NEWS RELEASE

WildBrain Reports Q1 2027 Results

2026-11-12

Q1 2027 Operational Highlights

- Continued to build engagement and cultural relevance for Strawberry Shortcake through the rollout of two new series on WildBrain Network and expanded global licensing partnerships across apparel, beauty, toys and lifestyle categories.

- Expanded WildBrain CPLG's presence in Asia-Pacific with the opening of a Japan office, strengthening the agency's capabilities to support licensing partners and brand owners in the region.

- Continued to grow the WildBrain Network's direct advertising business, including an exclusive advertising sales partnership with Miraculous Corp, expanding its portfolio of premium kids and family content available to advertisers.

- Advanced its premium content production pipeline, including commencing production on the second season of Finding Her Edge for Netflix.

- Subsequent to the quarter, announced a strategic partnership with EightyEight Pictures to strengthen premium CG animation production capabilities and support WildBrain's content production business.

- The Company continued to return capital to shareholders through its normal course issuer bid ("NCIB") and substantial issuer bid ("SIB"). During the quarter, WildBrain repurchased 1.0 million Common Shares under the NCIB, bringing cumulative NCIB repurchases under the program to 2.7 million Common Shares. Subsequent to quarter-end, the Company completed the SIB, took up and paid for 13.8 million Common

Shares at C$1.45 per share, for aggregate consideration of C$20 million.

Q1 Financial Highlights for Continuing Operations[1]

- Revenue from continuing operations was $58.3 million, up 1% year over year.
- Net loss attributable to Shareholders of the Company from continuing operations was $6.6 million, compared with net loss attributable to Shareholders of the Company of $39.5 million in Q1 2026.
- Adjusted EBITDA from continuing operations attributable to Shareholders of the Company ("Adjusted EBITDA")[2] was $2.0 million, a decrease of $2.1 million from Q1 2026.

Q1 Consolidated Cash Flow Highlights

- Cash used in operating activities was $13.9 million, compared to cash provided by operating activities of $14.1 million in Q1 2026.
- Free Cash Flow[2] was negative $13.6 million, compared to negative $11.1 million in Q1 2026.

Toronto, Ontario--(Newsfile Corp. - November 12, 2026) - WildBrain Ltd. (TSX: WILD) ("WildBrain" or the "Company"), a global leader in family entertainment, today reported its first quarter ("Q1 2027") results for the period ended September 30, 2026.

Josh Scherba, WildBrain President and CEO, said: "Following the significant transformation of WildBrain last year, our focus is now firmly on execution. Our first-quarter results were in line with our expectations, with encouraging underlying trends across our core growth drivers, which we will discuss in greater detail on today's conference call. We delivered solid performance across the business, with particularly strong progress at WildBrain Network and continued momentum in owned-brand licensing, led by Strawberry Shortcake. We also announced a strategic partnership with EightyEight Pictures to strengthen our premium animation capabilities.

"We are advancing the targeted investments intended to expand these opportunities and strengthen our operating platform. While the timing and mix of Content activity affected the quarter, the underlying performance of the business supports our confidence in our Fiscal 2027 outlook, and we remain focused on delivering sustainable growth in Adjusted EBITDA and Free Cash Flow over time."

Nick Gawne, WildBrain CFO, added: "This quarter was about disciplined capital allocation behind a more focused strategy. Our first quarter Adjusted EBITDA included approximately $1 million of investment in our strategic priorities. Beyond that, we deployed approximately $38 million of corporate capital through the acquisition of

Personality AI, the completion of our $20 million substantial issuer bid and purchases under our normal course issuer bid. Together, these actions reflect clear priorities for how we invest in growth, strengthen our capabilities and return capital to shareholders. We remain confident in our Fiscal 2027 outlook and continue to expect meaningful Adjusted EBITDA growth for the year."

Fiscal Year 2027 Outlook

For Fiscal 2027, the Company reaffirms its outlook:

- Revenue of $270 million to $295 million, representing year-over-year growth of approximately 15% at the midpoint; and
- Adjusted EBITDA of $28 million to $32 million, representing year-over-year growth of approximately 44% at the midpoint.

