Boat Rocker Media Inc.

Interim Condensed Consolidated Financial Statements
(Unaudited)

For the three months ended March 31, 2021 and 2020

(expressed in thousands of Canadian dollars)

Boat Rocker Media Inc.

Interim Consolidated Statements of Financial Position
(Unaudited)

(expressed in thousands of Canadian dollars)

	March 31, 2021	December 31, 2020
Assets	$	$
Current assets		
Cash	132,986	71,754
Accounts receivable	30,175	34,553
Receivable from related parties (note 20)	—	8,446
Production tax credits receivable	49,220	23,294
Prepaid expenses and deposits	5,868	10,371
Total current assets	218,249	148,418
Long-term accounts receivable	3,704	3,857
Long-term production tax credits receivable	57,815	73,270
Investment in content (note 4)	261,204	243,140
Intangible assets	45,855	48,438
Property and equipment	9,880	9,991
Right-of-use assets	26,788	28,352
Investment in equity accounted investees	919	921
Financial assets	7,665	7,741
Fair value of unsettled forward exchange contracts	126	384
Deferred income tax assets	10,710	5,957
Goodwill	92,213	92,943
Total assets	735,128	663,412
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	52,367	51,139
Income taxes payable	1,480	2,643
Current portion of contingent consideration (note 5)	—	1,012
Interim production financing (note 6)	143,420	139,844
Loans and borrowings (note 7)	—	93,595
Convertible debentures (notes 8)	—	47,263
Current portion of lease liabilities	7,688	9,551
Other current financial liabilities (note 9)	4,872	19,546
Current portion of deferred revenue (note 10)	170,220	162,359
Total current liabilities	380,047	526,952
Long-term contingent consideration (note 5)	11,741	11,680
Long-term lease liabilities	22,409	21,992
Other long-term financial liabilities (note 9)	42,295	41,169
Long-term deferred revenue (note 10)	3,071	1,955
Total liabilities	459,563	603,748
Shareholders' Equity		
Equity attributable to owners of Boat Rocker Media Inc.	247,948	31,267
Non-controlling interests	27,617	28,397
Total shareholders' equity	275,565	59,664
Total shareholders' equity and liabilities	735,128	663,412

Commitments and contingencies (note 22)

On Behalf of the Board of Directors

(signed) Ivan Schneeberg" Director (signed) David Fortier" Director

The accompanying notes are an integral part of these interim condensed consolidated financial statements

Boat Rocker Media Inc.

Interim Consolidated Statement of Changes in Equity
(Unaudited)

(expressed in thousands of Canadian dollars)

	Number of shares	Share capital $	Deferred tax on share issuance costs $	Contributed surplus $	Accumulated other comprehensive income (loss) $	Retained earnings (deficit) $	Other equity $	Equity attributable to owners of Boat Rocker Media Inc. $	Non-controlling interests $	Total equity $
December 31, 2019	16,233,833	58,763	—	4,378	37	13,045	(27,829)	48,394	28,012	76,406
Net (loss) income	—	—	—	—	—	(14,896)	—	(14,896)	964	(13,932)
Issuance of common shares	—	19,981	—	—	—	—	—	19,981	—	19,981
Share-based compensation (note 12)	—	—	—	273	—	—	—	273	—	273
Movement in the fair value of financial assets through OCI	—	—	—	—	512	—	—	512	—	512
Dividends distributed to non-controlling interests	—	—	—	—	—	—	—	—	(1,541)	(1,541)
Translation reserves	—	—	—	—	(7,003)	—	—	(7,003)	—	(7,003)
Balance – March 31, 2020	16,233,833	78,744	—	4,651	(6,454)	(1,851)	(27,829)	47,261	27,435	74,696

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Boat Rocker Media Inc.

Interim Consolidated Statement of Changes in Equity
(Unaudited)

(expressed in thousands of Canadian dollars)

	Number of shares	Share capital $	Deferred tax on share issuance costs	Contributed surplus $	Accumulated other comprehensive income (loss) $	Retained earnings (deficit) $	Other equity $	Equity attributable to owners of Boat Rocker Media Inc. $	Non-controlling interests $	Total equity $
December 31, 2020	17,793,483	85,841	—	9,827	(863)	(35,709)	(27,829)	31,267	28,397	59,664
Net (loss) income	—	—	—	—	—	(6,406)	—	(6,406)	1,390	(5,016)
Settlement of related party receivables with return of paid up capital (note 20)	—	—	—	—	—	(8,446)	—	(8,446)	—	(8,446)
Conversion of 2019 convertible debentures (notes 8, 11)	2,130,309	22,006	—	—	—	—	—	22,006	—	22,006
Stock split (note 11)	11,986,152	—	—	—	—	—	—	—	—	—
Initial public offering, net of share issuance costs (note 11)	18,900,000	155,300	3,922	—	—	—	—	159,222	—	159,222
Conversion of 2020 and 2021 convertible debentures (notes 8, 11)	3,984,936	35,865	—	—	—	—	—	35,865	—	35,865
Issuance of shares to settle other liabilities (notes 9, 11)	1,373,535	12,362	—	—	—	—	—	12,362	—	12,362
Share-based compensation (note 12)	—	—	—	2,531	—	—	—	2,531	—	2,531
Movement in the fair value of financial assets through OCI	—	—	—	—	(52)	—	—	(52)	—	(52)
Dividends distributed to non-controlling interests	—	—	—	—	—	—	—	—	(2,170)	(2,170)
Translation reserves	—	—	—	—	(401)	—	—	(401)	—	(401)
Balance – March 31, 2021	56,168,415	311,374	3,922	12,358	(1,316)	(50,561)	(27,829)	247,948	27,617	275,565

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Boat Rocker Media Inc.
Interim Consolidated Statements of Loss
(Unaudited)

(expressed in thousands of Canadian dollars, except per share amounts)

	Three months ended March 31, 2021 $	2020 $
Revenue (note 14)	52,494	42,177
Expenses		
Production, distribution and service costs (note 15)	34,045	25,420
General and administrative costs (note 15)	23,644	19,346
Amortization of property and equipment, right-of-use assets and other intangible assets (note 15)	4,679	4,757
Finance costs, net (note 16)	2,275	2,981
Foreign exchange (gain) loss	(111)	2,667
Other gains and losses (note 17)	(6,885)	2,462
Loss before income taxes	(5,153)	(15,456)
Current income tax expense (note 18)	723	2,437
Deferred income tax recovery (note 18)	(860)	(3,961)
Net loss for the period	(5,016)	(13,932)
Net (loss) income attributable to		
Owners of Boat Rocker Media Inc.	(6,406)	(14,896)
Non-controlling interests	1,390	964
	(5,016)	(13,932)
Loss per share attributable to owners of Boat Rocker Media Inc. (note 13)		
Basic and diluted loss per share (note 13)	(0.20)	(0.60)

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Boat Rocker Media Inc.

