

This news release was issued by Blue Ant Media Inc. in connection with its proposed reverse take-over of a portion of the business of Boat Rocker Media Inc. There can be no assurance that the business combination will be completed or that the resulting company will perform as indicated. Boat Rocker Media Inc. accepts no liability for this news release, including for any information related to Blue Ant Media Inc. or the resulting company.



BLUE ANT MEDIA ANNOUNCES GO PUBLIC TRANSACTION BY WAY OF REVERSE TAKEOVER OF BOAT ROCKER MEDIA

Boat Rocker Management to Complete Concurrent Management Buyout of Boat Rocker's Studio Business

Strategic transaction enables Blue Ant to go public, acquire three Canadian production companies and unlock substantial cash and liquidity

TORONTO, ON – March 24, 2025 - Blue Ant Media Inc. ("Blue Ant" or "The Company"), a privately owned company controlled by Michael MacMillan, announced today that it has entered into a definitive agreement pursuant to which Blue Ant will go-public via a reverse take-over (the "RTO" or the "Transaction") of Boat Rocker Media Inc. ("BRMI") (TSX: BRMI).

Blue Ant is a global media company with interconnected operations spanning content creation and acquisition, rights management, international distribution, streaming, broadcasting, consumer shows, and connected TV ad sales. The Company was founded in 2011 by Mr. MacMillan, former Chair and CEO of Alliance Atlantis. Headquartered in Toronto, with a presence in Los Angeles, New York, Washington, London, Sydney, and Singapore, Blue Ant generated C\$196 million in revenues in its most recent fiscal year ending August 31, 2024, a 16% increase year-over-year, and generated C\$18 million in net income.

Pursuant to the Transaction, BRMI will acquire all of the outstanding shares of Blue Ant in exchange for subordinate voting shares of BRMI on the basis of an exchange ratio of 1.25 shares subordinate voting shares of BRMI (prior to the share consolidation noted below) for each share of Blue Ant (the "Exchange Ratio"). Based on a share price of C\$2.25 per Blue Ant share and the Exchange Ratio, the implied consideration under the Transaction is C\$1.80¹ per BRMI share (pre-consolidation), which is a 125% premium to the March 21, 2025 closing price of BRMI's shares on the Toronto Stock Exchange ("TSX"). At closing of the transaction, the subordinate voting shares ("SVS") of the company resulting from the RTO (the "Resulting Issuer") are expected to be consolidated on a 10:1 basis.

Immediately following closing the Resulting Issuer will be renamed "Blue Ant Media Corporation" and, subject to regulatory approval, the Resulting Issuer's shares will continue to be listed and trade on the TSX.

On closing of the RTO, the Resulting Issuer will inherit from BRMI three Canadian production companies: Insight Productions, Jam Filled Entertainment, and Proper Television, which collectively delivered C\$118 million in revenue (based on unaudited results) in calendar 2024.

As part of the transaction, the Resulting Issuer will also receive substantial financial assets, including: (i) a minimum cash balance of C\$25.5 million and normalized net working capital; (ii) US\$11.6 million (approximately C\$17 million) in cash from the monetization of BRMI's ownership in The Initial Group; (iii) a C\$18 million vendor takeback promissory note related to the management buyout of certain BRMI

¹ [Based on the latest transaction price for Blue Ant shares at a price of C\$2.25 per share; C\$1.80 per BRMI share determined based on the exchange ratio and Blue Ant's agreed per share valuation which is based in part on the pricing of recent transactions completed by Blue Ant].



assets; and (iv) a value assurance payment of up to C\$34.7 million based on the financial performance of the three production companies acquired for the year ending December 31, 2025.

Upon closing of the transaction, Blue Ant's shareholders are expected to own approximately 73.5%, and BRMI's shareholders approximately 26.5% of the Resulting Issuer's SVS. Prior to completion of the RTO, Blue Ant intends to pursue a best-efforts agency offering of subscription receipts which are exchangeable for SVS of the Resulting Issuer, and Fairfax Financial Holdings Limited ("Fairfax"), a significant shareholder of Blue Ant, has agreed to support the offering through a C\$20 million backstop commitment, which would reduce the above ownership percentages if completed. The company has entered into an agreement with Cormark Securities Inc. and National Bank Financial Inc. to act as co-lead agents in connection with the offering.