Growth is expected across all operating segments. The Fiscal 2027 outlook reflects the anticipated timing of activity across the Company's businesses, including licensing and advertising activity weighted toward the second quarter. The timing of revenue recognition from contracted Content production activity may vary based on production schedules.

Fiscal 2027 represents an investment year for WildBrain, with approximately $30 million of targeted investment in franchise marketing and content, technology and operating infrastructure, and leasehold and other capital expenditures. These investments are intended to support growth in owned-brand licensing, Content and advertising revenue, as well as improved operating leverage. The Company expects these investments to affect near-term profitability and result in negative Free Cash Flow in Fiscal 2027, while supporting stronger Adjusted EBITDA and Free Cash Flow generation beyond Fiscal 2027. Before the approximately $30 million of planned Fiscal 2027 investments described above, the Company expects the continuing business to generate positive Free Cash Flow in Fiscal 2027.

Medium Term Outlook

Following Fiscal 2027, the Company expects:

- Adjusted EBITDA to approximately double from the midpoint of its Fiscal 2027 outlook by the end of Fiscal 2029.

The expected growth is supported by increased owned-brand licensing and advertising revenue, improved operating leverage and a moderation of Fiscal 2027 investment spending. Management also expects Free Cash Flow generation to improve as Adjusted EBITDA grows and the investment program moderates.

Q1 2027 Financial Highlights from Continuing Operations[1]

In Q1 2027, revenue from continuing operations increased 1% to $58.3 million, compared to $57.9 million in Q1 2026.

Franchise & Global Licensing revenue increased 5% to $19.7 million in Q1 2027, compared to $18.8 million in Q1 2026. The increase reflected continued growth in owned-brand licensing royalties, led by Strawberry Shortcake, and higher distribution revenue on Teletubbies under a broadcaster licensing arrangement, partially offset by lower licensing agency revenues at WildBrain CPLG following the conclusion of a partner-brand representation arrangement, which was partly mitigated by growth in the Peanuts licensing program.

Content revenue was $28.5 million in Q1 2027, a decrease of 1%, compared to $28.9 million in Q1 2026. The decrease in Q1 2027 revenue was driven by lower distribution, music and other revenue, as the prior year quarter benefited from a significant content sale and passive consumer products royalties on a partner-brand arrangement that has since concluded. This was partially offset by higher live-action production activity, with a live-action series in production in the current quarter and no equivalent in the prior year.

WildBrain Network revenue was $11.7 million in Q1 2027, an increase of 7%, compared to $10.9 million in Q1 2026. The increase was driven by growth in platform advertising revenue, principally on FAST and AVOD platforms, with direct advertising revenue broadly consistent with the prior year.

Gross Margin[2] for Q1 2027 was 42%, compared to Gross Margin of 45% in Q1 2026. Gross Margin for Q1 2027 was $24.5 million, a decrease of $1.6 million, compared to $26.1 million for Q1 2026, reflecting a shift in Content revenue mix toward production revenue and away from high-margin distribution and partner-brand royalty revenues, and increased franchise marketing investment, partially offset by improved margins in WildBrain Network.

Q1 2027 net loss from continuing operations attributable to Shareholders of the Company was $6.6 million, compared to net loss of $39.5 million in Q1 2026.

Adjusted EBITDA was $2.0 million in Q1 2027, compared with $4.1 million in Q1 2026, a decrease of $2.1 million as a result of lower gross margin in Content, reflecting the shift in revenue mix toward production and lower distribution revenues, and lower licensing agency revenues at WildBrain CPLG, partially offset by improved results in WildBrain Network.

Other Financial Highlights

Cash used in operating activities, which is presented on a consolidated basis, was $13.9 million, compared to cash provided by operating activities of $14.1 million in Q1 2026. The change in cash was primarily due to lower Adjusted EBITDA, higher reorganization, development and other costs including transaction costs for the Personality AI acquisition, higher income taxes paid, and movements in working capital. Discontinued operations used $1.0 million of cash in Q1 2027, mainly to settle remaining wind-up liabilities of the Canadian Television Broadcasting business. In Q1 2026, discontinued operations provided $0.8 million.