Interim Consolidated Statements of Comprehensive Loss
(Unaudited)

(expressed in thousands of Canadian dollars)

	Three months ended March 31,	
	2021	**2020**
	$	**$**
Net loss for the period	(5,016)	(13,932)
Other comprehensive income (loss)		
Items that may be reclassified to loss		
Cumulative translation adjustments on foreign operations	(401)	(7,003)
Items that will not be reclassified to loss		
(Decrease) increase in fair value of financial assets	(52)	512
Other comprehensive loss for the period	(453)	(6,491)
Comprehensive loss for the period	(5,469)	(20,423)
Comprehensive (loss) income attributable to		
Owners of Boat Rocker Media Inc.	(6,859)	(21,387)
Non-controlling interests	1,390	964
	(5,469)	(20,423)

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Boat Rocker Media Inc.

Interim Consolidated Statements of Cash Flows
(Unaudited)

(expressed in thousands of Canadian dollars)

	Three months ended March 31, 2021 $	2020 $
Cash provided by (used in)		
Operating activities		
Net loss	(5,016)	(13,932)
Adjustments for non-cash items:		
Amortization of property and equipment (note 15)	835	783
Amortization of right-of-use assets (note 15)	1,757	1,813
Amortization of investment in content (notes 4,15)	10,840	3,414
Amortization of intangible assets (note 15)	2,087	2,161
Share-based compensation expense (note 12)	2,531	273
Finance costs, net (note 16)	2,275	2,981
Foreign exchange (gain) loss	(111)	2,667
Other gains and losses (note 17)	(6,885)	2,462
Current income tax expense (note 18)	723	2,437
Deferred income tax recovery (note 18)	(860)	(3,961)
Additions to investment in content (note 4)	(31,111)	(69,433)
Cash interest paid	(1,151)	(2,239)
Cash income taxes paid	(1,887)	(1,251)
Change in non-cash balances related to operations (note 19)	3,531	46,385
Cash used in operating activities	(22,442)	(25,440)
Financing activities		
Proceeds from interim production financing (note 19)	14,411	44,683
Repayments of interim production financing (note 19)	(10,038)	(14,309)
Repayments of loans and borrowings (notes 7, 19)	(91,134)	(338)
Proceeds from issuance of convertible debentures (notes 8, 19)	15,000	—
Repayment of lease liabilities (note 19)	(1,931)	(2,288)
Distributions paid to non-controlling interest shareholders	(2,170)	(1,541)
Proceeds from share issuance, net (note 11)	161,694	—
Cash provided by financing activities	85,832	26,207
Investing activities		
Acquisition of property and equipment	(759)	(388)
Dividends received from equity accounted investees	—	1,050
Payment of contingent consideration (note 5)	(1,000)	(333)
Cash (used in) provided by investing activities	(1,759)	329
Foreign exchange on cash held in foreign currency	(399)	2,721
Increase in cash	61,232	3,817
Cash – Beginning of period	71,754	59,268
Cash – End of period	132,986	63,085

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

(expressed in thousands of Canadian dollars, except per share amounts)

1 Corporate information

Boat Rocker Media Inc. (the "Company") is an independent global entertainment company that creates and produces television and film content across many genres, distributes content worldwide, and represents on-screen talent and third-party intellectual property ("IP") owners. The Company was incorporated in and is domiciled in Canada and the address of the Company's registered office is 310 King Street East, Toronto, Ontario M5A 1K6. As at March 31, 2021 and December 31, 2020, the Company's ultimate controlling shareholder is Fairfax Financial Holdings Ltd. ("Fairfax").

In early 2020, the World Health Organization characterized COVID-19 as a global pandemic. Since that time, several preventative measures have been implemented in the countries where the Company operates, including shelter-in-place orders and the closure of the border between Canada and the United States to non-essential travel. The extent to which the COVID-19 pandemic impacts the Company's business operations, financial condition and results of operations will depend on future developments that are highly uncertain and cannot be predicted with any meaningful precision. This may include new information which may emerge concerning the severity of the COVID-19 pandemic and the actions required to continue to contain the COVID-19 virus or remedy its impact, among others. These developments, and others, could have a material adverse effect on the Company's business operations, financial condition, and results of operations. The effect of these developments could be material and could result in, for example, an impairment of goodwill or long-lived assets or a change in the collectability of accounts receivable, among other potential outcomes. The Company is constantly evaluating the situation and monitoring any impacts or potential impacts to its business.

On March 24, 2021, Boat Rocker completed its initial public offering ("IPO"), raising an aggregate of $170,100. The IPO consisted of the issuance of 18,900,000 Subordinate Voting Shares from treasury at $9.00 per share. The Company's Subordinate Voting Shares are listed on the Toronto Stock Exchange (the "TSX") under the symbol BRMI.TO.

2 Basis of preparation and statement of compliance

Basis of presentation

These interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, applicable to the preparation of condensed interim financial statements, including International Accounting Standard ("IAS") 34, *Interim Financial Reporting,* and do not include all of the information required for annual financial statements. These interim condensed consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the years ended December 31, 2020 and 2019, which have been prepared in accordance with IFRS. Changes to the Company's accounting policies from those disclosed in its consolidated financial statements for the years ended December 31, 2020 and 2019 are described in Note 3.

These interim condensed consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency and dollar amounts have been rounded to the nearest thousand, except per share amounts.

Basis of consolidation

The interim condensed consolidated financial statements include the accounts of the Company and all of its controlled subsidiaries. All intercompany balances and transactions have been eliminated on consolidation. Subsidiaries are those entities that the Company controls. Consistent with the film and television industry, the Company utilizes single-purpose entities to manage the costs and funding for its content production projects. For accounting purposes, control is established by the Company when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are de-consolidated from the date that control ceases. Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of the acquisition. Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

These interim condensed consolidated financial statements were authorized for issue by the Board of Directors on May 13, 2021.

