. Changes in assumptions and estimates could significantly affect fair values.

Financial assets and (liabilities) measured at fair value

| | As at | | | |
|--|----------------------|---------------------------|----------------------|---------------------------|
| | March 31, 2026 | | June 30, 2025 | |
| | Fair value hierarchy | Fair value ⁽¹⁾ | Fair value hierarchy | Fair value ⁽¹⁾ |
| | | \$ | | \$ |
| Foreign currency forwards ⁽¹⁾ | Level 2 | (29) | Level 2 | (106) |
| Foreign currency forwards ⁽¹⁾ | Level 2 | 4 | Level 2 | 96 |

⁽¹⁾ The fair value of foreign currency contracts is determined using prevailing exchange rates. These are classified as Derivative assets and Derivative liabilities, respectively, in the interim condensed consolidated balance sheet.

As at March 31, 2026, the Company held forward contract options with the following notional value and average contractual exchange rates:

US\$ exchange for GBP

| | |
|-----------------------|--------------------|
| Less than one year | US\$553 to US\$830 |
| Weighted average rate | 1.3828 |

US\$ exchange for Canadian dollars

| | |
|-----------------------|--------------------------|
| Less than one year | US\$10,598 to US\$10,598 |
| Weighted average rate | 1.3670 |

Japanese Yen ("Yen") exchange for US\$

| | |
|-----------------------|----------------|
| Less than one year | US\$0 to US\$0 |
| Weighted average rate | — |

During the three months ended March 31, 2026, the Company entered into a foreign exchange forward contract to manage exposure to foreign currency fluctuations related to the proceeds from the sale of Peanuts. In the three and nine months ended March 31, 2026, a loss of \$2,441 was recognized within foreign exchange loss.

Financial assets and liabilities not measured at fair value

The carrying amount of all financial instruments presented in the interim condensed consolidated financial statements approximate their fair values.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

17 Earnings or loss per common share

Basic earnings or loss per common share is calculated by dividing the net income (loss) attributable to shareholders of the Company by the weighted average number of common shares outstanding during the period.

| | Three months ended | | Nine months ended | |
|---|--------------------|-------------------|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| | \$ | \$ | \$ | \$ |
| Net income (loss) attributable to shareholders of the Company | 413,489 | (13,813) | 380,438 | (99,345) |
| Weighted average number of common shares outstanding (in 000's) - Basic | 213,661 | 212,214 | 213,219 | 211,336 |
| Weighted average number of common shares outstanding (in 000's) - Diluted | 213,923 | 212,452 | 215,289 | 211,574 |
| Basic income (loss) per common share attributable to shareholders of the Company | 1.94 | (0.07) | 1.78 | (0.47) |
| Diluted income (loss) per common share attributable to shareholders of the Company | 1.93 | (0.07) | 1.77 | (0.47) |
| Net loss from continuing operations attributable to shareholders of the Company | (19,881) | (18,611) | (79,387) | (127,806) |
| Weighted average number of common shares outstanding (in 000's) - Basic and diluted | 213,661 | 212,452 | 213,219 | 211,574 |
| Basic and diluted loss per common share from continuing operations ¹ | (0.09) | (0.09) | (0.37) | (0.60) |
| Net income from discontinued operations attributable to shareholders of the Company | 433,370 | 4,798 | 459,825 | 28,461 |
| Weighted average number of common shares outstanding (in 000's) - Basic | 213,661 | 212,214 | 213,219 | 211,336 |
| Weighted average number of common shares outstanding (in 000's) - Diluted | 213,923 | 212,452 | 215,289 | 211,574 |
| Basic income per common share from discontinued operations | 2.03 | 0.02 | 2.16 | 0.13 |
| Diluted income per common share from discontinued operations | 2.03 | 0.02 | 2.14 | 0.13 |

¹ During the three and nine-month periods ended March 31, 2026 and March 31, 2025, the diluted weighted average number of common shares outstanding was the same as the basic weighted average number of common shares outstanding, as the Company had a net loss from continuing operations attributable to shareholders of the Company and all potential dilutive instruments were anti-dilutive. Basic and diluted loss per share are calculated using an adjusted denominator as shown above.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

18 Capital disclosures

The Company's objectives when managing capital are to provide an adequate return to shareholders, safeguard its assets, maintain a competitive cost structure and continue as a going concern in order to pursue the development, production, distribution and licensing of its film and television properties.