Free Cash Flow, which is presented on a consolidated basis, was negative $13.6 million, compared to negative $11.1 million in Q1 2026. The current-quarter result primarily reflected the operating cash flow factors noted above and higher capital expenditures, partially offset by lower interest payments and distributions to non-controlling interests and net draws on interim production financing. Effective Q1 2027, the Company revised its definition of Free Cash Flow to deduct investments in property and equipment and intangible assets, providing a more comprehensive measure of cash generation after capital expenditures, with prior-period figures recalculated on a comparable basis.

Following the closure of WildBrain Television and the sale of the Company's 41% interest in Peanuts Holdings LLC, the historical results of these businesses are presented as discontinued operations. Revenue and expenses from Peanuts-related licensing-agency, content-production and content-distribution services provided under post-closing arrangements are included in continuing operations.

Free Cash Flow, Gross Margin, Adjusted EBITDA, and Adjusted EBITDA from continuing operations attributable to Shareholders of the Company are non-GAAP financial measures. Effective Q1 2027, the Company revised its definition of Free Cash Flow to deduct investments in property and equipment and intangible assets, providing a more comprehensive measure of cash generation after capital expenditures, with prior-period figures recalculated on a comparable basis. See below for further details.

Q1 2027 Conference Call

The Company will hold a conference call on November 12, 2026, at 10:00 a.m. ET to discuss the results.

To listen online, please visit the following link: **https://www.gowebcasting.com/15205**

To listen by phone, please dial +1-833-752-5599 in North America (toll free) or +1 647-258-0576 internationally (tolls apply). If dialing in, please allow 10 minutes to be connected to the conference call.

Replay will be available at the above link or by dialing 1-855-669-9658 in North America (toll free) or +1 412-317-0088 internationally (tolls apply), until November 19, 2026, using access code 5684062.

The audio and transcript will also be archived on WildBrain's website approximately three business days following the call

For more information, please contact:

Investor Relations: Kathleen Persaud - VP, Investor Relations, WildBrain
kathleen.persaud@wildbrain.com
+1 212-405-6089

Media: Shaun Smith - Sr. Director, Global Corporate Communications
shaun.smith@wildbrain.com
+1 416-977-7230

About WildBrain

At WildBrain, we build and grow beloved family brands through exceptional entertainment experiences. Home to franchises such as Strawberry Shortcake, Teletubbies, Yo Gabba Gabba!, Inspector Gadget and Degrassi, we are a global leader in franchise management—bringing stories to life through content production, audience reach and consumer products. Our award-winning studio has partnered with top global platforms such as Apple TV, Netflix and the BBC, producing acclaimed series such as The Snoopy Show, Strawberry Shortcake: Berry in the Big City, Teletubbies (2015), Yo Gabba GabbaLand! and Finding Her Edge. The WildBrain Network, offering more than 1,000 channels across YouTube, FAST and AVOD, delivers premium-quality content to today's kids and families wherever they're watching—connecting advertisers to audiences at scale through brand-safe media solutions. WildBrain CPLG, our global licensing and consumer products arm, represents our own and partner brands across major territories worldwide. Headquartered in Toronto, WildBrain trades on the Toronto Stock Exchange (TSX: WILD). Visit us at **wildbrain.com**.

Forward-Looking Statements

This press release may contain forward-looking information within the meaning of applicable securities legislation, which reflects WildBrain's current assumptions and expectations regarding future events as at the time they are made. The forward-looking information and statements in this press release relate to, among other things, the Company's revenue and Adjusted EBITDA outlook for fiscal 2027; its Adjusted EBITDA growth targets for fiscal 2028 through fiscal 2029; its expectations regarding investment spending and Free Cash Flow; expected growth across the Company's operating segments; expectations regarding the acquisition of Personality AI, including its successful integration; and management's beliefs regarding future shareholder returns, operating leverage and the scalability

of the Company's business. The words "will", "expects", "anticipates", "believes", "plans", "intends" and similar expressions are often intended to identify forward-looking information, although not all forward-looking information contains these identifying words.

The forward-looking information is based on certain assumptions, including, but not limited to, that there will be no material changes in the competitive or regulatory environment in which the Company operates; the Company will successfully execute its investment plan and growth strategy; the Personality AI acquisition will be successfully integrated; owned-brand licensing revenue will continue to grow; advertising market conditions will remain stable; the Company will be able to produce and deliver content on anticipated timelines; and general economic conditions will not materially deteriorate.