In addition to the backstop, Fairfax has entered into a number of agreements with Blue Ant and BRMI in support of the Transaction. Further details of the Transaction and the agreements with Fairfax are set out in Blue Ant's presentation which will be available on SEDAR+ under BRMI's profile.

Michael MacMillan will be appointed CEO of the Resulting Issuer upon close, and Brad Martin, the current chair of Blue Ant, will be appointed Chair of the Board of Directors of the Resulting Issuer. As Blue Ant owns certain Canadian broadcasting assets, in order to maintain Canadian control over the Resulting Issuer, and consistent with his existing position in Blue Ant, Michael MacMillan will have voting control of approximately 77.5% of the total votes (assuming there is no additional equity offering) over the Resulting Issuer including via ownership of 100% of the Resulting Issuer's Multiple Voting Shares ("MVS").

"This is an opportunistic moment for Blue Ant to go public, paving the way for long-term value creation," said Mr. MacMillan, CEO of Blue Ant. "We are confident that this transaction will unlock significant value for all shareholders. Through the combination of our public listing, a strengthened balance sheet, and significant net cash post-transaction, we believe that we are strategically positioned for profitable global growth, both organically and through M&A."

Overview of Transactions and Asset Distribution Following RTO Closing

The current Board of BRMI (other than Ellis Jacob), as well as IDJCo's principals, will resign on closing of the RTO, and the assets of BRMI will be divided in various transactions on closing as follows:

- Unscripted studios Insight Productions and Proper Television, and animation-focused studio Jam Filled, along with certain corporate and shared services, will remain with the Resulting Issuer. These studios will complement Blue Ant's existing unscripted and animation studios business.
- BRMI's minority interest of The Initial Group will be acquired by Fairfax for approximately C\$17M.
- Contemporaneously with closing of the RTO, BRMI will sell all of its global Scripted, Unscripted and Kids & Family television production, distribution, brand & franchise management, creative and venture partnerships, and content investment business, excluding Insight Productions, Jam Filled Entertainment and Proper Television (the "Remaining Businesses"), together with the Boat Rocker name and brand, to IDJCo pursuant to a management buyout. Immediately following the closing, IDJCo will carry on business under the "Boat Rocker" name and brand.



- IDJCo will acquire Boat Rocker Studios by way of a vendor takeback promissory note, guaranteed by Fairfax, with a principal amount of C\$18 million, payable over six years in equal installments following closing, with an additional C\$1 million lump sum payment payable on the sixth anniversary of the closing.

Both existing BRMI shareholders and Blue Ant shareholders will accordingly have a meaningful opportunity to benefit as shareholders of the Resulting Issuer, with improved liquidity.

About Blue Ant

Blue Ant is a global media company purpose-built for the digital age. Since its founding in 2011, it has transformed from a small Canadian broadcaster to a globally diversified business with interconnected operations designed to maximize intellectual property (“IP”) value across digital and other platforms and geographies in multiple windows. Its operations include content creation, rights management, distribution, streaming, linear broadcasting, consumer shows, and connected TV ad sales. Its video content is monetized in multiple windows across its portfolio of targeted brands and channels in more than 100 countries across more than 300 platforms.

The company's leadership has a proven track record of building successful content businesses, identifying and capitalizing on emerging industry trends, and delivering strong shareholder returns.

Blue Ant's co-founder and CEO is Michael MacMillan. Prior to Blue Ant, Mr. MacMillan co-founded Atlantis Films, where he led its growth, both organically and through M&A, into Alliance Atlantis, a global leader in production, distribution, and broadcasting. Notable successes under his leadership at Alliance Atlantis included establishing the company as an early pioneer in digital specialty channels, and developing many award-winning movies and TV shows, including co-producing and co-owning the global hit CSI franchise. As controlling shareholder (via a dual-class share structure), Mr. MacMillan initiated the successful sale of Alliance Atlantis in 2007 for equity value of C\$2.3 billion, a strong return on the approximately C\$700 million in shareholder equity in the company.

Blue Ant's three operating segments include:

- **Global Channels & Streaming**, comprised of its international brand Love Nature which has one of the world's largest library of owned and original 4K nature and wildlife programming, seven FAST channels and a connected TV ad solutions business.
- **Blue Ant Studios**, comprised of production studios focused on unscripted programming and animation and an international rights business, with offices in Toronto, Los Angeles, New York, Miami, and London, as well as an international distribution business with a library of 7800 hours of premium programming in universally-loved genres, serving more than 200 territories.
- **Canadian Media**, comprised of seven specialty channels and brands as well as multiple complementary consumer shows.

