



Thunderbird Entertainment Group Reports on Q1 2022 Results

Q1 2022 Revenue \$35.1 million, 77% year-over-year increase

Q1 2022 Adjusted EBITDA \$6.3 million, 31% year-over-year increase

27 shows in production; 12 IP or Partner-Managed

Conference call and webcast scheduled for November 29 at 8 a.m. PT/ 11 a.m. ET

Vancouver, Canada, November 24, 2021 — Thunderbird Entertainment Group Inc. (TSXV: **TBRD**, OTCQX: **THBRF**) (**Thunderbird** or the **Company**) today announced its financial results for Q1 2022, which ended September 30, 2021, and provided a corporate update.

Financial Highlights

- Revenue was \$35.1 million for the three months ended September 30, 2021, as compared to \$19.8 million for the comparative period of fiscal 2021, an increase of \$15.3 million (77%). The majority of this increase over the comparative period in 2021 is related to growth in production service projects and due to the delivery of the live-action series *Strays* for CBC.
- Adjusted EBITDA was \$6.3 million for the three months ended September 30, 2021, as compared to \$4.8 million for the comparative period of fiscal 2021, an increase of \$1.5 million (31%).
- Free cash flow was \$3.4 million for the three months ended September 30, 2021, as compared to \$1.2 million for the comparative period of fiscal 2021, an increase of \$2.2 million (183%).

“Content remains king and Thunderbird is laying the foundation to sustainably grow with the ever-increasing demand. With quality as our North Star and our focus on maintaining a culture that is diverse, inclusive and promotes excellence, Thunderbird will continue to lead in delivering premium content to our partners, further driving shareholder value,” said Jennifer Twiner McCarron, Thunderbird CEO.

Thunderbird's Q1 2022 Corporate Highlights

- At September 30, 2021, the Company had 27 programs in various stages of production. Twelve of these projects are Company IP or partner-managed service productions where the Company receives a percentage of certain revenue streams.
- The Company's productions currently air on Netflix, Peacock, Nickelodeon, Apple, Sony, PBS, Bell Media's Discovery, Disney+, Corus Entertainment and the CBC, among others.
- In Q1, the Kids and Family Division, Atomic Cartoons ("Atomic") was in various stages of production on 16 animated television series/programs and two animated feature-length films, 18 productions in total. These programs reflect a blend of both partner-managed and service-based work.
- During Q1, work produced by Atomic included: *Mighty Express* debuting its fourth season exclusively on Netflix; the *Lego Star Wars: Terrifying Tales* special streaming on Disney+; Season 4 of *Trolls: TrollsTopia* streaming on Peacock and Hulu; *Marvel's Spidey and His Amazing Friends* — the first full-length Marvel series for preschoolers — premiering on Disney Channel and Disney Junior; and *Curious George: Cape Ahoy* debuting on Peacock.
- Also in Q1, Season 2 of *Marvel's Spidey and His Amazing Friends* was greenlit after an impressive debut on Disney.
- In Q1, the Factual Division, Great Pacific Media ("GPM"), was in production on eight series and/or documentaries: *Highway Thru Hell* (Season 11), *Heavy Rescue: 401* (Season 7), *Mud Mountain Haulers* (Season 2), *Deadman's Curse* (working title) (Season 1), *Gut Job* (Season 1), *Styled* (working title) (Season 1), *Dr. Savannah: Wild Rose Vet* (Season 1) in conjunction with Wapanatahk Media, and *The Teenager And The Lost Mayan City* (working title).
- Subsequent to Q1, GPM announced it has partnered with director, writer and producer Brad Peyton and visionary physicist Michio Kaku for its new series in development, *If: Imagine the Impossible*. This series is based on Underknown's *What If*, which is a top ranked science program on social media.
- In Q1, Thunderbird also announced *Reginald the Vampire*, its new fully-owned scripted series starring Spider-Man's Jacob Batalon. *Reginald the Vampire* was picked up in a straight-to-series 10-episode order by SyFy and is being co-produced with Modern Story Company and December Films.
- Also, in Q1, *Strays*, the spin-off series from *Kim's Convenience*, premiered on CBC.