Although the Company believes that these assumptions are reasonable, undue reliance should not be placed on such forward-looking information, and no assurance or guarantee can be given that such information will prove to be accurate. Actual results could differ materially from those anticipated. Forward-looking information is also subject to risks and uncertainties, many of which are beyond WildBrain's control. These risks include, but are not limited to, the Company's ability to achieve its revenue and Adjusted EBITDA targets; the success and timing of the Company's investment initiatives; the Company's ability to grow owned-brand licensing and advertising revenue; risks related to the integration of acquisitions, including Personality AI; changes in consumer demand for the Company's content and licensed products; competition in the children's entertainment and media industry; risks related to the Company's reliance on key franchises; fluctuations in foreign currency exchange rates; changes in advertising spending and market conditions; the Company's ability to attract and retain key talent; changes in the regulatory environment, including with respect to artificial intelligence; the outcome of any pending or threatened litigation or regulatory proceedings; and changes in general economic, business and political conditions. Readers are directed to the Company's most recently filed annual information form and its management's discussion and analysis for the period ended June 30, 2026 for additional information regarding these and other risks and uncertainties.

WildBrain undertakes no obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

Non-IFRS Measures

In addition to the results reported in accordance with IFRS as issued by the International Accounting Standards Board, the Company uses various non-GAAP financial measures, which are not recognized under IFRS, as supplemental indicators of our operating performance and financial position. These non-GAAP financial measures are provided to enhance the user's understanding of our historical and current financial performance and our prospects for the future. Management believes that these measures provide useful information in that they exclude

amounts that are not indicative of our core operating results and ongoing operations and provide a consistent basis for comparison between periods. The following discussion explains the Company's use of certain non-GAAP financial measures, which are Adjusted EBITDA, Adjusted EBITDA attributable to Shareholders of the Company, Gross Margin and Free Cash Flow.

Investors are cautioned that these non-GAAP financial measures should not be construed as an alternative measure to net income or loss, or other measures as determined in accordance with GAAP, or as an indicator of the Company's financial performance or a measure of liquidity and cash flows.

"Adjusted EBITDA" means earnings (loss) before net finance costs, income taxes, amortization of property & equipment and right-of-use and intangible assets, amortization of acquired and library content, equity-settled share-based compensation expense, changes in fair value of embedded derivatives, gain/loss on foreign exchange, reorganization, development and other expenses, impairment of certain investments in film and television programs/acquired and library content/P&E/intangible assets/goodwill, and gain on sale of discontinued operations. Adjusted EBITDA is not an earnings measure recognized by GAAP and does not have a standardized meaning prescribed by GAAP; accordingly, Adjusted EBITDA may not be comparable to similar measures presented by other issuers. Management believes that investors and analysts use Adjusted EBITDA, and as a common valuation measurement in the media and entertainment industry. The most comparable GAAP measure is earnings before income taxes.

Adjusted EBITDA is also presented at the reportable segment level, calculated as segment gross margin less segment selling, general and administrative expenses and is the measure of segment performance regularly reviewed by the Company's chief operating decision maker. Consolidated Adjusted EBITDA differs from Segment Adjusted EBITDA by corporate selling, general and administrative expenses and consolidation adjustments not allocated to reportable segments.

"Adjusted EBITDA attributable to Shareholders of the Company" means Adjusted EBITDA excluding the portion of Adjusted EBITDA attributable to non-controlling interests.

"Gross Margin" means revenue less content, distribution, marketing and other costs. Gross Margin is not an earnings measure recognized by GAAP and does not have a standardized meaning prescribed by GAAP; accordingly, Gross Margin may not be comparable to similar measures presented by other issuers. Management believes Gross Margin is a useful measure of profitability before considering operating and other expenses and can be used to assess the Company's ability to generate positive net earnings and cash flows. The most comparable GAAP measure is gross profit, as calculated below.

"Gross Margin %" is calculated by dividing Gross Margin by Revenue. Management uses Gross Margin % to measure

the underlying financial performance of the business.