3 Summary of significant accounting policies

Use of estimates and judgments

The preparation of these unaudited interim condensed consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosure of contingent liabilities and the reported amounts of revenue and expenses. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Although management believes the assumptions and estimates made in the past have been reasonable and appropriate, they are based in part on historical experience and information obtained from the management of the acquired companies and are inherently uncertain.

The significant estimates and judgments made by management in applying the Company's accounting policies and key sources of estimation uncertainty are the same as those described in the Company's consolidated financial statements for the years ended December 31, 2020 and 2019.

Recently adopted accounting pronouncements

- Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16), effective January 1, 2021

  The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

  - A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
  - Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
  - Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

(expressed in thousands of Canadian dollars, except per share amounts)

These amendments had no impact on the interim condensed consolidated financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

- COVID-19-related Rent Concessions beyond 30 June 2022 (Amendment to IFRS 16)
  On March 31, 2021 the IASB issued an amendment to IFRS 16 Leases to extend by one year the optional practical expedient for lessees so that rent concessions received as a direct consequence of the COVID-19 pandemic do not have to be accounted for as lease modifications under IFRS 16 for affected lease payments due on or before June 30, 2022. Retrospective early adoption of these amendments on March 31, 2021 did not have a significant impact on the company's consolidated financial statements.

New accounting pronouncements issued but not yet effective

The IASB issued the following amendments in 2021 and 2020 which the Company does not expect to adopt in advance of their respective effective dates: Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37), Reference to the Conceptual Framework (Amendments to IFRS 3) and Annual Improvements to IFRS Standards 2018–2020, effective January 1, 2022; and Classification of Liabilities as Current or Non-current (Amendments to IAS 1), Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) and Definition of Accounting Estimates (Amendments to IAS 8) effective January 1, 2023. The Company is currently evaluating the expected impact of these pronouncements on its consolidated financial statements.

(expressed in thousands of Canadian dollars, except per share amounts)

4 Investment in content

	Development	In production	Delivered	Acquired content	Total
	$	$	$	$	$
Cost					
December 31, 2020	12,481	197,117	320,062	27,131	556,791
Additions	1,983	30,029	—	249	32,261
Reclassification	—	(8,445)	8,445	—	—
Foreign exchange	(73)	(1,999)	(316)	(326)	(2,714)
March 31, 2021	14,391	216,702	328,191	27,054	586,338
Accumulated depreciation					
December 31, 2020	2,232	—	295,505	15,914	313,651
Amortization	1,150	—	9,941	899	11,990
Foreign exchange	—	—	(228)	(279)	(507)
March 31, 2021	3,382	—	305,218	16,534	325,134
Net book value					
December 31, 2020	10,249	197,117	24,557	11,217	243,140
March 31, 2021	11,009	216,702	22,973	10,520	261,204

The amount of interest capitalized during the three months ended March 31, 2021 and included in delivered content is $45 (year ended December 31, 2020 – $428). The interest capitalized during the three months ended March 31, 2021 and included in content in production is $780 (year ended December 31, 2020 – $2,449). The Company has revised the classification of certain balances as at December 31, 2020.

The Company expects $212,792 of the net book value of its investments in content to be amortized during the year ending December 31, 2021, $5,438 in 2022, $4,176 in 2023, $3,282 in 2024 and $2,597 in 2025.

(expressed in thousands of Canadian dollars, except per share amounts)

5 Contingent consideration

The Company has liabilities relating to contingent consideration that arose as part of its business combinations. The following table summarizes the movements in contingent consideration for the three months ended March 31, 2021:

	March 31, 2021
	$
Opening balance	12,692
Change in fair value of contingent consideration:	
Reversal of unearned contingent consideration	(12)
Other changes in fair value of contingent consideration	139
Total change in fair value of contingent consideration:	127
Cash payments	(1,000)
Foreign exchange gain	(78)
Ending balance	11,741
Less: Current portion	—
Non-current portion	11,741

Contingent consideration is initially recognized at estimated fair value, which may be different from the settlement amount. The difference between the carrying values at initial recognition and the amounts to be paid at settlement dates is recognized in the consolidated statement of loss over the term of the liability as a change in fair value using the effective interest rate method. At each reporting date, the Company reassesses the estimated fair value of contingent consideration and changes in the fair value is recognized in other gains and losses in the consolidated statement of loss.

(expressed in thousands of Canadian dollars, except per share amounts)

6 Interim production financing

	March 31, 2021 $	December 31, 2020 $
Interim production financing from Aver Media Finance, a division of Bank of Montreal, with interest at prime plus 0.50%, secured by production tax credits, specified production financing contracts and a general security agreement	38,499	37,435
Interim production financing from Royal Bank of Canada, with interest at prime plus 0.50%, secured by production tax credits, specified production financing contracts and a general security agreement	16,824	13,514
Interim production financing from JP Morgan Chase Bank, with interest at LIBOR plus 2.75%, secured by production tax credits, specified production financing contracts and a general security agreement	88,097	88,895
	143,420	139,844

Interim production financing is drawn by the Company in order to bridge the timing differences between the receipt of licence fees, distribution advances, government assistance and production tax credits and the funding of production costs. On collection of amounts owing, interim production financing is repaid by the Company.

These liabilities are secured by federal, provincial and state film and television tax credits and licensing and production services agreements. The liabilities are presented as current in the Company's interim consolidated statement of financial position as they are repayable upon demand by the lender while the collateral is presented based on the Company's expected time of receipt of cash which can range from 6 months to 3 years.

