



INITIAL PUBLIC OFFERING OF SUBORDINATE VOTING SHARES

Term Sheet

February 18, 2021

Boat Rocker Media Inc.

Initial Public Offering of Subordinate Voting Shares

An amended and restated preliminary base PREP prospectus (the "preliminary prospectus") containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. A copy of the preliminary prospectus, and any further amendment, is required to be delivered with this document. The preliminary prospectus is still subject to completion. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final base PREP prospectus has been issued. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary prospectus, the final base PREP prospectus, the supplemented PREP prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

The securities offered hereby have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered, sold or delivered, directly or indirectly, in the United States (as such term is defined in Regulation S under the U.S. Securities Act) (the "United States") or to, or for the account or benefit of, U.S. Persons (as defined in the U.S. Securities Act), except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

Capitalized terms used but not otherwise defined herein shall have the respective meaning ascribed thereto in the preliminary prospectus. All references to "\$" or "dollars" in this document are to Canadian dollars, unless indicated otherwise.

The information contained in this document assumes the completion of the Pre-Closing Capital Changes including the share split as described in Pre-Closing Capital Changes in the preliminary prospectus.

Issuer:	Boat Rocker Media Inc. ("Boat Rocker" or the "Company").
Selling Shareholders:	Corporations controlled by Ivan Schneeberg and David Fortier, and John Young (collectively the "Selling Shareholders" or "IDJ").
Offering:	[●] Subordinate Voting Shares, of which [●] Subordinate Voting Shares will be from treasury (the "Treasury Offering") and 459,097 Subordinate Voting Shares will be offered on a secondary basis by the Selling Shareholders (the "Secondary Offering" and, together with the Treasury Offering, the "Offering").
Offering Price:	It is anticipated that the Offering Price will be between \$12.00 and \$14.00 per Subordinate Voting Share (the "Offering Price").
Offering Size:	\$175,000,000 (\$201,250,000 assuming the Over-Allotment Option is exercised in full).
Over-Allotment Option:	The Company has granted to the Underwriters an option, exercisable in whole or in part at any time for a period of 30 days after the Closing Date, to purchase up to an additional 15% of the aggregate number of Subordinate Voting Shares issued under the Offering, being [●] Subordinate Voting Shares, at the Offering Price, solely to cover over-allotments, if any, and for market stabilization purposes (the "Over-Allotment Option").



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Shares Outstanding¹: Upon completion of the Offering and assuming no exercise of the Over-Allotment Option, 26,698,960 Subordinate Voting Shares and 23,553,050 Multiple Voting Shares will be issued and outstanding. If the Over-Allotment Option is exercised in full, 28,718,191 Subordinate Voting Shares and 23,553,050 Multiple Voting Shares will be issued and outstanding upon completion of the Offering.

Principal Shareholders¹: Upon completion of the Offering, Fairfax Financial Holdings Limited and/or its affiliates ("Fairfax") and IDJ (together with Fairfax, the "Principal Shareholders") will collectively hold 100% of the Company's issued and outstanding Multiple Voting Shares.

After giving effect to the Offering, Fairfax will hold approximately 43.6% of the Company's total issued and outstanding Shares and will hold approximately 56.1% of the voting power attached to all of the Shares (approximately 41.9% and 55.7%, respectively, if the Over-Allotment Option is exercised in full).

After giving effect to the Offering, IDJ in aggregate will hold approximately 19.2% of the Company's total issued and outstanding Shares and will hold approximately 36.8% of the voting power attached to all of the Shares (approximately 18.5% and 36.5%, respectively, if the Over-Allotment Option is exercised in full).

As a result, following Closing the Principal Shareholders will, in the aggregate, have over 90% of the voting power over all corporate actions requiring shareholder approval. All of the Multiple Voting Shares held after the Offering by the Principal Shareholders will be subject to contractual lock-up arrangements with the Underwriters.