"Free Cash Flow" means operating cash flow less distributions to non-controlling interests, changes in interim production financing, cash interest paid on long-term debt, bank indebtedness and lease liabilities, principal repayments on our lease liabilities, and investment in property, equipment, and intangible assets. Free Cash Flow does not have a standardized meaning prescribed by GAAP; accordingly, Free Cash Flow may not be comparable to similar measures presented by other issuers. Management believes Free Cash Flow is a useful measure of the Company's ability to finance strategic business acquisitions and investments, pay dividends, and repurchase shares. The most comparable GAAP measure is cash from operating activities.

Reconciliation of Quarterly Results to Adjusted EBITDA from Continuing Operations and Adjusted EBITDA from Continuing Operations attributable to the Shareholders of the Company

Following the closure of WildBrain Television and the sale of the Company's 41% interest in Peanuts Holdings LLC, the historical results of these businesses are presented as discontinued operations. Revenue and expenses from Peanuts-related licensing-agency, content-production and content-distribution services provided under post-closing arrangements are included in continuing operations. The following table reconciles loss before income taxes from continuing operations to Adjusted EBITDA from continuing operations and Adjusted EBITDA from continuing operations attributable to Shareholders of the Company.

(expressed in thousands of Canadian dollars)	Three Months ended September 30, 2026	Three Months ended September 30, 2025
(Loss) income before income taxes from continuing operations	$ (6,936)	$ (38,996)
add back:		
Finance costs, net	541	31,421
Change in fair value of embedded derivatives	—	—
Foreign exchange loss (gain)	1,400	5,832
Amortization of P&E and intangible assets	2,787	2,967
Amortization of acquired and library content	708	652
Write-down of certain investment in film and television programs, acquired and library content, and intangible assets	—	—
Share-based compensation	1,404	1,255
Reorganization, development and other expenses[1]	2,048	861
Adjusted EBITDA from continuing operations	1,952	3,992
Adjusted EBITDA attributable to non-controlling interest	24	108
Adjusted EBITDA from continuing operations attributable to the Shareholders of the Company	$ 1,976	$ 4,100

Refer to Reorganization, development and other sections in the MD&A for information regarding how each component is described.
Portion of Adjusted EBITDA attributable to non-controlling interests is calculated as net income attributable to non-controlling interests, less interest, taxes, depreciation and amortization attributable to non-controlling interests.

Reconciliation of Quarterly Results to Gross Margin from Continuing Operations

The following table reconciles revenue from continuing operations less content, distribution, marketing and other costs from continuing operations to gross margin from continuing operations, as follows:

(expressed in thousands of Canadian dollars)		Fiscal 2027 30-Sept		Fiscal 2026 30-Sept
Revenue	$	58,338	$	57,943
Franchise & Global Licensing		19,675		18,755
Content		28,519		28,910
WildBrain Network		11,696		10,909
Consolidation adjustments and eliminations		(1,552)		(631)
less: Content, distribution, marketing and other costs	$	(33,846)	$	(31,818)
Franchise & Global Licensing		(1,902)		(1,660)
Content		(26,513)		(22,860)
WildBrain Network		(6,983)		(7,929)
Consolidation adjustments and eliminations		1,552		631
Gross Margin from continuing operations	$	24,492	$	26,125
Franchise & Global Licensing		17,773		17,095
Content		2,006		6,050
WildBrain Network		4,713		2,980
Consolidation adjustments and eliminations		—		—

Reconciliation of Quarterly Operating Cash Flow to Free Cash Flow

The following table reconciles cash flow from operating activities to Free Cash Flow, as follows:

(expressed in thousands of Canadian dollars)		Fiscal 2027 30-Sept		Fiscal 2026 30-Sept
Cash flow (used in) provided by operating activities	$	(13,937)	$	14,051
less:				
Distributions to non-controlling interests		(19)		(7,559)
Change in interim production financing		4,460		(907)
Interest paid		(643)		(13,924)
Repayment of lease liabilities		(1,630)		(2,367)
Acquisition of property and equipment		(1,008)		—
Acquisition of intangibles assets		(828)		(424)
Free Cash Flow		(13,605)		(11,130)

To view the source version of this press release, please visit **https://www.newsfilecorp.com/release/323669**

SOURCE WildBrain Ltd.