(expressed in thousands of Canadian dollars, except per share amounts)

7 Loans and borrowings

	March 31, 2021	December 31, 2020
	$	$
Demand loan payable to Bank of Montreal – Canadian dollar (prime+ 3.0%) (Facility 2)	—	20,484
Demand loan payable to Bank of Montreal – US dollar (LIBOR+4.0%) (Facilities 5 & 7)	—	61,280
Demand loan payable to Bank of Montreal – Canadian dollar (prime+ 3.0%) (Facility 8)	—	12,040
Loan payable to Royal Bank of Canada	—	105
Total before loan fees	—	93,909
Loan fees, net of amortization	—	(314)
	—	93,595
Less: Current portion	—	(93,595)
Long-term portion	—	187,190

Subsequent to the completion of the IPO on March 24, 2021, the Company repaid all outstanding loans to the Bank of Montreal and the Royal Bank of Canada and recorded a gain on settlement of loans and borrowings of $2,334 in the consolidated statement of loss. Refer to the Company's audited consolidated financial statements for the years ended December 31, 2020 and 2019 for a description of the facilities that were repaid. The Company's remaining facilities as at March 31, 2021 consist of a $5,000 demand revolver, a US$2,000 demand revolver, a $3,500 treasury risk management facility and a $300 credit card facility.

8 Convertible debentures

	March 31, 2021	December 31, 2020
	$	$
Opening balance	47,263	18,618
Proceeds	15,000	25,000
Change in fair value	(4,382)	1,380
Share settlement	(57,871)	—
Accrued interest	—	2,708
Foreign exchange gain	(10)	(443)
Ending balance	—	47,263

(expressed in thousands of Canadian dollars, except per share amounts)

Convertible debentures issued in 2019

On January 1, 2021, Fairfax exercised the conversion option relating to convertible debentures issued in 2019 and the total outstanding debenture balance of $22,016 was converted into 2,130,309 Series A non-voting common shares (note 11), resulting in the recognition of $22,006 of share capital and a $10 foreign exchange gain. Please refer to the Company's consolidated financial statements for the year ended December 31, 2020 for further details of the convertible debentures issued in 2019.

Convertible debentures issued in 2020 and 2021

On December 1, 2020, the Company issued another secured, subordinated convertible debenture for $25,000 to United State Fire Insurance Company, a subsidiary of Fairfax. The debenture bore interest at 8% per annum and was designated at FVTPL. As of December 31, 2020, the carrying value of the debenture was $25,247, including accrued interest of $247. On February 1, 2021, the Company issued a further secured, subordinated convertible debenture for $15,000 to the United States Fire Insurance Company under the same terms as the previous amount.

On March 24, 2021, immediately prior to the Company's IPO, Fairfax exercised the conversion option and the total outstanding debenture balance of $40,787, which included accrued but unpaid interest thereon, was converted into shares, resulting in the issuance of 3,984,936 Subordinate Voting Shares. Share capital of $35,865 and a gain from the change in the fair value of convertible debt of $4,382 for the period ended March 31, 2021, including accrued interest of $540.

9 Other financial liabilities

	March 31, 2021	December 31, 2020
	$	$
Put Option for 30% of non-controlling interest of Insight	4,872	4,744
Put Option for 49% of non-controlling interest of Untitled	35,319	34,204
Provision to repay investment, Platform One Acquisition	6,976	6,965
Provision for right to be issued shares, Matador acquisition	—	14,802
Total	47,167	60,715
Less: Current portion	(4,872)	(19,546)
Non-current portion	42,295	41,169

The movement in the three months ended March 31, 2021 is attributable to changes in the fair value, foreign exchange impacts, and the settlement of liabilities. The most significant change in the period relates to the settlement of the provision for the right to be issued shares to the sellers of Matador included in other financial liabilities. $12,362 of share capital was issued to settle the liability for which the estimated fair value was revalued prior to settlement with the change in fair value of $2,430 recognized within other gains and losses in the interim consolidated statement of loss. During the three months ended March 31, 2021, the Company recorded a total net gain of $564 (2020- loss of $1,609) related to the change in fair value of other liabilities on the interim consolidated statement of loss.

(expressed in thousands of Canadian dollars, except per share amounts)

10 Deferred revenue

	March 31, 2021	December 31, 2020
	$	$
Production contracts revenue	163,335	149,344
Service contracts revenue	7,884	13,509
Merchandising contracts revenue	2,072	1,461
Total	173,291	164,314
Less: Current portion	(170,220)	(162,359)
Non-current portion	3,071	1,955

During the three months ended March 31, 2021, the Company entered into several new production and service contracts for the creation of new program content for which payments were received and production services were not complete as at March 31, 2021. One of these programs is expected to deliver later in 2022 and has therefore been classified as non-current. All other programs are expected to be complete and delivered by March 31, 2022.

(expressed in thousands of Canadian dollars, except per share amounts)

11 Share capital

	Authorized	**Outstanding March 31, 2021**	**Share capital $**
Multiple Voting Shares	Unlimited	23,553,050	26,791
Subordinate Voting Shares	Unlimited	32,615,365	284,583
		56,168,415	311,374
Preferred shares	Unlimited	—	—
Total	Unlimited	56,168,415	311,374

	Authorized	**Outstanding December 31, 2020**	**Share capital $**
Voting common shares	Unlimited	14,705,951	
Series A non-voting common shares	Unlimited	686,091	
Series B non-voting common shares	Unlimited	498,815	
Series C non-voting common shares	Unlimited	—	
Series D non-voting common shares	Unlimited	418,739	
		16,309,596	59,783
Class C preferred shares	Unlimited	1,483,887	26,058
Total	Unlimited	17,793,483	85,841

On January 1, 2021, Fairfax exercised the conversion option on the 2019 convertible debentures and converted the total debenture balance of $22,016 into 2,130,309 Series A non-voting common shares. The shares were converted at $10.33 per share, resulting in the recognition of $22,006 of share capital and a $10 foreign exchange gain.

On February 26, 2021, the Company's authorized share capital was amended to create an unlimited number of Multiple Voting Shares, Subordinate Voting Shares and preferred shares.

On March 19, 2021, the Company filed a final prospectus and on March 24, 2021, the Company completed its IPO, raising gross proceeds of $170,100 with the issuance of 18,900,000 Subordinate Voting Shares from treasury at $9.00 per share. The Company incurred $14,800 of share issuance costs, of which $5,581 was recorded in prepaid expenses in 2020 (subsequently re-classed to share capital) and $8,406 were underwriting fees that were settled directly from the gross proceeds. These amounts have been recorded as a reduction to share capital.

