NEWS RELEASE

WildBrain Reports Q4 and Full Year 2026 Results

2026-09-23

Fiscal 2026 Operational Highlights

- Completed the sale of the Company's interest in Peanuts, repaid all corporate debt and exited television broadcasting, repositioning WildBrain around its three core growth platforms: Franchise & Global Licensing, Content and WildBrain Network.

- The Company continued to execute its normal course issuer bid ("NCIB"), repurchasing and cancelling common shares for approximately $3.2 million since launching, reflecting its ongoing commitment to returning capital to shareholders alongside disciplined investment in the business.

- Subsequent to the quarter, the Company announced the acquisition of Personality AI, a kid-safe, scalable interactive character platform, adding proprietary generative AI capabilities to WildBrain's franchise ecosystem across toys, apps, games and platforms.

- Continued to build fan engagement and cultural relevance for our owned franchises, including the rollout of two new Strawberry Shortcake series on the WildBrain Network, plus the June opening of WildBrain Garden, a themed retail experience for Teletubbies and In the Night Garden within Magic World, one of Asia's largest international IP-themed entertainment destinations in China.

Q4 Financial Highlights for Continuing Operations[1]

- Revenue from continuing operations was $55.0 million, down 29% year over year.

- Net income attributable to Shareholders of the Company from continuing operations was $4.5 million, compared with net income attributable to Shareholders of the Company of $6.2 million in Q4 2025.

- Adjusted EBITDA from continuing operations attributable to Shareholders of the Company ("Adjusted EBITDA")[2] was $(4.0) million, a decrease of $12.0 million.

Q4 Consolidated Cash Flow Highlights

- Cash used in operating activities was $30.0 million, compared to cash used in operating activities of $2.0 million in Q4 2025.

- Free Cash Flow[2] was negative $19.6 million, compared to negative $17.3 million in Q4 2025.

Fiscal 2026 Financial Highlights for Continuing Operations[1]

- Revenue from continuing operations was $245.7 million, down 10% year over year.

- Net loss attributable to Shareholders of the Company from continuing operations was $74.9 million, compared with net loss attributable to Shareholders of the Company of $121.6 million in FY2025.

- Adjusted EBITDA was $20.8 million, down 22% year over year.

Fiscal 2026 Consolidated Cash Flow Highlights

- Cash provided by operating activities was $57.9 million, compared to cash provided by operating activities of $152.5 million in FY2025.

- Free Cash Flow was negative $30.5 million, compared to positive $49.5 million in FY2025.

Toronto, Ontario--(Newsfile Corp. - September 23, 2026) - WildBrain Ltd. (TSX: WILD) ("WildBrain" or the "Company"), a global leader in family entertainment, today reported its fourth quarter ("Q4 2026") results for the period ended June 30, 2026.

Josh Scherba, WildBrain President and CEO, said: "Fiscal 2026 was a transformative year for WildBrain. We completed the sale of our interest in Peanuts, exited the television business, and fully repaid our corporate debt, sharpening our focus on growth driven by our three business pillars: Franchise & Global Licensing, Content and WildBrain Network.

"While our fourth quarter results were affected by several discrete items and strategic investments in our franchises, we are encouraged by the performance of core growth drivers. Franchise & Global Licensing revenue grew 27% for the year, led by continued growth in owned-brand royalties from Strawberry Shortcake, and direct advertising drove growth in WildBrain Network in the quarter.

"We enter Fiscal 2027 with positive momentum across our owned franchises, including Strawberry Shortcake and Teletubbies, confidence in an expanding pipeline of content production and the continued build-out of our direct advertising business. With a strengthened balance sheet and significant financial flexibility, we are well positioned to invest further in our brands, technology, advertising capabilities and operating infrastructure to harness the opportunities ahead."

Nick Gawne, WildBrain CFO, added: "Our Fiscal 2027 outlook reflects growth across all three operating segments and demonstrates our confidence in the underlying strength and earnings potential of the business. Fiscal 2027 will be a deliberate investment year with capital directed toward initiatives that we expect will strengthen our long-term earnings power by growing our franchises, expanding monetization opportunities and improving the scalability of our operating platform. While these investments are expected to affect near-term profitability and Free Cash Flow, we expect they will position the Company to deliver stronger revenue and Adjusted EBITDA growth and enhanced Free Cash Flow generation beyond Fiscal 2027."

Fiscal Year 2027 Outlook

For Fiscal 2027, the Company expects:

- 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.

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.

Q4 2026 Financial Highlights from Continuing Operations[1]

In Q4 2026, revenue from continuing operations decreased 29% to $55.0 million, compared to $77.4 million in Q4 2025.

Franchise & Global Licensing revenue decreased 16% to $15.6 million in Q4 2026, compared to $18.5 million in Q4 2025. Revenue in the quarter was driven by lower licensing agency revenues at WildBrain CPLG, reflecting timing differences and the impact of changes in certain partner relationships, partially offset by continued growth in owned-brand royalties led by Strawberry Shortcake.

Content revenue was $29.2 million in Q4 2026, a decrease of 40%, compared to $48.7 million in Q4 2025. The decrease in Q4 2026 revenue was driven by lower live-action production activity, with no equivalent to the live-action series in production in the prior year, and lower distribution revenue, as the prior year quarter benefited from a significant content delivery.