Blue Ant has an interconnected business model. Its production business creates content in core genres, much of it in Canada, which allows the company to leverage the benefits offered by Canadian production, such as tax credits and other incentives. The company's owned Canadian and global channels engage audiences around these same genres, generating both advertising and subscription revenue across



multiple platforms. Additionally, through its distribution business, Blue Ant licenses its own content to broadcasters and streamers worldwide, expanding its reach and monetizing across a variety of markets. The company also provides production services for other producers and connected TV ad solutions to advertisers.

Blue Ant's Differentiated Business Model

Blue Ant's business model is based on four key pillars which differentiate it from other independent content companies:

1. **Strategic ownership of content**, versus being a licensor/renter of rights, which maximizes monetization opportunities including through the creation of first run content, acquisition of complementary content libraries, and acquisition of program rights for global markets. Approximately half of its distribution library is now owned directly by Blue Ant, a significant increase from less than 20% a decade ago.
2. **A focus on content in universally-loved unscripted genres** such as nature and wildlife, lifestyle, and history positions the company to capitalize on themes that have global appeal and resonate across diverse audiences. These genres are proven to travel well across markets and are evergreen, ensuring long-term revenue generation. Additionally, this content strategy aligns with the growing global demand for content on new platforms, capitalizes on the shift to connected TVs and streaming, and is more financially sustainable, as unscripted content is significantly less expensive to produce and less volatile compared to high budget scripted productions.
3. **A strategic focus on growth in international markets** by engaging global audiences with distinct brands and content in order to diversify revenue streams and maximize IP monetization. For example, Love Nature content is available in more than 100 countries, distributed through various channels such as a pay TV channel or FAST channel under the Love Nature brand, a white label channel, or with its content provided in secondary windows on complementary FAST channels owned by Blue Ant. Additionally, its content is licensed to third parties for use across their TV, FAST or SVOD/AVOD platforms. Approximately 47% of Blue Ant's revenues in fiscal 2024 came from international markets, compared to 29% in fiscal 2020. The company also benefits from its in-house production capabilities in Canada due to its cost efficiency and significant talent pool.
4. **Diversified operations** generating a balanced mix of revenues from advertising, licensing, subscriptions, production services, and consumer shows. This provides a stable financial foundation and a reduced reliance on new content for growth; under 25% of the company's revenues are generated from new productions, with more than 75% from existing businesses and content.

Positioned for Growth

With a strong financial foundation, diversified business model, and experienced leadership team, Blue Ant is strategically positioned to continue to scale its business through disciplined organic growth and M&A. The company sees a significant pipeline of M&A opportunities at attractive valuations, driven by challenges faced by over-leveraged, sub-scale, and undiversified competitors. Market dynamics including reduced commissioning by streamers and broadcasters, a shift in viewership as well as advertising spend to streaming platforms, and new global distribution models have all disrupted traditional players in the ecosystem. Blue Ant's management believes that these evolving market trends present opportunities for companies with the right business model, experience, and ambition to capitalize on them.



Blue Ant Financial Summary

C\$M	F2020	F2021	F2022	F2023	F2024
Revenues^{1,2}					
Global Channels & Streaming	14	16	30	48	56
Blue Ant Studios	28	32	52	63	81
Canadian Media	54	60	67	73	69
Inter-segment Eliminations	(8)	(8)	(14)	(15)	(10)
Total	87	100	136	169	196
Adj. EBITDA^{1,2,3}					
Global Channels & Streaming	2	3	12	18	14
Blue Ant Studios	(0)	(0)	3	0	6
Canadian Media	20	24	27	26	21
Corporate and Eliminations	(4)	(5)	(9)	(7)	(4)
Total	18	22	33	37	37
Net Income (loss)	(14)	60	13	(27)	18
Net cash provided by operating activities	12	1	3	1	14
Cash interest paid			1	4	7
Repayment of lease liability	2	1	1	1	2
Additions to property and equipment	1	3	1	2	1
Additions to intangible assets	0	0	1	1	2
As at end of period:	F2020	F2021	F2022	F2023	F2024
Bank indebtedness and promissory notes, less cash	50	24	1	33	29
Lease liabilities	1	19	18	17	15

¹ From continuing operations

² This table re-segments historical contribution from Connected TV Ad Solutions and Canadian FAST Channels into the Global Channels & Streaming segment from the Canadian Media segment. The change has no impact on total revenues or Adjusted EBITDA.