(expressed in thousands of Canadian dollars, except per share amounts)

In connection with, and immediately prior to, the closing of the IPO on March 24, 2021, the following pre-closing capital changes were implemented:

- the issued and outstanding share capital was split on a 1.6016:1.0000 basis;
- all of the issued and outstanding voting common shares were exchanged into Multiple Voting Shares based on an exchange ratio of 1:1. Multiple Voting Shares have voting rights on a 10:1 basis;
- all of the issued and outstanding non-voting common shares and preferred shares were exchanged into voting common shares based on an exchange ratio of 1:1 and then such voting common shares were exchanged into Subordinate Voting Shares based on an exchange ratio of 1:1. Subordinate Voting Shares have voting rights on a 1:1 basis;
- the secured, subordinated convertible debentures issued to the United States Fire Insurance Company on December 1, 2020 for $25,000 and on February 1, 2021, for $15,000, including any accrued but unpaid interest thereon, were converted into 3,984,936 Subordinate Voting Shares immediately prior to the closing of the IPO, resulting in the recognition $35,865 of share capital; and
- an aggregate of 1,373,535 Subordinate Voting Shares were issued to certain of the former owners of Matador Content and to certain other Matador Content employees in settlement of the provision for the right to be issued shares included in other financial liabilities and $12,362 of share capital was recognized.

The movement of the share transactions described above is summarized in the following table:

Shares	**December 31, 2020**	**Conversion of 2019 convertible debenture**	**Stock split**	**Common shares exchanged to MVS or SVS**	**Conversion of 2020 and 2021 convertible debentures**	**Settlement of Matador other liabilities**	**Treasury issuance on IPO**	**March 31, 2021**
Voting common	14,705,951	—	8,847,100	(23,553,051)	—	—	—	—
Series A non-voting common	686,091	2,130,309	1,694,345	(4,510,745)	—	—	—	—
Series B non-voting common	498,815	—	300,087	(798,902)	—	—	—	—
Series C non-voting common	—	—	—	—	—	—	—	—
Series D non-voting common	418,739	—	251,914	(670,653)	—	—	—	—
Class C preferred	1,483,887	—	892,706	(2,376,593)	—	—	—	—
Subtotal	17,793,483	2,130,309	11,986,152	(31,909,944)	—	—	—	—
Multiple Voting (MVS)	—	—	—	23,553,050	—	—	—	23,553,050
Subordinate Voting (SVS)	—	—	—	8,356,894	3,984,936	1,373,535	18,900,000	32,615,365
Total	17,793,483	2,130,309	11,986,152	—	3,984,936	1,373,535	18,900,000	56,168,415

(expressed in thousands of Canadian dollars, except per share amounts)

12 Share-based payments

Stock options

In January 2016, the Company authorized a share-based payment arrangement ("Legacy Plan")that allows the Company to grant stock options to certain employees, officers and directors. The plan reserves for issuance of up to 7.5% of the number of shares in the capital of the Company to be issued and outstanding. The participants in the plan may elect to receive cash equal to the difference between the grant date fair value and the exercise price. However, the Board of Directors has the right to reject such election and the company has not historically settled the options in cash. On March 24, 2021, upon the completion of the IPO, stock options to acquire up to 2,052,220 Subordinate Voting Shares (on a pre-share capital split basis 1,281,355 stock options) issued prior to the IPO became fully vested and exercisable and will expire in accordance with their original term of 10 years from the date of grant. During the three months ended March 31, 2021, no stock options were granted (222,500 stock options were granted under the Legacy Plan during three months ended March 31, 2020). No options were forfeited during the three months ended March 31, 2021 and 2020.

Stock option transactions for the three months ended March 31, 2021 were as follows:

	Number of shares under option	**Weighted average exercise price per option**
		$
Balance – December 31, 2020	1,281,355	12.21
Effect of share split	770,865	(4.59)
Balance – March 31, 2021	2,052,220	7.62

As at March 31, 2021, 2,052,220 options were vested and exercisable (December 31, 2020 – 149,928).

(expressed in thousands of Canadian dollars, except per share amounts)

Weighted average number of options outstanding

As at March 31, 2021, the weighted average number of options outstanding and their remaining contractual life is as follows:

Exercise price $	Number outstanding – March 31, 2021	Weighted average remaining contractual life (years)
3.08	400,168	4.75
5.76	244,244	5.75
5.93	160,160	6.25
7.49	288,289	7.20
9.99	32,032	7.50
10.06	619,018	8.50
10.61	128,128	7.75
11.01	180,181	7.84
	2,052,220	

The fair value of the stock options is recognized on a graded vesting basis over the vesting periods of the options. For the three months ended March 31, 2021, the Company recognized share-based compensation expense of $2,531 (2020 – $273) in general and administrative costs.

The calculation of the fair value of options granted during the three months ended March 31, 2020, includes an adjustment to reflect the 1.6016:1.0000 stock split discussed in note 11. The calculation for the three months ended March 31, 2021 used the Black-Scholes option pricing model with the following weighted average assumptions:

	Options granted
Fair value of options at grant date	$6.34
Share price at grant date	$10.06
Exercise price	$10.06
Risk-free interest rate	5.95%
Volatility factor of the expected market price of the Company’s shares	50%
Expected option life	10 years

Restricted share units

In January 2018, the Company authorized a restricted share unit ("RSU") plan ("Legacy RSU Plan") that allowed the Company to grant RSUs to certain employees, officers and directors. During 2018, the Company awarded 313,800 units, with a fair value of $9.50 per share, on a pre-share split basis, which were vested on the grant date.

(expressed in thousands of Canadian dollars, except per share amounts)

RSU transactions for the three months ended March 31, 2021 were as follows:

	Number of RSUs	Weighted average grant date fair value
		$
Balance – December 31, 2020	313,800	9.50
Effect of share split	188,782	(3.57)
Balance – March 31, 2021	502,582	5.93

13 Loss per share

The following table reconciles the numerators and denominators of the basic and diluted loss per share computation. No diluted loss per share has been calculated for the three months ended March 31, 2021 and 2020 as the effect would be anti-dilutive. Basic loss per share calculation is as follows:

	Three months ended March 31, 2021	2020
Numerator for basic loss per share – net loss attributable to owners	$ (6,406)	$ (14,896)
Denominator for basic loss per share – weighted average common shares	31,604,969	25,022,606
Basic loss per share	$ (0.20)	$ (0.60)

For the three months ended March 31, 2021 and 2020, as a result of the consolidated net losses recognized, dilutive earnings per share was calculated using the basic weighted average shares outstanding as the effect of potential common shares would have been anti-dilutive. Had there been net earnings, dilutive stock awards for options and RSUs would have been calculated as an additional 454,041 shares and 171,348 shares (2020 - 337,983 shares and 128,753 shares), respectively.