The Company's capital structure is summarized in the table below:

| | March 31, 2026 | June 30, 2025 |
|---|-------------------|------------------|
| | \$ | \$ |
| Total bank indebtedness and long-term debt, excluding interim production financing | — | 498,047 |
| Cash | <u>(112,868)</u> | <u>(68,871)</u> |
| Total shareholders' equity | <u>276,501</u> | <u>165,040</u> |
| | <u>163,633</u> | <u>594,216</u> |

To facilitate the management of its capital structure, the Company prepares annual operating budgets that are updated as necessary depending on various factors including industry conditions and operating cash flows. These budgets are regularly reviewed by the Board of Directors.

19 Interim Condensed Consolidated statement of cash flows - supplementary information

Net change in non-cash balances related to operations

| | March 31, 2026 | March 31, 2025 |
|--|-------------------|-------------------|
| | \$ | \$ |
| (Increase) decrease in amounts receivable | 8,608 | 29,099 |
| (Increase) decrease in prepaid expenses and other | (639) | 2,633 |
| (Increase) decrease in long-term amounts receivable | (32,759) | 10,236 |
| Increase in accounts payable and accrued liabilities | 33,391 | 13,431 |
| Increase (decrease) in deferred revenue | <u>(2,674)</u> | <u>(8,713)</u> |
| Net change in non-cash balances | <u>5,927</u> | <u>46,686</u> |

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

Net change in film and television programs

| | March 31, 2026 | March 31, 2025 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Net change in development costs | (2,714) | 428 |
| Net additions to productions in progress and productions completed and released | (33,307) | (42,839) |
| Additions to program and film rights - broadcasting | — | (1,095) |
| Amortization of film and television programs | 32,433 | 48,274 |
| Amortization of program and film rights - broadcasting | — | 3,667 |
| Net change in film and television programs | <u>(3,588)</u> | <u>8,435</u> |

Net change in interim production financing¹

| | March 31, 2026 | March 31, 2025 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Proceeds from interim production financing | 14,479 | 38,085 |
| Repayment of interim production financing | (32,113) | (45,917) |
| | <u>(17,634)</u> | <u>(7,832)</u> |

⁽¹⁾ There was no change in cash flow for interim production financing related to discontinued operations

Supplemental cash flow information

| | March 31, 2026 | March 31, 2025 |
|----------------|-------------------|-------------------|
| | \$ | \$ |
| Taxes paid | (1,848) | (1,384) |
| Taxes refunded | 250 | 1,742 |
| | <u>(1,598)</u> | <u>358</u> |

WildBrain Ltd.

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(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

Reconciliation between the opening and closing balances on the interim condensed consolidated balance sheet arising from financing activities:

| | Term facility \$ | Senior unsecured convertible debentures \$ | Lease liabilities \$ | Total \$ |
|--|------------------------|--|----------------------------|-------------|
| Balance - June 30, 2024 | 371,301 | 138,434 | 24,954 | 534,689 |
| Proceeds | 504,947 | — | (6,620) | 498,327 |
| Repayments | (379,973) | (140,000) | — | (519,973) |
| Payment of debt issue costs | (18,125) | — | — | (18,125) |
| Total financing cash flow activities | 106,849 | (140,000) | (6,620) | (39,771) |
| Amortization of deferred financing costs | 2,629 | 240 | — | 2,869 |
| Lease liabilities additions | — | — | 2,761 | 2,761 |
| Interest paid on lease liabilities | — | — | (1,148) | (1,148) |
| Accretion expense | — | 1,327 | 1,148 | 2,475 |
| Impact of foreign exchange | 27,387 | (1) | 328 | 27,714 |
| Loss on modification of long-term debt and write-down of unamortized issue costs | 6,313 | — | — | 6,313 |
| Total other activities | 36,329 | 1,566 | 3,089 | 40,984 |
| Balance - March 31, 2025 | 514,479 | — | 21,423 | 535,902 |

