



NEWS RELEASE

WILDBRAIN SIGNS AGREEMENT TO SELL MAJORITY STAKE IN ITS TELEVISION BROADCAST BUSINESS TO IOM MEDIA

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Transaction secures strong Canadian home for channels while advancing WildBrain's strategy to simplify its business and focus on key franchises

TORONTO, Dec. 18, 2024 /CNW/ - WildBrain Ltd. ("WildBrain" or the "Company") (TSX: WILD), a global leader in kids' and family entertainment, has signed a definitive agreement ("Sale Agreement") to sell 66 2/3% of its television broadcast business ("Channels"), including Family Channel, Family Jr., WildBrainTV and Télémagino, to IoM Media Ventures Inc. ("IoM"), an independent, Canadian-owned children's studio based in Halifax, Nova Scotia. The transaction, which is subject to customary closing conditions, is expected to close in approximately three to six months, pending approval by the Canadian Radio-television and Telecommunications Commission (CRTC). The proceeds from the transaction will be used by WildBrain primarily to pay down debt.

Under the terms of the Sale Agreement, WildBrain expects to receive more than \$40 million over the next four years from this transaction and its continuing involvement in the Channels, in the form of up-front and deferred purchase consideration, minority participation distributions, content licensing and other fees. Under the new structure, WildBrain will retain 33 1/3% ownership of the Channels and will no longer be subject to applicable restrictions under the Broadcasting Act as relates to non-Canadian ownership, which will permit WildBrain to remove, in due course, its variable voting share structure currently applicable to non-Canadian shareholders. WildBrain remains focused on operating the Channels during the transition period. At this time, there are no planned changes to management, the workforce or location of operations for the Channels. Any future adjustments, if necessary, will be thoughtfully considered based on the evolving needs of the business.

Josh Scherba, President and CEO of WildBrain, said: "As we continue to strategically focus on driving high-growth areas for key global franchises and partnerships, this transaction is a critical step forward in simplifying our business. Financially, we believe it strikes a balance between economic participation for WildBrain while benefiting our leverage profile over the long term. We're confident that, with IoM, the Channels will pass to a strong independent Canadian studio. As a partner with IoM, we look forward to working with them to uphold the prominent legacy of these Channels with a dedication to delivering best-in-class content for Canadian families."

Dana Landry, President and CEO of IoM Media Ventures Inc., said: "We're thrilled to deepen our partnership with WildBrain, and we look forward to integrating these Channels and resources into our ecosystem after close of the transaction to accelerate growth as we look to invest boldly in content and expand our footprint in the kids' and family entertainment space."

IoM partnered with MEP Capital ("MEP"), a private investment firm focused on the media, entertainment, content and sports sectors, and an existing IoM investor, to provide financial backing for the transaction.

Matt Cohen, Partner at MEP Capital, said: "We have been a proud supporter of IoM since 2019 and are thrilled to strengthen that partnership through this investment. We look forward to continuing to collaborate with IoM and to working alongside both IoM and WildBrain to create first-class kids' and family content."

WildBrain maintains its Fiscal Year 2025 outlook until after the transaction has closed.

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About WildBrain

At WildBrain we inspire imaginations through the wonder of storytelling. As a leader in 360° franchise management, we are experts in content creation, audience engagement and global licensing, cultivating and growing love for our own and partner brands around the world. With approximately 14,000 half-hours of kids' and family content in our

library—one of the world's most extensive—we are home to such treasured franchises as Peanuts, Teletubbies, Strawberry Shortcake, Yo Gabba Gabba!, Inspector Gadget and Deglassi. WildBrain's mission is to create exceptional entertainment experiences that captivate and delight fans both young and young at heart.

Our studios produce such award-winning series as The Snoopy Show; Snoopy in Space; Camp Snoopy; Strawberry Shortcake: Berry in the Big City; Sonic Prime; Chip and Potato; Teletubbies Let's Go! and many more. Enjoyed in more than 150 countries on over 500 platforms, our content is everywhere kids and families view entertainment, including YouTube, where our network has garnered approximately 1.5 trillion minutes of watch time. Our television group owns and operates some of Canada's most loved family entertainment channels. WildBrain CPLG, our leading consumer-products and location-based entertainment agency, represents our owned and partner properties in every major territory worldwide.

WildBrain is headquartered in Canada with offices worldwide and trades on the Toronto Stock Exchange (TSX: WILD). Visit us at **wildbrain.com**.

About IoM Media

Island of Misfits (IoM) is one of North America's leading production + animation studios, with a strong focus on original, premium content development and production. Founded in 2018 by industry veteran Dana Landry, IoM is based in Halifax with offices in Toronto and Los Angeles. At IoM's 3D/CG Studio, the team has produced series for many of the world's leading content creators. Series produced by IoM can be seen on major networks and streaming platforms including Amazon, Netflix, Peacock, CBC and PBS Kids.

About MEP

Headquartered in New York, MEP Capital is a private investment firm focused on providing flexible capital solutions and operational expertise to businesses in the media, entertainment, content and sports sectors. MEP is a long-term investor that provides financing through funds committed by its limited partners, which include institutions, family offices and high-net-worth individuals.

Forward-Looking Statements

This press release contains "forward-looking statements" under applicable securities laws with respect to the Company. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties and are based on information currently available to the Company. Actual results or events may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations, among

other things, include the availability of and cost of financing, general economic and market conditions and the impact of such conditions on the industries in which WildBrain operates, competition and the potential impact of industry mergers and acquisitions, market factors, WildBrain's ability to identify and execute anticipated production, distribution, licensing and other contracts, contractual counterparty risk, the ability of WildBrain to realize the expected value of its assets, supply chain and other related disruptions, and risk factors discussed in materials filed with applicable securities regulatory authorities from time to time including matters discussed under "Risk Factors" in the Company's most recent Annual Information Form and annual Management Discussion and Analysis. These forward-looking statements are made as of the date hereof, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

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