(expressed in thousands of Canadian dollars, except per share amounts)

14 Revenue

Disaggregation of revenue from contracts with customers

	Three months ended March 31, 2021			
	Television	**Kids and Family**	**Representation**	**Total**
	$	**$**	**$**	**$**
Production revenue	12,632	—	—	12,632
Distribution revenue	3,427	2,238	—	5,665
Service revenue	14,495	10,229	—	24,724
Representation revenue	—	—	9,473	9,473
	30,554	12,467	9,473	52,494
Timing of revenue recognition				
At a point in time	16,059	2,238	86	18,383
Over time	14,495	10,229	9,387	34,111
	30,554	12,467	9,473	52,494

	Three months ended March 31, 2020			
	Television	**Kids and Family**	**Representation**	**Total**
	$	**$**	**$**	**$**
Production revenue	3,137	—	—	3,137
Distribution revenue	4,354	2,720	—	7,074
Service revenue	15,049	7,953	—	23,002
Representation revenue	—	—	8,964	8,964
	22,540	10,673	8,964	42,177
Timing of revenue recognition				
At a point in time	7,491	2,720	56	10,267
Over time	15,049	7,953	8,908	31,910
	22,540	10,673	8,964	42,177

(expressed in thousands of Canadian dollars, except per share amounts)

15 Expenses by nature

	Three months ended March 31,	
	2021	**2020**
	$	**$**
Amortization of investment in content	10,128	2,644
Amortization of acquired program intangibles	712	770
Distribution costs	625	103
Participation costs	2,007	3,101
Service costs	19,339	18,027
Development costs	1,234	775
Production, distribution and service costs	34,045	25,420
Salaries and employee benefits	19,624	15,481
Overhead costs	4,020	3,865
General and administrative costs	23,644	19,346
Amortization of property and equipment	835	783
Amortization of right-of-use assets	1,757	1,813
Amortization of other intangible assets	2,087	2,161
Amortization of property and equipment, right-of-use assets and other intangible assets	4,679	4,757

16 Finance costs, net

	Three months ended March 31,	
	2021	**2020**
	$	**$**
Interest income	(34)	(151)
Interest expense	1,842	2,713
Accretion expense – leases	467	419
	2,275	2,981

(expressed in thousands of Canadian dollars, except per share amounts)

17 Other gains and losses

	Three months ended March 31,	
	2021	**2020**
	$	**$**
Gain on settlement of loans and borrowings (note 7)	(2,334)	—
Share of equity investee income	2	—
Change in fair value of convertible debt (note 8)	(4,382)	—
Change in fair value of financial assets	266	54
Change in fair value of other financial liabilities (note 9)	(564)	1,609
Change in fair value of contingent consideration (note 5)	127	799
	(6,885)	2,462

18 Income taxes

	Three months ended March 31,	
	2021	**2020**
	$	**$**
Current income tax expense	723	2,437
Deferred income tax recovery	(860)	(3,961)
Income tax recovery	(137)	(1,524)

The provision for income tax differs from the amount that would have resulted by applying the combined federal and Ontario statutory income tax rate of 26.5%. The income tax in each period reflects the mix of taxing jurisdictions in which pre-tax income and losses were recognized. For the three months ended March 31, 2021, the effective tax rate was 2.66% (three months ended March 31, 2020 - 9.86%).

Items impacting the effective rate include non-deductible items such as share-based compensation expense, the different statutory rates in the taxing jurisdictions, and the continued derecognition of certain deferred tax assets as discussed below.

In assessing the value of deferred tax assets, the Company's management considers if it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. Available evidence considered by the Company includes, but is not limited to, the Company's historic operating results and projected future operating results which take into account changing business and market circumstances. As at March 31, 2021, the Company has determined that the realization of certain deferred tax assets related to its U.S. operations is uncertain and as a result has not recognized deferred tax assets of $18,263 (December 31, 2020 - $16,658).

Deferred income tax liabilities have not been recognized for the withholding tax and other taxes on the unremitted earnings of certain subsidiaries as these amounts will not be distributed in the foreseeable future.

(expressed in thousands of Canadian dollars, except per share amounts)

19 Supplementary cash flow information

	Three months ended March 31,	
	2021	**2020**
	$	**$**
Decrease (increase) in accounts receivable	4,415	(7,010)
Increase in long-term accounts receivable	—	153
Decrease (increase) in tax credit receivables	(10,870)	3,778
Decrease in related party receivable	—	211
Increase in prepaid expenses and deposits	(1,114)	(2,192)
Increase in accounts payable and accrued liabilities, excluding participation accruals	1,839	840
(Decrease) increase in participation accruals	(1,203)	1,270
Decrease in income taxes payable	(12)	(1,095)
Increase in deferred revenue	10,476	50,430
	3,531	46,385

The following table summarizes the change in the Company's liabilities arising from financing activities for the three months ended March 31, 2021 :

	Lease liabilities	Loans and borrowings	Convertible debt	Interim production financing
	$	**$**	**$**	**$**
December 31, 2020	31,543	93,595	47,263	139,844
Additions	193	—	—	—
Payments	(1,931)	(91,134)	—	(10,038)
Proceeds	—	—	15,000	14,411
Shares issuance	—	—	(57,871)	—
Change in fair value	—	—	(4,382)	—
Gain on settlement of loans and borrowings	—	(2,334)	—	—
Accretion	467	—	—	—
Foreign exchange gain	(175)	(127)	(10)	(797)
March 31, 2021	30,097	—	—	143,420

(expressed in thousands of Canadian dollars, except per share amounts)

20 Related party transactions

Controlling shareholder

On March 31, 2021 and December 31, 2020, Fairfax was the Company's ultimate controlling shareholder. Fairfax's holdings are held by several intermediary entities, none of which holds a controlling position.

Please refer to the Company's consolidated financial statements for the year ended December 31, 2020 for a list of the Company's principal subsidiaries which remains unchanged at March 31, 2021.