WildBrain Ltd.**Notes to the Interim Condensed Consolidated Financial Statements (unaudited)
For the periods ended March 31, 2026 and 2025**

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

| | Term facility | Lease liabilities | Total |
|--|--------------------------|------------------------------|------------------|
| | \$ | \$ | \$ |
| Balance - June 30, 2025 | 487,133 | 19,539 | 506,672 |
| Proceeds | — | (6,652) | (6,652) |
| Repayments | (517,739) | — | (517,739) |
| Payment of debt issue costs | (6,912) | — | (6,912) |
| Total financing cash flow activities | (524,651) | (6,652) | (531,303) |
| Amortization of deferred financing costs | 889 | — | 889 |
| Lease liabilities additions | — | 567 | 567 |
| Interest paid on lease liabilities | — | (850) | (850) |
| Accretion expense | 18,943 | 850 | 19,793 |
| Impact of foreign exchange | 1,667 | 59 | 1,726 |
| Loss on modification of long-term debt and write-down of unamortized issue costs | 16,019 | — | 16,019 |
| Reclassification of lease liability to discontinued operation | — | (1,887) | (1,887) |
| Total other activities | 37,518 | (1,261) | 36,257 |
| Balance - March 31, 2026 | — | 11,626 | 11,626 |

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

20 Revenues and segmented information

WildBrain operates entities and offices throughout Canada, the United States, the United Kingdom, Europe and Asia.

The Company has an integrated approach to managing and monetizing its content and intellectual property ("IP"), including production, distribution and consumer-product royalties, representation, and organization structure.

In evaluating performance, the Chief Operating Decision Maker ("CODM"), defined as the Company's President and CEO, and CFO, assess and allocate resources. The Company views its results in three reportable segments, being 1) Content Creation and Audience Engagement; 2) Global Licensing and 3) Canadian Television Broadcasting.

In Q2 2026, Broadcasting ceased and the licenses were formally revoked by the CRTC on October 31, 2025. The Company presented operations of Television as discontinued operations effective Q2 2026. As a result, the Company no longer presents a Television operating segment and the segment disclosures are adjusted retrospectively.

- 1) Content Creation and Audience Engagement - comprises revenue generated from production of proprietary content and distribution of proprietary titles owned by the Company and its strategic partners, and third-party service work.
- 2) Global Licensing - comprises royalties from IPs owned by the Company and its strategic partners, and commissions earned from the licensing agency business.

On March 2, 2026, the Company completed the sale of its 41% stake in Peanuts, which was previously included in both the Content Creation and Audience Engagement segment and the Global Licensing segment. The results of Peanuts are now included as discontinued operations and the segment disclosures have been retrospectively adjusted to reflect this change in presentation.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

| | Three months ended March 31, 2026 | | |
|---|---|---------------------|-----------------|
| | Content Creation and Audience Engagement | Global Licensing | Total |
| | \$ | \$ | \$ |
| Revenues | 36,061 | 25,134 | 61,195 |
| Direct production costs and expense of film and television produced | 30,474 | 2,771 | 33,245 |
| Segment margin | 5,587 | 22,363 | 27,950 |
| Selling, general and administrative | 7,330 | 10,968 | 18,298 |
| Segment profit | (1,743) | 11,395 | 9,652 |
| Corporate selling, general and administrative expense and items unallocated to segments | | | 5,536 |
| Amortization of property and equipment and intangible assets | | | 2,772 |
| Amortization of acquired and library content | | | 748 |
| Finance costs, net | | | 21,495 |
| Impact of foreign exchange | | | 1,093 |
| Reorganization, development and other expenses | | | 6,409 |
| Loss before income taxes from continuing operations | | | (28,401) |

| | Three months ended March 31, 2025 | | |
|---|---|---------------------|-----------------|
| | Content Creation and Audience Engagement | Global Licensing | Total |
| | \$ | \$ | \$ |
| Revenues | 54,204 | 18,681 | 72,885 |
| Direct production costs and expense of film and television produced | 48,156 | 963 | 49,119 |
| Segment margin | 6,048 | 17,718 | 23,766 |
| Selling, general and administrative | 7,738 | 8,825 | 16,563 |
| Segment profit | (1,690) | 8,893 | 7,203 |
| Corporate selling, general and administrative expense and items unallocated to segments | | | 4,445 |
| Amortization of property and equipment and intangible assets | | | 4,060 |
| Amortization of acquired and library content | | | 1,580 |
| Finance costs, net | | | 16,014 |
| Impact of foreign exchange | | | 1,595 |
| Reorganization, development and other expenses | | | 3,405 |
| Loss before income taxes from continuing operations | | | (23,896) |