Use of Proceeds: The Company expects to use the estimated net proceeds from the Treasury Offering (assuming no exercise of the Over-Allotment Option) as follows: (i) approximately 63% of the net proceeds are expected to be used to repay all of its term debt under the Corporate Credit Facility (which is the Company's principal corporate credit arrangement); (ii) approximately 13% of the net proceeds are expected to be used as short-term funding for scripted productions; (iii) approximately 15% are expected to be used to support the business plans of the scripted and the franchise and brand management teams; (iv) approximately 4% are expected to be used to fund acquisitions of capital assets; and (v) approximately 5% are expected to be used to secure and develop IP, as well as potential future acquisitions and/or strategic investments. However, the Company will retain the discretion to allocate the net proceeds of the Treasury Offering, and reserves the right to change the allocation of the net proceeds from time to time.

¹ Assumes the Offering Price is \$13.00, being the midpoint of the estimated price range set forth on the cover page of the preliminary prospectus.



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**Description of
Share Capital:**

Upon Closing, the Company's authorized share capital will consist of an unlimited number of Multiple Voting Shares, an unlimited number of Subordinate Voting Shares and an unlimited number of preferred shares, issuable in series.

The Subordinate Voting Shares and the Multiple Voting Shares are substantially identical with the exception of the voting and conversion rights attached to the Multiple Voting Shares. Each Subordinate Voting Share is entitled to one vote and each Multiple Voting Share is entitled to up to 10 votes. The number of votes to which a holder of Multiple Voting Shares is entitled to will be determined by whether such holder is a Canadian Person or Non-Canadian Person. In the event such holder is a Non-Canadian Person, such holder will be entitled to a variable number of votes, not less than one and not exceeding 10 (and which may be a fraction) per Multiple Voting Share. In determining the variable number of votes, such holder will have their voting rights per Multiple Voting Share held automatically proportionately reduced if and to the extent necessary to enable the Company to maintain its eligibility and qualification under the Canadian Status Rules. The Multiple Voting Shares are convertible into Subordinate Voting Shares on a one-for-one basis at any time at the option of the holders thereof and automatically in certain other circumstances. The holders of Subordinate Voting Shares benefit from "coat-tail" provisions that give them certain rights in the event of certain take-over bids for the Multiple Voting Shares.

Dividend Policy:

Initially, the Company intends to focus on growth and does not anticipate paying dividends. The amount and timing of the payment of any dividends are subject to the discretion of the Board.



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Lock-up Arrangements:	The Company, the Selling Shareholders, and each security holder of the Company holding, directly or indirectly (together with such security holder's associates and affiliates), securities of the Company outstanding prior to the Closing of the Offering have agreed that without the prior written consent of the Joint Bookrunners, not to be unreasonably withheld, they will not, during the period ending 180 days after the Closing Date: (i) offer, sell, issue, contract to sell, pledge or otherwise dispose of, directly or indirectly, any equity securities of the Company, rights to purchase any equity securities of the Company or any securities convertible into or exercisable or exchangeable for equity securities of the Company; (ii) enter into any swap, hedge or any other agreement that transfers, in whole or in part, the economic consequences of ownership of equity securities of the Company; or (iii) agree or announce any intention to do any of the foregoing, other than the Subordinate Voting Shares subject to the Over-Allotment Option and certain other exceptions. Holders of 100% of the Company's issued and outstanding shares on a non-diluted basis immediately prior to the completion of the Offering will be subject to these Lockup Agreements.
Listing:	The Company has applied to have the Subordinate Voting Shares listed on the Toronto Stock Exchange (the "TSX") under the trading symbol "BRMI". Listing is subject to the approval of the TSX in accordance with its original listing requirements. The TSX has not conditionally approved the listing of the Subordinate Voting Shares and there is no assurance that the TSX will approve the Company's listing application.
Eligibility for Investment:	Eligible for RRSPs, RRIFs, RDSPs, deferred profit sharing plans, RESPs and TFSAs.
Offering Type:	Initial public offering under a long-form base PREP prospectus filed in all provinces and territories of Canada. Private placement in the U.S. to "qualified institutional buyers" pursuant to Rule 144A of the United States Securities Act of 1933, and internationally as permitted by law.
Joint Bookrunners:	RBC Capital Markets and TD Securities Inc.
Underwriting Fee:	6.00%.
Pricing Date:	Expected the week of March 1, 2021.
Closing Date:	Expected the week of March 8, 2021.