Production company subsidiaries

In the normal course of business, the Company incorporates a single purpose entity for each season of each series of content through which it manages the costs of production and financing for that project. Once the production managed in each production company is completed and all of the related financing and production tax credits have been fully collected, the production company is amalgamated. As at March 31, 2021, the Company has 136 (December 31, 2020 – 148) production companies that have been included in the Company's consolidated results.

Two production companies, Ollie's Edible Adventures Canada Inc. and Ollie's Edible Adventures II Canada Inc., are 50% owned by the Company. As the Company exerts control over these entities, they are consolidated.

Receivables from related parties

On January 1, 2021, a related party receivable of $8,446 was extinguished by returning the amount as paid-up capital to the shareholders, resulting in a charge to retained earnings of $8,446. As at March 31, 2021, receivables from related parties include $nil (December 31, 2020 – $8,446) in respect of amounts owed by shareholders, directors, and officers.

Convertible debentures issued to a related party

On December 1, 2020, the Company issued a secured, subordinated convertible debenture for $25,000 to United State Fire Insurance Company, followed by a further $15,000 convertible debenture on February 1, 2021 On March 24, 2021, Fairfax exercised the conversion option and the total outstanding debenture balance was converted into shares, resulting in the issuance of 3,984,936 Subordinate Voting Share. Share capital of $35,865 and a gain on change in fair value of $4,382 was included in other gains and losses was recorded on the date of conversion.

(expressed in thousands of Canadian dollars, except per share amounts)

21 Financial instruments

Categories of financial instruments

As at March 31, 2021 and December 31, 2020, the Company's financial instruments consisted of the following:

	March 31, 2021	**December 31, 2020**
	$	**$**
Financial assets		
Measured at amortized cost		
Trade and other receivables	33,879	38,410
Measured at FVTPL		
Cash	132,986	71,754
Financial assets – investments	3,000	3,282
Measured at FVOCI		
Financial assets – investments	4,791	4,843
Financial liabilities		
Measured at amortized cost		
Trade and other payables	52,367	51,139
Interim production financing (note 6)	143,420	139,844
Loans and borrowings (note 7)	—	93,595
Convertible debt (note 8)	—	22,016
Measured at FVTPL		
Other financial liabilities (note 9)	47,167	60,715
Convertible debt (note 8)	—	25,247
Contingent consideration (note 5)	11,741	12,692

Fair values

Financial instruments recorded at fair value on the consolidated statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – valuation based on quoted prices observed in active markets for identical assets and liabilities;
- Level 2 – valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument, and inputs that are derived principally from or corroborated by observable market data by correlation or other means; and
- Level 3 – valuation techniques with significant unobservable market inputs.

A financial instrument is classified to the lowest of the hierarchy for which a significant input has been considered in measuring fair value.

(expressed in thousands of Canadian dollars, except per share amounts)

Fair value estimates are made at a specific point in time based on relevant market information. These are estimates and involve uncertainties and matters of significant judgment and cannot be determined with precision. Change in assumptions and estimates could significantly affect fair values.

The following table summarizes financial assets and liabilities measured at fair value and included in the unaudited interim consolidated statements of financial position and the level of inputs used to determine those fair values in the context of the hierarchy as defined above:

			March 31, 2021
	Level 1	**Level 2**	**Level 3**
	$	**$**	**$**
Financial assets			
Cash	132,986	—	—
Fair value of unsettled forward exchange contracts	—	126	—
Other financial assets	—	—	7,665
	132,986	126	7,665
Financial liabilities			
Contingent consideration	—	—	11,741
Convertible debt	—	—	—
Other financial liabilities	—	—	47,167
	—	—	58,908

The following table summarizes the changes in Level 3 financial instruments for the three months ended March 31, 2021:

	Other financial assets	**Other financial liabilities**
	$	**$**
Opening balance - January 1, 2021	8,125	(60,715)
Settlement through share issuance	—	12,362
Change in fair value through net loss	(282)	622
Change in fair value through OCI	(52)	564
Closing balance - March 31, 2021	7,791	(47,167)

The Company’s accounts receivable, accounts payable and accrued liabilities, interim production financing, loans and borrowings and lease liabilities are carried at amortized cost, which approximates fair value.

(expressed in thousands of Canadian dollars, except per share amounts)

The following table summarizes the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements:

Financial instruments	Fair value	Unobservable inputs	Range of inputs	Impacts of inputs
	$		$	
Other financial assets				
Investment in Bustle Digital Group.	2,481	Private raise share price	5.70 per share	A 10% change in share price would increase/ decrease fair value by $248
Investment in Marco Polo Learning, Inc.	1,933	Private raise share price	8.97 per share	A 10% change in share price would increase/ decrease fair value by $193
Investment in Serial Box Publishing LLC	2,151	Private raise share price	2.35 per share	A 10% change in share price would increase/ decrease fair value by $215
Investment in Creative Lab LP	724	Private raise share price	1.93 per share	A 10% change in share price would increase/ decrease fair value by $72
Other financial liabilities				
Untitled put option	35,319	Growth rate	13.8 %	A change in growth rate by 100 basis points would increase/decrease fair value by $1,547

The following table summarizes the fair value and carrying value of other financial assets and financial liabilities that are not recognized at fair value on a recurring basis in the consolidated statement of financial position:

	March 31, 2021		December 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
	$	$	$	$
Interim production financing (note 6)	143,420	143,420	139,844	139,844
Loans and borrowings (note 7)	—	—	93,595	91,094
Convertible debentures (note 8)	—	—	47,263	47,263

Fair values for the above are determined using level two fair value hierarchy inputs.

(expressed in thousands of Canadian dollars, except per share amounts)

Maturity analysis for financial liabilities

The following table summarizes the expected timing of the undiscounted future cash flows required to settle the Company's financial liabilities:

					March 31, 2021
	Less than 1 year	**1 to 3 years**	**4 to 5 years**	**After 5 years**	**Total**
	$	$	$	$	$
Accounts payable and accrued liabilities	50,091	2,276	—	—	52,367
Interim production financing (note 6)	66,068	78,722	—	—	144,790
Contingent consideration (note 5)	—	6,369	6,166	—	12,535
Lease liabilities	5,577	13,102	8,706	8,243	35,628
Other financial liabilities (note 9)	4,872	7,324	35,319	—	47,515
	126,608	107,793	50,191	8,243	292,835

22 Commitments and contingencies

The Company enters into contracts with third-party producers whereby it commits to funding the production of content through a distribution advance that may be payable in instalments over the production term contingent on completion of certain milestones.