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

| | Nine months ended March 31, 2026 | | |
|---|---|---------------------|-----------------|
| | Content Creation and Audience Engagement | Global Licensing | Total |
| | \$ | \$ | \$ |
| Revenues | 118,188 | 72,553 | 190,741 |
| Direct production costs and expense of film and television produced | 95,505 | 5,253 | 100,758 |
| Segment margin | 22,683 | 67,300 | 89,983 |
| Selling, general and administrative | 23,014 | 32,054 | 55,068 |
| Segment profit | (331) | 35,246 | 34,915 |
| Corporate selling, general and administrative expense and items unallocated to segments | | | 16,155 |
| Amortization of property and equipment and intangible assets | | | 8,538 |
| Amortization of acquired and library content | | | 2,083 |
| Write-down of investment in film and television programs and acquired and library content | | | 16,352 |
| Finance costs, net | | | 75,568 |
| Impact of foreign exchange | | | (3,011) |
| Reorganization, development and other expenses | | | 8,808 |
| Loss before income taxes from continuing operations | | | (89,578) |

| | Nine months ended March 31, 2025 | | |
|--|---|---------------------|------------------|
| | Content Creation and Audience Engagement | Global Licensing | Total |
| | \$ | \$ | \$ |
| Revenues | 135,515 | 61,128 | 196,643 |
| Direct production costs and expense of film and television produced | 113,766 | 4,408 | 118,174 |
| Segment margin | 21,749 | 56,720 | 78,469 |
| Selling, general and administrative | 22,562 | 27,158 | 49,720 |
| Segment profit | (813) | 29,562 | 28,749 |
| Corporate selling, general and administrative expense and items unallocated to segments | | | 14,327 |
| Amortization of property and equipment and intangible assets | | | 14,242 |
| Amortization of acquired and library content | | | 3,836 |
| Write-down of investment in film and television programs, and acquired and library content (note 12) | | | 53,247 |
| Finance costs, net | | | 58,074 |
| Impact of foreign exchange | | | 22,162 |
| Reorganization, development and other expenses | | | 8,167 |
| Loss before income taxes from continuing operations | | | (145,306) |

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited) For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

The following table presents the Company's disaggregated revenues recognized from contracts with customers:

| | Three months ended | | Nine months ended | |
|---|--------------------|-------------------|-------------------|-------------------|
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31, 2025 |
| | \$ | \$ | \$ | \$ |
| Timing of revenue recognition | | | | |
| At a point in time⁽¹⁾ | | | | |
| Content Creation and Audience Engagement | 2,638 | 3,812 | 6,222 | 15,921 |
| | 2,638 | 3,812 | 6,222 | 15,921 |
| Over time | | | | |
| Content Creation and Audience Engagement (including royalties) | 33,423 | 50,392 | 111,966 | 119,594 |
| Global licensing | 25,134 | 18,681 | 72,553 | 61,128 |
| | 61,195 | 72,885 | 190,741 | 196,643 |

⁽¹⁾ All revenues recognized at a point in time relate to Audience Engagement.

WildBrain Ltd.

Notes to the Interim Condensed Consolidated Financial Statements (unaudited)

For the periods ended March 31, 2026 and 2025

(expressed in thousands of Canadian dollars unless otherwise noted, except for amounts per share)

21 Commitments and contingencies

The Company is, from time-to-time, involved in various claims, legal proceedings and complaints arising in the normal course of business and as such, provisions have been recorded where appropriate. Management does not believe that the final determination of these claims will have a material adverse effect on the financial position or results of operations of the Company.