Results of Operations

	For the three months ended	
	Sept 30, 2021	Sept 30, 2020
<i>(\$000's, except per share data)</i>	\$	\$
Revenue	35,072	19,790
Expenses	33,186	18,321
Net income from continuing operations	1,886	1,469
Loss from discontinued operation	-	(80)
Net income for the period	1,886	1,389
Foreign currency translation adjustment	6	(3)
Loss on translation of discontinued operation	-	(44)
Comprehensive income for the period	1,892	1,342
Basic income per share – continuing operations	0.039	0.031
Diluted income per share – continuing operations	0.037	0.030
Basic loss per share – discontinued operation	-	(0.002)
Diluted loss per share – discontinued operation	-	(0.002)

EBITDA, Adjusted EBITDA and Free Cash Flow

	For the three months ended	
	Sept 30, 2021	Sept 30, 2020
<i>(\$000's)</i>	\$	\$
Net income from continuing operations	1,886	1,469
Income tax expense	765	318
Deferred income tax expense	113	60
Finance costs		
Interest	413	477
Dividends on preferred shares	11	18
Amortization		
Property and equipment	1,011	324
Right-of-use assets	1,478	1,923
Intangible assets	68	67
	3,859	3,187
EBITDA	5,745	4,656
Share-based compensation	275	119
Unrealized foreign exchange (gain) loss	3	(285)
Severance costs	208	283
Other	70	-
	556	117

Adjusted EBITDA	6,301	4,773
Cash (outflows) inflows from continuing operations	(936)	1,514
Purchase of property and equipment	(1,043)	(268)
Net advances (repayment) of interim production financing	5,416	(18)
Free Cash Flow	3,437	1,228

Conference Call Webcast on Monday, November 29 at 8 a.m. PT/ 11 a.m. ET

Thunderbird will hold a conference call and webcast to share the Company's Q1 financial results on November 29, 2021 at 8 a.m. PT/ 11 a.m. ET. The conference call will be webcast live and available for replay via the "Investors" section of the Thunderbird [website](#).

Conference Call and Webcast Access:

Toll-free dial-in number: (833) 900-1530

International dial-in number: (236) 712-2271

Conference ID: 2977972

Webcast: <https://events.q4inc.com/attendee/624790123>

Participants joining by phone are requested to call the conference line 10 minutes early to avoid wait times while connecting to the call. The conference call will be webcast live and available for replay via the "Investors" section of the Thunderbird [website](#). Investors can access a replay of the teleconference at: (+1) 416-621-4642 or toll-free at (+1) 800-585-8367 three hours after the call's completion. The Conference ID # is 2977972. The teleconference replay will be available through December 13, 2021.

For information on Thunderbird and to subscribe to the Company's investor list for news updates, go to www.thunderbird.tv.

ABOUT THUNDERBIRD ENTERTAINMENT GROUP

Thunderbird Entertainment Group is a global award-winning, full-service multiplatform production, distribution and rights management company, headquartered in Vancouver, with additional offices in Los Angeles, Toronto, and Ottawa. Thunderbird creates award-winning scripted, unscripted, and animated programming for the world's leading digital platforms, as well as Canadian and international broadcasters. Thunderbird's vision is to produce high quality, socially responsible content that makes the world a better place. The Company develops, produces, and distributes animated, factual, and scripted content through its various divisions, including Thunderbird Kids and Family (Atomic Cartoons), and Thunderbird Factual and Scripted (Great Pacific Media). The Company also has a division dedicated to global distribution and consumer

products. Thunderbird is on Facebook, Twitter, and Instagram at @tbirdent. For more information, visit: www.thunderbird.tv.

On Behalf of Thunderbird Entertainment Group Inc.

Jennifer Twiner McCarron
Chief Executive Officer

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Cautionary Statement Regarding Forward-Looking Information

This news release includes certain “forward-looking statements” under applicable Canadian securities legislation that are not historical facts. Forward-looking statements involve risks, uncertainties, and other factors that could cause actual results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements in this news release include, but are not limited to, statements with respect to the Company’s objectives, goals or future plans and the business and operations of the Company. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic and social uncertainties; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; those additional risks set out in the Company’s Filing Statement and other public documents filed on SEDAR at www.sedar.com; and other matters discussed in this news release. Although the Company believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

NON-IFRS MEASURES

In addition to the results reported in accordance with IFRS, the Company uses various non-IFRS financial measures which are not recognized under IFRS, as supplemental indicators of our operating performance and financial position. These non-IFRS 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 more consistent basis for comparison between periods. The following discussion explains the Company's use of EBITDA, Adjusted EBITDA, and Free Cash Flow as measures of performance.

"EBITDA" is calculated based on earnings before interest, income taxes, depreciation and amortization. "Adjusted EBITDA" is calculated based on EBITDA before share-based compensation, unrealized foreign exchange gain/loss and items of an unusual or one-time nature that do not reflect our ongoing operations. EBITDA and Adjusted EBITDA are commonly reported and widely used by investors and lenders as an indicator of a company's operating performance and ability to incur and service debt, and as a valuation metric. EBITDA and Adjusted EBITDA are not earnings measures recognized by IFRS and therefore do not have a standardized meaning prescribed by IFRS. Therefore, EBITDA and Adjusted EBITDA may not be comparable to similar measures presented by other issuers.

"Free Cash Flow" ("FCF") is calculated based on cash flows from operations, purchase of property and equipment and net interim production financing. FCF represents the cash a company generates after accounting for cash outflows to support operations and maintain its capital assets.