Future payments related to these commitments as at March 31, 2021 are as follows:

	$
Remainder of 2021	1,936
2022	414
	2,350

A subsidiary of the Company, Insight Productions Ltd., has been served with a class action lawsuit regarding allegations of non-compliance with Ontario’s Employment Standard Act. The suit is seeking $35,000 in damages. The Company believes that the suit is without merit and it has valid defenses. As a result, and given that the plaintiff has not filed any certification materials, the Company cannot estimate any potential liability in regard to this action. As such, no provision relating to this matter has been recorded at March 31, 2021.

From time to time, the Company may be subject to contingencies. Management believes that the level of insurance purchased adequately covers such contingencies that may arise and as such they are not expected to have any impact on financial results.

(expressed in thousands of Canadian dollars, except per share amounts)

23 Capital disclosures

The Company’s objectives when managing capital are to provide an adequate return to shareholders, safeguard its assets, maintain a competitive cost structure and continue as a going concern in order to pursue the development, production, distribution and licensing of its content. As at March 31, 2021, cash includes $48,987 (December 31, 2020 - $39,592) of cash that is required for the funding of productions in progress and is not available for other uses. The Company does not consider interim production financing to be part of its capital management programs as these loans are specific to individual productions and are repaid by funds earmarked to the individual productions such as production tax credits and other forms of support. The Company has not declared or paid dividends during the three months ended March 31, 2021. The balance of the Company’s cash is being used to maximize ongoing development and growth effort.

	March 31, 2021	**December 31, 2020**
	$	**$**
Cash	132,986	71,754
Total loans and borrowings	—	(93,595)
Net capital	132,986	(21,841)
Total capital and reserves attributable to owners	247,948	31,267

To facilitate the management of its capital structure, the Company prepares annual expenditure operating budgets that are updated as necessary depending on various factors including industry conditions and operating cash flows. The annual and updated budgets are reviewed by the Board of Directors.

24 Segment information

The Company determined its reportable segments based on the nature of their operations and the way in which information is reported and used by the Company's chief operating decision makers (CODM), being the Chief Executive Officer and the President, Boat Rocker Studios.

The Company has three reportable segments: i) Television, ii) Kids and Family, and iii) Representation.

The Television segment operates under the following brands: Temple Street, Proper Productions (Proper), Insight Productions, Matador Content and Platform One. This segment earns revenue from the creation and distribution of scripted and unscripted television content.

The Kids and Family segment includes the Company’s Kids and Family studio, the catalog of content acquired from Fremantle Media’s Kids and Family business unit, and the Jam Filled Entertainment animation studio. This segment earns revenue from the creation and distribution of primarily scripted television content aimed at the kids and family demographic.

The Representation segment includes brand and management services provided to talent and IP representation and licensing sales services to IP owners for which it earns a pre-negotiated commission from its clients. These activities are driven by Untitled Entertainment’s management group.

(expressed in thousands of Canadian dollars, except per share amounts)

Corporate and Shared Services is a cost center that recognizes direct and indirect expenses, including Toronto head office charges such as rent and facilities, and costs associated with shared departments and corporate functions.

The Company measures segment performance based on revenues reported in accordance with IFRS and segment profit and loss. Segment profit is a non-IFRS measure and is defined as segment gross revenues less segment direct and indirect expenses. Segment profit excludes corporate shared services direct and indirect expenses, share-based compensation, and purchase accounting and related adjustments.

	Three months ended March 31, 2021				
	Television	**Kids and Family**	**Representation**	**Corporate**	**Total**
	$	**$**	**$**	**$**	**$**
Revenue	30,554	12,467	9,473	—	52,494
Expenses					
Production, distribution and service costs	24,481	9,430	134	—	34,045
General and administrative costs	7,708	2,633	5,468	7,835	23,644
	(1,635)	404	3,871	(7,835)	(5,195)
Amortization of property and equipment, right-of-use assets and intangible assets (note 15)					4,679
Finance costs, net (note 16)					2,275
Foreign exchange gain					(111)
Other gains and losses (note 17)					(6,885)
Loss before income taxes					(5,153)
Current income tax expense (note 18)					723
Deferred income tax recovery (note 18)					(860)
Net loss for the period					(5,016)

(expressed in thousands of Canadian dollars, except per share amounts)

	Three months ended March 31, 2020				
	Television	**Kids and Family**	**Representation**	**Corporate**	**Total**
	$	**$**	**$**	**$**	**$**
Revenue	22,540	10,673	8,964	—	42,177
Expenses					
Production, distribution and service costs	18,360	6,941	119	—	25,420
General and administrative costs	7,302	2,113	5,466	4,465	19,346
	(3,122)	1,619	3,379	(4,465)	(2,589)
Amortization of property and equipment, right-of-use assets and intangible assets (note 15)					4,757
Finance costs, net (note 16)					2,981
Foreign exchange gain					2,667
Other gains and losses (note 17)					2,462
Loss before income taxes					(15,456)
Current income tax expense (note 18)					2,437
Deferred income tax recovery (note 18)					(3,961)
Net loss for the period					(13,932)

Revenue by geographic region

Revenue by geographic region, based on the location of customers is as follows:

	Three months ended March 31,	
	2021	**2020**
	$	**$**
Revenue by geographic region:		
Canada	13,631	4,586
United States	34,211	30,740
United Kingdom	4,128	6,457
Other	524	394
	52,494	**42,177**

No other foreign country individually comprises greater than 10% of total revenue.

Based on the nature of the company's production, distribution and service revenue and the large dollar value of certain transactions, it is not unusual that one or more customers in any reporting period may represent greater than 10% of the company's total revenue for that period. During the three months ended March 31, 2021, two customers accounted for 23% of total revenue (2020 - two customers accounted for 37% of total revenue).

(expressed in thousands of Canadian dollars, except per share amounts)

Non-current assets by geographic region are as follows:

	March 31, 2021	**December 31, 2020**
	$	**$**
Non-current assets by geographic region:		
Canada	500,117	509,381
United States	16,055	13,686
Other	707	645
	516,879	523,712