³ Non-IFRS measure. Refer to 'Disclaimer related to non-IFRS measures'.



The Transaction is currently expected to close in early June, 2025, subject to the receipt of all required approvals, including those of the shareholders of Blue Ant and Boat Rocker Media Inc.

Further detail on the Transaction, including the required approvals and closing conditions, are provided in a separate news release issued today by Boat Rocker Media Inc., available on its [website](#) and under its profile on SEDAR+.

An information circular in respect of the RTO and the Resulting Issuer will be filed by BRMI on SEDAR+ in due course. Shareholders of Blue Ant will also receive an information package asking them to vote on the Transaction.

Conference Call Details

Blue Ant and BRMI will host a joint conference call for analysts and investors to discuss the Transaction on March 24, 2025 at 10:00 a.m. (Toronto time).

Listeners can access the call via live audio webcast (<https://app.webinar.net/Nk9dO2YDbIJ>) or via RapidConnect (<https://emportal.ink/4kO3nrl>). This information can also be accessed on Blue Ant's website at <https://blueantmedia.com/> under the tab "Investor Relations" or on BRMI's 's Investor Relations website under the tab "Events & Presentations: <https://www.boatrocker.com/investor-relations/events-and-presentations/default.aspx>" and under its profile on SEDAR+.

The conference call will also be available by dialing 1-888-699-1199 (North American toll free) or 416-945-7677 (Toronto toll free).

Listeners should access the webcast or call 10-15 minutes before the start time to ensure they are connected.

A replay will also be available until March 31, 2025 by dialing 1-888-660-6345 (North American toll free), passcode 54438#.

About Blue Ant Media Inc.

Blue Ant Media is an international production studio and rights business and channel operator. The company's studio creates and distributes a premium slate of programming, in all content genres, for streaming and broadcasting platforms around the world. Blue Ant Media also operates free streaming and pay TV channels under several media brands internationally, including Love Nature, Cottage Life, Smithsonian Channel Canada, BBC Earth Canada, HauntTV, Homeful, Total Crime, Declassified and Love Pets. Blue Ant Media is headquartered in Toronto, with operations in Los Angeles, New York, Singapore, London, Washington and Sydney. blueantmedia.com | [Instagram](#) | [LinkedIn](#) | [X](#) |

Forward-Looking Information / Cautionary Statements

Certain information contained in this news release may be forward-looking statements within the meaning of Canadian securities laws. Forward-looking statements are often, but not always, identified by the use of words such as "expect", "anticipate", "believe", "foresee", "could", "estimate", "goal", "intend", "plan", "seek", "will", "may", "would" and "should" and similar expressions or words suggesting future outcomes.



These forward-looking statements reflect material factors and expectations and assumptions of the parties. These forward-looking statements include the assumptions: that the Transaction is able to be completed on the timelines and on the terms currently anticipated; that all regulatory and other required approvals can be obtained on the timelines and in the manner currently anticipated; that the anticipated benefits of the Transaction are able to be achieved; that the businesses of both BRMI and Blue Ant will continue to operate in a manner consistent with past practice; and that the parties' transition plans are effective.

The parties' estimates, beliefs and assumptions are inherently subject to uncertainties and contingencies regarding future events and, as such, are subject to change. Risks and uncertainties not presently known to the parties or that they presently believe are not material could cause actual results or events to differ materially from those expressed in the forward-looking statements. Additional information on these and other factors that could affect events and results are included in other documents and reports that will be filed by BRMI with applicable securities regulatory authorities and may be accessed through the SEDAR+ website (www.sedarplus.ca). Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect the parties' expectations only as of the date of this press release. The parties disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by law.

U.S. Securities Matters

None of the securities to be issued pursuant to the Transaction have been or will be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws. The securities to be issued in the Transaction are anticipated to be issued in reliance upon available exemptions from such registration requirements pursuant to section 3(a)(10) of the U.S. Securities Act and applicable exemptions under state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

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