WildBrain Network revenue was $11.5 million in Q4 2026, an increase of 6%, compared to $10.8 million in Q4 2025. The increase in Q4 2026 revenue was driven by higher direct advertising revenue.

Gross Margin[2] for Q4 2026 was 39%, compared to Gross Margin[2] of 41% in Q4 2025. Gross Margin for Q4 2026 was $21.2 million, a decrease of $10.4 million, compared to $31.6 million for Q4 2025, reflecting lower distribution and licensing revenues and increased franchise marketing investment.

Q4 2026 net income from continuing operations attributable to Shareholders of the Company was $4.5 million, compared to net income of $6.2 million in Q4 2025.

Adjusted EBITDA was $(4.0) million in Q4 2026, compared with $8.1 million in Q4 2025, a decrease of $12.0 million.

Other Financial Highlights

Cash used in operating activities, which is presented on a consolidated basis, was $30.0 million, compared to cash used in operating activities of $2.0 million in Q4 2025. The change in cash was driven by working capital timing on productions in Q4 2026 compared to the prior year quarter.

Free Cash Flow, which is presented on a consolidated basis, was negative $19.6 million, compared to negative $17.3 million in Q4 2025. The current quarter result primarily reflected production working-capital outflows, partly offset by an increase in interim production financing.

1 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.

2 Free Cash Flow, Gross Margin, Adjusted EBITDA, and Adjusted EBITDA from continuing operations attributable to Shareholders of the Company are non-GAAP financial measures. See below for further details.

Q4 2026 Conference Call

The Company will hold a conference call on September 24, 2026, at 10:00 a.m. ET to discuss the results.

To listen online, please visit the following link: **https://www.gowebcasting.com/15008**

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 October 1, 2026, using access code 5416717.

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

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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 also includes adjustments for other identified charges, as specified in the accompanying tables. 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 certain lenders, investors and analysts use Adjusted EBITDA to measure a company's ability to service debt and meet other payment obligations, and as a common valuation measurement in the media and entertainment industry. The most comparable GAAP measure is earnings before income taxes.

"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.

"Free Cash Flow" means operating cash flow less distributions to non-controlling interests, changes in interim production financing, cash interest paid on our long-term debt, bank indebtedness, and lease liabilities, and principal repayments on our lease liabilities. 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 repay debt, 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 June 30, 2026	Three Months ended June 30, 2025	Year ended June 30, 2026	Year ended June 30, 2025
(Loss) income before income taxes from continuing operations	$ (8,205)	$ 3,626	$ (97,787)	$ (141,684)
add back:				
Finance costs, net	404	15,458	76,017	73,221
Change in fair value of embedded derivatives	—	—	—	—
Foreign exchange (gain) loss	(4,342)	(20,039)	(7,397)	2,436
Amortization of P&E and intangible assets	2,975	4,047	11,513	18,289
Amortization of acquired and library content	944	854	3,027	4,690
Write-down of certain investment in film and television programs, acquired and library content, and intangible assets	4,466	226	20,818	53,473
Share-based compensation	(1,708)	1,003	4,166	4,576
Reorganization, development and other expenses[1]	1,388	3,062	10,196	11,229
Adjusted EBITDA from continuing operations	(4,078)	8,237	20,553	26,230
Adjusted EBITDA attributable to non-controlling interest	126	(156)	250	419
Adjusted EBITDA from continuing operations attributable to the Shareholders of the Company	$ (3,952)	$ 8,081	$ 20,803	$ 26,649

1 Refer to Reorganization, development and other sections in the MD&A for information regarding how each component is described.
2 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)	Three Months ended June 30, 2026	Three Months ended June 30, 2025	Year ended June 30, 2026	Year ended June 30, 2025
Revenue	54,967	77,391	245,707	274,034
Franchise & Global Licensing	15,600	18,543	87,674	68,979
Content	29,180	48,675	114,728	156,509
WildBrain Network	11,455	10,822	46,638	51,573
Consolidation adjustments and eliminations	(1,268)	(649)	(3,333)	(3,027)
less: Content, distribution, marketing and other costs	(33,781)	(45,825)	(134,538)	(163,999)
Franchise & Global Licensing	(3,821)	(2,805)	(11,618)	(9,933)
Content	(23,665)	(34,774)	(93,680)	(119,504)
WildBrain Network	(7,563)	(8,895)	(32,573)	(37,589)
Consolidation adjustments and eliminations	1,268	649	3,333	3,027
Gross Margin from continuing operations	$ 21,186	$ 31,566	$ 111,169	$ 110,035
Franchise & Global Licensing	11,779	15,738	76,056	59,046

Content	5,515	13,901	21,048	37,005
WildBrain Network	3,892	1,927	14,065	13,984

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)	Three Months ended June 30, 2026	Three Months ended June 30, 2025	Year ended June 30, 2026	Year ended June 30, 2025
Cash flow provided by operating activities	$ (30,036)	$ (2,025)	$ 57,881	$ 152,536
less:				
Distributions to non-controlling interests	(61)	(4,761)	(32,880)	(39,534)
Change in interim production financing	12,883	5,203	(4,751)	(2,629)
Interest paid	(518)	(13,615)	(42,271)	(52,178)
Repayment of lease liabilities	(1,856)	(2,067)	(8,508)	(8,688)
Free Cash Flow	(19,588)	(17,265)	(30,529)	49,507

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